



ABAQULUSI LOCAL MUNICIPALITY ANNUAL REPORT 2015/2016



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CHAPTER 1. MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

BACKGROUND

The Abaqulusi Municipality's Annual Report has been developed according to the provisions of Section 121 of the Municipal Finance Management Act (MFMA), 56 of 2003 and Section 46 of the Local Government: Municipal Systems Act (MSA), 32 of 2000. According to the National Treasury guidelines for the preparation of the Annual Report, the report should comprise of a number of chapters to reflect the key activities undertaken within the organisation during the year under review.

LEGAL FRAMEWORK

The Abaqulusi Local Municipality is, in accordance with the legislative requirements of the Local Government: Municipal Systems Act, (Act No. 32 of 2000) and the Municipal Finance Management Act (Act No. 56 of 2003), required to report on the performance of the Municipality. The annual performance report is a key performance report that is required in terms of section 46 of the Municipal Systems Act 32 of 2000.

The annual report is developed in line with National Treasury Circular 63 of the MFMA Act No 56 of 2003 as follows:

- (1) A municipality must prepare for each financial year an annual report consisting of –**
 - (a) a performance report reflecting –**
 - (i) the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
 - (ii) the development and service delivery priorities and the performance targets set by the municipality for the following financial year; and
 - (iii) measures that were or are to be taken to improve performance;
 - (b) the financial statements for that financial year prepared in accordance with the standards of generally recognised accounting practice referred to in section 89 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);**
 - (c) an audit report on the financial statements and the report on the audit performed in terms of section 45(b); and**

(d) *any other reporting requirements in terms of other applicable legislation.*

(2) **A municipality must table its annual report within one month of receiving the audit report referred to in subsection (1)(c).**

In presenting this report for the financial year ended 30 June 2016, we acknowledge progress made during the 2015/2016 financial year and the challenges that lie ahead. A detailed account of all the challenges and remedial actions going forward have been provided within this report.

COMPONENT A: MAYOR'S FOREWORD

Honourable Mayor: Cllr PN Khaba



The 2015/16 financial year was built on the solid foundation which was laid during the two previous financial years. The political and administrative arms of council continued to work together to ensure better synergy between the two arms of council. They were substantiated by the auditor general awarding the Municipality an unqualified audit for the 2014/15 financial year.

This further demonstrates that indeed the Municipality is striving towards achieving a clean audit in the near future. The Municipality can now account for the public funds that are instructed on it and has improved systems for performance management. As much as we pride ourselves in the clean audit that we have received, the Municipality also did very well with regards to service delivery on the ground. This shows the Municipality's commitment to its vision, missions and values as stated below:

VISION STATEMENT

“A PROSPEROUS AND SUSTAINABLE ECONOMIC HUB OF ZULULAND”

MISSION STATEMENT

- Economic development and poverty eradication.
- Effective delivery of social services.
- Effective planning and infrastructure development.
- Develop effective governance.
- Strive to make Abaqulusi Municipality the economic hub of the Zululand District.
- Actively forging strategic partnerships with all stakeholders.

CORE VALUES

- Honesty
- Transparency
- Integrity
- Value-for-money
- Loyalty

MUNICIPAL GOALS

- To reduce levels of backlogs by providing Basic Services and Facilities to the people of Abaqulusi
- To be a municipality that has a fully qualified and competent staff compliment in order to execute all tasks as required by various legislations
- Ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities.
- To be a Responsible, accountable, effective and efficient developmental Municipality
- To promote economic growth and development, while preserving our natural resources, in order to create sustainable employment and reduced levels of poverty
- To create a sustainable environmental, promoting development but protecting our environment and resources

The Annual Report, which is a record of the state of the Municipality, is also a record of activities we have undertaken to achieve the predetermined objectives set out in the IDP, against the approved Budget. As the principles of corporate governance are sacrosanct, the Municipal Public Accounts Committee, the Audit Committee, the Performance Audit Committee have all verified the information contained in the Annual Report and have satisfied themselves and, subsequently, expressed their views through the Report of the Audit Committee which is also enclosed in this Annual Report. The Internal Audit Unit is another early warning system in-built in the structure of the organisation to assist Council manage the risk environment.

Over and above these structures, the Auditor-General has also put under scrutiny the financial situation of the Municipality and has expressed an opinion on the financial affairs of the organisation. We are proud to have maintained the tradition of obtaining unqualified audits, thus demonstrating our commitment to Clean Audit by 2017.

The matters of emphasis that have been highlighted by this important Office will be dealt with and reported on to the relevant structures of Council.

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGERS' OVERVIEW



The Annual Report for the financial year 2015/2016 records the achievements of the municipal objectives, the challenges faced and the corrective measures to be taken going forward. The Integrated Development Plan (IDP), the approved Budget and Service Delivery Implementation Plan (SDBIP) provide the basis for all service delivery projects implemented during the year.

This report has been prepared in compliance with the provision of Section 21 of the Municipal Finance Management Act, 56 of 2003 and the Local Government: Municipal Systems Act, 32 of 2000. The Annual report is provided in order to:

- Record all activities of the municipality for the period under review
- Report on performance on the pre-determined objectives against budget
- Promote accountability to the local community for decisions made during the year 2015/2016.

Our continuing difficulty with the implementation of MIG Funding challenged us to review and re-prioritise our service delivery scope on internal operations. We have tabled our turnaround strategy to the Council with an aim of stabilising our capital spending in the 2015/2016 Financial Year. We are mindful of the fact that this challenge has been prolonged; however, we remain determined to overcome it and can only do so with the help of everybody in the municipality, our customers and stakeholders.

2015/2016 Integrated Development Plan Review (IDP)

According to Chapter 5 of the Municipal Structures Act 2000, Act No. 32 of 2000, all municipalities must prepare and review their IDP's on an annual basis. The Abaqulusi local municipality's 2015/2016 IDP Review was tabled for adoption on 28 May 2015 before full Council. This IDP was adopted and served as the blueprint document in guiding development, budgeting and management decisions within the municipality. Section D of the 2015/2016 IDP represented the Strategic Plan of the municipality and clearly identified what the municipality's vision and goals were for the 2015/2016 financial year. This section provided the basis as to what the municipality wanted to achieve, how it was going to achieve it and who was responsible for undertaking such a task. Further to this, a municipal scorecard (Section I: Performance Management) was then developed once all objectives and strategies were identified, which indicated in detail the actual projects and their cost implications for that financial year. This scorecard was the primary tool used to monitor and report on the performance of the municipality.

2015/2016 Budget

According to the Municipal Finance Management Act 2003, Act No. 53 of 2003, all municipalities must prepare an annual budget whilst reviewing the Municipal IDP. The Abaqulusi Local Municipality's 2015/2016 - 2017/2018 Medium Term Revenue and Expenditure Framework (MTREF) was tabled and adopted before full Council with the Municipal IDP on 28 May 2015.

Table 1 Budget highlights for the 2015/2016 financial year

2015-2016 Approved Budget	
Income	421 259 170
Expenditure	453 376 490
Surplus/ Deficit	32 117 320

2015/2016 Service Delivery and Budget Implementation Plan (SDBIP)

According to Circular 13 of the Municipal Finance Management Act 2003, Act No. 53 of 2003, the Municipal SDBIP is a contract that exists between the Administration and Council of a Municipality, and between the Council and its community it serves. The plan basically holds administration accountable for its performance for that given year considering it serves as a 1-year implementation plan. The SDBIP of a municipality must be approved by the Mayor of a municipality within 28 days after the adoption of the municipal IDP and Budget. The Abaqulusi Local Municipality's SDBIP was signed off and approved by the Mayor on 26

June 2015. The SDBIP and Budget adjustment was completed in February 2016 and was tabled and approved in Council on 25 February 2016.

2015/2016 Municipal Scorecard

The Abaqulusi Municipality's 2015/2016 was the primary tool utilised for implementing the performance management system within the municipality for that year. The scorecard highlighted all 6 Key Performance Areas and covered all departments within the municipality in terms of their actual performance against the targets set for the entire 2015/2016 financial year as shown below. The scorecard below is in order of the following departments:

Table 2 municipal Scorecard

Reference	Department
OMM	Office of the Municipal Manager
DP	Development Planning
TS	Technical Services
Com	Community Services
Corp	Corporate Services
FD	Finance Department

Performance Highlights of the 2015-2016 Financial Year

During the 2015/2016 financial year, the Abaqulusi Municipality had a total of 135 targets to report on as per the Municipal Scorecard above. These targets were set in line with the Key Performance Areas that drives service delivery and democracy in local government. The 6 Key Performance Areas included the following:

- (1) Good Governance and Community Participation
- (2) Local Economic Development and Social Development
- (3) Basic Service Delivery and Infrastructure Development
- (4) Municipal Transformation and Institutional Development
- (5) Financial Viability and Management
- (6) Cross-cutting (Disaster, Environmental and Spatial)

Performance per Key Performance Area

This section of the report details exactly how the municipality performed against each Key Performance Area under which it functions. The table below is a reflection of the municipality's 2015/2016 performance compared to that of the 2014/2015 performance. The table highlights the Total Number of Targets set against each Key Performance Area and the Number of Targets that were achieved and not achieved.

Table 3 Key Performance Area

KPA 1: Good Governance and Community Participation									
2015/2016					2014/2015				
Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved	Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved

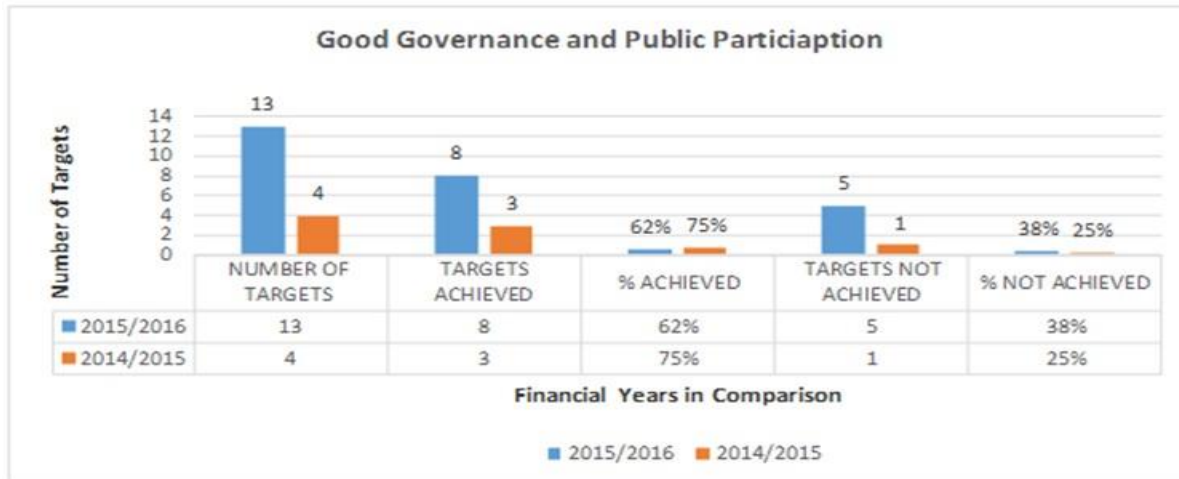
13	8	62%	5	38%	4	3	75%	1	25%
KPA 2: Local Economic Development and Social Development									
2015/2016					2014/2015				
Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved	Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved
22	12	55%	10	45%	35	14	40%	21	60%
KPA 3: Basic Service Delivery and Infrastructure Development									
2015/2016					2014/2015				
Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved	Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved
46	35	76%	11	24%	61	34	56%	27	44%
KPA 4: Municipal Transformation and Institutional Development									
2015/2016					2014/2015				
Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved	Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved
26	14	54%	12	46%	8	5	63%	3	37%
KPA 5: Financial Viability and Management									
2015/2016					2014/2015				
Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved	Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved
19	17	89%	2	11%	4	3	75%	1	25%
KPA 6: Cross-cutting (Disaster, Environment and Spatial)									
2015/2016					2014/2015				
Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved	Number of Targets	Targets Achieved	% Achieved	Targets Not Achieved	% Not Achieved
9	5	56%	4	44%					

Good Governance and Community Participation

- During 2015/2016, Abaqulusi Municipality achieved 62% of its targets linked to this KPA, down 13% from 2014/2015.
- It is important to note that whilst its performance for this KPA dropped, there were 9 more targets added for 2015/2016, increasing from 4 in 2014/2015 to 13 in 2015/2016.
- The 38% of targets not achieved in 2015/2016 were largely due to the failure of not having a performance evaluation committee in place, labour unrest and securing of workshop dates.
- Measures to improve performance include the appointment of a performance evaluation committee once a Municipal Manager is appointed, strengthen working relations with employees and improve communications with the office of the speaker in securing workshop dates.

The graph below is a graphic representation of the municipality’s performance of this KPA over 2015/2016 and 2014/2015.

Figure 1 municipality’s performance on Good Governance performance

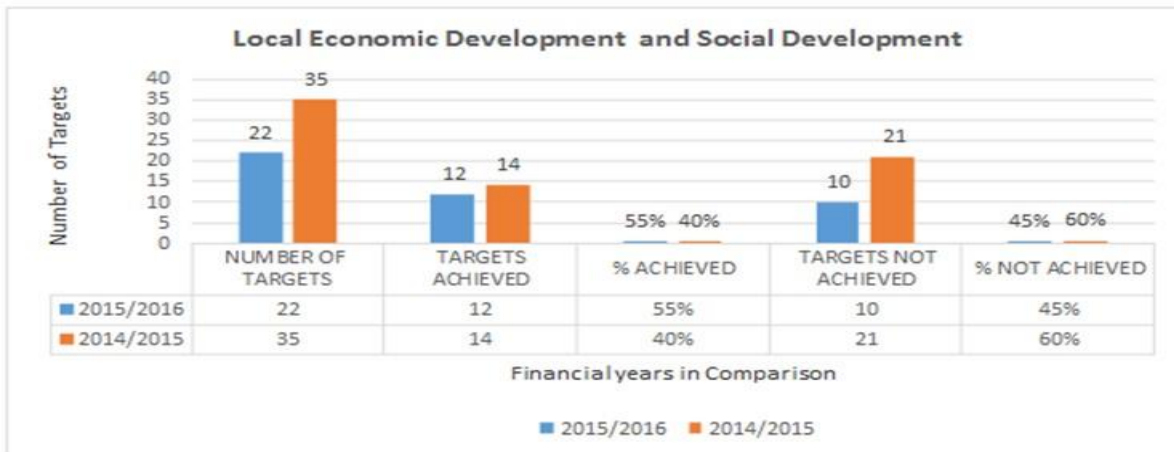


Local Economic Development and Social Development

- During 2015/2016, Abaqulusi Municipality achieved 55% of its targets linked to this KPA, increasing by 15% from 2014/2015.
- Contributing factors such as budget constraints, lack of personnel and vacancies within departments, as well as lack of equipment to perform certain functions made it extremely difficult for the municipality to perform well in this KPA, resulting in 45% of its targets not achieved.
- Measures to improve performance include budget prioritisation, filling of vacant positions and acquiring the necessary equipment to carry out a task in order to improve future performance.

The graph below is a graphic representation of the municipality’s performance of this KPA over 2015/2016 and 2014/2015.

Figure 2 Local Economic Development performance

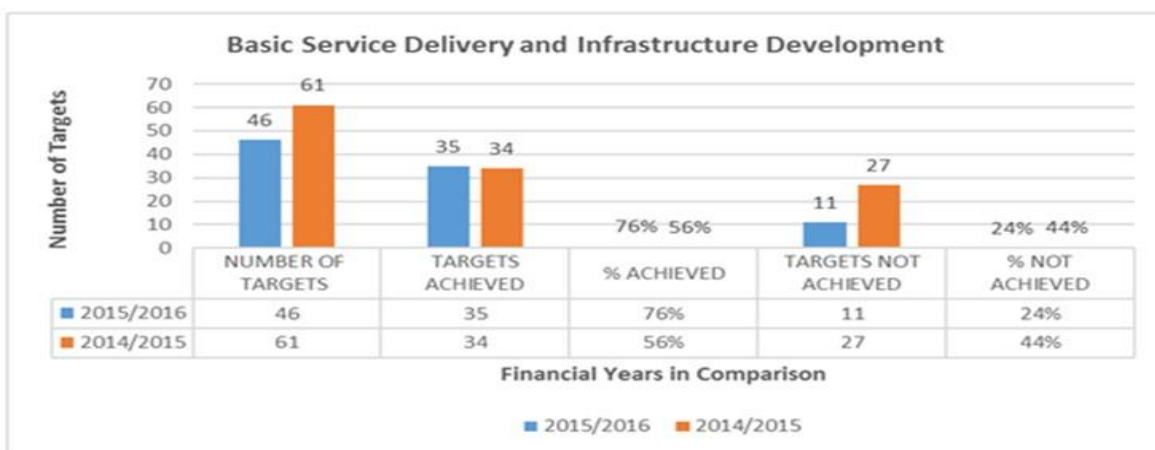


Basic Service Delivery and Infrastructure Development

- During 2015/2016, Abaqulusi Municipality achieved 76% of its targets linked to this KPA, increasing by 20% from 2014/2015.
- This KPA recorded the largest improvement in performance in comparison to all 6 KPA's resulting in improved service delivery across the municipality.
- The 24% of targets not achieved was because of problems experienced around service provider's performance, community and social issues, poor documentation and budget constraints.
- Measure taken to improve performance include budget prioritisation, strengthen relationship and communication with communities and ensuring all tender processes are followed according to the SCM and MFMA regulations.

The graph below is a graphic representation of the municipality's performance of this KPA over 2015/2016 and 2014/2015.

Figure 3 Basic Service Delivery and Infrastructure Development performance



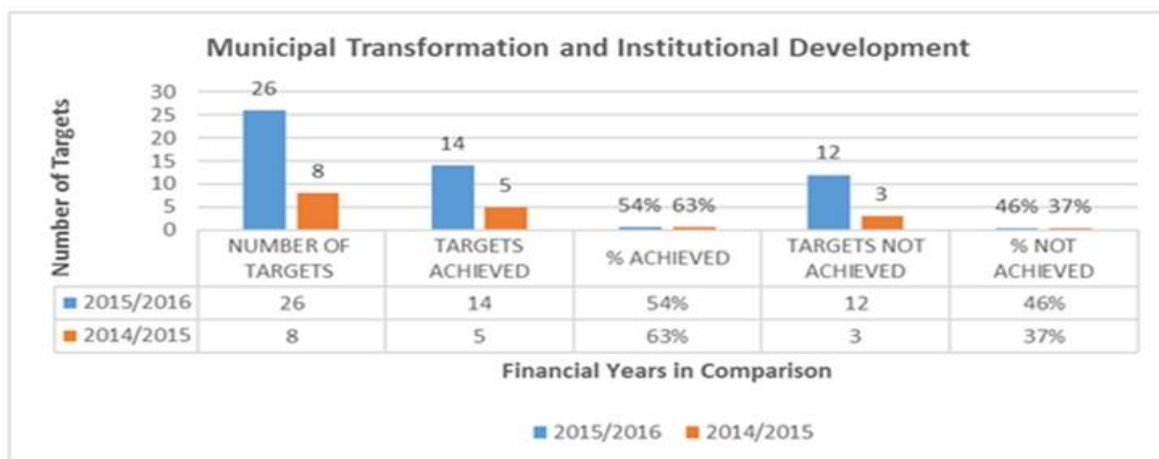
Municipal Transformation and Institutional Arrangements

- During 2015/2016, Abaqulusi Municipality achieved only 54% of its targets linked to this KPA, down by 9% from 2014/2015.

- It must also be noted that the number of targets increased significantly to 26 from in 2015/2016 from 8 in 2014/2015.
- Major challenges experienced for not achieving 46% of the targets included the absence of a Director: Corporate services, non-sitting of the local labour forums and securing of workshop dates.
- Measures to improve performance include the presence of a Director: Corporate Services, establishing a new local labour forum, strengthen working relations with employees and improve communications with the office of the speaker in securing workshop dates.

The graph below is a graphic representation of the municipality’s performance of this KPA over 2015/2016 and 2014/2015.

Figure 4 Municipal Transformation and Institutional Arrangements performance

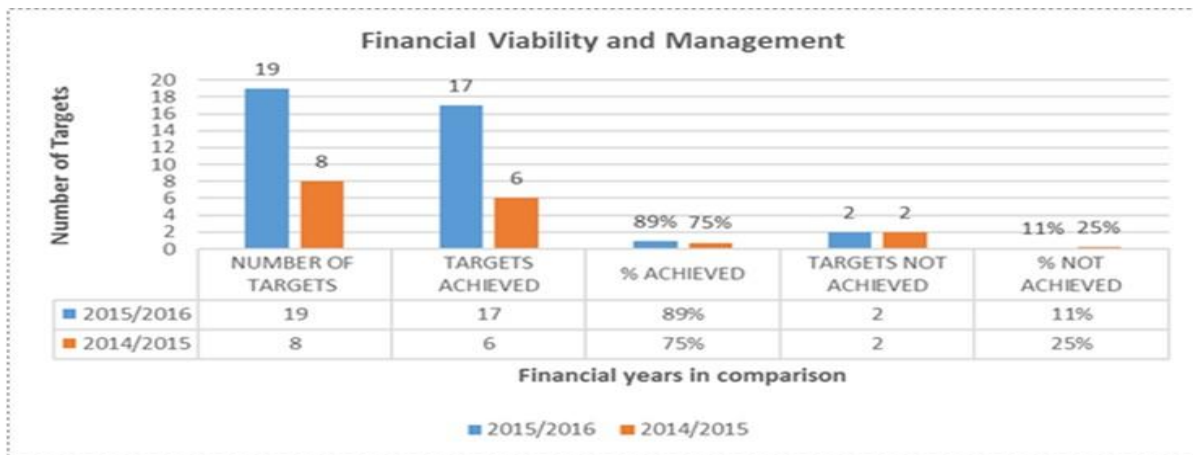


Financial Viability and Management

- During 2015/2016, Abaqulusi Municipality achieved 89% of its targets linked to this KPA, increasing by 14% from 2014/2015.
- The municipality has displayed great strength in this KPA taking into account that the number of target increased to 26 in 2015/2016 from only 4 in 2014/2015.
- Measure to improve performance regarding the 11% of targets that were not achieved include the timeous development of a procurement plan and updating of the assets register on a quarterly basis.

The graph below is a graphic representation of the municipality’s performance of this KPA over 2015/2016 and 2014/2015.

Figure 5 Financial Viability and Management performance

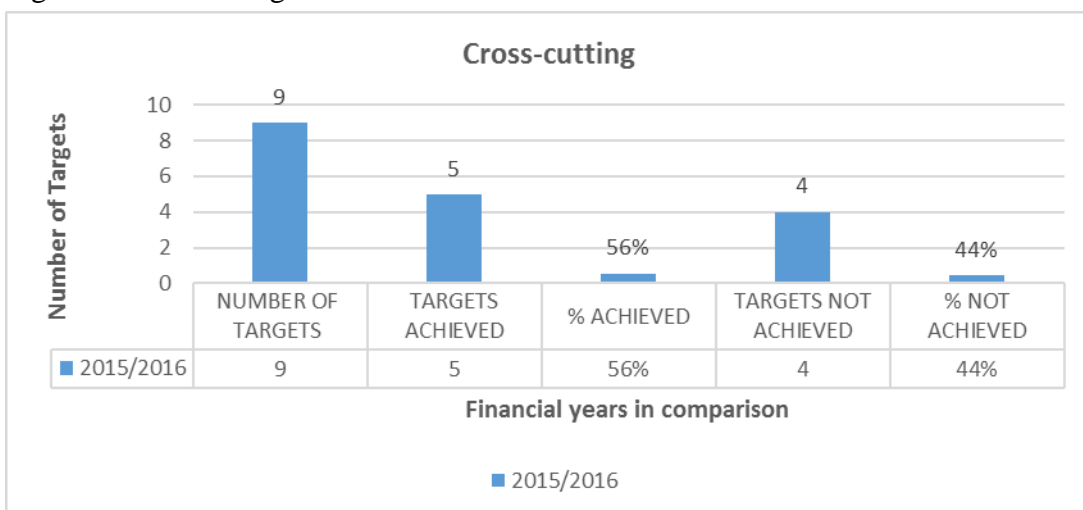


Cross-cutting

- The cross-cutting KPA was newly introduced in the 2015/2016 financial year and therefore no comparison can be made to 2014/2015. This KPA focused on areas pertaining to disaster, environmental and spatial issues within the municipality.
- During 2015/2016, the Abaqulusi Municipality achieved only 56% of its targets in the KPA.
- Many challenges were experienced in trying to achieve the 44% of targets that were not met. These included budget constraints, vacancies within departments and targets not being met on time.
- Measures to improve performance include budget prioritisation, filling of critical vacant posts and constant monitoring of deliverables on time.

The graph below is a graphic representation of the municipality's performance of this KPA over 2015/2016 and 2014/2015.

Figure 6 cross-cutting KPA



What to expect in 2016-2017

The Abaqulusi Municipality will aim high on improving its performance during the 2016/2017 financial year, building on its improvement that was made during 2015/2016. The appointment of a Performance Evaluation Committee will be prioritised as well as exploring the appointment of additional human resources within the performance management unit which is currently under staffed. Constant monitoring and reporting along with regular reviews of management's performance will also be exercised in order to identify and deal with early warning signals.

It is with great sense of achievement that we can record our municipality receiving four consecutive unqualified audit opinions from the Auditor-General. The Management of the municipality is very much aware of the current challenges and continues to strive towards reaching its target of **OPERATION CLEAN AUDIT by 2017**.

This report was subjected to vigorous oversight work by the Municipal Public Accounts Committee, to which management is grateful for thorough scrutiny, verification and validation by the MPAC, Internal Audit and Council. The recommendations of the MPAC will be implemented by the administration in order to improve the quality of our work and service delivery. With continued support and guidance from the entire Municipal Council, I am certain there would be significant and notable strides from the current status going forward.

I am thankful to the Municipal Council, Manco members and the entire workforce for the devotion to the work ahead of us against all the challenges we are facing. It is your commitment that will continue to yield more and better service provision to the community of Abaqulusi Municipality and help us to achieve the Municipal vision.

I thank you

1.2 OVERVIEW OF THE MUNICIPALITY

SPATIAL CONTEXT

AbaQulusi Local Municipality is located in the Northern part of KwaZulu-Natal Province and forms part of the Zululand District Municipality. It is named after the AbaQulusi, a Zulu clan whose descendants live in the vicinities of Vryheid, Utrecht, eDumbe and eNgoje. Abaqulusi Municipality comprises of many settlements, both rural and urban, with Vryheid being its main urban settlement/town. Other areas of interest that fall within the boundaries of Abaqulusi also include Louwsburg, eMondlo, Hlobane, Bhhekuzulu, etc. It is estimated at 4185km² in extent.

POPULATION

The population of Abaqulusi have been growing steadily since 2001. From 2001 (191 019) to 2011 (211 060) the population of the municipality increased by 20 041 as per Census 2011, with a 1% growth rate per annum. The population density of Abaqulusi Local Municipality as expressed in terms of households per hectare depicts that the population within the municipality is not evenly distributed, within a high population density clustered around the main centre of Vryheid. There is a lower population concentration in the smaller urban centres of Hlobane, Louwsburg, eMondlo and Gluckstadt, while the outlying areas of Dlomdlomo, Khambi, Bhukumthutu, Gwebu, Ezibombu, Ezidulini, and Mvuzini all have an even lower population density. The full breakdown of the Abaqulusi population distribution per ward is as follows:

Table 4 Population of Abaqulusi (2001 - 2011)

Ward	Population	Ward	Population
1	10006	12	12706
2	8552	13	14248
3	11176	14	8604
4	6977	15	8107
5	10757	16	9417
6	10335	17	11881
7	10947	18	8087
8	4840	19	7440
9	6353	20	11115
10	2707	21	12604
11	11360	22	12852
Total			211 060

Source: Census 2011

The majority of people in the municipality currently reside in the peripheral rural settlements, mostly within tribal areas. The remaining population live in small towns while others are tenants on farms or in dormitory townships and illegal developments around towns.

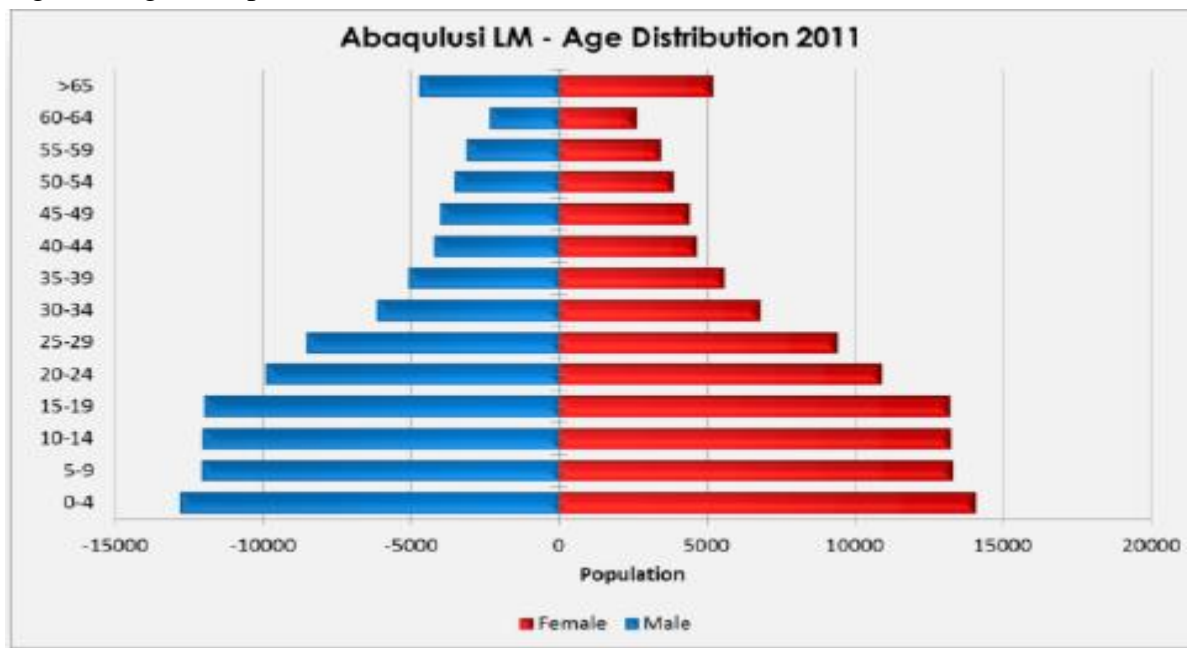
AGE PROFILE

The AbaQulusi Municipality is characterised with a fairly young population based on the table below. However, this places an additional amount of pressure on the municipality in terms of providing employment, educational facilities, health care, etc. The characterisation of the Age Distribution is as follows:

Table 5 Age groups

Age	Characterisation	2001	2011
0-14	Youth	38%	36.7%
15-64	Working Age	58.6%	58.6%
65+	Elderly	4.6	4.7%
Total		100	100

Figure 7 Age Groups and Gender



Source: Census 2011

AbaQulusi is dominated by females as depicted on table_ below. Although this is the case, the proportion of males to that of females still remains high and it could possibly be influenced by the mines in the area which employ local and migrant labourers. According to the latest Census 2011, the ratio of Males to Females is 90/100.

Table 6 Zululand population by gender from 2007 – 2010

Municipality	2007		2008		2009		2010	
	Male	Female	Male	Female	Male	Female	Male	Female
eDumbe	33722	42119	32964	41962	34013	43196	35815	43650

uPhongolo	62400	70091	63157	70833	65880	73269	67435	73047
Abaqulusi	110612	121686	113023	124503	118194	129296	120029	127726
Nongoma	104685	126188	106504	128288	111407	132697	112672	131599
Ulundi	90053	102761	90533	102633	94187	105554	96662	106501

Source: Quantec

RACE COMPOSITION

The table above clearly indicates that the Black Population is the most dominant race in the municipal jurisdiction and the lowest being Indians. However, Abaqulusi does boast the highest number of white population in the district.

Table 7 Abaqulusi population by race 2010.

Local Municipality	Black	Coloured	White	Asian	Total Population
eDumbe	77,031	43	2,345	48	79,467
uPhongolo	138,064	341	1,743	334	140,482
Abaqulusi	239,607	589	6,937	622	247,755
Nongoma	243,969	163	95	44	244,272
Ulundi	201,960	464	550	189	203,163
Total	900,631	1,600	11,670	1,237	915,139

1.3 KEY OPPORTUNITIES FACING ABAQULUSI LOCAL MUNICIPALITY

Tourism: Eco-tourism has a prominent position in the KwaZulu-Natal market and foreign tourist indicated that the greatest attractions are the climate, wildlife and landscape. The study area has the ability to derive opportunity from this market and this should be investigated. The Ithala Game Reserve (30 000 ha in extent) is located just outside the Municipal area north of Louwsburg. It offers wildlife, scenery and accommodation, which include up market tourist facilities in a 240-bed camp with four bush camps of 4 – 12 beds each. The Ngome Forests include the Thendeka Wilderness area, which is claimed by locals to be ‘more spectacular than Tsitsikamma’ on the Eastern Cape Coastline. This area alone is host to 84 indigenous fern species and offers camping facilities and various trails of between 7 and 21 kilometres. Local farms in the area also include areas of magnificent natural beauty. Some farmers are considering developing eco-tourism accommodation on their farms, but a major constraint is the terrible road conditions particularly during wet weather.

Private game farms are attracting a growing number of tourists – presently 20% internationally and 80% nationally. The marketing of farms often occurs through urban-based agents and increasingly targets the international tourist wanting to hunt African game and

game farming is regarded as an 'export commodity' within the district. Accommodation on private game farms includes bush camps and up-market chalets. The relatively low labour intensity required for game farming compared to agricultural production is regarded as an advantage to farmers feeling the effects of the new Land and Labour Legislation (Louwsburg Local Development Plan). Cultural tourism includes exposing tourists to local customs, traditions, heritage, history and way of life. The development of the battlefields and so-called Rainbow Route in the late 80's and early 90's placed the area on the tourist map. Unfortunately, visitors tend to stay only for a few nights. There is a need to develop the concept of a destination that will encourage longer stays.

Opportunities through the provision of backpacking accommodation and links to surrounding areas such as coastal initiatives and game reserves should be exploited.

Property Development: The Vryheid town has not experienced massive new developments in the past 10 years despite the property boom, which has characterized other urban centres such as Richards Bay, Newcastle and Pietermaritzburg. As a result, Vryheid has not translated into new investments. AbaQulusi Municipality has taken cognizance of this investment, which it is critical for the survival of the Vryheid town and increase municipal tax base, however the major challenge facing the municipality is to provide support to the new investment in terms of infrastructure development. However, the municipality is experiencing an investment injection in order to ensure its sustainability and viability. Current Major Investment projects include:

- Mason Park Upgrade (Vryheid)
- High Street Bridge (Vryheid)
- Demonina Lane Upgrade- Informal Traders (Vryheid)
- Thusong Centre and Intermodal Taxi Facilities (eMondlo)
- Traditional Centre (Enyathi)
- Taxi Rank (Gluckstad)

Agriculture: Currently this sector provides the highest proportion of the Gross Geographic Product (GGP) of the area even though the area is classified as having low agricultural potential (Vryheid Economic Regeneration Study, 2001). According to a land potential analysis of the AbaQulusi area only 15,19% of agricultural land can be described as having high agricultural potential (Coronation Economic Regeneration Study, 2001). There is extensive, but not intensive agriculture. Very few farms are irrigated and this only favours the privileged groups due to South African history. Products produced are timber, field crops and livestock. Most of the timber is exported out of the area and has experienced a rapid growth phase for the last five years. Current products farmed are maize, groundnuts, soya beans, sunflowers, fruits and sorghum.

Cattle farming have played a major role but this market is also strained due to rising input costs and stock theft. The Vryheid Economic Regeneration Study identified the development

of agri-business as an opportunity for the area. Very little industrial activities currently exists that takes direct advantage of the strong agricultural base. The challenges that are facing the Agricultural sector are that nearly all processing takes place outside the region.

Mining: Coal mining historically provided a major force into the local economy of Northern KwaZulu Natal. However, over the past 15 years a number of mines in the area ceased operation impacting negatively on the regional economy. The AbaQulusi Municipality was particularly affected by the closure of the Coronation, Mnyathi, and Hlobane mines in 1997 and 1998 respectively (Zululand Coordination LED Framework: 2003). Recently, the Coal Mining sector seems to gain more momentum and it is coming back to dominate the economic sector. This is due to high demand of coal in the country and internationally for various reasons. The study done by KwaZulu Natal Trade Investment reflects that there are high volumes of coal available into coal reserves especially in the former mines of Vryheid. As a result, the applications for coal prospecting have increased in the region by interested investors. This initiative will boost AbaQulusi local economic regeneration.

Regional Access: The AbaQulusi geographical location plays a huge role in terms of regional access in the Northern KwaZulu Natal. The sub-region, within which AbaQulusi lies, has developed as a peripheral economy in the Provincial context, mainly because of its distance from the main greater markets and corridors such as N2 to Durban and Richards Bay, N3 to Pietermaritzburg and N11 to Gauteng. The AbaQulusi does however have a secondary corridor of national significance. The coal line corridor, which runs from Richards Bay, through Ulundi, Vryheid and Paulpietersburg and on to the mining areas of Mpumalanga, is an important route in the national rail and road network. The other secondary corridor of national significance is Vryheid town being located in the intersection of major transportation routes (R34 and R69), which transverse the region. These developments make Vryheid a catchment area for surrounding small towns such as Pongola, Paul Pietersburg, Nongoma, and Ulundi. This is further boosted by the development of P 700 road that will link Richards Bay and Gauteng via Ulundi and Vryheid.

Consolidation and Expansion of Vryheid town: Vryheid is Zululand's main commercial, industrial and business centre, with a reasonable well-developed physical, social and institutional infrastructure. It is well located at the intersection of the major transport routes, which traverse the region. The need for this type of development emanates from the concern that there is no place to do shopping from Richards Bay via Newcastle to Gauteng. This sector has enjoyed a good growth rate through the development of Vryheid as a regional service centre with increased interaction with its hinterland. The smaller towns around Vryheid have developed a dependence on the economy of Vryheid. Many of the businesses are locally owned and the majority of clients are from within the AbaQulusi area. Vryheid has established itself as a superior provider of educational services in a wider catchment area, attracting learners and students from as far as Pongola, Ulundi, Nongoma, Paul Pietersburg and Dundee.

A debate regarding the establishment of a regional shopping centre in the town of Vryheid has been taking place for some time and it was suggested in the Economic Regeneration Study to put a municipal property out to tender to test the market. As a result, the municipality has reserved a piece of more than 10 hectares of land to interested commercial developers. This earmarked piece of land is unsurveyed town lands found in the intersection of R66 road to Dundee and R34 Melmoth road. The development of this land is seen as a catalytic move to attract more investments since the municipality treats this investment as an Anchor to attract more investments into the Zululand region. The other opportunities identified for the development of a commercial sector is at eMondlo taxi rank. eMondlo is another significant urban area. It is primarily a residential area with limited services and facilities, and few employment opportunities from the government and social services. But due to recent developments by identification of coal mining at eMondlo indicates some economic opportunities in the area in the near future.

1.4 FINANCIAL HEALTH OVERVIEW

Capability of the Municipality to execute Capital Projects

The municipality has allocated funding from own revenue for projects in water, electricity and sewerage

Indigent Support (Including Free Basic Services)

The majority of the population in AbaQulusi Municipality is indigent; this has impact of reduced revenue. The Municipality receives the free basic grant from National Treasury, which is utilized to offer the following free basic services:

- Free 50kwh of electricity a month
- Free rates up to the value of R80, 000
- Free 6kl of water per month
- Free refuse
- These allocations are per the national government policy guidelines
- The total cost for these Free Basic Services amounts to R13, 9 million

Revenue Enhancement and Protection Strategies

The following strategies are to be implemented:

- Review and implementation of the credit control policy
- Strict management of the indigent register.
- Access to electricity through third party vendors.
- Customer awareness on illegal electricity connections.
- Increase collection rate from 92% to 96%.

Municipal Consumer Debt

The increased number of indigents is negatively affecting the municipality's ability to collect all service revenue billed; there has been a considerable increase in the debtor's balances over 90 days as a result of this. These outstanding balances have been adequately provided for as doubtful debts.

Current and Planned Borrowings

The municipality has no current or planned borrowings.

Municipality's Credit Rating

The municipality does not have a credit rating currently.

Employee Related Costs (Incl. Councillor Allowances)

The employee related costs account for 25% of the total expenditure.

Supply Chain Management

The municipality has a fully functional Supply Chain Management Unit which operates in terms of the Supply Chain Regulations and Policy.

SWOT Analysis: Financial Viability and Management

Table 8 Financial Viability and Management

Strengths/Opportunities	Weaknesses/Threats
Municipal Financial Policies in place	High level of indigent dependency
Updated asset register	Loss of income due to illegal water and electricity connections
Updated Indigent register	Loss of income due to illegal development
Opportunities to receive a clean audit – received an unqualified report for 2013/2014	Delay in SCM processes risks municipal progress and development
High staff compliment with very few vacancies	

1.5 STATUTORY ANNUAL REPORT PROCESS

Table 9 Statutory Annual report process

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring l seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	

No	Activity	Timeframe
3	Finalise 4 th quarter Report for previous financial year	
4	Submit draft 08/09 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	December
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	
T1.7.1		

CHAPTER 2 GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE





















2.1 POLITICAL STRUCTURE

The Abaqulusi Municipality Executive Committee comprises of 9 members of Council and is chaired by the Honourable Mayor, Cllr P.N. Khaba. The structure is as follows:



2.2 COUNCIL

The Abaqulusi Municipality comprises of 22 Wards, making it one of the largest local municipalities (geographical context) within KZN. It consists of 22 Ward Councillors and 22 Party Representative Councillors, totalling 44 Councillors.

WARD 1 Louwsburg	WARD 2 Dlomodlomo	WARD 3 Ngenetsheni/Khambi	WARD 4 Gluckstadt/Swart Umfolozi	WARD 5 Kwamnyathi
				
Clr G M Dlamini cell: 076 424 4448	Clr H D Ntshangase cell: 084 530 2762	Clr A M Nkosi cell: 082 817 4294	Clr M B Khumalo cell: 082 504 0264	Clr B Ntombela cell: 083 722 2166
WARD 6 Coronation	WARD 7 Hlobane	WARD 8 Vryheid	WARD 9 Vryheid	WARD 10 Bhekuzulu 1
				
Clr A M Masondo cell: 072 517 0748	Clr T M Ndlovu cell: 084 529 9508	Clr H E Heyns tel: 034 982 2281/ cell: 082 800 3030	Clr B Hancke cell: 083 440 7226	Clr D P Mazibuko cell: 073 840 2101
WARD 11 Bhekuzulu/Vryheid	WARD 12 Kwaqwebu/ Eerstepant	WARD 13 Lakeside/ Bhekuzulu	WARD 14 eMvuyane	WARD 15 eMvuyane
				
Clr B S Zwane cell: 073 795 7100	Clr M M Kunene cell: 082 718 0698	Clr G Nkhla cell: 079 161 3203	Clr J W Mthembu cell: 082 052 3077	Clr J S Mncube cell: 072 228 3605
WARD 16 eMondlo/ Emadresini	WARD 17 Mvuzini/ Machanqa	WARD 18 eMondlo A & B	WARD 19 Bhekumthetho	WARD 20 eMondlo/ Emadresini
				
Clr H V Khumalo cell: 073 265 0935	Clr C N Molefe cell: 084 252 2043	Clr P N Khaba cell: 083 986 3582	Clr M A Mazibuko cell: 084 837 1671	Clr D J Mahlase tel: 034 933 1684 cell: 083 206 3541

Ward 21	Ward 22	PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR
Emondlo	Lakeside/ Stihwater			
				
Cir A.M. Masondo cell: 072 517 0748	Cir B.A. Mhshali cell: 083 524 1034	Cir M.P. Williams cell: 083 756 3930	Cir B.L. Zwane cell: 073 468 3895	Cir M.M.M. Mavuso cell: 072 683 3666
PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR
				
Cir R.B. Mhlungu cell: 072 900 7521	Cir F.V. Nsibande cell: 084 529 9508	Cir H.A. Heia cell: 073 278 4759	Cir S.N. Khumalo cell: 083 440 7226	Cir M.S. Nshangase cell: 076 456 5101
				
Cir S.R. Nkosi cell: 073 691 73544	Cir I.S.M. Hadebe cell: 078 554 4807	Cir P.P. Mkhwanazi cell: 078 187 1064	Cir M. Mdlalose cell: 082 570 3164	Cir T.E. Vilakazi cell: 072 900 7521
PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR
				
Cir T.V. Radebe cell: 072 683 3666	Cir S.E. Qvabe cell: 072 417 9554	Cir P.M. Mthali cell: 083 619 2074	Cir E.M. Zungu cell: 073 203 4950	Cir S.M. Vilakazi cell: 073 679 2648
PR COOUNCILLOR	PR COUNCILLOR	PR COUNCILLOR	PR COUNCILLOR	
				
Cir A.D. Mkhulise cell: 079 186 9114	Cir J.M. Sibiya cell: 082 954 2220	Cir S.B. Zwane cell: 073 318 9052	Cir Z.S. Buthelezi cell: 078 050 5007	

2.3 ADMINISTRATIVE GOVERNANCE

The Administrative Pillar comprises the roles of The Municipal Manager, Heads of Departments and all employees of the municipality. Community pays tax monies to council on a regular basis and therefore all the stakeholders within a municipality is accountable and responsible to serve the community in an effective, efficient manner. The approved Performance Management System of the Abaqulusi Local Municipality required that roles and responsibilities as outlined in the planning documents of the council (IDP, Budget & SDBIP) were cascaded down between accountable and responsible councillors for implementation. The implementation thereof was monitored and reviewed on a quarterly



basis. The performance outcome against pre-determined targets reflects in the two (2) six-month-cycle Performance Reports that was approved by council and submitted to provincial government.

Figure 8 Organogram of the Administration of Abaqulusi



Table 10 Administration of Abaqulusi

Photos	Titles & names	Function
	EXECUTIVE DIRECTOR : Community Ms A.B.Mnikathi	Acting Municipal Manager
	EXECUTIVE DIRECTOR: Corporate Services Ms N.N. Sibisi	Director
	EXECUTIVE DIRECTOR: Budget and Treasury Mr. H. Mahomed	CFO
	EXECUTIVE DIRECTOR: Community Services Ms A. Mnikathi	Director

	EXECUTIVE DIRECTOR: Technical Services Mr S. Chetty	Director
	EXECUTIVE DIRECTOR: Planning & Development Mr D.H. Zulu	Director
Note: * denotes officials on fixed term performance contracts reporting to the Municipal Manager under the Municipal Systems Act Section 57.		T2.2.2

2.4 MUNICIPAL OVERSIGHT COMMITTEE

The units established at a lower level that report directly to the Municipal Manager are as follows:

- Internal Audit
- Chief Operations Officer
- Communication & IGR
- Political Offices Bearers Executive Units
- IDP & PMS

COMPONENT B: INTERGOVERNMENTAL RELATIONS

IGR in the context of South Africa mainly aims to achieve the following:

- Communication
- Information Sharing
- Consultation
- Engagement
- Co-operation

The key IGR Structures that is established in the country that provides a platform to achieve the abovementioned is outlined as follows:

Table 11 IGR National and Provincial Structures

Sphere of Government	IGR Structure
National	-Presidents co-ordinating Council -MinMECs/Budget Forum/Local Government Budget Council
Provincial	-Premiers co-ordinating Forums -MuniMECs

Local	District Inter-Governmental Forums: - The District Technical Forum -Mayoral Forum -Municipal Manager’s Forum -Sub Technical Forums (CFOs Forum, Planning Forum, Infrastructure Forum, Corporate Services Forum)
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It must be noted that the Abaqulusi LM is fully committed and active in the Provincial and Local IGR Structures.

Municipal Structures

Other than legislated and political structures, the following structures are also in place in the Abaqulusi Local Municipality:

Table 12 IGR Municipal Structure

Department	Structure
Office of the Municipal Manager	<input type="checkbox"/> IDP Rep Forum
Corporate Services	<input type="checkbox"/> Local Labour Forum
Special Projects	<input type="checkbox"/> Local AIDS Forum <input type="checkbox"/> Women’s Forum <input type="checkbox"/> Abaqulusi Disability Forum <input type="checkbox"/> Youth Council
Community Services	<input type="checkbox"/> Disaster Management Forum <input type="checkbox"/> Sports Forum
Development Planning	<input type="checkbox"/> Tourism Forum <input type="checkbox"/> Business Forum <input type="checkbox"/> Housing Forum

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.5 PUBLIC MEETINGS

The Abqulusi Municipality prides itself on public participation within its municipality. It is imperative that the public is in involved in all municipal processes and decision making, achieving transparency and an all-inclusive society. The municipality’s IDP Process Plan sets out the public participation structures and schedules that are usually implemented by the municipality for a specific year. It must be noted that although structures and schedules are in

place, it does not always go to plan due the constant demands within local government. Structure used to involve the public of municipal affairs include:

- Council Meetings (Public is invited)
- IDP Representative Forums
- IDP/Budget Roadshows/Izimbizo's
- Ward Committee Meetings
- Media Releases
- Website Releases

The Abaqulusi Municipality embarked on its 2015/2016 IDP/Budget Roadshows as per the schedule below:

Table 13 Public Participation Schedule

Date	Day	Ward Number	Venue	Time
10 May 2016	Tuesday	10,11,13,22	Bhekuzulu Hall	17:00pm
11 May 2016	Wednesday	1,2 and 3	Ngoje Hall	10:00am
14 May 2016	Saturday	4,5,6 and 7	Coronation Hall	10:00am
15 May 2016	Sunday	12,14,15,16,17,18,19,20,21	eMondlo Stadium	13:00pm
17 May 2016	Tuesday	8 and 9	Vryheid Library	17:00pm

Communication dissemination methods include the following:

Internal communication flow:

- Communication between internal departments through an internal weekly or bi-monthly email newsletter.
- Communication between committees, entities, affiliates, partners and staff.
- Cost reduction efforts by using notice boards, Skype/Google etc.
- Ensuring quality standards of municipal documents.
- Customer service training.

External communication flow:

- Traditional media: newspapers, radio, establishment of local newspaper.
- Electronic media: Abaqulusi website
- Social media: Email newsletter, Business Registry, SMS marketing.

2.6 IDP PARTICIPATION AND ALIGNMENT

Table 14 IDP Application and Alignment

IDP Participation and Alignment Criteria*	Yes/No
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Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

2.7 RISK MANAGEMENT

Risk management is as much about identifying opportunities as avoiding or mitigating losses. It is a logical and systematic process of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process, in a way that enables an organization to minimize losses and maximize opportunities. The drive for local government transformation with limited resources has tended to force municipalities into taking a less conservative

Ongoing local government reforms have provided a broad administrative framework for further improvements to occur. These include more stringent corporate governance requirements, greater flexibility and a focus on results and accountability. Risk management trends and components already overlap with those of internal auditing, performance management, programmer and project management, financial management, change management, customer care, communication, etc. and require incremental inclusion in current and future plans of the entire organization. The management of risk by implication is a managerial function, even so individual sections, departments and directorates differ in their exposure and reaction to risks and thus departments, sections and individuals form a vital part of the overall risk management process within the Municipality.

AbaQulusi Municipality strives, so far, successfully to be amongst the leaders in local government. In our continuously changing governance environment it is imperative that Council remains updated on key changes and challenges and how these affect the operation of business in today's environment. This will not be achieved without an effective, efficient, soundly funded and managed risk strategy that seeks to maximize its impact on the

organization with minimum resources at its disposal. National Treasury Public Sector Risk Management Framework affirms that —no organization has a luxury of functioning in a risk-free environment and public institutions are especially vulnerable to risk associated with fulfilling their mandates!.

In 2015/2016 financial year, the AbaQulusi Local Municipality had faced numerous challenges such as quarterly reporting on the implementation of mitigation measures, non-establishment of risk management committee and embedding risk management activities to become a standard item to all MANCO meetings. The table below indicates the top five risks within the Municipality:

Table 15 Municipal Top Five Risks

Top five municipal risks			
Risk No	Risk Category	Risk Description	Risk Background
01	Service delivery	Inability to distribute purified water and provide sanitation services	Ageing infrastructure, illegal connection of water and unmetered water supply
02	Service delivery risk	Inability to provide safe effective and reliable electricity provision.	Ageing infrastructure. Illegal connections. Tampering. Theft of equipment.
03	Service delivery risk	Poor management of projects.	Delays in the appointment of service providers and Poor performance by contractors.
04	Financial risk	Inability to bill, collect and enhance revenue.	High rate of indigent. Low industrials. Zululand District Municipality is not forwarding grants due to the municipality. Illegal and tampered electricity meters. Theft of water meters. Incorrect land use management leading to illegal connections.
05	Health and Safety risk	Inability to ensure public safety and respond timeously in the event of disaster	Lack of disaster awareness from the community and Lack of capacity and skills on disaster management.

Further, Abaqulusi M has currently developed the following Plans and Policies that are subject to review and adoption:

- Risk Management Policy,

- Anti-Fraud and Corruption Policy,
- Whistle-blower policy,
- Risk Management Strategy,
- Fraud Prevention Plan
- Employees and Councils Code of Conduct

The abovementioned policies will be workshopped and adopted before the end of the current financial year.

2.8 ANTI-CORRUPTION AND FRAUD

Council is committed to sound financial management and the maintenance of a healthy economic base. Although the statutory requirement for the contribution to statutory funds will disappear with the possible repealing of the KwaZulu-Natal and Local Authorities Ordinance No 25 of 1974, Council will put in place policies, which will maintain sufficient contributions to similar funds established in terms of GAMAP and GRAP. Financial management policies and procedures for the entire municipality will be implemented.

The municipality has developed and adopted fraud and corruption policy which is reviewed on an annual basis. A dedicated line has been created for reporting fraud and corruption.

The Abaqulusi Internal Audit unit through the assistance of KZN Provincial Treasury have developed Anti-Fraud and Anti-Corruption Policy, Risk management policy, fraud risk assessment register, whistle-blower policy and fraud management strategy which were adopted by Council on the 29 October 2015. The aforementioned documents is/must be read in collaboration with numerous other legislative provisions in the combat against corrupt and/or fraudulent conduct and/or related practices. The Anti-Fraud and Corruption Policy applies to all Councilors and municipal staff, which encompasses that the aforementioned must at all times act honestly, with integrity and safeguard the municipal resources for which they may be responsible and/or accountable.

Whilst this Policy contains a strategy aligned with that of the former Department: Provincial and Local Government Strategy on promoting good governance and accountability, the Abaqulusi Anti-Fraud and Anti-Corruption Policy on its own was presented to Council for adoption. It is of this reason to sensitize Councillors through the workshops and trainings in order to communicate its documented as a zero tolerance approach to corrupt and or fraudulent conducted related practices by councillors, municipal staff and/ or external parties.

The Council have appointed the Forensic Investigation firm to investigate specific areas on procurement processes, *inter alia* non-compliance with legislative provisions governing Supply Chain Management processes and financial management.

From a preventative approach, it is envisaged that all departments will be subjected to comprehensive fraud risk reviews, resulting in individual fraud prevention plans per directorate and sub-directorate, which will be monitored and reviewed on an annual basis to assess compliance in order to harvest a culture of accountability. However, any initiative to promote accountability, good corporate governance and the eradication of corrupt and/or fraudulent practices in whatever form needs to be supported by all role players, with the tone given by the top, with a zero tolerance approach.

There is high shortage of staff in Internal Audit unit and risk management section and in the interim, the unit utilized the services of external consultants on a co-sourcing basis to implement the annual audit plan. Serious consideration is, however, now being given to build and capacitate the unit by means of advertising the vacant positions for both internal audit and risk management section in order to fill them with suitably qualified candidates to effectively drive the fraud detection, prevention and eradication measures within the Council.

2.9 SUPPLY CHAIN MANAGEMENT

The municipality has a fully functional Supply Chain Management Unit which operates in terms of the Supply Chain Regulations and Policy.

Table 16 SCM SWOT

Strengths/Opportunities	Weaknesses/Threats
Financial Municipal Policies in place	High levels of indigent dependency
Updated Assets Register	Loss of income due to illegal water and electricity connections
Updated indigent register	Loss of income due to illegal developments
Opportunities to receive a clean audit-received an unqualified report for 2013/2014	Delay in SCM Processes risks municipal progress and development
High staff compliment with very few vacancies	

2.10 BY-LAWS

The status of municipal by-laws is presented in the following table.

Table 17 Status of the Municipal Bylaws

Bylaw	Approved	Year Approved
Property Rates	Yes	2009
Pollution Control	Yes	2009
Pounds	Yes	2009
Public Roads	Yes	2009
Public Amenities	Yes	2009
Tariff Policy	Yes	2009

Street Trading	Yes	2009
Storm Water Management	Yes	2009
Property Encroachment	Yes	2009
Keeping of Animals	Yes	2009
Water Bylaw	Yes	2009
Environmental	Yes	2009
Cemetery and Crematoria	Yes	2009
Financial	Yes	2009
Fire Fighting	Yes	2009
Traffic Bylaw	Yes	2009
Fire Fighting	Yes	2009
Outdoor Advertising	Yes	2009
Electricity	Yes	2009

2.11 WEBSITES

Table 18 Municipal Website Inputs

Documents published on the Municipality's / Entity's Website	Yes/No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report (Year -1)	Yes	
The annual report (Year 0) published/	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	
All supply chain management contracts above a prescribed value (give value)	Yes	
All quarterly reports tabled in the council in terms of section 52 (d)	Yes	
Annual Reports	Yes	
Bi-Annual Reports	Yes	
Quarterly Reports	Yes	
Monthly Reports	Yes	
Draft Budgets	Yes	
Final Budget	Yes	
Draft Reports	Yes	
IDP	Yes	
SDBIP	Yes	
SDF	Yes	
Policies	Yes	

Documents published on the Municipality's / Entity's Website	Yes/No	Publishing Date
By-Laws	Yes	
Valuation Roll	Yes	
Performance Management	Yes	
Employment Application	Yes	
Assets Disposal	Yes	
Tenders & Quotations	Yes	
Public Notices	Yes	
Vacancies	Yes	
Procurement Documents	Yes	
Public Agreements	Yes	

2.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

From the community survey undertaken in respect of the community's satisfaction with the municipality, the results indicate that majority of the community is satisfied with the municipality.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

The Municipal Services Directorate is charged with the responsibility of ensuring that we provide for a clean and safe environment to live, work and play. This department is in the forefront of delivering sustainable services in an integrated approach. We contribute to the protection of our public health, safety and environment. The Municipal Services Directorate comprise of the community services and community safety unit.

Access to basic services such as water, electricity and sanitation, is one of the key development indicators and a reliable measure for social and economic development. The policies of the apartheid past led to uneven development with the majority of the areas populated by the African people largely under-developed. In Abaqulusi, the impact of separate development manifests itself in the form of massive poverty, poor access to basic services and lack of economic development infrastructure.

COMPONENT A: BASIC SERVICES

This component includes: water services, sanitation services, electricity, roads, transportation planning, storm water, fleet management and waste management – landfill site.

3.1 WATER SUPPLY

Water and sanitation services fall under the powers and functions of the District Municipality and is the core function of Zululand District Municipality. The Municipality is constantly engaged in discussions with Zululand District Municipality as a Water Service Authority to get information on progress regarding this function. The district's primary objective is to extend potable water and sanitation services throughout the district by eliminating the backlogs and also to maintain and ensure sustainability of the existing water and sanitation infrastructure.

Zululand District Water Services has developed a Water Services Development Framework since it is responsible for water and sanitation services delivery in the district. This was done in terms of the powers and functions stipulated in the Municipal Structures Act No.117 of 1998; Chapter 5. The main objective of the municipality is to ensure the quality of drinking water in the region is improved in as far as the blue and green drop is concerned.

Water supply infrastructure in Abaqulusi Municipality varies between areas reflecting the impact of separate development and urban bias of the past planning and development practices. However, the situation has improved tremendously since 2001 with the number of households with piped water inside dwelling has increased from 7166 (2001) to 13 385(2007) and 17237(2011), while households obtaining water from springs and streams have decreased. These households remain exposed to waterborne diseases such as cholera.

Table 19 Access to water

Access to water	Census	CS	Census
	2001	2007	2011
Inside the dwelling	7 166 (10%)	13 385 (33,6%)	17237
Inside the yard	9 035 (12%)	7 527 (18,9%)	14020
From access point outside the yard	7 636 (10%)	5 800 (14,5%)	
Boreholes	7 200 (10%)	1 676 (4,2%)	5053
Spring	3 340 (5%)	2 190 (5,5%)	1162
Dam/pool	1 359 (2%)	1 915 (4,8%)	1632
River/steam	5 528 (7%)	5 415 (13,6%)	3553
Water vendor	1 358 (2%)	469 (1,2%)	507
Rainwater tank	336 (0,5%)	1 377 (3,5%)	297
Total	43 141 (100%)	39 867 (100%)	

The responsibility for the delivery of water in AbaQulusi is shared between Zululand District and AbaQulusi Municipality. Zululand district provides water in the rural areas while AbaQulusi is in charge of water in the urban areas. AbaQulusi draws water from various sources including Bloemveld, Grootgewacht, Klipfontein, Louwsburg, Boulder, Hlobane and Mvunyane Dams. The municipality is responsible for six water treatment plants, which are all located within the urban areas. There is minimal capacity left in most of the bulk water supply systems with the situation fast reaching critical level in eMondlo. The capacity for the above six municipal plants are as follows:

- Klipfontein (13)mega litres per day and 3 mega litres reserves
- Bloemveld (7.5) mega litres per day,
- eMondlo (7.5)mega litres per day
- Hlobane (7.5), mega litres per day
- Coronation (1.5) and
- Louwsburg (1.1) mega litres per day

The rural areas are primarily served by boreholes. However, the District is presently implementing three major rural water schemes in the AbaQulusi, namely:

- Emondlo-Hlahlindlela Water Scheme.
- Coronation Bulk Water Scheme
- Khambi Regional Water Supply Scheme

The rural areas are primarily served by boreholes. However, the District is presently implementing three major rural water schemes in the AbaQulusi, namely:

- Emondlo-Hlahlindlela Water Scheme.
- Coronation Bulk Water Scheme
- Khambi Regional Water Supply Scheme.

WATER DELIVERY

This section comprises of the Manager, Foreman, Supervisors, Plumbers, Artisan Assistants and General Workers. The main responsibility of this section is to ensure that the residents of AbaQulusi receive purified water, and areas that are not serviced with piped water are supplied with water via tankers. They are also tasked to repair burst water pipes, water meters and replace old asbestos pipes. The municipality is striving to achieve the blue drop requirements as regulated by the Department of Water Affairs.

Challenges

Due to aging infrastructure the department is faced with the following challenges:

- Burst pipes that required to be repaired on a regular basis straining the current maintenance budget.
- Substantial water losses due to leaking and burst water pipes and meters
- Loss of income due to incorrect reading on aged water meters
- 60 % of asbestos pipes in the AbaQulusi area is constantly failing
- Insufficient funds to upgrade water purification plants
- Staff shortages (in terms of the approved organogram vacancies such as plant operators, tractor driver, plumbers, artisan assistance, general workers and water tanker driver still require to be filled)
- Shortage of skilled staff
- Training of staff

Remedial Actions

- To reduce the pressure in the network by installing pressure reducing valves and reducing the pressure in the system.
- To identify all water meters which are older than 10 years for residential and 5 years for businesses properties.
- To workshop residents and install individual water meters in the areas that they are non- existent.
- To hire two additional water tankers to assist with meeting the requirements
- To ensure that all warm body positions are filled with skilled staff.

3.2 SANITATION

The table below shows that AbaQulusi Municipality is not well provided with sanitation facilities. According to Statistics South Africa, the situation in terms of access to flush toilets remains the same as in 2001. However, there is a marked increase (from 5% in 2001 to 22% in 2007) in the number of people with ventilated pit latrines. This indicates a clear focus on rural sanitation and progress made in addressing sanitation backlog in these areas.

Table 20 Access to Sanitation

Access to Sanitation	Census	Census	Census
	2001	2007	2011
Flush toilet (connected to sewerage system)	13 479 (36%)	14 078 (35%)	17723(41%)
Flush toilet (with septic tank)	759 (2%)	1 334 (3%)	1226(3%)
Dry toilet facility	0 (0%)	2 119 (5%)	
Chemical toilet	1526 (4%)	4913 (12%)	2241(5%)
Pit latrine with ventilation (VIP)	2002 (5%)	8920 (22%)	4399(10%)
Pit latrine without ventilation	9343 (26%)	54 (0,1%)	10219(24%)
Bucket Latrine	223 (1%)	54 (0,1%)	200
None	9728 (26%)	8396 (21%)	5512(13%)
Total	37 060 (100%)	39 868 (100%)	41520(100%)

3.3 SOLID WASTE MANAGEMENT

As indicated in the table below a large portion of the municipal population does not receive or are not offered proper solid waste services (i.e. not collected by the municipality, burnt in pit, bury in vicinity, no removal). The number of households receiving refuse removal service once a week has decreased from 36% in 2001 to 32% in 2007 and has now increased to 42% in 2011, indicating a small improvement, however, this is still not acceptable and has had a very negative impact on development and the environment itself.

Table 21 Access to Refuse Service

Access to Refuse Service	Census	Census	Census
	2001	2007	2011
Removed by local authority/private company at least once a week	13 264 (36%)	12 921 (32%)	17985 (42%)

Access to Refuse Service	Census	Census	Census
	2001	2007	2011
Removed by local authority/private company less often	345 (1%)	2 657 (7%)	434(1%)
Communal refuse dump	171 (0%)	799 (2%)	511(1%)
Own refuse	18 218 (49%)	14 821 (37%)	20764 (48%)
No rubbish disposal	5062 (14%)	8 668 (22%)	2728(6%)
Other	1 (0%)	0 (0%)	878(2%)
Total	37 061	39 866	43290

The municipality collects refuse in urban areas only, e.g. Vryheid, eMondlo, Coronation, Hlobane, Vaalbank, Bhekuzulu, Nkongolwane and Louwsburg. Only 42% of households had an average basic level of service, (removal by municipality once per week).

In terms of the National standard for the weekly Refuse Collection, AbaQulusi Municipality is in compliance with the National standards and National Environmental Management Act 107. AbaQulusi Municipality is responsible for waste separation at source, cleansing the streets, collection and disposal at the registered AbaQulusi Landfill site.

In rural areas individuals tend to dispose of waste in pits in their yard and in some areas communal dumping areas are utilized. This can however lead to associated health problems for individuals living in these areas. The Municipality needs to extend the refuse removal services to the rural areas as well. The Municipality should have transfer stations in areas where illegal dumpsites have been closed.

SANITATION DELIVERY

This section comprises of the Manager, Foreman, Supervisors, Special Workers, Artisan Assistants and General Workers. The main objective of this section is to ensure that sewer is transverse from properties to the waste water treatment plant with the least health hazard. To ensure that all the blockages on the network are attended to within the acceptable turnaround time to reduce hazardous risks.

The municipality is striving to achieve the green drop requirements as regulated by the Department of Water Affairs. (The department is presently upgrading 3 water plants in order to achieve the blue drop status)

Challenges

- Ageing infrastructure

- Insufficient funds to upgrade waste water treatment plants
- Shortage of skilled staff.
- Absenteeism
- Ignorance of the residents with regards to disposal to the sanitary system
- There are no recommendations for tests carried out by WSSA

Remedial Actions

- To work hand in hand with ZDM to upgrade old infrastructure
- To keep applying for more funding so as to improve our Plants and pump stations
- To review and amend the current contract which WSSA has with ZDM.

Water and sanitation delivery presented in the table below

IDP REF	NATIONAL KDA	OBJECTIVE	FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT MEASURE	OF ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
							R750 000 Expenditure	R	R750 000 expenditure					Program, Photos
TECH 14			New Water Line Construction	Detection and repairs to leaking water lines per household by June 2016	18	0	100% of construction	%	100	R 273 392.55	No	Project did not commence due to social challenges	CLO has been appointed who will introduce the project to the community before commencement	Monthly progress reports and payment certificates
							R2 m Expenditure	R	2 mil					Monthly progress reports and payment certificates
TECH15		To deliver safe and reliable water networks within Abaqulusi by June 2017	Construction of new water stations/ jo-jo tanks	Number of water stations constructed	Rural Wards	0	To install 24 5000L Jo Jo tanks in rural areas by June 2016	number of tanks	24 tanks	76	Yes	n/a	n/a	Proof of payments/ invoices, photos
TECH16			Upgrading of Asbestos Pipes	200 meters of asbestos pipes upgraded	1 6 7 8 9 10 11 13 18	0	To replace 200 meters of old asbestos pipes in Abaqulusi by June 2016	meters	200	542	Yes	n/a	n/a	Job cards, orders and photos

				22		R100 000 Expenditure	R	100 00					Job cards, orders and photos
TECH17		Repairs to water lines	Repairs to burst or leaking water lines	Urban Areas	75%	80% of call log on burst pipes attended to within 48hrs	%	80	100%	Yes	n/a	n/a	Job cards, orders and photos
TECH18		Replacing water valves	Valve replacement	Urban Areas	0	8 valves replaced	numbers	8	8	Yes	n/a	n/a	Job cards, orders and photos
TECH19		Fire hydrants repairs	Repairs & maintenance to existing fire hydrants	89	0	24 fire hydrants repaired	number	24	24	Yes	n/a	n/a	Job cards, orders and photos
TECH20		Water pump repairs	Repairs & maintenance to existing water pumps	Urban Areas	0	12 pumps repaired	number	12	12	Yes	n/a	n/a	Job cards, orders and photos
TECH21	To have a sanitation system that is reliable and efficient by 2017	Installation of new sewer lines	Emondlo sanitation project	18	0	300 households benefitting	number of house holds	300	R216 473.30	No	Project did not commence due to social challenges	CLO has been appointed who will introduce the project to the community before commencement	Invoices, progress reports and photos
550 meters of new sewer lines						meters	550 meters						
R1.5m expenditure on new sewer lines						Expenditure in R value	R1.5m						

TECH22			Draining of sewer tanks	Drainage of old septic tanks in coronation, drainage of raw sewer in pump stations on break downs	Urban Areas	0	80% of complaints received resolved within 24hrs	%	80%	50%	No	Most service provider are not paid thus causing delays to those tanks requiring to be drained	Finance/SCM has been informed of the delays and meeting are held continuously to resolve it.	Invoices, progress reports and photos
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3.4 ENERGY AND ELECTRICITY

The table below indicates that approximately 72% of the households in AbaQulusi have access to electricity. This marks an increase from 49% recorded in 2007 to 72% in 2011. The number of households using candles for lighting has also decreased from 49% in 2007 to 26% in 2011. The use of paraffin as a source of energy for lighting has also decreased, which is a major safety concern in most rural areas and informal settlements. The municipality is currently providing 50k/w free basic electricity to about 3101 households. Overall, the stats below is a clear indication that the Municipality is on the rise and is making steady progress in providing energy and electricity to its people.

Table 22 Access to Electricity

Access to Electricity	2001	2007	2011
Electricity	16183 (44%)	19 345 (49%)	31223(72%)
Gas	72 (0%)	0 (0%)	89(0%)
Paraffin	872 (2%)	586 (1%)	246(1%)
Candles	19689 (53%)	19 590 (49%)	11426(26%)
Solar	89 (0%)	0 (0%)	125(0%)
Other	155 (0%)	346 (0%)	
Total	37 060 (100%)	39 867 (100%)	43109(100%)

Challenges

There is a high backlog on maintenance of the primary network, secondary substations, overhead lines and cables.

Primary Network

The Contract for maintenance needs to be advertised.

Secondary Maintenance

regular maintenance is needed as there is huge backlog in this regard

Cables

Many of the cables are old and overloaded. The network need a refurbishment and modifications with installation of distributor substations. The process is long and capital dependent.

Street Lighting

In as much as there is a lot of maintenance work carried out to ensure that the City is well lit, sections of street lights are off due to the continuous excavation by the various Contractors who damage and then cover the cable. Theft of cables and MCB's, steel covers housing the electrical mains are contributing to the ongoing street light problems.

Blown Switchgear

Due to limited funding, it is not possible to purchase the required switchgear and this further places burden on the network. Ring circuits are not existent because of the blown switchgear.

Pole Transformers

Circuits that were designed based on the size of the transformer are now overloaded and blowing up because of the theft of electricity with illegal connections

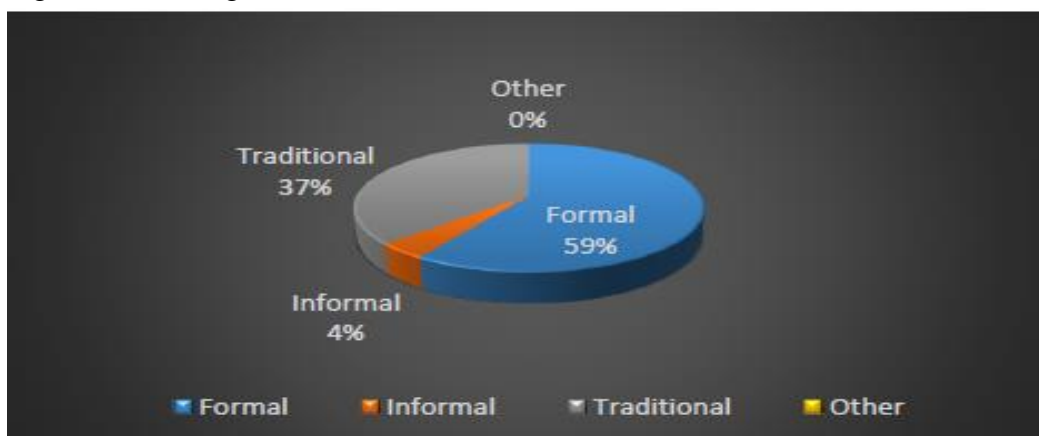
3.5 HUMAN SETTLEMENTS

The town of Vryheid is strategically located and considered the economic and social hub of the AbaQulusi area. The physical segregation and distortion of the municipal area is, however, a prominent feature and evident as follows:

- eMondlo was originally developed as a dormitory black township fifty years ago and is not located on any transportation corridor. Its physical distance from Vryheid is such that physical intergraded with Vryheid is near impossible. A large concentration of people from the Hlahlindlela Tribal area has settled around eMondlo, placing enormous pressure on eMondlo for the delivery of services.
- During the prosperous days of the coal-mining sector the mining communities of Hlobane and Coronation settled in the area. These areas are too distant from Vryheid to be physically integrated and they will remain as separate communities in the foreseeable future.
- Louwsburg, an area to the north east of Vryheid, has a weak economic base and developed mainly as a local service center to the agricultural sector.

To the south of Louwsburg lies a large concentration of people in the Tribal area of Khambi. This area is removed from other urban areas and depends on Louwsburg and Vryheid for all its social and economic services.

Figure 9 Dwellings and Human Settlement



Housing real demands is defined as the number of households requiring formal housing and can afford to acquire such housing from the market. Latent housing demand is need based housing demand.

Meaning that although people in this category of demand need housing they cannot afford to participate in the market to acquire such housing.

A. HOUSING TYPOLOGIES

- ***Traditional Housing:*** This is the housing traditionally built by native people long before the introduction of building regulations and standards. This form of housing is legal and therefore protected but yet considered informal as it is not build in line with the national building regulations and standards.

This form of housing is mostly common and allowed within the traditional areas and although it is allowed there are some remnants of this form of housing within the formalised townships.

In these Traditional Areas, traditional households usually include the clustering of a number of thatched roofed huts lacking basic infrastructure.

- ***Formal dwellings units*** are houses developed in line with the national building standards and regulations and are developed on the bases of those standards and so approved. There are two types of formal dwellings, these are legally developed formal housing and illegally developed formal housing.

The difference between the two is that those which are legally developed are approved buildings in line with the national building standards and regulations and those that are illegal are not approved.

- ***Informal dwellings*** are dwellings not constructed with materials proper for the construction of a dwelling unit as per the building standards and regulations.

A large number of the people in the municipal area reside in traditional houses with formal and informal houses concentrated mainly in urban areas.

However, should the delivery of formal housing be required as the preferred replacement of traditional housing, the Tribal areas already has a backlog of 13221 units. It is critical that the issue of formal housing versus traditional housing and community preferences be confirmed as an important determinant of housing demands within the context of the AbaQulusi Housing Sector Plan.

There is a high concentration of people in the Hlahlindlela Tribal area with up to 11 persons per household, indicating a great need for housing. While most of the rural areas have top structures, the population density and distance from basic services necessitate upgrading and formalization of these areas as part of a phased approach.

Higher population concentration around the town Vryheid and other urban settlement in rural areas are evident. The population densities in these areas are on the increase, placing strain on existing infrastructure and social services.

These areas have been classified as merging urban settlements in terms of population density and settlement character. The uncontrolled granting of land through the Tribal Authority system hampers the development of housing in the formal urban areas.

This form of tenure competes with formal housing market, placing strain on the municipal infrastructure and service delivery, with informal occupant not contributing to the revenue basic of the municipality.

The demand for housing for middle and higher income level in the towns of Vryheid and eMondlo is considered as a critical issue and are subject to prevailing market economies. The demand for housing remains in the emerging settlement around these urban areas and in the emerging settlements of eMondlo.

The Coronation/Hlobane area is also considered within this context and specific attention to upgrading and the provision of services are required. Housing initiative will focus on the consolidation of this area within the perspective of its relationship with Vryheid. The current economic development within the Municipal areas and its future growth potential may generate a greater financial housing delivery.

At the same time this economic growth would produce far greater financial resources and increase the ability for the public and private sector to support the housing delivery process in a sustainable manner. Careful management of the housing delivery process within this context is critical and pro-active planning the key to the success of this process.

B. CURRENT HOUSING PROJECTS

The Housing Unit is the smallest unit within the Development Planning Department but it runs the biggest and the most significant capital projects. The unit has total staff establishment of five which includes the following personnel:

Table 23 Housing Unit Personnel

HOUSING UNIT:		
Responsibility:	Approved Staff:	
Housing Planning	Manager	filled
Project Management	Snr Administrator	filled
Forum Management	Admin Clerk X 3	filled

Projects

The Housing Section implemented the following projects for 2015/16

Table 24 Housing Projects

PROJECT	STATUS	COMMENT
Vryheid Ext 16	There are 102 units to be built.	There was a stormwater problem that needed to be resolved before the 102 houses were built. The houses should complete in the next financial year
Bhekumthetho Rural Housing Project	There are 30 units outstanding from the 1000 units for the project. There is a project to plaster 700 units and approximately 50 have been completed	The 30 units were for beneficiaries who could not be located. The houses should be complete in the next financial year. Concurrent to the Housing construction there is a plastering project ongoing
Enyathi Housing Project	The project is still at Planning Stage. The draft township layout and EIA is being finalized.	There were delays caused by the Surveying of the area.
Glucksdardt/ Swart Mfolozi Rural Housing Project	The Project is still at Planning Stage. The Implementing Agent is finalizing land issues.	There has been a delay caused by the fact that land was not secured. The project area has 19 land owners and coordinating all 19 to get the necessary documentation caused delays.
Vumani Housing Project	The project is still at Planning Stage.	There is water shortage in the area, so water sources are still being sought. An application for Implementation will then be finalised with the Department of Human Settlements.
Emondlo A&B	The Project is still at	The beneficiary administration exercise is

PROJECT	STATUS	COMMENT
and Bhekuzulu 3B Consolidation Housing Project	Planning Stage.	still being finalised

Successes:

The Housing unit within difficult circumstances has managed to achieve a lot ensuring that

- We held 9 Housing Forums out of the scheduled 10 for the financial year
- The Stormwater problems in the Extension 16 project were eventually resolved which will enable the remaining 102 houses to be completed.
- Most projects had stalled at Planning Stage and we were able to overcome the operational bottlenecks. The projects are now slowly progressing.
- The Housing Section was able to secure a budget to review the Housing Sector Plan in the 2016/ 17 financial year.

Challenges:

There were a number of challenges within the section and these include

- Implementing Agents not understanding the Housing Delivery process leading to the slow implementation of projects.
- The non-approval of new Housing projects by the Municipal Council.
- No understanding of the Housing Delivery Process in Council and the general public.

Remedial Actions:

- We are in the process of engaging the Consumer Education Section of the Department of Human Settlements to undertake education on the Housing process for Council and Communities in project areas.
- Resubmit an item for Council approval of the new Housing Projects.
- Constantly engage Implementing Agents on their projects to ensure effective and efficient project implementation.

3.7 INDIGENT SUPPORT (INCLUDING FREE BASIC SERVICES)

The majority of the population in AbaQulusi Municipality is indigent; this has impact of reduced revenue. The Municipality receives the free basic grant from National Treasury, which is utilized to offer the following free basic services:

- Free 50kwh of electricity a month,
- Free rates up to the value of R80, 000,

- Free 6kl of water per month,
- Free refuse,
- These allocations are per the national government policy guidelines,
- The total cost for these Free Basic Services amounts to R13, 9 million.

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (storm-water drainage).

3.8 INTRODUCTION TO ROAD

The section is responsible for the construction and maintenance of roads infrastructure, laying and cleaning of storm-water drainage, construction and maintenance of walk ways, kerbing and drive-ways.

Abaqulusi Municipality consists of rural areas which are far behind in terms of roads infrastructure and the main aim of the municipality is to provide roads to all households of Abaqulusi Municipality.

Integrated development plan document is the main source of development priority, roads are prioritised in terms of usage of the road and number of beneficiaries of the particular road infrastructure.

The municipality managed to provide access to number of households by construction of gravel roads thus providing access to public transport to those communities. During the construction of these roads there were job opportunities provided to the community members where projects took place thus alleviating poverty.

Most of service providers completed their projects within the specified period resulted to spending 100% on the municipal infrastructure grant allocation.

The most of our roads infrastructure has passed their life span. Heavy trucks driving in town and bursting of water pipes underneath roads are contributing to the deteriorating of roads infrastructure, despite the situation there was only one pothole patching team responsible for the pothole patching in the whole municipality, and it is clear that the team was not coping with the rate at which potholes are developing.

Appointment of the annual cold mix supplier has helped the section to deal with the potholes immediately without the issue of material shortage.

Extra team at coronation responsible for concrete work was trained to assist with potholes, two extra team as well as equipment is budgeted for the financial year starting July 2013 in order to increase the number of pothole patching teams to three teams.

The section suffered drastically due to employee's embarking on strikes action and most of activities in the section were affected. The status of the gravel roads within the Municipality as per June 2016 is presented below.

Table 25 Status of the gravel road

Gravel Road Infrastructure				
	TOTAL Gravel roads	New Gravel Roads constructed	Gravel roads upgraded to Tar/paving	Gravel roads maintained
Year end June 2016	1000 km	29.4km	2.6	71 km

The status of the tarred roads within the Municipality as per June 2016 is presented in the following table.

Table 26 Status of the tarred road

Tar Road Infrastructure					
	TOTAL Tar roads	New Tar Roads constructed	Existing tar roads re- tarred	Existing tar roads re- sheeted	Tar roads maintained (Pothole patched)
Year end June 2016	1000 km	0	1.1km	1.3km	2300 m ²

The status of the employment from road infrastructure within the Municipality as per June 2016 is presented in the following table.

Table 27 Road Infrastructure Employments

Employees: Roads Services				
Job Level	Year 2015	Year 2016		
	Employees No.	Posts No.	Employees No.	Vacancies (as a % of total posts) %
0-3	1	1	1	0
4-6	3	3	3	0
7-9	5	6	5	80%
10-12	10	14	10	70 %

13-15	0	0	0	0
16-18	33	40	33	83%
19-20	0	0	0	0
Total	52	64	52	47%

3.9 WASTE WATER (STORMWATER DRAINAGE)

The storm-water drainage is constructed in conjunction with roads in the areas, the main challenge experienced in urban areas is dumping in the drainage system which cause blockages and flooding of houses. The municipality have program to educate communities about the danger and risk of dumping everywhere. Communities are encouraged to take out their refuse on days when the refuse truck is collecting refuse in their area, they are discouraged to dump into the drainage system.

There were people employed under expended public work program to clean storm-water drainage in various areas of the municipality.

Table 28 Status of Storm water in Abaqulusi Municipality

Storm-water Infrastructure (meters)				
	Total Storm-water measures	New storm-water measures	Storm-water measure upgraded	Storm-water measures maintained
Year end 2016	15000	300	0	600

CURRENT PROJECTS

Capital project carried over Projects to 2015/16 financial year.

a. External grant funding (MIG)

Consultants : DLV Engineers Contractor: Wonder Dream Projects cc Awarded Amount: R7 770 705.69 Expenditure to date: R7 574 867.41 Completed : 100% Completion date (original): 09/12/2014 Revised Completion date: 30/09/ 2015 The project is the tarring of 1.6km Louwsburg road in Ward 01 Project is 100% complete	2. Ngwelu/Mnunse gravel road – ward 02 Consultants : DLV Engineers Contractor: Amavovokamkhize Civils Awarded Amount: R3 475 461.00 Expenditure to date: R3 020 894.66 Completed : 100% Completion date: 17 July 2015 The project is the gravelling of 5km Mnunse Gravel road in Ward 02 Project is 100% complete
3 . East-mine gravel road – ward 03	4. Mooihoek gravel road – ward 07

<p>Consultants : DLV Engineers Contractor: Wosa Nawe Trading 16 Awarded Amount: R2 924 843.4 Expenditure to date: R2 772 315.01 Completed : 100% Completion date: 28 May 2015 The project is the gravelling of 4,7km East-mine Gravel road in Ward 03 Project is 100% complete</p>	<p>Consultants : DLV Engineers Contractor: Siva Pillay Construction cc Awarded Amount: R3 152 854.45 Expenditure to date: R2 924 158.43 Completed : 100% Completion date: 28 August 2015 The project is the gravelling of 3,7km Mooihoek Gravel road in Ward 07 Project is 100% complete</p>
<p>5. eMadresini gravel road – ward 017 Consultants: Isimo Engineers Contractor: Uhlanga Trading Enterprise Awarded Amount: R3 218 499.20 Expenditure to date: R1 941 182.94 Completed : 98% Completion date : 17 July 2015 Contractor is busy with the construction of headwalls, fixing the damaged layer works and the site clearance</p>	<p>6. Lakeside Paving road – ward 22 Consultants: DLV Engineers Contractor: Sikoti Investments cc Awarded Amount: R5 190 000.00 Expenditure to date: R4 006 323.83 Completed : 85% Completion date: 30 January 2016 Contractor is busy putting the segmented paving blocks, kerbs and channels and putting gravel material in other surrounding gravel roads.</p>
<p>7. Bhekuzulu Tar Roads Expansion – ward 10 & 11 Consultants: DLV Engineers Contractor: Sikoti Investments cc Awarded Amount: R6 500 000.00 Expenditure to date: R6 498 282.91 Completed : 98% Completion date: 30 March 2016 Contractor is busy putting slurry seal, road signs, road marking and site clearance.</p>	<p>8. Construction of Storm-water Measures --- ward 11 Consultants: Siyamthanda Projects Contractor: Uhlanga Trading Enterprise Awarded Amount: R6 419 163.51 Expenditure to date: R4 780 850.57 Completed : 80% Completion date: 30 October 2015 Contractor is busy finishing the excavations of trenches, constructing concrete channels and laying storm-water pipes</p>
<p>9. Ntabankulu Gravel Road --- ward 05 Consultants : Delca Systems Contractor: Sikoti Investments cc Awarded Amount: R5 231 794.16 Expenditure to date: R4 330 763.04 Completed : 100% Completion date: 30 December 2015</p>	<p>10. Alpha Gravel Road --- ward 06 Consultants: Delca Systems Contractor: Konke –Civil and Surveying Awarded Amount: R5 871 450.08 Expenditure to date: R5 230 065.61 Completed : 100% Completion date: 31 August 2015</p>

The project is the gravelling of 2.0km Ntabankulu Gravel road in Ward 05 Project is 100% complete	The project is the gravelling of 3,2km Alpha Gravel road in Ward 06 Project is 100% complete
11. Jimane Gravel Road --- ward 12 Consultants : Delca Systems Contractor : PZL Projects Awarded Amount: R11 050 645.52 Expenditure to date: R8 511 356.43 Completed : 98% Completion date: 30 December 2015 Contractor is busy fixing snags.	12.MJ Mbuli Gravel Road --- ward 14 Consultants: Delca Systems Contractor: Mfiso Contractors Awarded Amount: R4 338 537.16 Expenditure to date: R4 081 691.47 Completed : 100% Completion date: 31 August 2015 Project is 100% complete
13. St Paul Gravel Road --- ward 15 Consultants : Delca Systems Contractor: Siva Pillay Construction Awarded Amount: R8 673 697.30 Expenditure to date: R8 672 838.48 Completed : 100% Completion date: 30 November 2015 The project is the gravelling of 5.5km St Paul Gravel road in Ward 15 Project is 100% complete	
2015/16 MIG Allocation	R39 566 000.00
Expenditure to-date	R 39 566 000.00
Exp %	100%

b. External Grant Funding (COGTA)

2. Demonia Lane Upgrade Consultant : Contractor : Uhlanga Trading Awarded Amount : R3 837 987.50 Expenditure to date : R5 413 427.39 Completed : 90% Contractor has to remove the old street lights, to construct the speed humps and do road markings.	1. CONSTRUCTION OF HIGH STREET BRIDGE Consultant : Delca System Contractor : Masefane Trading cc Awarded Amount : R12 495 360.70 Expenditure to date : R11 915 189.35 Completed : 90% Contractor is busy constructing bridge approach on the upper section of the bridge and concrete wall.
3. Mason Park Upgrade Consultant :	4. Upgrade of Informal Trade Space in Mason Street

Contractor : Brainwave Projects	Consultant :
Awarded Amount : R4 615 079.00	Contractor : Ziqoqe Construction
Expenditure to date : R5 722 647.51	Awarded Amount : R3 450 000.00
Completed : 90%	Expenditure to date : R5 887 201.42
Contractor still has to clear the site and attend to all defects and snags list.	Completed : 70%
	Contractor has to fix paving, stalls and road paving.

Challenges Faced

- Contractors lack of capacity
- EIA approval
- Availability of road build materials
- Weather condition
- Contractors cash-flow problems.

Proposed Remedies

- Monthly and weekly meetings
- Write a report to Department of Agriculture and Environmental Affairs
- Use the alternative design
- Contractors be paid within 30 days after claim

3.10 WASTE MANAGEMENT

In terms of the National standard for the weekly Refuse Collection, AbaQulusi Municipality is in compliance with the National standards and National Environmental Management Act 107. AbaQulusi Municipality is responsible for waste separation at source, cleansing the streets, collection and disposal at the registered AbaQulusi Landfill site. The following actions have been initiated and implemented to meet the National standard for the weekly refuse collection:

- 1) Bulk containers - AbaQulusi Municipality is currently using bulk containers (Mobiterners/Skips) distributed in varies location in Vryheid town, industrial areas, business areas, townships, schools and community centres.
- 2) Collection vehicles - The collection of waste is private.
- 3) Health and Safety – All waste is properly stored in the plastic which prevent the odour as waste is collected once a week in residential areas and daily in town.
- 4) Communication – Monthly meetings are conducted with the Service providers, National and provincial Department: Environmental Affairs, and internal stakeholders. Weekly meeting with the street sweepers. A adopt a spot programme have been introduce to AbaQulusi community and there is a decrease in illegal dumps which indicate that there is communication between the Municipality and community.

- 5) Awareness – Education and clean-ups are an on-going programme in partnership with Khabokade (Environmental Affairs) in all wards. Environmental and special days are celebrated.
- 6) Recycling station – (Drop-off, transfer station and collection of recyclable waste) is currently not in operational as the Landfill site is under construction/rehabilitation.

Street Cleaning

Street cleaning is done in towns (Vryheid and Lownsburg) daily by training and well equipped personal. Street cleaning has improve because a new reporting system whereby a template has been designed to identify challenges faced by the cleaners on their working environment. No municipal recycling is taking place at the moment.

Waste collection

Waste is collected by the private companies on behalf of the municipality. They collect daily in towns and once a week in residential areas.

Recycling

Recycling station – (Drop-off, transfer station and collection of recyclable waste) is currently not in operational as the Landfill site is under construction/rehabilitation.

Disposal

Waste is disposed at a register landfill site in Vryheid.

Landfill site

The site is licenced and has an Environmental Authorisation to operate.

Education and awareness programmes

Awareness – Education and clean-ups are an on-going programme in partnership with Khabokade (Environmental Affairs) in all wards. Environmental and special days are celebrated.

Greening

Trees are planted in municipal spaces, community centers. Environmental Affairs is helpful with greening.

Environmental Impact Assessment

Ablution facilities

The municipality own two ablution facilities in town which are well looked after by the trained employees.

Regulated environmental documents

- IWMP
- By-laws
- Draft environmental policy
- Landfill site operation plan

Impacts / challenges

- Shortage of staff which makes it difficult to render the services
- Illegal dumps around the townships
- Lack of education and awareness in the community
- Unfinished Rehabilitation Landfill site
- Lack of landfill site equipment
- Shortage of wheel bins
- Drought affecting the function of ablution facilities

Service delivery priorities

- To provide the sustainable and clean environment for all AbaQulusi Township affected by illegal dumps – Positive and negative Impact: Illegal dumps are removed successfully however, our communities still lack capacity building.
- To develop a monitoring plan for the landfill site – Positive impact: The plan has been developed
- Conducting awareness campaigns in the community on refuse collection – Positive and negative: Communities are educated but still litter, takeout their refuse on wrong days and create illegal dumps.

Measures taken to improve performance

- IWMP has been approved
- Engagement with the Stakeholders (Environmental Affairs)
- The landfill is under construction which comprises of the recycling centre
- Education awareness
- Clean-up campaigns
- Weekly meetings with the staff
- Monthly meetings with Services providers
- More bulk containers have been distributed in varies locations

3.11 RAIL

AbaQulusi Municipality does not have an established public rail transport system. However, there is a railway line that runs through the area connecting the coalfields with areas such as Mpumalanga and Richards Bay. It is used mainly to transport goods between these centres. It is passes through AbaQulusi in a north-south direction and at Vryheid, it braches off to the west to Hlobane. A passenger service was discontinued a long time ago.

3.12 AIR TRANSPORT

Although Vryheid is a district regional centre, it does not have a well-established air transport system. A small airport/landing strip is located in Vryheid. It is built to the standard set by the Civil Aviation Authority but is no longer licensed due to budgetary constraints. It is capable of carrying limited cargo. This facility should be seen as an opportunity for the development of the agricultural and tourism sectors. This is particularly important since the area has been identified at a Provincial level as having potential for agricultural development (PSEDP, 2007), and the potential link with Dube Trade Port. The Map below indicates the Transport Network that exist within the Abaqulusi Municipality.

COMPONENT C: PLANNING AND DEVELOPMENT

3.13 PLANNING

The Town Planning Section falls under the Department of Development Planning and comprises of the following units:

- Planning
- Building Control
- GIS

SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (16 OF 2013) (SPLUMA)

In terms of section 61 of the Spatial Planning and Land Use management Act, 2013 (Act No. 16 of 2013) ("SPLUMA"), it has been determined 1 July 2015 as the date on which the Act shall come into operation. Applications will no longer be approved in terms of the KwaZulu-Natal Planning and Development Act (Act no. 6 of 2008) (PDA) and the Town Planning Ordinance 1949. COGTA and DRDLR are currently are having training sessions to ensure that the Municipalities are ready for the implementation of the Act.

In readiness for SPLUMA all Municipalities are to adopt and gazette Municipal By-laws to guide land use management and development. DRDLR has prepared generic by-laws to assist municipalities. The Draft Abaqulusi Municipal Spatial Planning and Land Use Management By-law was work-shopped to the Councillors on 19th May 2016. The Draft By-law was forwarded to DRDLR for comment. The Final Abaqulusi Municipal Spatial Planning and Land Use Management By-law was approved by Council on 26th May 2016. Once the Municipal Planning Tribunal members have been appointed and comments have been received from DRDLR the Abaqulusi Municipal Spatial Planning and Land Use Management By-law will be gazetted.

ABAQULUSI SPATIAL DEVELOPMENT FRAMEWORK

The Municipality has received Grant Funding in an amount of R 350 000.00 from the Department of Co-operative Governance and Traditional Affairs to review the current Spatial Development Framework (SDF) that was approved in 2008. Tshani Consulting CC was appointed as the Service Provider at a tender price of R260 000.

The SDF conducted its public participation process during the IDP Roadshows from 10th – 17th May 2016. The Draft SDF was work-shopped to Councillors on 19th May 2016. The final SDF was approved and adopted by Council on 26th May 2016. Final payment to Tshani Consulting CC was made on 28th June 2016.

LUMS

The Department of Co-operative Governance and Traditional Affairs are assisting with a roll-out work plan programme for the implementation of the wall-to-wall scheme as part of the back to basics support. The Work plan for the preparation of the wall-to-wall scheme was approved by Council on 27th August 2015. As per the 2015/2016 municipal budget R500 000.00 has been allocated for the preparation of the wall-to-wall scheme. Application for further funding has been submitted to the DRDLR, COGTA and SALGA as an amount of R 2 500 000.00 is required to complete the total project.

The tender document with the terms of reference for the urban component of the scheme was forwarded to Supply Chain Management (SCM). SCM is to finalize the tender documents and co-ordinate the appointment of the service provider. The tender document was presented at the Bid Specification Committee and is to be advertised.

OUT-DOOR ADVERTISING AND SIGNAGE

This remains a challenge in the department and signage inspector needs to be appointed to manage the out-door advertising and signage applications. At present the department does not have adequate staff to manage these applications.

STATISTICS

The following is a list of the number of applications received by the Town Planning Section:

Table 29 Application List

	Submitted	Approved	Not supported	Pending
44 Building Plans assessed	5	3	-	2

Relaxation	8	5	1	2
Granny flat	9	7	1	1
SPLUMA PDA Applications	9	3	1	5
Signage	0	0	-	2

Challenges:

- Non-appointment of Vacant positions such the Senior Town Planner, Technical Planner and Registrar has hindered performance and growth in the department. In terms of readiness for SPLUMA these positions need to be filled
- Contravention of Land Uses and illegal developments. No legal Representative to assist the department with charging members of the public who are in contravention.
- Peace officer training required to address illegal developments
- Non-compliance from members of the public
- Lack of equipment (telephones, photo-copying machine, computers). Not all staff members have computers and access to emails.
- Delays in the comments received from Municipal Departments.
- Operating hours to the public

BUILDING INSPECTORATE

The Building Inspectorate Office operates in line with the National Building Regulations and Building Standards Act, 103 of 1977 and SAN10400 to ensure compliance with the submissions of building plans. In terms of section 18 of the Architectural Profession Act (Act no. 44 of 2000) a person who is registered in the category of a professional is permitted to submit building plans. A Candidate cannot submit plans under his own credentials; a registered professional will need to submit plans.

Building Inspector Workshop was held for Professionals in the built environment on 20th June 2016. The Workshop was facilitated by Mr Frans Dekker, President of SAIAT.

A memo was prepared to the Acting Municipal Manager for the appointment of Director: Technical Services as the Acting Building Control Officer until the position has been filled.

The following can be reported on building control:

- Building Plans submitted : - 29
- Building plans approved : - 11
- Building Plans referred : - 08
- Building Plans pending : - 10

Challenges:

- Resignation of Senior Building Inspector on November and resignation of Building Inspection with DPSS.
- The unit does not have a permanent Building Control Officer and the Technical Director is acting in the position as an interim measure.
- An Admin Intern and Building Inspectorate Intern are assisting in the department in processing and assessing the plans due to no permanent staff in the unit.
- Illegal developments without the submission of building plans
- Non-compliance from members of the public
- Outdated Filing system and circulation of plans
- Outdated plan fees
- Unstructured circulation of the building plans
- Plan drawers who are not registered as a Professional in terms of SACAP Lodging Plans
- Turn-around time of Municipal Departments assessing plans

GIS SECTION

The following can be reported on GIS:

Table 30 GIS Report

The following can be reported on GIS:	
Maps generated on A4 printer (General Public enquiries)	857
Maps generated on A4 printer (Dev. Plan & Technical Ser.)	809
Maps generated on A0 printer	25
Special maps on A0 (zoning)	0
Annotation of maps SG diagrams	77
Annotation of maps GIS data	253
Support maps down load from SG	347

Challenges:

- Shortage of ink cartridges
- Short life span of printers
- Consultants do not provide information on the correct GIS data in order to be captured and updated on the Municipal GIS system
- GIS is not fully capable, dependent on DPSS GIS and Zul Map in producing certain maps

- GIS Office needs to be fully air-conditioned to avoid over heating of the computers and printers.

SHARED SERVICES

The contribution of the Senior Town Planner, Development Administrator, and GIS Staff has been significant in the operation and functions of the Department especially due to the lack of staff. The Business Plan for the renewal of the Shared Services Staff for 3 years has been submitted to the Municipality for the Acting Municipal Manager to sign.

Challenges:

- The Resignation of the Building Inspector Shared Services has left the department incapacitated with regards to the assessment and approval of building plans.
- It must be mentioned that support and reporting from the Chief Planner remains a problem.
- Due to the DPSS staff being shared between Abaqulusi ALM and Edumbe ALM, staff is not present on a full-time basis.

CONCLUSION

The Department will endeavour to provide good service to the public and maintain a high quality development within the boundaries of Abaqulusi.

3.14 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

LED is composed of Economic Development Tourism, SMME development, Informal trader's development and Skill development. Local Economic Development support economic development growth and building Partnership with other stakeholders.

ECONOMIC DEVELOPMENT at Abaqulusi Municipality focused in Agricultural sector, Informal Economy, Commercial, SMMEs , Co operatives , Business licensing, Mining sector, Project Management, Poverty alleviation and Skill Development . Economic Development is the most important ways of decreasing Poverty. It aims to create jobs by making the economic grow; it means more businesses should be developed within the Municipality. The relevant stakeholders should make economy grow and create income opportunities for the people.

JOB CREATION

To provide support to the Local SMMEs, coordinate workshops and training aiming at empowering them into Business initiatives. Looking for funding to undertake identified projects s

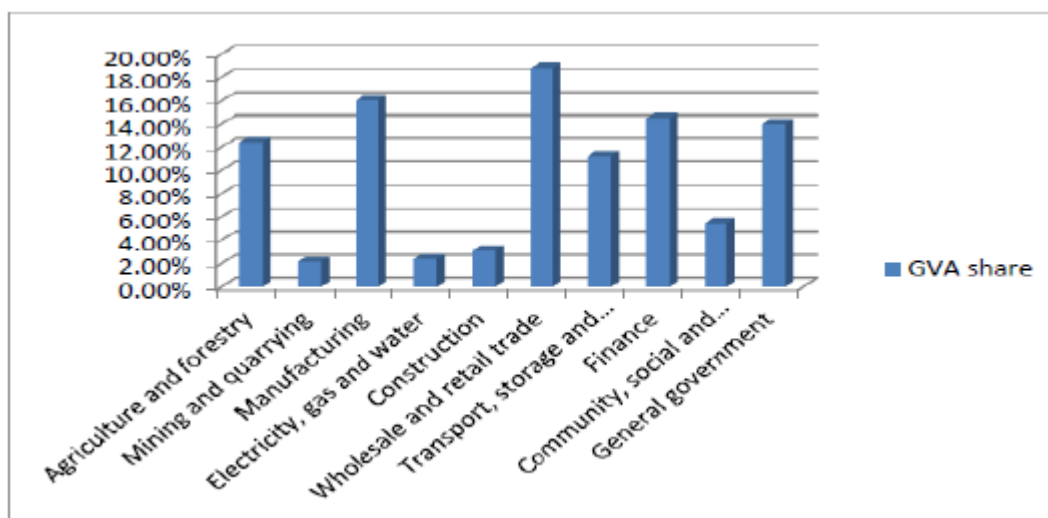
PROJECTS

Poverty alleviation projects had been distributed for 22 Wards in the Municipality, aiming to boost the employment which the major problem in all areas, SMME also got an opportunity of employment. Each wards had a budget of R100 000 which is the total of R2,2M for the whole Municipality. Sewing projects, vegetable gardens, broiler projects catering projects goats' production had been established for the people to generate income

MAIN ECONOMIC GVA CONTRIBUTORS

Abaqulusi's economic structure is more diversified than the smaller economies in the Zululand District. Wholesale and Retail trade (which includes catering and accommodation) was the biggest contributor to municipal GVA in 2010, followed by (2) manufacturing, (3) finance and (4) general government and (5) agriculture and then (6) transport. The relatively small share of General Government in economic output, attests to the strength of the private sector within the local economy. Mining and quarrying is now the smallest economic sector in Abaqulusi.

Figure 10 Sectoral Contribution to GVA



Source: Quantec 2011

Total GVA for Zululand in 2010 was estimated at R10.9 billion. As table 13 below indicates, the Abaqulusi municipal area at R 3,9 Billion in 2010 accounted for 35,7% of the Zululand District's GVA.

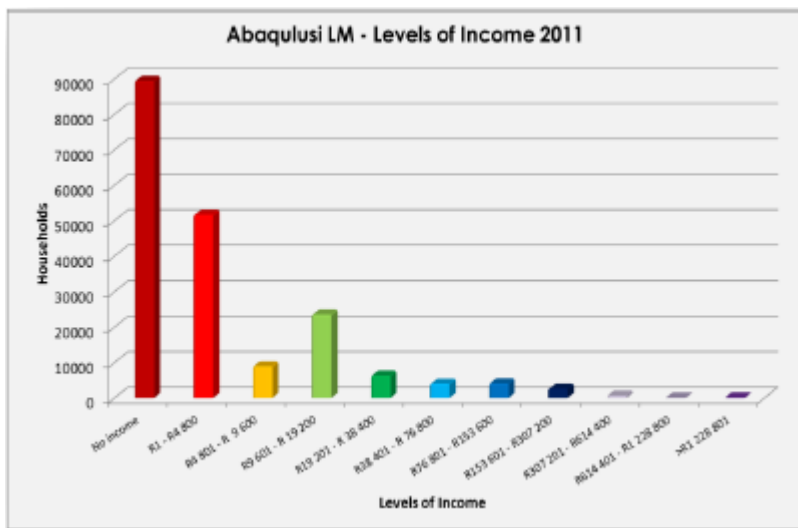
Table 31 District GVA

Municipality	2003	2004	2005	2006	2007	2008	2009	2010	Share in 2010
eDumbe	653	655	662	661	674	691	675	684	6.3%
uPhongolo	1,487	1,533	1,561	1,668	1,786	1,879	1,848	1,890	17.3%
Abaqulusi	2,561	2,709	2,931	3,126	3,401	3,680	3,819	3,901	35.7%
Nongoma	732	796	883	1,002	1,160	1,321	1,455	1,489	13.6%
Ulundi	1,804	1,905	2,041	2,204	2,431	2,644	2,933	2,974	27.2%
Zululand	7,237	7,566	8,078	8,661	9,452	10,215	10,729	10,930	100.0%

EMPLOYMENT AND INCOME LEVELS

According to the Census 2011, Abaqulusi's official unemployment rate of 35.4% is lower than the other municipal areas in Zululand but this relative position holds little comfort for the local economy as there is a youth unemployment rate of 45.1%. These figures are one that certainly indicates that the issue of job creation is a primary concern for the municipality and will be prioritised over the coming years. In view of the low levels of unemployment, the graph below depicts that a great percentage of the population receives no income. The percentage of households receive incomes, are in the ranges of R4,800-00 and R9,600-00 per month, which is still very low, and in line with the occupation types depicted in the previous graphs.

Figure 11 income Level



AGRICULTURE

Currently this sector provides the highest proportion of the Gross Geographic Product (GDP) of the area even though the area is classified as having low agricultural potential (Vryheid Economic Regeneration Study, 2001). According to a land potential analysis of the Abaqulusi area only 15,19% of agricultural land can be described as having high agricultural potential (Coronation Economic Regeneration Study, 2001). This is due to poor soils, irregular rainfall and significant areas of degradation. There is extensive, but not intensive

agriculture. Very few farms are irrigated and this only favours a few people due to the allocation of irrigation rights from some of the water systems in the area on a permit basis. According to 1997 figures agriculture contributed 7, 45% to the GGP of AbaQulusi, but employed 22, 2% of the workforce. Farms can be divided into two distinct categories:

- Larger mostly white owned commercial farms; and
- Smaller mostly black owned traditional farms.

Products produced are timber, field crops and livestock. Most of the timber is exported out of the area and has experienced a rapid growth phase for the last five years. It is however experiencing a number of constraints that will impact on further growth. The timber industry uses migrant's work-teams and very few local workers are employed. No secondary activities have developed because of the timber industry.

Current products farmed are maize, groundnuts, soya beans, sunflowers, fruits and sorghum. Cattle farming have played a major role but this market is also strained due to rising input costs and stock theft. International and national meat exports have also been affected as a result of mad cow disease and foot-and-mouth disease. Small game farming provides opportunity for economic development and provides a solution to stock theft, domestic diseases and the demands made by the national and international market.

Agricultural Sector Support

AbaQulusi Municipality has an agricultural potential which currently contribute the highest in poverty alleviation and also employment especially in rural areas of AbaQulusi The Municipality need to have an Agricultural Master Plan for the purpose of addressing the future of agriculture in the Municipality and the strategies needed to enables the future to be realised. As it the need of the Municipality to involve the farmers and community, the Farmers Associations and Co-operatives are being trained on capacity building for the the promotion of agricultural sector as the Economic drive of the Municipality.

LED UNIT coordinate Farmers Association meetings, trainings, workshops empowering Farmers in Agric business. Identify potential agricultural land to produce, identify relevant co-operatives and farmers who are farming around AbaQulusi Municipality develop Business Plans. Three meetings had been conducted with farmers in different commodities organizing farmers to participate in Agric Business producing for Agric Park. The meeting was on the AUGUST 2015 , February 2016 and May 2016.

TOURISM

TOURISM is the activities of people travelling to and staying in places outside their usual environment for leisure, businesses or other purposes.

AbaQulusi's main tourism potential lies in its relatively well-developed infrastructure, close links with the Battlefields Route, its conference potential, eco-tourism and outdoor adventure

events. Major tourism products found in close proximity to AbaQulusi area includes the following:

- The Ithala Game Reserve (30 000 ha in extent) is located just outside the Municipal area north of Louwsburg. It offers wildlife, scenery and accommodation, which include up market tourist facilities in a 240-bed camp with four bush camps of 4 – 12 beds each.
- The Ngome Forests include the Thendeka Wilderness area, which is claimed by locals to be ‘more spectacular than Tsitsikamma’ on the Eastern Cape Coastline. This area alone is host to 84 indigenous fern species and offers camping facilities and various trails of between 7 and 21 kilometres. Local farms in the area also include areas of magnificent natural beauty. Some farmers are considering developing eco-tourism accommodation on their farms, but a major constraint is the terrible road conditions particularly during wet seasons.
- Private game farms are attracting a growing number of tourists – presently 20% internationally and 80% nationally. The marketing of farms often occurs through urban-based agents and increasingly targets the international tourist wanting to hunt African game and game farming is regarded as an ‘export commodity’ within the district. Accommodation on private game farms includes bush camps and up-market chalets. The relatively low labour intensity required for game farming compared to agricultural production is regarded as an advantage to farmers feeling the effects of the new Land and Labour Legislation.

Cultural tourism includes exposing tourists to local customs, traditions, heritage, history and way of life. The development of the battlefields and so-called Rainbow Route in the late 80’s and early 90’s placed the area on the tourist map. Unfortunately, visitors tend to stay only for a few nights. There is a need to develop the concept of a destination that will encourage longer stays. One of them is the development of tourism signage and tourism route in order to put AbaQulusi on the Provincial map. Opportunities through the provision of backpacking accommodation and links to surrounding areas such as coastal initiatives and game reserves should be explored. The following opportunities in the tourism sector were identified in the Regeneration Study 2001:

- Living mine museum;
- Cultural village;
- Avi-tourism;
- Thaka-Zulu Game Reserve;
- Coal Train Tourist Trips;
- Ntendeka Wilderness Area.
- King DiniZulu at Coronation
- Princes Mkabayi Grave and
- Prince Imperial Louis Napoleon

Support for tourism sector in Abaqulusi

Tourism at abaqulusi municipality is composed of

- Accommodations Establishment
- Battlefield
- Arts and Culture

There is a tourism association which meets monthly. The aim of Tourism association is to promote the Battlefields Region as a tourism development project to the benefit of everyone living in the region, create awareness, tourism education and tourism development. The Battlefields workshop has been done at Talana Museum.

Projects

- Brochures distributions
- Education to schools
- Vryheid tourism AGM
- Road safety
- Mayfair

Tourism Budget

Grant funding from ZDM was not approved, No budget from Local Municipality

Market Tourism Within Abaqulusi

Hosting and participating in tourism events. Distribution of the Vryheid tourism brochures. Educational Tours throughout the AbaQulusi Municipality and surrounding areas. Participation of the Municipality at May fair to market the Municipality to the Investors. Conduct Road Safety and Tourism awareness campaign

Review Tourism Plan

Set up tourism committee, tourism plan allows people to comment. Conduct tourism marketing campaigns annually.

MANUFACTURING

Over 80% of manufacturing in the Zululand Region takes place in Vryheid. However, this sector has a low impact on the local economy. It has developed mainly as a service industry for local needs and not as an exporter of goods. There is a need to develop manufacturing capabilities around the benefaction of primary products. Manufacturing in the Municipal area includes food and beverages, clothing and textiles, leather products, paper and paper products, printing and publishing, metal products, machinery and equipment. Some Agri-processing manufacturing has been proposed in the Economic Regeneration Study and include:

- Oil extraction plant to cold press a combination of seed types;
- Animal feeds factory;
- Organic vegetable packing and freezing plant;

- Maize mill;
- Tannin extraction plant;
- Leather tannery;
- Meat processing unit;
- Furniture production;
- Wrought iron, basket and weaving;
- Traditional craft centre;
- Leatherwork centre; and
- Eco-block manufacturing

MINING

The Vryheid coalfield stretches from west of Vryheid in a broad band to the east of Louwsburg and is further divided into the Zuinguin Mountain area, the Hlobane/Matshongololo area, the Thabankulu/ Enyathi Mountain area and Ngwini Mountain area.

Coal mining historically provided a major force into the local economy of Northern KwaZulu Natal. However, over the past 15 years a number of mines in the area ceased operation impacting negatively on the regional economy. The Abaqulusi Municipality was particularly affected by the closure of the Coronation and Hlobane mines in 1997 and 1998 respectively. This proved to be a turning point in the economy of Abaqulusi as many people were left unemployed as well as the area experiencing a “drain brain”, where many professional, skilled and semiskilled labourers moved out in order to seek employment opportunities elsewhere.

The effects of the closure of the mines can still be seen today, with many hostels (former mining housing) and developments within these areas left to deteriorate resulting in high levels of poverty and additional pressure on the municipality to provide services. The Abaqulusi Local Economic Development unit will however embark on a study to try and revitalise former mining towns/settlements considering the fact the President, Mr Jacob Zuma did prioritise current and former mining towns in his State of the Nation Address. It must be also noted that not all mines within the region have shut down, as there are a few that are operating on a very small scale.

Mining Sector Support

To implement the regeneration Strategy for mining town and supporting economic development growth and building partnership

INFORMAL ECONOMY

Informal Traders are composed of

- Survivalist –street markets

- Operating in the informal sector of the economy
- Wont employ others in the running of the business
- Income generation is below the poverty
- No training

Developing informal traders is aiming at empowering them to play a role in the Local economic growth. Co ordinate meetings with Informal Traders establishing their structures like Informal Economy Chamber which is the wing which is accepting all the requirements and needs to the right channels. The Chamber meets quarterly. To co ordinate the tariffs that is being imposed to the informal traders for trading licenses and rental fees as the investment for the Municipality towards the upgrade of the facilities and sustainability of the operations of the facilities. As from January 2016 Informal traders has been registered to the database preparing them to be allocated to their space of operation. The painting of spaces started on the in May 2016 and all the traders will be given permits which will cost R25 and will be renewed yearly. that's give them authority to run their businesses in the places allocated to them by the Municipality. There are by-laws which have been approved by Council to guide their operations, the informal Economy Chamber meet quarterly. Three trainings had been conducted for the Informal traders to assist them to run their businesses. Three trainings had been conducted for the SMMEs and one Business Seminar where different Government Department and NGO were giving Presentations to empower the SMMEs. The Municipality had funded these workshops, trainings and Seminar from LED budget.

COMMERCIAL SECTOR

Developing concept, securing stakeholder support and looking for funding to undertake a detailed feasibility designs, identify catalytic projects and develop Business Plan and investigating the appropriate management Model. Presentations of the identified catalic projects has been done on the February 2016 to different stakeholders requiring for the funding and also on the 16th and 17th of March 2017 to the Department of Trade and Industry. In July 2016 the advert requiring for the specialist to Review the LED Strategy had been tabled.

BUSINESS LICENCING

The constitution of South Africa section 22 addresses the freedom of trade and profession, and states that every Citizen has a right to choose trade, occupation, profession freely. The practice of trade occupation may be regulated by law. The Municipality has to ensure to an environment that has no harmful to the health or wellbeing, to prevent pollution and ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources while justifiable economic and social development Business Act 71 of 1991 has been enacted to regulate and control the carrying on of business and business premises with the purpose of safeguarding the safety and health of the public. 40

application of business license had been done and 26 business licenses had been issued this year 2015/2016.

CHALLENGES OF THE LED UNIT

The major challenge of this sector is that it is short staffed. More Human Resource is required as the Economic Development has only one person performing duties and also one doing Tourism there is one person focusing only in Vryheid other sides like Louwsburg and Mondlo areas are neglected. LED Unit lack of resources needed to function effectively and make meaningful contribution in the LED Programmes of the Municipality Organizationally, HR and Financial resources are the biggest challenges

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.15 CEMETERIES

A cemetery or graveyard is a place where the remains of deceased people are buried or otherwise interred. The cemetery yards are maintained daily by the staff and burial take place at any day as requested by the family. The burial is between 7:30am - 4:00pm daily.

The Abaqulusi Municipality currently has 6 cemeteries, located in Vryheid, Hlobane, Coronation, Mondlo, Louwsburg and Nkongolwane. However, according to municipal statistics, some of these cemeteries have now reached their life-span and have run out of space while the others are also in danger of reaching their life-span and is fast becoming a top priority for the municipality. The municipality is constantly working on establishing new sites for cemeteries and exploring the opportunities of expanding the current existing cemeteries. Poor maintenance and budget constraints have also hindered and compounded to the issues surrounding the cemeteries. According to the Zululand District Cemetery Plan, the status of cemeteries within Abaqulusi is as follows:

- Vryheid Cemetery: The potential extension of the existing cemetery to the south should be investigated, or a new site will be identified. An area of about 6 ha would be required up to 2020.
- Bhekuzulu Cemetery: The existing cemetery is full and a new cemetery site has been identified to the Northeast of the existing cemetery, between the bypass road and the railway line. The new site has an approximate area of about 10 ha which should be sufficient for about 15 years. A further 5 ha would be required up to 2020 (refer graphs below). The municipality reported that trial pits in the new site indicated a perched water table and the extent of the water table must be investigated.
- Emondlo Cemetery: The original cemetery is full and has been extended into the open veld surrounding the cemetery. The municipality has acquired the new 27 hectares for extension and planning principles are essential for the cemetery to be registered. The

obtainable land suggests that the lifespan of this cemetery will reach 2020 and beyond considering the current death rate

- Louwsburg: The existing cemetery has an estimated lifespan of more than 10 years. The potential extension of the cemetery to the east or west should be investigated. An area of 1 ha should be sufficient up to 2020.
- Nkongolwane: The existing cemetery has an estimated lifespan of approximately 5 years, with extension possibilities to the south and southwest.
- Coronation: The cemetery at the Coronation mine has space available for approximately 3 000 graves, and a life expectancy greater than 10 years. Potential for expansion exists to the east of the existing cemetery.
- Gluckstadt: The cemetery is situated behind the Lutheran Church in Gluckstadt and has space for approximately 500 graves. The life expectancy of this cemetery is in excess of 5 years. The cemetery can be extended to the north, east and south.
- Hlahlindlela: A total area of about 75 ha will be required for the development of cemeteries up to 2020 in this tribal area. The cemeteries should be positioned, taking in consideration the development nodes as identified in the IDP in consultation with the traditional leaders.
- Khambi: The land area required for the development of cemeteries in Khambi and Khambi extension up to 2020 is 3, 5 ha and 2, 5 ha respectively. The cemeteries should be positioned, taking into consideration the development nodes as identified in the ZDM IDP in consultation with the traditional leaders.
- A need for a new sub-regional cemetery has been identified, and a search for appropriate land has been initiated. Other critical issues in respect of cemeteries include the following:
 - Need to investigate feasibility of cremation and recycling of graves taking into account religious and cultural differences.
 - All existing cemeteries need fencing.
 - Need to provide water and sanitation in all cemeteries.

Measures taken to improve performance

Electronic register

Crematoriums

No crematorium facility

Challenges

- Shortage of staff
- Limited resources

Service delivery priorities

To draft a cemetery maintenance plan – positive impact: the plan has been drafted and sent Environmental affairs for review.

3.16 HALLS AND PARKS

Due to the large geographic extent of the Abaqulusi municipal jurisdiction, and the spread of its people over 22 wards, the municipality is constantly trying to ensure that its people have access to community halls and parks. These facilities are considered to be very important in order assist communities in promoting social development. The community halls and parks serve the people of Abaqulusi for various reasons, including weddings, funerals, war rooms, place for prayer, etc. The following 10 municipal community halls and 14 parks exist within the Abaqulusi Municipality:

Table 32 Municipal Community Halls

Name	Location
1. Library hall	Vryheid
2. King Zwelithini hall	Bhekuzulu Location
3. Lakeside hall	Lakeside
4. Cecil Emmett hall	Vryheid CBD
5. Ntinginono hall	
6. eMondlo hall	Section A Mondlo
7. Coronation hall	Coronation
8. Hlobane hall	Hlobane
9. Mzamo hall	Louwsburg
10. Nkongolwane hall	

Table 33 Municipal Parks and Open Spaces

Name	Location
1. Magoda	Vryheid
2. Dundee park	Vryheid
3. Padda dam park	Vryheid
4. Church Street park	Vryheid
5. Edward Street park	Vryheid
6. Trim park	Vryheid
7. East Street park	Vryheid
8. Pioneer park	Vryheid
9. Clinic park	Vryheid
10. Mayor's park	Vryheid
11. Swimming pool park	Vryheid
12. Lakeside park	Lakeside
13. Hlobane park	Hlobane
14. Bhekuzulu park (open space)	Bhekuzulu location

COMPONENT E: ENVIRONMENTAL PROTECTION

The Abaqulusi Municipality is among many municipalities that have had large areas of vegetation transformed as a result of one kind of land use or another. Wide spread land transformation occurs mainly in Wards 14 to 20 along the western part of the municipality and Wards 7 to 11 in the north western part. Other areas where significant transformation has occurred are in Wards 5 and 3 at the southern end of the municipality.

COMPONENT F: HEALTH

3.17 CLINICS

The Abaqulusi Municipality has one public hospital and 12 clinics servicing the population of 211 060 people. An application of the planning standard (5000 households per clinic) for the provision of clinics reveals a backlog of about 24 clinics for Abaqulusi Municipality area of jurisdiction (Data Source: ZDM Health Sector Plan {2004}).

The HIV/AIDS pandemic is major concern in all municipalities around the country. In order to reduce the levels of HIV/AIDS in the Abaqulusi region, the Municipality has set-up a fully functional Local AIDS Council, which are well represented by various stakeholders. The OSS Task Team Members also play a very active role in ensuring that the fight is won at local levels under the collaborative strategies like establishing War-rooms at Ward levels. Not all Wards have War-rooms, but it is hoped that in the year 2015/16 more War-rooms would be established.

COMPONENT G: SECURITY AND SAFETY

Public Safety and Security Section is part Community Services Department. This Section consists of the following functions, Traffic Management and Bylaws, Licensing (DLTC, VTS and Motor Licensing), Fire and Disaster, Crime Prevention and Security. These functions are regulated by the Department of Transport through Service Level Agreement, National Road Traffic Act 93 of 1996, Fire and Disaster Management Act 57 of 2002, SAPS Act 68 of 1995, including the Criminal Procedure Act 51 of 1977.

3.18 POLICE

There are six police stations located within Abaqulusi Municipality area of jurisdiction, namely:

- Vryheid
- eMondlo
- Gluckstadt
- Louwsburg

- Driefontein
- Ngome

The need to improve police visibility and strengthen community based policing initiatives was identified in the Representative Forum meeting as one of the key issues that requires immediate attention. Although statistical information pertaining to the crime rate within the area could not be obtained, it is certain that crime is a major concern within the area. However, there is a fully functional neighbourhood watch that operates in the Vryheid Area as well as Community Policing Forums that take place in various wards in order to combat crime.

The Abqulusi Traffic management unit which forms part of the Community Services Directorate is also responsible for traffic law enforcement, including road blocks, speed control, attending to road accidents and testing and licensing. Its additional functions include enforcement of by-laws, crime prevention, and participation in Community Policing Forums (CPF). It also assists in disaster management, however, the operations of this unit are limited by the shortage of both financial and human resources.

CRIME PREVENTION

This is the attempt to reduce and deter crime and criminals. It is applied specifically to the efforts made by all spheres of government to reduce crime, enforce the law and maintain criminal justice. Traffic Officers are Peace Officers according to the Criminal Procedure Act 51 of 1977 to assist in crime prevention during their normal duties. Monthly meetings are held with the South African Police Services and Community Policing Forum.

SECURITY

The co-function of security services is to provide proper security for all Municipal buildings, equipment, staff and consumers to reduce theft and risks. The Municipal had appointed two service providers (ADM Security Group and Sharks Protection Services). These service providers were expected to provide complete security solutions to the Municipality.

Challenges

- Poor monitoring of security (systems)
- Inexperienced security officials and management

Remedial actions

- Due to the vast area of Abaqulusi Municipality, a security structure to be put on to the organogram
- To continue regular meetings with Service Providers

Conclusion

Public Safety Section mentioned above has important functions which are regulated to provide professional and effective services to its community at large. As many institutions have learned, it is impossible to prevent all threats from occurring in a dynamic environment with a diverse population within Abaqulusi Area. By quickly identifying behavioural and threats issues, it will diminish threats before it happens.

3.18 FIRE AND DISASTER MANAGEMENT

The co-function of this unit is to establish and maintain disaster management capacity and to implement effective risks reduction activities, prepare for and respond to disasters and co-ordinate disaster recovery and to provide a fire brigade function.

The dominant vegetation type in the municipality is grassland. The grassland consists of tall grass species predominantly *Hyparrhenia hirta* and other species of *Hyparrhenia* in lesser prevalence. Woody vegetation is found on dolerite hill sides where the dominant tree species are *Acacia caffra*, and *Acacia kerroo* mainly along the water courses. As such, the area is prone to veld fires, flooding and drought.

Grassland is probably the primary fuel base of most bushfires. Although bushfires could occur anywhere, areas with dense grassy vegetation are likely to be more susceptible to bushfires, and the intensity of such fires is more likely to be greater than fires in areas of other vegetation types. It is also note-worthy that the denser the grass and the taller it is, the higher the potential/latent energy of the grass and therefore the more hazardous the bushfire will be if started. In the Abaqulusi Municipality where the dominant vegetation is 'Tall Grassland' the potential for bushfires to be attaining disastrous proportions is very high.

The secondary agent (but which is the principal factor) of the hazardous effect of bush fires is forests. When fires start in grassland their intensity is lower and the control of such fires is easier. However, when grassland fires occur in forest areas (especially plantation), such fires rapidly assume highly uncontrollable magnitudes with severe environmental consequences.

The relevance of this issue to the Abaqulusi Municipality is that there is large-scale forestry activity in the municipality as well as some extensive areas of indigenous forests. The occurrence of timber plantations in association with the tall grass land vegetation supplies sufficient biomass for the disastrous bushfires. The issue of a high potential for Abaqulusi to be a fire prone municipality becomes even more significant considering the fact that climatic conditions favours the development and spread of uncontrollable bush fires.

At present, the municipality is not well-equipped to deal with disasters such a fire, floods, etc. Existing equipment is old and inadequate for the purpose. Staff is also insufficient and requires training on a range of disaster related functions. Traffic officers end-up dealing with disaster management without any formal and proper training on this field. Additional

personnel are required to undertake inspections, monitor accidents and man customer service centre. There is no well-established disaster management centre within AbaQulusi. The call centre is outsourced and has limited functions.

AbaQulusi Municipality Fire extinguishing services are rendered in the Vryheid and Bhekuzulu areas only, due to limited availability of water and fire engines. Other emergency services are provided to the remainder of the area, but only one rescue vehicle is available. In short, there is a need for the municipality to develop a Disaster Management Plan and establish as Disaster Management Centre.

3.19 OTERS

TRAFFIC MANAGEMENT AND BYLAWS

This is the key branch that concerns planning, control and monitoring with co-ordinated strategic planning, regulation, facilitation and Law Enforcement in respect of road traffic matters to reduce traffic conflicts and fatalities. Logistics plays an important role with important equipment such as cameras, alcohol testing system and Traffic Officers equipment. Local Contravention System and eNatis meeting regularly with all stakeholders such as RTI, SAPS and Courts.

Staff compliments

Public Safety has a staff compliment of 18 Traffic Officers, 5 Traffic Wardens and 2 Data Processing Officials.

SDBIP 2015/2016 TARGETS

Six (6) of eight (8) targets regarding revenue was achieved. Target of R1.7 million of revenue to be collected was not achieved.

Challenges

- Shortage of Examiners - Driving Licences and Vehicle Testing Grade A. Presently Traffic Officers with qualifications are assisting
- Office space
- Re-instatement of the VTS
- Data Processing Supervisor

Remedial actions

- Approved organogram to be reviewed
- To appoint examiners
- To budget for an independent Public Safety building
- To complete Service Level Agreement required for VTS re-instatement

DRIVING LICENCE TESTING CENTRE, VEHICLE TESTING STATION AND MOTOR LICENSING BUREAU

The co-function of the centre is to provide an effective system for the following functions. Application for learners and driving licensing test, PrDP, Instructors certificate, Learners and driving licensing bookings, renewals of driving licensing cards, applications for vehicle road worthy test, and converting of foreign driving licenses as per the National Road Traffic Act 93 of 1996 which is a computerised system.

MOTOR LICENSING BUREAU (MLB)

The co-function of the centre is to register motor vehicles and licence renewals, application for change of motor vehicles details, special and temporal permits and change of ownership. This is done with all approved fees determined by the Department of Transport, 8.5 % of the daily takings are given to the Municipality.

Challenges

- Management staff capacity (no Supervisor, no Senior Clerk), this section is run by the Acting Supervisor only which hampers proper monitoring
- Damage to building by termite invasion

Remedial actions

- Implementation of the approved organogram
- Renovation of the building

COMPONENT H: SPORT AND RECREATION

Social Services section is one of the components under community services department that is responsible for mobilization, lobbying and motivating the community to seize developmental opportunities from the municipality and all other statutory bodies that are custodians of social services.

The key responsibility of the section is to initiate and implement social upliftment programmes and developmental projects in the following units:

1. Sports and Recreation
2. Arts and culture
3. Historical, Heritage & Museum Services
4. Educational Programmes and Library Services
5. Thusong centres (Community Service Centre)

3.20 SPORTS AND RECREATION:

AbaQulusi municipality sport and recreation serves as the co-ordinating body for the community to seize sport and recreational developmental opportunities through programmes such as

1. Zululand Ultra Marathon
2. Abaqulusi municipality mayoral cup tournament
3. Zululand district Municipality Mayoral Cup Tournament
4. Golden games (local, district, provincial and national competitions)
5. Indigenous games (local, district, provincial and national competitions)
6. SALGA KZN Games

All programmes and projects for sports and recreation are implemented in joint venture with KZN department of sports and recreation (KZN DSR), Zululand District Municipality and Abaqulusi Municipality Sport Council. The provision of recreational facilities is sheltered by the availability of sport fields, sport stadiums and community halls. Parks and halls are managed by the Municipality and they are available for hire to the community.

Challenges:

Vandalism of halls by irresponsible citizens

Very low tariffs affect revenue generation, thus hinder developments within our facilities

ARTS AND CULTURE

AbaQulusi municipality arts and culture unit serves as the co-ordinating body for the community to arts, culture, entertainment and talent developmental opportunities through programmes such as:

1. Umbele wethu local competition
2. Umbele wethu district competition
3. Operation siyaya Emhlangeni
4. Umkhosi Womhlanga (Reed Dance)

MUSEUM SERVICES

AbaQulusi municipality has one main museum which serves as the quarters of the history of Vryheid. The museum is named after Lucas Meijer in his honour as the first and the last president of the new republic which is the republic that was formed between 1884 -1888 within the jurisdiction of Abaqulusi. The role of the museum is the collection of the heritage and cultural items that are unique, significant and which reflect our cultural diversity.

The main role of the museum is to promote and advance awareness about the character and the importance of the museum in social development of the community of Abaqulusi. Lucas

Meijer museum manages collections of artefacts or works of art. This includes dealing with the acquisition, care and display of items with the aim of informing and educating the public. It's essential for museums, galleries, heritage and tourism attractions to develop collaborative relationships, share collections and disseminate information with the aim to construct innovative and creative exhibitions that appeal to a wide cross-section of the general public. Developmental programmes and projects implemented by the museum are as follows:

1. Exhibition – daily visit by tourist, researchers and scholars.
2. History lessons / sessions
3. Donation of historical precious items
4. Research- Local history
5. Lucas Meijer Museum Day Celebration – 14 June 2016

Challenges:

Lucas Meijer museum still needs a transformation in order to incorporate the history of the Nguni linguistic groups. Abaqulusi municipality museum service endures the challenge of the extension and expansion in other clusters since the museum serves as the educational facility, it needs to be easily accessible by everyone.

LIBRARY SERVICES

AbaQulusi Municipality is enriched with three operational libraries based at Vryheid town, emondlo and eBhekuzulu. The libraries serve as the core- centre of empowerment and educational venture for adults, youth and children. The current membership and circulation indicates the importance and the role played by the library services within the community. Developmental programmes offered by the libraries are:

1. Training of patrons- computer literacy
2. Access to internet
3. SLIMS programme
4. Study & information surfing
5. Promotion of writing and reading sessions

Abaqulusi municipality endure the challenge of the extension and expansion of library services in other clusters.

THUSONG CENTRE (COMMUNITY SERVICE CENTRES)

AbaQulusi Municipality has two operational centres based in ward 5 (Mnyathi area) and in ward 18 (Emondlo).

The community service centres serve as the enclave socio-economic centre for the community with the benefits of having full access to the following services.

Siyafunda programme

- Mthinté communications services
- Internet café
- One centre- one garden project
- SASSA operational office
- Department of Home Affairs operational office
- Department of labour operational office

One major challenge is that the capacity of the community service centres is inadequate to meet the all the needs of the community within AbaQulusi Municipality.

COMPONENT I: MISCELLANEOUS

COMPONENT J: CORPORATE POLICY OFFICES AND OTHER SERVICES

Departments

The Municipality has the following four administrative departments namely the Office of the Municipal Manager, Social and Economic Services, Technical Services and the Financial Services.

Administration

The administration of the municipality is headed by the Municipal Manager. The municipality has four administrative departments; each being headed by a Director.

Office of the Municipal Manager

The Office of the Municipal Manager is responsible for the Internal Audit as well as the IDP/PMS/ and Communication.

Social and Economic Services

Responsibilities for this department include Community Facilities, Library, Thusong Centres Management, Museum, Tourism, Local Economic Development, Traffic/ Law Enforcement and Town Planning.

Technical Services

This department is responsible for the implementation of all MIG projects (Housing/Roads/ etc), community services which includes Waste/Landfilled sites, Parks/Cemeteries, Pounding as well as Building Infrastructure.

Financial Services (Treasury)

The primarily responsible for ensuring transparency, accountability and sound financial management. This means ensuring that:- all statutory requirements are adhered to monthly management reports, National Treasury in-year monitoring reports and annual financial statements are prepared and submitted on time, financial resources are effectively and efficiently utilised, and there is efficient implementation of the Supply Chain Management Policy.

Corporate Services

Derives its mandate from Council's key development objective (institutional development). It is largely an internally focused department with its primary objective on employee recruitment, skills development and enhanced administrative systems. It is the responsibility of this department to ensure that the Municipality addresses human resources related issues and to amplify technological applications within the municipality. Records Management, Receptionist, Committee/ Secretary, Messenger, Cleaning of the municipal buildings, Information Technology and legal.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

2015/2016 INTEGRATED DEVELOPMENT PLAN REVIEW (IDP)

According to Chapter 5 of the Municipal Structures Act 2000, Act No. 32 of 2000, all municipalities must prepare and review their IDP's on an annual basis.

The Abaqulusi local municipality's 2015/2016 IDP Review was tabled for adoption on 28 May 2015 before full Council. This IDP was adopted and served as the blueprint document in guiding development, budgeting and management decisions within the municipality.

Section D of the 2015/2016 IDP represented the Strategic Plan of the municipality and clearly identified what the municipality's vision and goals were for the 2015/2016 financial year. This section provided the basis as to what the municipality wanted to achieve, how it was going to achieve it and who was responsible for undertaking such a task.

Further to this, a municipal scorecard (Section I: Performance Management) was then developed once all objectives and strategies were identified, which indicated in detail the actual projects and their cost implications for that financial year. This scorecard was the primary tool used to monitor and report on the performance of the municipality.

2015/2016 BUDGET

According to the Municipal Finance Management Act 2003, Act No. 53 of 2003, all municipalities must prepare an annual budget whilst reviewing the Municipal IDP.

The Abaqulusi Local Municipality's 2015/2016 - 2017/2018 Medium Term Revenue and Expenditure Framework (MTREF) was tabled and adopted before full Council with the Municipal IDP on 28 May 2015.

2015/2016 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

According to Circular 13 of the Municipal Finance Management Act 2003, Act No. 53 of 2003, the Municipal SDBIP is a contract that exists between the Administration and Council of a Municipality, and between the Council and its community it serves.

The plan basically holds administration accountable for its performance for that given year considering it serves as a 1 year implementation plan.

The SDBIP of a municipality must be approved by the Mayor of a municipality within 28 days after the adoption of the municipal IDP and Budget. The Abaqulusi Local Municipality's SDBIP was signed off and approved by the Mayor on 26 June 2015.

The SDBIP and Budget adjustment was completed in February 2016 and was tabled and approved in Council on 25 February 2016.

2015/2016 MUNICIPAL SCORECARD

The Abaqulusi Municipality's 2015/2016 was the primary tool utilised for implementing the performance management system within the municipality for that year. The scorecard highlighted all 6 Key Performance Areas and covered all departments within the municipality in terms of their actual performance against the targets set for the entire 2015/2016 financial year as shown below.

The scorecard below is in order of the following Key Performance Area:

Reference	Key Performance Area
	Good Governance and Community Participation
	LED and Social Development
	Basic Service Delivery
	Cross Cutting
	Municipal Transformation
	Financial Viability

ANNUAL PERFORMANCE SCORECARD REPORT FOR THE CURRENT YEAR

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
OMM 1	GOOD GOVERNANCE AND COMMUNITY PARTICIPATION	Eradicate fraud and corruption by June 2017	Fraud & corruption	Fraud and corruption policy	-	Adopted In 2014	Adopted Fraud & Corruption Policy by 31/12/2015	Date	31/12/2015	29/10/2015	Target Met	None	None	Council Resolution
OMM 2		Improve Communications between Abaqulusi municipality and its stakeholders by June 2017	Communication and relationship building	Communication strategy	-	Draft in Place	Adopted Communication Strategy by 30 September 2015	Date	30/9/15	Draft Communication Strategy in Place	Target Not achieved	Securing a date to workshop Communication Strategy posed a challenge	Communication Strategy to be workshopped and adopted by 30 November 2016.	Council Resolution
OMM 3		Improve current customer satisfaction by June 2017	Customer care and satisfaction	Customer care services centre	-	No Customer Service Centre	Development of a customer service centre by deadline: 30/6/16	Date	30/6/16	none	Target not achieved	Budget constraints posed a challenge in establishing a customer care centre	A budget of R3m has been set aside to establish a call centre and customer care centre during the 2016/2017 year.	Proof of advertisement
OMM 4		Promote integrated development planning by June 2017	Integrated development planning	IDP process plan	-	31/8/14 Previous Process Plan	Adoption of IDP process plan by 31/08/2015	Date	31/8/15	27/08/2015	Target Met	None	None	Council Resolution

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
OMM 5		Integrated development plan		Integrated development plan	-	31/5/14 Previous IDP Adopted	Review and adoption of IDP by 31/5/16	Date	31/5/16	26/05/2016	Target Met	None	None	Council Resolution
OMM 6		To be a municipality that primarily focuses on the basics when rendering services	Back basics to basics	National back to basics programme	-	Non Existent	Regular reporting on the status of the municipality to national COGTA	Number	12	12	Target Met	None	None	Copy of the email and receipt of email
OMM 7				Provincial back to basics programme	-	Non Existent	Regular reporting on the status of the municipality to provincial COGTA	Number	4	4	Target Met	None	None	Copy of email and receipt of email
OMM 8		To ensure effective monitoring and evaluation of service delivery	PMS	Annual performance report	-	31/8/14	Tabled annual performance report by 31/8/15	Date	31/8/15	27/08/2015	Target Met	None	None	Council Resolution
OMM 9				Quarterly Reviews	-		Number of quarterly reviews conducted	Number	4	2	Target Not Achieved	4 Reports were submitted however could not secure a date for the other 2 reviews to take place.	Appoint Performance Evaluation Committee to oversee quarterly reviews	Copy of assessment reports and Appraisal Certificates
OMM				Half year		25/1/15	Tabled half	Date	25/1/201		Target	Item was		Council

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
10				performance report			year report to council by 25/1/16		6	02/02/2016	Not Achieved	originally tabled for Council on 28 January 2016, however Council was then postponed due to labour related issues. Item the tabled on 02/02/2016	Municipality to strictly adhere to compliance deadlines in future	resolution
OMM 11		Provide assurance on effectiveness of governance, risk management and internal control	Internal audit	Annual internal audit plan	-		Implementation of annual internal audit plan	Number of Monthly reports	12	12	Target Met	None	None	Copy of Audit Reports
OMM 12		To ensure the effectiveness of Audit Committee	Audit Committee	Audit Committee meetings	-	3	Number of Audit Committee meetings held	Number	4	4	Target Met	None	None	Minutes and Attendance Register
OMM 13		Improve the effectiveness of risk management within the institution	Risk Management Committee	Risk management meetings	-	0	Number of risk management meetings	Number	4	0	Target Not Achieved	Non-functionality of Risk management committee	Intervention from the Municipal Manager is required	Minutes and Attendance Register

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
							held.							

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
DP3	LOCAL ECONOMIC & SOCIAL DEVELOPMENT	To increase employment opportunities in the municipality by June 2017	Job Creation	Providing support to local SMME's	All	0 SMME's Workshops Coordinated	Number of SMME's workshops coordinated	Number (accumulative)	3	3	Target Met	None	None	Attendance registers
DP4		Unleashing agricultural potential by June 2017	Natural Resources	Providing support for local farmers	All	0 Agricultural Forum Meetings Held	Number of agricultural forum meetings held	Number (accumulative)	2	2	Target Met	None	None	Attendance registers
DP5		To promote sustainability & ensure protection of municipal natural resources and heritage sites by June 2017	Natural resources	Rehabilitating heritage sites	All	0 Heritage Sites Rehabilitated	Number of heritage sites rehabilitated	Number	1	0	Target Not Achieved	No heritage sites rehabilitated due to budget constraints	A separate budget to rehabilitate sites is required.	Close out report
DP6		To promote tourism opportunities in the	Tourism	Marketing the municipality	-	1 Tourism Event Organised	Tourism event organised by 30/5/16	30/5/16	30/5/16	1	1	Target Met	None	None

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
DP7		municipality by June 2017		Tourism awareness campaigns	-	1 Tourism Awareness Campaign Conducted	Tourism awareness campaigns by 30/12/15	30/12/15	30/12/15	1	Target Met	None	None	Close out report
DP8		To ensure functionality of informal traders within Abaqulusi by June 2017	Informal Economy	Capacity building for informal traders	All	0 Informal Traders Trainings Conducted	Number of informal traders' trainings conducted	Number (accumulative)	4	2	Target Not Achieved	No trainings had been conducted in the last 2 quarters	Budget Required	Attendance registers Training manual
DP9				Informal traders stalls site demarcation in Vryheid town	8	0 Informal Traders Stalls Demarcated	Number of informal traders stall demarcated	Number	100	80	Target Not Achieved	Demarcations has been completed awaiting for road painting	Department of Community Services has to start with road paintings which will make it easy for allowing each informal trader to have his/her space of operation	Informal trading licence register
DP10		To alleviate poverty levels in all municipal wards by June 2017	Poverty Alleviation	Ward Support for Poverty Alleviation	All	22 Wards	Number of wards supported with poverty alleviation projects	Number	22	22	Target Met	None	None	Signed acknowledgment of receipt form

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DP11		To promote youth, elderly, women and disabled development by June 2017	Special Groups	Special Group Programme	All	0 Events Organised For Youth, Elderly, Women And Disabled	Number of youth, elderly, women and disabled events conducted	Number (accumulative)	3	1	Target Not Achieved	1 Disability Awareness Function held 18 th September 2015, but no others were planned for later because of budget cuts.	Budgeted for 16/17	Close out report
DP12		To reduce the impact of HIV/aids by June 2017	HIV/aids	HIV/aids awareness campaign	All	0 HIV/Aids Awareness Campaigns organised	Number of HIV/aids awareness campaign organised	Number (accumulative)	2	1	Target Not Achieved	Financial constraints	Budgeted for in 2016/2017	Attendance registers and programme
COM1 2		To provide a fully functional public safety unit in Abaqulusi by June 2017	Law enforcement	Roadblocks		100	120 roadblocks	Number	120	254	Target Met	None	None	Reports
COM1 3	Enforcement compliance by road users			All	2000	2400 section 56 and 341 notices issued	Number	2400	Sec 341 and 56 7305 to the value	Target Met	None	None	Copies of Notices Issued	

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										of R7 178 130				
COM1 4			Revenue	Traffic fine revenue	-	R888,034	R1.7m Revenue collected through traffic enforcement	R value	R1 700 000	R942 630.00 with a shortfall of R 757 370.00	Target Not Achieved	Lack of equipment (Traf Man, Speed Camera, Robot Cameras)	- Service provider appointed for Traffic Management local contravention system to be implemented.	Copies of Traffic Fines Issued Dbase of fines issued.
COM1 5				Motor licence and driver licence revenue	-	R2 085 528	Revenue collected through motor and driver licence	R value	R2 221 800	R 2 241 558.95	Target Met	None	None	Copies of Invoices issued. Dbase of applications.
COM1 6				To purchase laser portable camera	-	1 Camera In Existence	Purchased laser camera by 30/9/15	Date	30/09/15	None	Target Not Achieved	Budget Constraints	Budgeted for 2016/2017	Payment Made. Registered on Asset Register
COM1 7		Enhancing safety and security by June 2017	Safety and security	Supporting the Community policing forum	-	Currently Active	12 meetings attended	Numbers	12 Meetings	12 Meetings	Target Met	None	None	Attendance registers

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COM18				Safety Campaigns	-	No Programme In Place	4 safety campaigns conducted	Numbers	4 Campaign	4 Safety campaigns was done	Target Met	None	None	Reports		
COM19				To promote sports development by June 2017	Sports	Management of sports facilities	8	Swimming Pool Closed	Re-opening of the swimming pool by deadline: 30/9/15	Date	30/09/15	None	Target Not Achieved	Insufficient budget for the swimming pool to be repaired	Applied for assistance from Department of Sports and Recreation	Reports
COM20									48 chemical treatment of the pool	Number	48	0	Target Not Achieved	The facility/ swimming pool needs to be repaired	Budget is available but pool needs to be repaired prior to chemical treatment	Reports
COM21									Existing Cecil Emmet Sports Grounds	Date	30/06/16	None	Target Not Achieved	Delay in appointment of Contractor	Provision has been made in 16/17 Budget	Close-up report
COM22				To promote arts & culture within Abaqulusi by June 2017	Arts and culture	Arts and culture Committee	All	No Existing Committee	Established Committee by deadline: 31/3/16	Date	31/03/16	01/09/2015	Target Met	None	None	Reports
COM2				Facilitate	All	Annual	Number of	Number	9	9	Target	None	None	Reports &		

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3				arts and culture events		Events	annual events				Met			photos

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TECH 1	SERVICE DELIVERY & BASIC INFRASTRUCTURE DEVELOPMENT	To provide easy access and safe roads to the people of Abaqulusi by June 2017	New Roads	Gravel	Alpha Gravel road	6	0	km of new roads gravelled	Km	2.5km	3.2km	Target Met	n/a	n/a	Monthly progress reports and payment certificates
% of construction								%	100%	100%	Target Met	n/a	n/a	Monthly progress reports and payment certificates	
Expenditure								R/c	R5.5m	R5.2m	Target Met	Savings	n/a	Monthly progress reports and payment certificates	
TECH 2				Gravel	MJ Mbuli	14	0	km of new roads gravelled	km	2.5km	2.5km	Target Met	n/a	n/a	Monthly progress reports and payment certificates
% of construction								%	100%	100%	Target Met	n/a	n/a	Monthly progress reports and payment certificates	
Expenditure in R value								R/c	R2.8 mil	R2.1m	Target Met	Retention outstanding	n/a	Monthly progress reports and payment certificates	

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TECH 3				St Paul Gravel Road	15	0	km of new roads gravelled	km	5.5km	5.5kn	Target Met	n/a	n/a	Monthly progress reports and payment certificates	
							100% of construction completed	%	100%	100%	Target Met	n/a	n/a	Monthly progress reports and payment certificates	
							Expenditure in R Value	R/c	R 6.5 mil	R7.35m	Target Met	n/a	n/a	Monthly progress reports and payment certificates	
TECH 4			New Roads	Gravel	Jimani Gravel Road	12	0	km of new roads gravelled	km	7 km	8km	Target Met	n/a	n/a	Monthly progress reports and payment certificates
								% of construction	%	100%	98%	Target Not Achieved	Contractor cash-flow challenge	Contractor is paid within thirty days after receiving the adjudicated invoice	Monthly progress reports and payment certificates

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							Expenditure	R/c	R9.4 m	R8.5m	Target Not Achieved	Contractor cash-flow challenge	Contractor is paid within thirty days after receiving the adjudicated invoice	Monthly progress reports and payment certificates	
TECH 5			New Roads	Gravel	Ntabankulu Gravel road	5	0	km of new roads gravelled	km	2.5km	2.5km	Target Met	n/a	n/a	Monthly progress reports and payment certificates
							% of construction	% of construction	100%	100%	Target Met	n/a	n/a	Monthly progress reports and payment certificates	
							Expenditure	R/c	R4.2 m	R4.2m	Target Met	n/a	n/a	Monthly progress reports and payment certificates	
TECH 6			Construct new paved roads	Lakeside internal road	22	0	km of new roads gravelled	km	1.3km	0.9km	Target Not Achieved	Delays in SCM Process, shortage of material	Project will be completed in 31 August 2016	Monthly progress reports and payment certificates	

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							% of construction	% of construction	100%	85%	Target Not Achieved	Delays in SCM Process, shortage of material	Project will be completed in 31 August 2016	Monthly progress reports and payment certificates
							R 2.5m Expenditure	R/c	R2.5m	R2.2m	Target Not Achieved	Delays in SCM Process, shortage of material	Project will be completed in 31 August 2016	Monthly progress reports and payment certificates
TECH 7			Rehabilitation of roads	Rehabilitate Utrecht street	8	0	km of new roads gravelled	km	1.18km	1.1km	Target Met	n/a	n/a	Monthly progress reports and payment certificates
							100% construction completed	% completed	100%	100%	Target Met	n/a	n/a	Monthly progress reports and payment certificates
							R5 m Expenditure	Expenditure in R value	R5m	R5m	Target Met	n/a	n/a	Monthly progress reports and payment certificates
TECH 8			Grading of Roads	Number of km of roads graded	All rural wards	0	1800 km of roads graded	km	1800	2420.9	Target Met	n/a	n/a	Photos Progress Reports

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TECH 9			Re-graveling of roads	Number of km of roads re-gravelled	All rural wards	0	12km of roads re-gravelled	km	12	70.89	Target Met	n/a	n/a	Photos Progress Reports
TECH 10			Pothole Repairs	Repairing Potholes	1 6 8 9 10 11 13 22	0	4000m2 of pothole repairs done	m ²	4000	26670.79	Target Met	n/a	n/a	Program, Photos Progress Reports
							R2 m Expenditure	R	R2 m expenditure					Progress & Expend. Reports
TECH 11			Pavement Repairs	Repairing Pavements	1 6 8 9 10 11 13 22	0	100 m2 of pavement/ sidewalks repairs done	m ²	100	n/a	Target Not Achieved	The concrete team had to assist with pothole patching and pipe lying.	Project to commence in 16/17 financial year	Photos Progress & Expend. Reports
							R1 045 000 Expenditure	R/c	R 1 045 000 expenditure	n/a				Photos Progress & Expend. Reports
TECH 12			Storm Water	Storm Water Construction	1 6 8 9 10 11	0	Number of meters of new storm water drains installed	m	2700	8663.5	Target Met	n/a	n/a	Monthly progress reports and payment certificates

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		To have a storm water system that is safe and reliable by June 2017			13 22		100% of construction	%	100					Monthly progress reports and payment certificates
							R4.5m Expenditure	R	R4.5 m expenditure					Monthly progress reports and payment certificates
TECH 13		Cleaning of storm water drains	Storm water drains cleaning	1 6 8 9 10 11 13 22	0	600 meters of storm water drains cleaned	meters	600	940m	Target Met	n/a	n/a	n/a	Program, Photos
						R750 000 Expenditure	R	R750 000 expenditure						Program, Photos
TECH 14		New Water Line Construction	Detection and repairs to leaking water lines per household by June 2016	18	0	100% of construction	%	100	R 273 392.55 (Professional Fees)	Target Not Achieved	Project did not commence due to social challenges	CLO has been appointed who will introduce the project to the community before commencement	Monthly progress reports and payment certificates	
						R2 m Expenditure	R	2 mil					Monthly progress reports and payment certificates	

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TECH 15		To deliver safe and reliable water networks within Abaqulusi by June 2017	Construction of new water stations/ jo-jo tanks	Number of water stations constructed	Rural Wards	0	To install 24 5000L Jo Jo tanks in rural areas by June 2016	number of tanks	24 tanks	76	Target Met	n/a	n/a	Proof of payments/ invoices, photos
TECH 16			Upgrading of Asbestos Pipes	200 meters of asbestos pipes upgraded	1 6 7 8 9 10 11 13 18 22	0	To replace 200 meters of old asbestos pipes in Abaqulusi by June 2016	meters	200	542	Target Met	n/a	n/a	Job cards, orders and photos
							R100 000 Expenditure	R	100 00					Job cards, orders and photos
TECH 17			Repairs to water lines	Repairs to burst or leaking water lines	Urban Areas	75%	80% of call log on burst pipes attended to within 48hrs	%	80	100%	Target Met	n/a	n/a	Job cards, orders and photos

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TECH 18				Valve replacement	Urban Areas	0	8 valves replaced	numbers	8	8	Target Met	n/a	n/a	Job cards, orders and photos	
TECH 19				Fire hydrants repairs	Repairs & maintenance to existing fire hydrants	89	0	24 fire hydrants repaired	number	24	24	Target Met	n/a	n/a	Job cards, orders and photos
TECH 20				Water pump repairs	Repairs & maintenance to existing water pumps	Urban Areas	0	12 pumps repaired	number	12	12	Target Met	n/a	n/a	Job cards, orders and photos
TECH 21				Installation of new sewer lines	Emondlo sanitation project	18	0	300 households benefitting	number of households	300	R216 473 .30	Target Not Achieved	Project did not commence due to social challenges	CLO has been appointed who will introduce the project to the community before commencement	Invoices, progress reports and photos
550 meters of new sewer lines	meters	550 meters													
R1.5m expenditure on new sewer lines	Expenditure in R value	R1.5m													

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TECH 22			Draining of sewer tanks	Drainage of old septic tanks in coronation, drainage of raw sewer in pump stations on break downs	Urban Areas	0	80% of complaints received resolved within 24hrs	%	80%	50%	Target Not Achieved	Inadequate documentation often causes delays.	Finance/SCM has been informed of the delays and meeting are held continuously to resolve it.	Invoices, progress reports and photos
TECH 23		To deliver safe and reliable electricity networks within Abaqulusi by June 2017	New electrical connections/installations done	Number of new electrical connection	11	0	1000 households with new electrical installations by June 2016	Number of houses	1000	100%	Target Met	n/a	n/a	Designed, Photos and progress reports
100% of construction	%						100							
Expenditure	R value expenditure						R18 mil							
TECH 24				Installation of electrical meters in Coronation by June	6	0	To install 650 electrical meters	meters installed	650	0%	Target Not Achieved	Tender re advertised for the 3rd time. No appointment	SCM to finalise the tender processes	Photos and Progress Reports

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				2015			100 % construction completed	%	100		d	nt done		
							R1.5m Expenditure	R	R1.5 m					
TECH 25				Installation of high mast lighting by June 2015	Various	0	Installation of high mast lights to the total of 10	Number of lights installed	10					Designed, Photos and progress reports
							100 % of construction completed	%	100	100% 15 done	Target Met	n/a	n/a	
							R2 m Expenditure	R/c	2 m expenditure					
TECH 26			Public lighting repairs	Pole/light repair	8,9101113182022	75%	80% of complaints received resolved	%	80 % of pole lights repaired	Total of 978 repaired for the year	Target Met	n/a	n/a	Complaints received. Evidence of Repaired lights related to complaints

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TECH 27					18		Repairs 6 high mast lighting in Emondlo	Number	6	Total of 6 were repaired	Target Met	n/a	n/a	Photos Reports
TECH 28					Electricity Mains	Replacement of bare overhead conductor to aerial bundle conductor	8918	0	10 km of bare overhead conductor replaced	km	10	1.5 km were replaced	Target Not Achieved	Due to continuous strike and major staff shortage all planned maintenance could not be accomplished in full Crane truck was assisting the water disaster.

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TECH 29			General Infrastructure	Maintenance to mini substation	6 7 8 9 10 11 13 18	0	8 mini substation maintained	number	8	Total of 7 mini substation were done	Target Not Achieved	Due to continuous strike and major staff shortage all planned maintenance could not be accomplished in full Crane truck was assisting the water disaster.	All staff related problems to be resolved and staff component to be increased	Maintenance forms, job cards and photos
TECH 30				Upgrade transformers	6 7 8 9 10 11 13 18	0	24 transformers upgraded	number	24	Total of 20 transformers were done	Target Not Achieved	Due to continuous strike and major staff shortage all planned maintenance could not be accomplished in full Crane truck was assisting the water disaster.	All staff related problems to be resolved and staff component to be increased	Maintenance forms, job cards and photos

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TECH 31			Major Substations	Maintenance on Major substations	6 7 8 9 10 11 13 18	0	4 major substations repaired	number	4	Total of 4 major substations were done	Target Met	n/a	n/a	Maintenance forms, job cards and photos	
TECH 32				Overhead lines	To repair HT overhead lines	6 7 8 9 10 11 13 18	0	4 kilometres of overhead lines repaired	kms	4	Total of 6.4 km were done	Target Met	n/a	n/a	Maintenance forms, job cards and photos
TECH 33				Repairs to Robots	Maintain robots	8 9	0	7 robots repaired	number	7	Total of 13 were done	Target Met	n/a	n/a	Maintenance forms, job cards and photos
DP 1		To provide sustainable human settlements to the people of Abaqulusi by 2017	Housing	Review housing sector plan	All	August 2012	Reviewed Housing Sector Plan Adopted	Date	30/6/16	None	Target Not Achieved	-All processes were followed by officials - Councillors could not agree on Housing Projects Proposed	-During the 2016/017 Financial year, the Housing Sector Plan will be reviewed with New Council and a budget of R400 000 is made available	Council Resolution	

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DP 2				Hosting and participating in housing forums	All	8 Housing Forum Meetings Held	Number of housing forum meetings held	Number (accumulative)	8 Meetings	9	Target Met	None	None	Attendance registers; agenda and minutes
COM 1		To have a refuse removal system that is reliable and efficient by 2017	Refuse management	Refuse removal	8,91011131820 221,6 7 12	15 421 sites serviced	15 421 sites serviced	Number	15 421	16355	Target Met	None	None	Invoices Payment Reports.
COM 2				Maintenance of the landfill site	22	Rehabilitation	Number of environmental management (em) site inspection reports favourable	Number	4	4	Target Met	None	None	Environmental Mgt site inspection reports which are favourable

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COM 3		To ensure that there is sufficient burial space available at Abaqulusi by 2017	Cemeteries	Expansion of current cemeteries	1 6 5 11 13 18	Existing Cemeteries	Submission of the basic assessment report for the environmental authorisation by due date	Date	31/01/2016	Letter to competent authority was done however advised that there was no need for an EIA to be lodged.	Target Met	Application was withdrawn based on advice from competent authority	none	Acknowledgment letter from competent authority
COM 4		To promote green building/structures for Abaqulusi municipality 2017	Gate-ways	Building plans for gate ways at the entrance of church and east Str	8, 9	0	Submission of building plans by due date : 31/8/15	Date	31/08/2015	31/08/2015	Target Met	none	none	Acknowledgment letter from planning
COM 5	Erect gate ways at the entrance of east and church Str			0		100 % of project complete	%	100%	0%	Target Not Achieved	Budget Constraints	Budget is available this financial year 2016/2017 in the MIG Projects	Implementing agent report	

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COM 6		To provide fully functioning libraries within Abaqulusi by June 2017	Libraries	Expansion of library services		Libraries Existing But Services Need To Be Extended	Submission of business plan for funding by deadline	Date	31/12/2015	15/12/2015	Target Met	N/A	Involvement of stakeholders	Acknowledgment letter from competent authority
COM 7		To ensure promotion of Abaqulusi history within the municipal jurisdiction and Zululand district by June 2017	Museum	Municipal history promotion plan		Insufficient Promotion For Available History	Promotional plan by deadline: 30/9/15	Date	30/09/15	26/09/2015	Target Met	None	None	Promotional plan
COM 8	Promotion plan implementation				0	12 displays	Number	12	12	Target Met	None	None	Museum Committee report	
COM 9	Promotion plan implementation				0	24 school visits	Number	24	24	Target Met	None	None	School confirmation letters	

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COM 10		To ensure well maintained community facilities.	Parks & Halls	Maintenance of existing parks		11	Maintained 11 municipal parks	Frequency of maintenance per park: number	66	66	Target Met	None	None	Invoices
COM 11				Maintenance of municipal halls		Halls Not Properly Maintained	96 favourable councillor hall inspection reports	Number	96	96	Target Met	None	None	Inspection reports

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DP13	CROSS CUTTING, SPATIAL, ENVIR,DISASTER	To promote harmonious & co-ordinated land uses to achieve a sustainable environment by June 2017	LUMS	Development applications	All	90%	Percentage of total no. of dev. applications received that are processed	Percentage	92%	100%	Target Met	None	None	Town Planning Register
DP14				Town planning scheme	8,911 22	1984	Draft urban component of a scheme adopted by 30/6/16	Date	30/6/16	Work Plan Programme adopted by Council in March 2016. TOR forwarded to SCM and presented to BSC. Tender to be advertised	Target Not Achieved	Administration Challenges	Advert for the Tender to be advertised. Service provider to be appointed	Council Resolution
DP15				Review SDF	All	2009	SDF Framework Adopted by 30/3/16	Date	30/3/16	SDF Adopted by Council in May 2016	Target Not Achieved	Challenges in arranging Councillor Workshops due to clashes with other statutory committee meetings. Delays in deliverables from service providers	Project Completed Continuous monitoring of the SDF	Council Resolution
DP16				Precinct Plans	16	Draft Precinct	Louwsburg Hlobane/Coronati	Date	30/3/16	Draft Precinct	Target Not	Administration	Draft Precinct Plans to be	Council Resolution

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL OUTPUT	KPI:	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
					781719	Plans	on and Emondlo precinct plans adopted by 30/3/16				Plans were adopted by Council.	Achieved	Challenges	advertised	
DP17		To ensure compliance with the SA National Building Regulations and SANS 10400 by June 2017	Building inspectorate	Assessment of building plans	All	90%	Percentage of total no. Of building plans received that are processed		Percentage	92%	88%	Target Not Achieved	Building Inspectorate positions are vacant within the Municipality. Building inspector from DPSS resigned end of 01/16.	Building Inspectorate Intern has been assisting with the processing and assessment of building plans. Director Technical Services has been appointed as Acting Building Control Officer	Building plan register
DP18	Workshop professionals in the built environment			All	1 Professionals Workshop Conducted	Number of workshops conducted	Number (accumulative)	2	2	Target Met	None	None	Attendanc e Register and programme		
COM24		To establish a fully functional fire and disaster	Fire and disaster	Fire and disaster management unit	All	0-2Hours	1 hour Turnaround time to arrive at the disaster scene		Hours	0-1 Hour	0-1 hour	Target Met	None	None	Reports & photos
COM25						0-24 Hours	8 hours Turnaround time		Hours	0-8 hours	1 Hour arrival	Target	None	None	Assessme nt form

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
		management unit in Abaqulusi by jun2017					to provide relief			time at the scene of the incident	Met			Reports & Photos
COM26				Inter-governmental relations with provincial and district disaster management units	All	Currently Active	12 meetings attended	Number	12 Meetings	12	Target Met	None	None	Minutes

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
CORP1	MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Human Resource Development	HRM	HR policies	-	Draft Policy	Adoption of HR policies by 10 December 2015	Date	10 December 2015	10/12/15	Target Met	none	none	Council resolution ATTACHED
CORP2				Employment equity plan	-	Plan	Submission of EE Plan 30/8/15 to Dept of Labour.	Submission Date	30/8/15	An item was tabled before Council and was referred to Unions for comments	Target not achieved	Non-sitting of Local Labour Forum	To be tabled in Local Labour Forum by 31 October 2016 and then reported to Council by 30 November 2016 and submitted to Department of Labour by 31 December 2016	Acknowledgement of Receipt by Dept of Labour.
CORP3					-	Draft	Adopted Recruitment Plan by 27/8/15	Adoption date	27 August 2015	(Copy of Recruitment Plan as this is an administrative issue)	Target Met	none	none	Council resolution ATTACHED
CORP4				Implementation of organizational structure	-	Draft	Adopted Retention Strategy by 27/8/15	Adoption date	27 August 2015	HR Policy Manual was workshopped to Cllrs, Unions and Management. It must be tabled to relevant Committees	Target Met	none	none	Council resolution ATTACHED
CORP5					-	0	Review and adopt organizational structure by 31/3/16	Adoption date	31 March 2016	None	Target not achieved	Delays in correspondence from SLAGA as the municipality constantly requested feedback and assistance.	Fast track correspondence from SALGA. Review to Begin by 1 October 2016.	Council resolution

CORP6				Employee benefits	-	Monthly Reports	Monthly reports by deadline date	Number of Reports done by Date	12	12	Target Met	none	none	Monthly reports 10
CORP7				Staff Relations	-	0	1 Staff newsletter per quarter provided to Communications.	Number	4	3	Target not achieved	There was no new information was cascaded to employees	None.	News letters
CORP8				Labour relations	-	1	4 Workshops	Number of workshops	4	0	Target not achieved	Non sitting of LLF Meetings makes it impossible to conduct workshops as it first needs to be approved by the LLF	Item to be tabled in Local Labour Forum by 31 October 2016	Attendance registers of workshops
CORP9					-	2	LLF meetings	Number of LLF meetings	12	2	Target not achieved	Non sitting of L.L.F Meeting because of differences between Cllrs and organized labour members on the appointment of the Chairperson.	New LLF Committee and Chairperson to be established by 31 October 2016	Minutes of meetings
CORP10			Human resource development	Workplace skills plan.	-	2014/15 WSP Adopted In June 2015	Adoption of WSP by deadline: 30/9/15	Date	30 September 2015	30/05/15	Target Met	Submitted to LGSETA by end of May.	Assistance from LGSETA is required	Council Resolution
CORP11				Induction	-	Old Policy	Adopted Reviewed Induction Policy and Plan by 30/9/15	Date	30/9/15	10/12/15	Target Met	none	none	Council Resolution
CORP12				OHS	-	Needing Improvement	Adopted Programme (including policy, plan, structures TOR) by 30/12/15	Date	30/12/15	None	Target not achieved	OHS Committee was not elected.	OHS Committee to be established by 31 October 2016. OHS Plan to be work shopped by 30 November 2016. OHS Plan to be	Council Resolution

												tabled for adoption before Council by 31 December 2016.	
Corp 13			Training Policy	-	Needing Review	Adopted Training Policy by 30/12/15	Date	30/12/15	10/12/15	Target Met	none	none	Council Resolution
CORP14			Wellness programme	-	0	Adopted Wellness Policy and Programme by 30/12/15	Date	30/12/15	None	Target not achieved	Wellness Committee was not elected.	Wellness Committee to be established by 31 October 2016. Wellness Plan to be work shopped by 30 November 2016. Wellness Plan to be tabled for adoption before Council by 31 December 2016.	Council Resolution
CORP15	To ensure that council and its Committee fulfil their executive and legislative functions and effective oversight roll over administration by June 2017	Council support	Review and adopt Rules of Order and Order of delegation	-	Draft Document Developed	Adoption by deadline: 30/6/16	Date	30/6/16	None	Target not achieved	-Rules of Order was work shopped. -Could not secure the date for workshop for Order of Delegations. -All actions from administrative point of view was however complete.	Order of Delegations to be work shopped to new Council by 31 October 2016 and adopted by 30 November 2016	Council Resolution
CORP16			Annual Council Calendar/Schedule of Meetings	-	30/6/15	Adoption by deadline: 30/6/16	Date	30/6/16	None	Target not achieved	Currently awaiting appointment of the new Council to adopt the new Annual Council Calendar	To be adopted by 31 August 2016	Council Resolution
CORP17			Implementation of the annual council programme	-	34	Number of portfolio Committee Meetings held	Number	60	42	Target not achieved	According to the annual programme no Portfolio Meetings are	AMM and Speaker intervention is required	Attendance Register and Minutes

													scheduled for January. In February no portfolios sat & in March there was no quorum		
CORP18					13 (Including Special EXCO)	Number of Exco meetings held	Number	11	29	Target Met	none	none	Attendance Register and Minutes		
CORP19					15 (including Special Councils)	Number of council meetings held	Number	6	37	Target Met	none	none	Attendance Register and Minutes		
CORP20					5	Number of MPAC meetings held	Number	5	12	Target Met	none	none	Attendance Register and Minutes		
CORP21				Implementation of the records management policy & procedures	-	Draft Document Developed	Adoption deadline: 30/09/2015 by Date	30/09/2015	None	Not Achieved	Could not secure the date for workshop	To be work shopped with new Council by 31 October 2016	Council Resolution		
CORP22				Implementation of the fleet policy	-	Draft Document Developed	Adoption deadline: 30/09/2015 by Date	30/09/2015	None	Target not achieved	Could not secure the date for workshop	To be work shopped with new Council by 31 October 2016	Council Resolution		
CORP23	To increase capacity to support the proper and uninterrupted functioning of the municipality whilst complying to best practices and good governance by June 2017	ICT		Website	-	Implementation Of ICT Policy	100% compliant website	%	100%	100%	Target Met	none	none	Legally Compliant Website	
Corp 24				Computer replacement program	-	23	Number of computers replaced.	Numbers	20	20	Target Met	none	none	Asset Register reflecting replaced computers.	
Corp25				Server upgrades	-	0	3 Servers Upgraded	Number	3	3	Target Met	none	none	Asset Register reflecting upgraded servers.	
Corp26				Annual IT related agreement reviews	-	0	9 agreements reviewed	Number	9	9	Target Met	none	none	Reviewed Agreements	

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Fd1	FINANCIAL VIABILITY & MANAGEMENT	To improve and protect revenue collection of the municipality by June 2017	Revenue	Revenue collection	All	90% payment received for billing sent	Percentage of payment received vs billing	%	92	96.51%	Target met	none	none	Billing and payment spreadsheet
Fd2			Indigent Information Mgt	Indigent register	All	12 updates of Indigent Register	12 updates conducted	Number (accumulative)	12	12	Target met	none	none	Up to date Indigent Reg
Fd3		To ensure full compliance with the MFMA and municipal policies/procedures by June 2017	Expenditure	Expenditure payments to service providers	All	12 reports	12 reports prepared - creditors age analysis	Number	12	12	Target met	none	none	Monthly Section 71 Report
Fd4				Creditor reconciliations	All	12 reports	12 reports prepared - creditors age analysis	Number	12	12	Target met	none	none	Monthly section 71 report
Fd5		To ensure full compliance of the MFMA SCM regulations and municipal policies/procedures by June 2017		Procurement plan	All	Not Adopted	Date of adopting procurement plan	Date	30 September 2016	Only certain departments submitted procurement plan	Target not achieved	Not all departments submitted their plans to SCM	To be Submitted by 31 August 2016	Procurement plan Approved/Adopted
Fd6				IUFW register and s36/32 register	All	12	Number of report on IUFW register and S36/32	Number	12	12	Target met	none	none	Monthly section 71 report

IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
Fd7			SCM				register							
Fd7				SCM Policy	All	May 2015	Date of adoption of SCM policy	Date	31 May 2016	31 May 2016	Target met	none	none	Council Resolution
Fd8				SCM database	All	Not Measured Previously	Percentage of new suppliers registered	Percentage	90	90%	Target met	none	none	Copy of the newspaper advert and database (before and after update)
Fd9				Monitor functionality of municipal stores	All	4	Number of stock takes and recons conducted	Number	4	4	Target met	none	none	Stock count sheets and reconciliation
Fd10		To have a GRAP compliant assets register by June 2016	Asset management	Assets register	All	4	Number of updates conducted	Number	4	1	Target not achieved	none	GRAP compliant assets register and reconciliation	
Fd11		To ensure full compliance of the MFMA and municipal policies/procedures by June 2016	Budget	1 July 2014	All	Munsoft Financial System	Votes are locked by deadline (certificate provided to treasury): 1/7/15	Locking of votes on munsoft financial system by date	Certificate by 1/7/15	Certificate by 1/7/15	Target met	none	none	Certificate
Fd12			Budget	Virements	All	Not Measured	Virements to be performed in accordance with the virement policy	Percentage of requests from departments compliant	90	100%	Target met	none	none	Virement forms

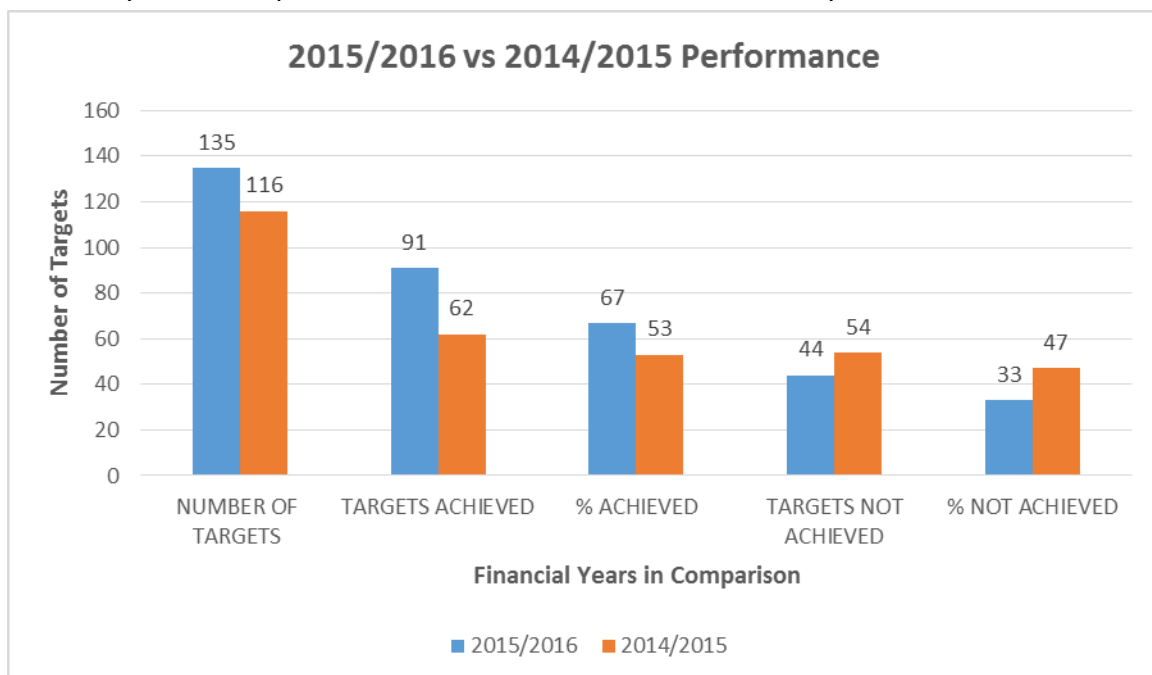
IDP REF	NATIONAL KPA	STRATEGIC OBJECTIVE	STRATEGIC FOCUS AREA	PROJECT	WARD	BASELINE	ANNUAL KPI: OUTPUT	UNIT OF MEASURE	ANNUAL TARGET	ACTUAL	TARGET MET /TARGET NOT ACHIEVED	REASON (IF TARGET NOT ACHIEVED)	MEASURES TAKEN TO IMPROVE PERFORMANCE	ANNUAL POE
Fd1 3			Budget	Approved budget	All	31 March 2015	Tabling of draft budget by 31/3/16	Date	31 March 2016	31 March 2016	Target met	none	none	Council resolution
Fd1 4						31 May 2015	Approval of final budget BY 31/5/16	Date	31 May 2016	31 May 2016	Target met	none	none	Council resolution
Fd1 5			mSCOA	Develop, adopt and implement mSCOA	All	Not Measured	Number of mSCOA reports submitted to council	Number	12	12	Target met	none	none	Council Endorsed Section report 71
Fd1 6			Budget	Sound control environment over management information	All	12	Number of s71 reports	Number	12	12	Target met	none	none	Council Endorsed Section reports 71
Fd1 7						4	Number of s52 reports	Number	4	4	Target met	none	none	Council Endorsed Section reports, 52
Fd1 8						1	Number section 72 report	Number	1	1	Target met	none	none	Council Endorsed Section Reports 72
Fd1 9						31 August 2014	Submission of AFS to AG by deadline	Date	31 August 2015	31 August 2015	Target met	none	none	Proof of submission of AFS to AG

PERFORMANCE HIGHLIGHTS OF THE 2015-2016 FINANCIAL YEAR

During the 2015/2016 financial year, the Abaqulusi Municipality had a total of 135 targets to report on as per the Municipal Scorecard above. These targets were set in line with the Key Performance Areas that drives service delivery and democracy in local government. The 6 Key Performance Areas included the following:

- (7) Good Governance and Community Participation
- (8) Local Economic Development and Social Development
- (9) Basic Service Delivery and Infrastructure Development
- (10) Municipal Transformation and Institutional Development
- (11) Financial Viability and Management
- (12) Cross-cutting (Disaster, Environmental and Spatial)

The graph below highlight the municipality's overall performance for the 2015/2016 financial year in comparison to that of the 2014/2015 financial year.



It is clearly evident from the graph above which expresses the municipality's performance in a percentage value that the municipality had improved its performance in the 2015/2016 financial year compared to 2014/2015. The municipality had achieved 67% of all targets planned for in 2015/2016 as compared to only 53% in 2014/2015, improving by 14%. However the 33% of targets not achieved in 2015/2016 is still a call for concern and the municipality will aim on further improving during 2016/2017.

PERFORMANCE PER KEY PERFORMANCE AREA

This section of the report details exactly how the municipality performed against each Key Performance Area under which it functions. The table below is a reflection of the municipality's 2015/2016 performance compared to that of the 2014/2015 performance. The table highlights the Total Number of Targets set against each Key Performance Area and the Number of Targets that were achieved and not achieved.

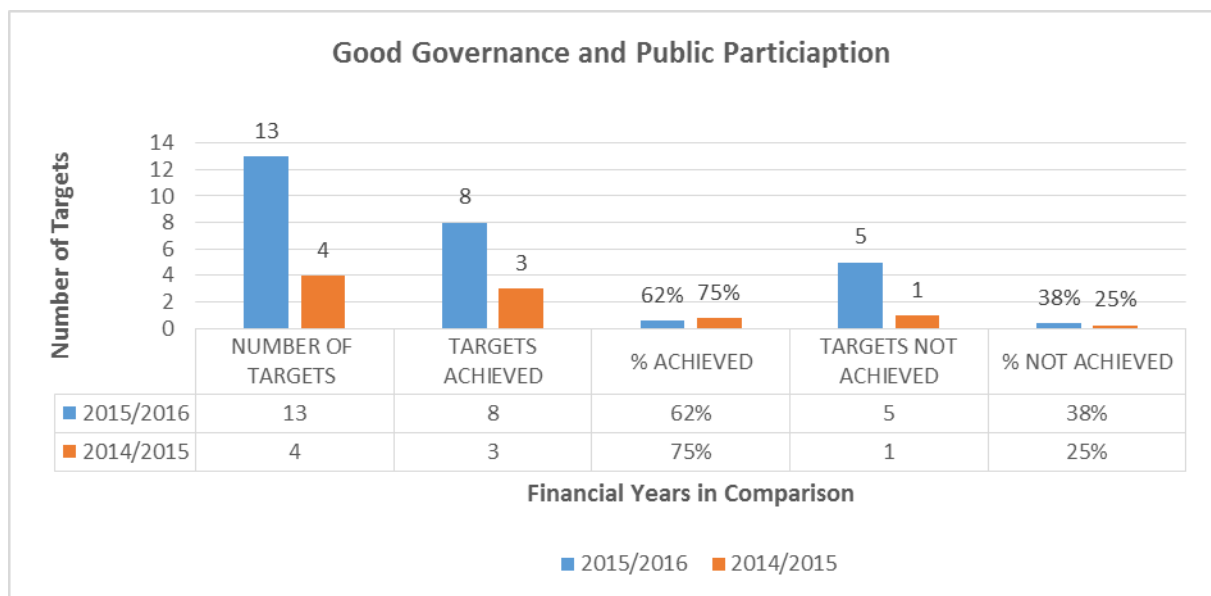
KPA 1: Good Governance and Community Participation									
2015/2016					2014/2015				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
13	8	62%	5	38%	4	3	75%	1	25%
KPA 2: Local Economic Development and Social Development									
2015/2016					2014/2015				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
22	12	55%	10	45%	35	14	40%	21	60%
KPA 3: Basic Service Delivery and Infrastructure Development									
2015/2016					2014/2015				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
46	35	76%	11	24%	61	34	56%	27	44%
KPA 4: Municipal Transformation and Institutional Development									
2015/2016					2014/2015				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
26	14	54%	12	46%	8	5	63%	3	37%
KPA 5: Financial Viability and Management									

2015/2016					2014/2015				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
19	17	89%	2	11%	4	3	75%	1	25%
KPA 6: Cross-cutting (Disaster, Environment and Spatial)									
2015/2016					2014/2015				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
9	5	56%	4	44%					

GOOD GOVERNANCE AND COMMUNITY PARTICIPATION

- During 2015/2016, Abaqulusi Municipality achieved 62% of its targets linked to this KPA, down 13% from 2014/2015.
- It is important to note that whilst its performance for this KPA dropped, there were 9 more targets added for 2015/2016, increasing from 4 in 2014/2015 to 13 in 2015/2016.
- The 38% of targets not achieved in 2015/2016 were largely due to the failure of not having a performance evaluation committee in place, labour unrest and securing of workshop dates.
- Measures to improve performance include the appointment of a performance evaluation committee once a Municipal Manager is appointed, strengthen working relations with employees and improve communications with the office of the speaker in securing workshop dates.

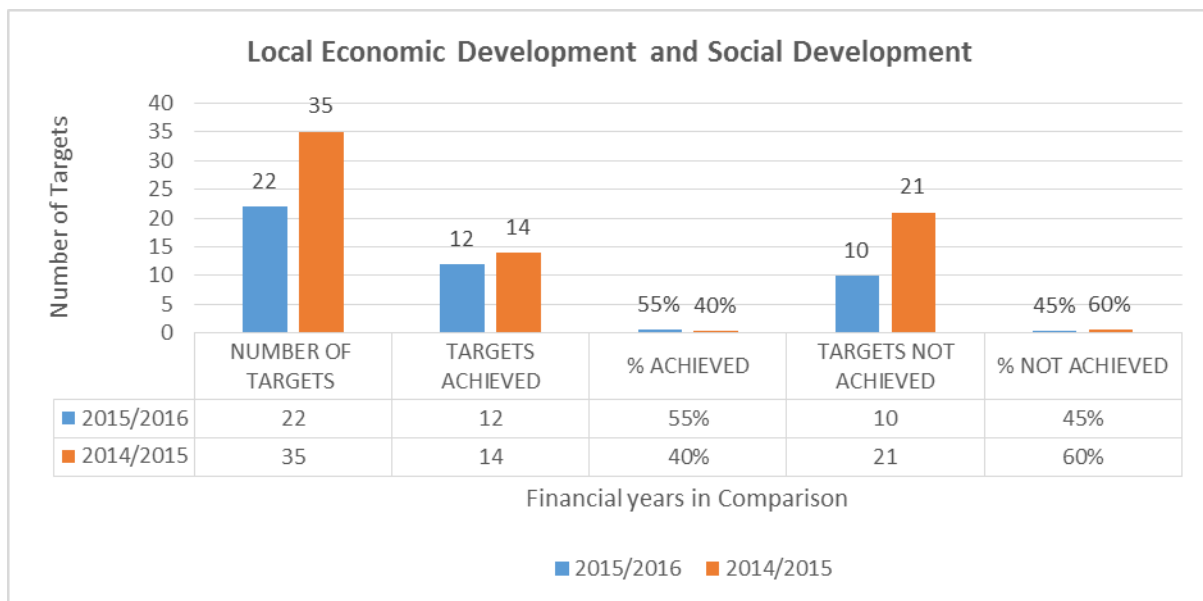
The graph below is a graphic representation of the municipality's performance of this KPA over 2015/2016 and 2014/2015.



LOCAL ECONOMIC DEVELOPMENT AND SOCIAL DEVELOPMENT

- During 2015/2016, Abaqulusi Municipality achieved 55% of its targets linked to this KPA, increasing by 15% from 2014/2015.
- Contributing factors such as budget constraints, lack of personnel and vacancies within departments, as well as lack of equipment to perform certain functions made it extremely difficult for the municipality to perform well in this KPA, resulting in 45% of its targets not achieved.
- Measures to improve performance include budget prioritisation, filling of vacant positions and acquiring the necessary equipment to carry out a task in order to improve future performance.

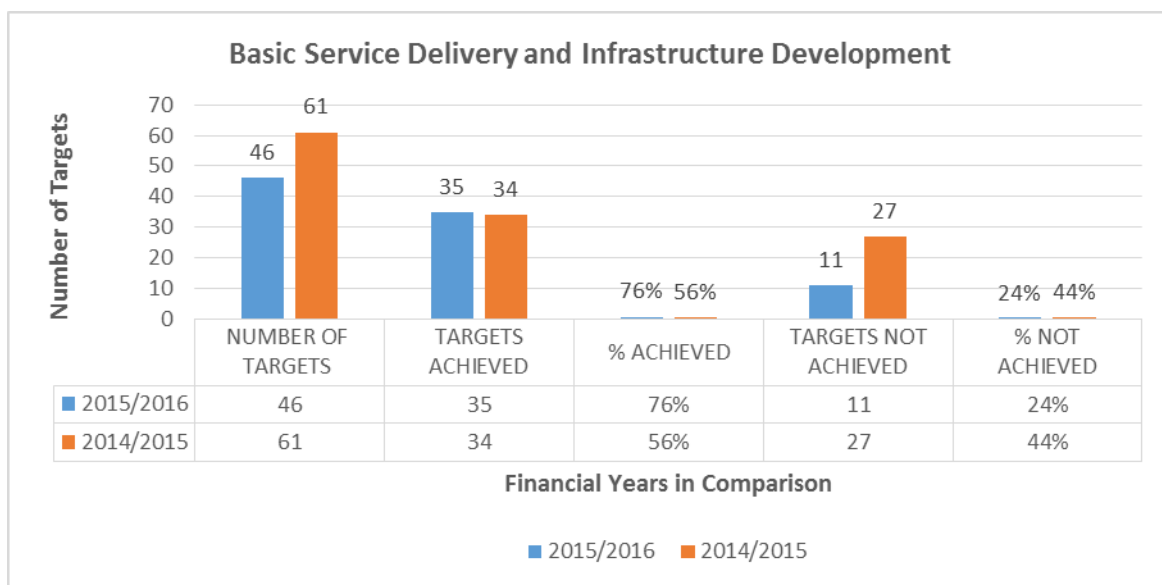
The graph below is a graphic representation of the municipality's performance of this KPA over 2015/2016 and 2014/2015.



BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

- During 2015/2016, Abaqulusi Municipality achieved 76% of its targets linked to this KPA, increasing by 20% from 2014/2015.
- This KPA recorded the largest improvement in performance in comparison to all 6 KPA's resulting in improved service delivery across the municipality.
- The 24% of targets not achieved was because of problems experienced around service provider's performance, community and social issues, poor documentation and budget constraints.
- Measure taken to improve performance include budget prioritisation, strengthen relationship and communication with communities and ensuring all tender processes are followed according to the SCM and MFMA regulations.

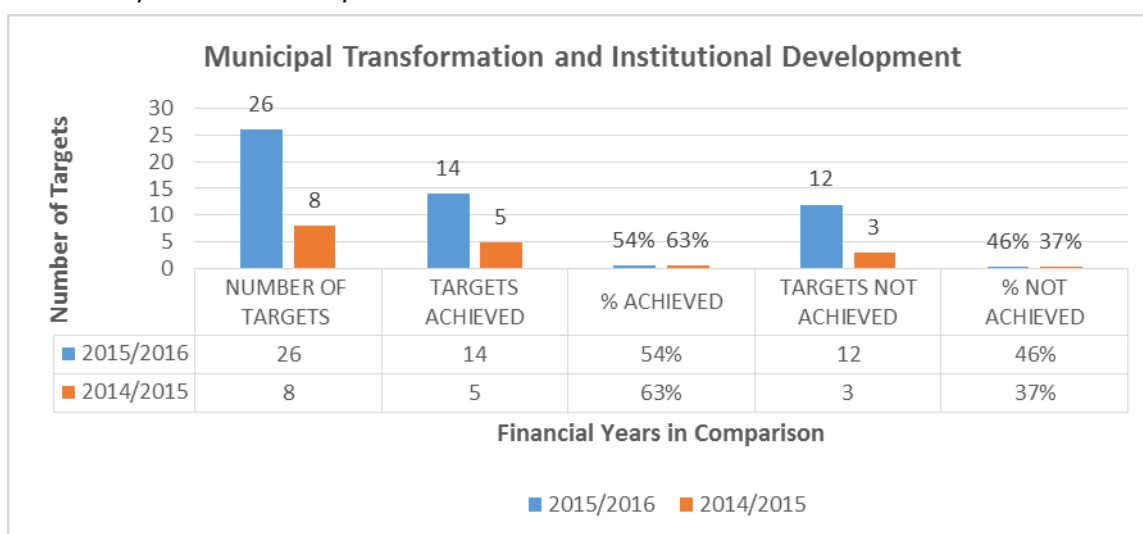
The graph below is a graphic representation of the municipality's performance of this KPA over 2015/2016 and 2014/2015.



MUNICIPAL TRANSFORMATION AND INSTITUTIONAL ARRANGEMENTS

- During 2015/2016, Abaqulusi Municipality achieved only 54% of its targets linked to this KPA, down by 9% from 2014/2015.
- It must also be noted that the number of targets increased significantly to 26 from in 2015/2016 from 8 in 2014/2015.
- Major challenges experienced for not achieving 46% of the targets included the absence of a Director: Corporate services, non-sitting of the local labour forums and securing of workshop dates.
- Measures to improve performance include the presence of a Director: Corporate Services, establishing a new local labour forum, strengthen working relations with employees and improve communications with the office of the speaker in securing workshop dates.

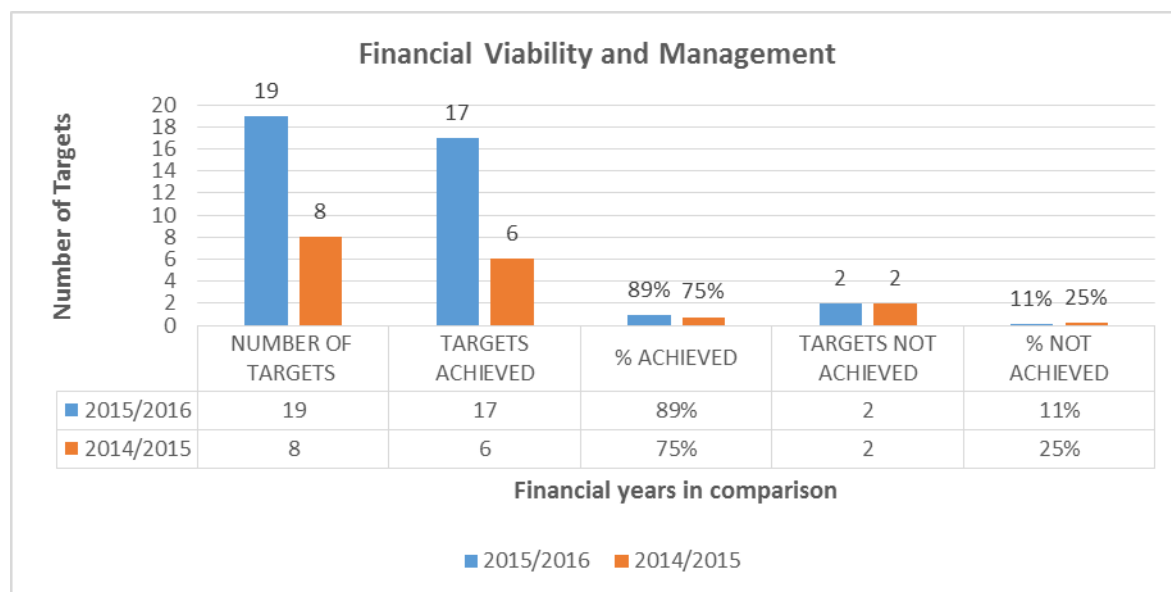
The graph below is a graphic representation of the municipality's performance of this KPA over 2015/2016 and 2014/2015.



FINANCIAL VIABILITY AND MANAGEMENT

- During 2015/2016, Abaqulusi Municipality achieved 89% of its targets linked to this KPA, increasing by 14% from 2014/2015.
- The municipality has displayed great strength in this KPA taking into account that the number of target increased to 26 in 2015/2016 from only 4 in 2014/2015.
- Measure to improve performance regarding the 11% of targets that were not achieved include the timeous development of a procurement plan and updating of the assets register on a quarterly basis.

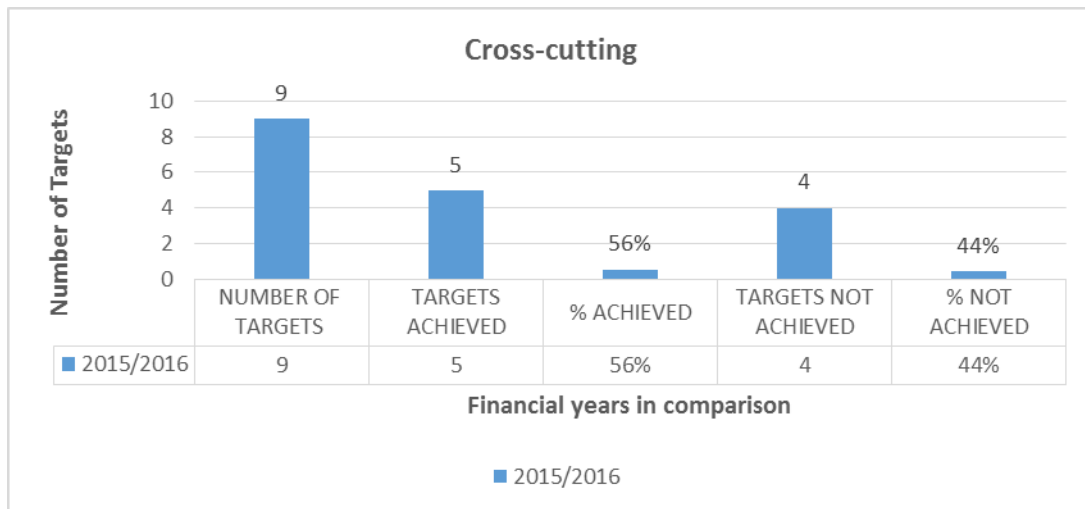
The graph below is a graphic representation of the municipality’s performance of this KPA over 2015/2016 and 2014/2015.



CROSS-CUTTING

- The cross-cutting KPA was newly introduced in the 2015/2016 financial year and therefore no comparison can be made to 2014/2015. This KPA focused on areas pertaining to disaster, environmental and spatial issues within the municipality.
- During 2015/2016, the Abaqulusi Municipality achieved only 56% of its targets in the KPA.
- Many challenges were experienced in trying to achieve the 44% of targets that were not met. These included budget constraints, vacancies within departments and targets not being met on time.
- Measure to improve performance include budget prioritisation, filling of critical vacant posts and constant monitoring of deliverables on time.

The graph below is a graphic representation of the municipality’s performance of this KPA over 2015/2016 and 2014/2015.



WHAT TO EXPECT IN 2016-2017

The Abaqulusi Municipality will aim high on improving its performance during the 2016/2017 financial year, building on its improvement that was made during 2015/2016. The appointment of a Performance Evaluation Committee will be prioritised as well as exploring the appointment of additional human resources within the performance management unit which is currently under staffed. Constant monitoring and reporting along with regular reviews of management's performance will also be exercised in order to identify and deal with early warning signals.

PERFORMANCE OF SERVICE PROVIDERS

The performance of service providers within the Municipality for the year 2015/16 is presented in the following table:

Table 34 Performance of Service providers

Name of External Service Provider	Date Contract Awarded	Service Provided as Per SLA (Description of the Project)	Value of Project	Service Providers Performance		Target Met/ Target Not Achieved	Reason if Target Not Met
				Target	Actual		
Siyamthanda Projects		Vryheid Ext. 16 Housing Project	Subsidy amount X 2500 housing units	To build 903 houses for phase 1. Also build 1597 houses	801	Target not met	Storm water issue. Awaiting the Department of Human Settlements to purchase land for phase 2.

Name of External Service Provider	Date Contract Awarded	Service Provided as Per SLA (Description of the Project)	Value of Project	Service Providers Performance		Target Met/ Target Not Achieved	Reason if Target Not Met
				Target	Actual		
				for phase 2			
Maseko Hlongwa & Associates	2002	Bhekumthetho Rural Housing Project	Subsidy amount X 1000 housing units	To build 1000	Phase 1 – 1000 Phase 2 - 1000	Target not met	Delay caused by unidentified beneficiaries. Phase 2 will only commence when Phase 1 is complete.
LTE Consultants	2008	Enyathi Housing Project	Subsidy amount X 492 housing units	To finalize planning	0	Target not met	Still finalizing the Environmental Impact Assessment and Township Layout.
CHS Developments	2011	Gluckstadt/SwartMfolozi	Subsidy amount X 1115 housing units	To finalize planning	0	Target not met	Process to finalize developments rights issues on land owned by Trusts and the Department of Rural Development and Land Reform.
GIBB	2011	Vumani Housing Project	Subsidy amount X	To finalize planning	0	Target not met	There is a delay in identifying sources of water supply and the confirmation of the provision of bulk services by the Zululand District Municipality.
Isimo Engineers	1999	Bhekuzulu Phase 6A Housing Project	Subsidy amount X	To transfer 485 houses to		Target not met	There was a delay caused by the transfer costs required

Name of External Service Provider	Date Contract Awarded	Service Provided as Per SLA (Description of the Project)	Value of Project	Service Providers Performance		Target Met/ Target Not Achieved	Reason if Target Not Met
				Target	Actual		
			485 housing units.	the beneficiaries			by the conveyancers and the subsidy provision. The fee by the Conveyancer was more than the subsidy provision.
Isimo Engineers	1999	Bhekuzulu Phase 6B Housing Project	Subsidy amount X 1085	To solve the issue of illegal occupants		Target not met	The matter is being attended to by the Department of Human Settlements.
NMQS	2011	Emondlo A&B and Bhekuzulu 3B Consolidation Housing Project	Subsidy amount X 1000	To finalize planning		Target not met	IA did not understand the housing delivery process. There are also outstanding issues to be resolved in the IAs Application Pack for Stage 2 of the project.
Wonder Dream Projects cc	31/03/2014	Upgrading of Existing gravel road to Asphalt – Louwsburg – ward 01	R770 705.69	1.6km	1.6km	Yes	
Amavovok amkhize Civils	05/01/2015	Construction Mnunse Gravel Road – ward 02	R3475 461.00	5.0km	5.0km	Yes	
Wosa Nawe Trading 16	05/01/2015	Construction of Eastmine Gravel Road –	R2924 843.40	4.7km	4.7km	Yes	

Name of External Service Provider	Date Contract Awarded	Service Provided as Per SLA (Description of the Project)	Value of Project	Service Providers Performance		Target Met/ Target Not Achieved	Reason if Target Not Met
				Target	Actual		
		ward 03					
SivaPillay Constructi on cc	05/01/2015	Constructio n of Mooihoek Gravel Road – ward 07	R3 152 854.45	3.7km	3.7k m	Yes	
Uhlanga Trading Enterprise	05/01/2015	Constructio n of eMadresini Gravel Road – ward 17	R3 218 499.20	5.0km	5.0k m	Yes	
Sikoti Investment cc	21/01/2015	Paving of Lakeside Internal Roads – ward 22	R5 190 000.00	1.		No	
Sikoti Investment cc		Widening of Bhekuzulu Asphalt Roads	R6 500 000.00	2.5km	2.5k m	Yes	
Uhlanga Trading Enterprise	02/03/2015	Contruaction of Storm-water Measures in Ext 17 Low-cost Houses – ward 07	R6 419 163.51			No	
Sikoti Investment cc	10/04/2015	Constructio n of Ntabankulu Gravel Road – ward 05	R5 231 794.16	2.0km	2.0k m	Yes	
Konke Civils and Surveying	10/04/2015	Constructio n of Alpha Gravel Road – ward 06	R5 871 450.08	3.2km	3.2k m	Yes	
PZL Projects	10/04/2015	Constructio n of Jimani Gravel	R11 050 645.52	8.0km	8.0k m	Yes	

Name of External Service Provider	Date Contract Awarded	Service Provided as Per SLA (Description of the Project)	Value of Project	Service Providers Performance		Target Met/ Target Not Achieved	Reason if Target Not Met
				Target	Actual		
		Road – ward 12					
Mfiso Constructors	10/04/2015	Construction of MJ Mbuli Gravel Road	R4 338 537.16	2.0km	2.0km	Yes	
SivaPillay Construction	02/03/2015	Construction of St Paul Gravel Road	R8 673 697.30	5.5km	5.5km	Yes	
Masefane Trading cc	22/10/2013	Construction High Street Bridge – ward 08	R12 495 360.70			No	
Tshani Consulting CC	07th May 2015	Review of the AbaQulusi Spatial Development Framework	R 260 000 (Grant funding of R350 000.00 received from COGT A)	30/03/2016	26/05/16	Target Not Achieved	The service provider exceeded the stipulated timeframes in completing the project and Challenges in arranging Councillor Workshops due to clashes with other statutory committee meetings
Zama Khumalo Projects Pty Ltd	25/06/2013	Waste collection	R2 624 612.40	2388	2388	MET	-
Aqua Transport	29/07/2013	Waste collection	R1 623 246.00	3636	3637	MET	-
Dolphin Coast Waste Management	28/08/2013	Waste collection	R7 563 019.00	9500	10 300	MET	-

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Like every other municipality, the Abaqulusi municipality does acknowledge that there are critical positions that need to be filled in order to ensure smooth operations of the Municipality. However, over the past 2 years (2013/2014 and 2014/2015) the municipality has taken a great stride in filling those critical positions identified. The Municipality currently has 470 employees within its organisation, of which 459 are permanent employees and 11 temporary employees.

The table below indicates the current status of Senior Management positions in the municipality:

Table 35 Status of Municipal Senior management

Position	Status	Position	Status
S54-Municipal Manager	Filled by Acting	Manager: Revenue	Filled
S56-Director: Technical Services	Filled	Manager: SCM	Filled
S56-Director: CFO	Filled	Manager: Expenditure	Filled
S56-Director: Community Services	Filled	Manager: Social Services	Filled
S56-Director: Corporate Services	Filled	Manager: Public Safety	Vacant
S56-Director: Development Planning	Filled	Manager: Environmental Services	Filled
Manager: Office of the MM	Filled by Acting	Manager: Council Support	Filled
Manager: IDP/PMS	Filled	Manager: General Admin	Vacant
Manager: Internal Audit	Filled	Manager: HR Development	Filled
Manager: PMU	Filled	Manager: HR Management	Filled
Manager: Roads and Storm water	Filled	Manager: Town Planning	Filled
Manager: Water	Filled	Manager: LED	Filled

Position	Status	Position	Status
Manager: Electrical	Filled	Manager: Housing	Filled
Manager: Financial Planning	Filled		

CRITICAL POSITIONS

The administrative structure consists of five departments which report directly to the Municipal Manager, namely, Planning & Development, Corporate Services, Technical Services, Community Service, and Finance. The Head of Department, as indicated below, reports directly to the Municipal Manager. The units established at a lower level that report directly to the Municipal Manager are as follows:

- Internal Audit
- Chief Operations Officer
- Communication & IGR
- Political Offices Bearers Executive Units
- IDP & PMS

Table 36 Organisational Performance

Department	Functions/Responsibility	Responsible Official
1. Office of the Municipal Manager	<p>To The Municipal Manager is the head of the municipal administration and he/she is also the accounting officer held responsible for financial management of the municipality. The roles and responsibilities of the Municipal Manager/ Accounting Officer includes but not limited to the following:</p> <ul style="list-style-type: none"> • The general financial administration of the Municipality • Asset and liability management • Revenue and expenditure management • Budget preparation and implementation • Compliance and oversight reporting to Executive Mayor, Council and provincial and national government <p>As the head of administration, the Municipal Manager is responsible for</p> <ul style="list-style-type: none"> • Formation of an economical, effective, efficient and accountable administration • Implementation of the IDP of Municipality • Appointment and management of staff. • Effective utilization and training of staff. 	<p>Ms A.B. Mnikathi (Acting Municipal Manager)</p>

Department	Functions/Responsibility	Responsible Official
	<ul style="list-style-type: none"> • Maintenance of discipline of staff, the promotion of sound labour relations and compliance with applicable labour legislation • Advise the political decision makers of the Municipality and managing communication between them and the administration • Implementing the decisions of the Council and Executive Mayor • Administration of municipal laws and implementation of national and provincial legislation • Facilitating participation of the local community in municipal affairs. <p>The Office of the Municipal Manager provides the momentum of the administration and integrates all the components of the Municipality, there are 5 key departments reporting directly to the municipal Manager:</p> <ul style="list-style-type: none"> • Finance • Corporate Services • Technical Services • Community and Emergency Services • Planning and Development 	
2. Corporate Services	<p>The Corporate Services department within the municipality comprises of 3 sections, ie.</p> <ol style="list-style-type: none"> 1. Administration 2. Human Resources Management 3. Human Resource Development 4. Information Technology 5. Council Support <p>The main objectives and functions of the Corporate Services department is to ensure the following takes place:</p> <ul style="list-style-type: none"> • To ensure that effective and efficient services are rendered by the Municipality. • To ensure that citizens are satisfied with the quality of services delivered by the Local Municipality. <p>To ensure that residents are aware of the activities of the municipality.</p>	Ms N.N. Sibisi (Director)

Department	Functions/Responsibility	Responsible Official
	<ul style="list-style-type: none"> • To ensure that residents are aware of the policies, services and activities of the municipality. • To ensure that the municipality’s staff is diverse, representative and skilled. • To Implement workplace skills plan within allocated budget • To provide purposeful systematic and continuous labour relations and effective capacity building to the staff • To Provide secretariat to the council • Implementing Records Management Practices • To ensure that the municipality will use information and communication technology effectively to assist in decision making, in working efficiently, and in delivering services more effectively to clients. • Ensuring proper up keep of council records • To ensure that personnel receive specialised training. <p>The fully established and well functional Corporate Services department within a municipality is of high priority as it is the department that shares a very close relationship with the public.</p>	
3. Budget and Treasury	<p>The Budget and Treasury Office is a directorate within the municipality responsible for the management, control and monitoring of municipal finances.</p> <p>The administrative head of the Directorate is the Chief Financial Officer. The directorate is composed of the following sections:</p> <ul style="list-style-type: none"> • Budget Planning and Financial Reporting • Income and Revenue Management • Expenditure and Salaries • Supply Chain Management Unit <p>The structure is as follows:</p> <ul style="list-style-type: none"> • <i>Budget Planning and Financial Reporting</i> <p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> • -Municipal financial planning (Budget Preparation) • -Reporting on financial affairs of the municipality in 	Mr. H. Mahomed (CFO)

Department	Functions/Responsibility	Responsible Official
	<p>a form of annual financial statements and monthly, quarterly and annual reports as prescribed by the MFMA.</p> <ul style="list-style-type: none"> • <i>Income and Revenue Management</i> <p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> • -Collection of income from all cashiering points; • -Billing of rates and services; • -Issuing out of clearance certificates; and • -Management of the general valuation. • Expenditure and Salaries <p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> • -Payment of creditors; • -Payment of salaries, wages and sundries; • -Management of creditors' reconciliations • -Management of audit queries • Supply Chain management <p>This section is responsible for the following activities:</p> <ul style="list-style-type: none"> • -Implementation of the Supply Chain Management Regulations and related legislation, • -Development and Implementation of the Supply Chain Management Policy • -This includes demand management, acquisition management, logistics management, disposal management, contract administration and • Management of stores items and stationary; and fleet management for the municipality. 	
4. Community Services	<p>The Community Development Department's core functions is to ensure that the community is well serviced in regards to:</p> <ul style="list-style-type: none"> • Health care • Public Safety • Education (Libraries) • Sports • Community Halls • Traffic 	Ms A. Mnikathi (Director)

Department	Functions/Responsibility	Responsible Official
	<ul style="list-style-type: none"> • Refuse removal and sewerage <p>The department is also responsible for ensuring that plans and programmes are developed to focus specifically on the youth, women, disabled and under-privileged.</p>	
5. Technical Services	<p>The Technical Services department's main objectives and functions are to provide the basic needs of the community as well as maintain the standard of service provided. The department focuses on issues surrounding:</p> <ul style="list-style-type: none"> • Water and Sanitation • Electricity • Civil works (roads, bridges etc) • Project Management Unit <p>The department also works very closely with the district municipality because the district also provides certain services on behalf of the eDumbe Local Municipality.</p>	Mr S. Chetty (Director)
6. Planning & Development	<p>The planning and development departments' primary function within the municipality is to regulate and control all development. The department is also responsible for the following:</p> <ul style="list-style-type: none"> • Town Planning • LED • Tourism • Housing • GIS • Building Inspectorate <p>The department is seen as a key role-player or contributor in developing the municipality and ensuring the municipality is constantly progressing (future development of a shopping centre and middle income housing)</p>	Mr D.H. Zulu (Director)

The AbaQulusi Municipality has a total staff of 473 permanent employees. The powers and functions of the AbaQulusi Municipality is in compliance with Section 156 of the Constitution of the Republic of South Africa, 1996.

Table 37 Powers and Functions

POWERS / FUNCTIONS	BASELINE	INTERVENTION
Air Pollution	No system exists to measure and monitor air pollution	To develop Air-Pollution Prevention Policy and Strategies
Building Regulations	Has adopted building regulations. High volumes of land encroachment in town. One employee in the Building Inspectorate on a short term contract.	Develop a system of implementing building controls. Develop and capacitate the enforcement function of the building control function.
Child Care Facilities	This is not performed at the present moment.	Develop plan to construct Multi-Purpose Centres which would accommodate Early Childhood Development Centres
Electricity and gas reticulation	Partly performed in urban and licenced areas. Gas reticulation is not performed.	Municipality to consider other quick solutions of sourcing funding from DBSA for Front Loading and obtain licence/approval to licence ESKOM areas as in line with NDP towards universal access.
Firefighting services	The function is performed.	To formalise the relationship between Local and District. To investigate modalities to deal this function.
Local tourism	Tourism is performed.	Draft Tourism Plan to enhance marketing in the area.
Municipal planning	Planning is performed.	Enhance the utilisation of ZDM Shared Services and employ more staff. To maximise integration in planning.
Municipal public transport	The function is currently not being performed.	To develop By-law and implementation strategy.
Billboard and the display of advertisements in public places	Partially performed.	To audit existing Billboards and standardise advertisements in the Municipal jurisdiction and draft, implement By-law dealing with this function.
Cemeteries	Partially performed only in urban Vryheid Town and in eMondlo Township.	To identify land in traditional areas for burial. Extend the services outside of urban areas.
Cleansing	Partially performed only in urban Vryheid Town, Bhekuzulu Township,	Extend the services outside of urban areas.

POWERS / FUNCTIONS	BASELINE	INTERVENTION
	eMondlo Township, Louswburg and Coronation Hlobane.	
Control of public nuisances (a cause of inconvenience)	Presently utilizing Government Gazette and authorise fines from Local Magistrates Office. By-law insufficient to deal with public nuisances	<ul style="list-style-type: none"> • Review By-law by adding in. • Traffic Officers to attend to nuisance. • Education via media is needed to inform public of these nuisances. • Budget for a specialized office with staff to form a specialized unit to attend to this problem and to control the area of AbaQulusi Jurisdiction.
Control of undertaking that sell liquor to the public	Not performed.	Draft, adopt and implement By-laws
Facilities for accommodation, care and burial of animals	Not performed.	Develop and segregate land at the dump-site for burial of carcasses. Formalise relationship between SPCA and the Municipality.
Fencing and fencing of grazing land	Not performed.	Allocate funding and do fencing on a phased-in basis. Draft, adopt and implement By-laws.
Licensing and control of outlets that sell food to the public	Not performed.	Draft, adopt and implement By-laws.
Local amenities (halls & amusement centres)	Partially performed in Urban areas.	Prepare business plans to Provincial Department of Sports and Recreation as well as other donor agencies to fund upgrade and building of new facilities.
Local sport facilities	Partially performed in Urban areas.	Prepare business plans to Provincial Department of Sports and Recreation as well as other donor agencies to fund upgrade and building of new facilities.
Traders Markets	Not performed.	Conduct research to establish trading stalls in designated areas in AbaQulusi Towns. Draft, adopt and implement By-laws.
Municipal abattoirs	Outsourced. No proper management of the animal	Increase monitoring and periodic testing. Institute heavy penalties.

POWERS / FUNCTIONS	BASELINE	INTERVENTION
	effluent and bones. Thus polluting the air. Illegal dumping of refuse through the Municipal sewer system.	
Municipal parks and recreation	Partially performed in Urban areas.	Draft, adopt and implement By-laws for the use of parks and recreational facilities.
Municipal roads	Performed.	To develop a comprehensive three year plan to deal with maintenance and construction of new roads.
Noise pollution	Not performed.	Review By-law and enforce compliance with the law.
Pounds	Partially performed. Only one centre operational in eMondlo and is outsourced.	To review Pound Policy and By-law. Establish, designate land in other areas of AbaQulusi Jurisdiction to handle stray animals.
Street lighting	Partially performed in Municipal licenced areas.	Develop and implement Street Light Maintenance Plan. Install green-lights (energy efficient globes) in existing street light.
Traffic and parking	Partially performed in Vryheid Town.	To conduct research for job-creation friendly solutions to manage traffic and parking in other areas.
Street trading	Not performed.	To review Street Trading By-law. Implement and enforce compliance.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
	Attraction and Retention	100%	0%	Workshops to be conducted
1.	Code of Conduct for employees	100%	0%	Workshops to be conducted
2.	Delegations	100%	0%	Workshops to be conducted
3.	Disciplinary Code and Procedures	100%	0%	Workshops to be conducted

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
4.	Essential Services	100%	0%	Workshops to be conducted
5.	Employee Assistance / Wellness	100%	0%	Workshops to be conducted
6.	Employment Equity	100%	0%	Workshops to be conducted
7.	Exit Management	100%	0%	Workshops to be conducted
8.	Grievance Procedures	100	0%	Workshops to be conducted
9.	HIV/Aids	100%	0%	Workshops to be conducted
10.	Human Resource and Development	100%	0%	Workshops to be conducted
11.	Information Technology	100%	0%	Workshops to be conducted
12.	Job Evaluation	100%	0%	Workshops to be conducted
13.	Leave	100%	0%	Workshops to be conducted
14.	Occupational Health and Safety	100%	0%	Workshops to be conducted
15.	Official Housing	100%	0%	Workshops to be conducted
16.	Subsistence and Travelling	100%	0%	Workshops to be conducted
17.	Official transport to attend Funerals	100%	0%	Workshops to be conducted
18.	Official Working Hours and Overtime	100%	0%	Workshops to be conducted
19.	Organisational Rights	100%	0%	Workshops to be conducted
20.	Payroll Deductions	100%	0%	Workshops to be conducted
21.	Performance Management and Development	100%	0%	Workshops to be conducted
22.	Recruitment, Selection and Appointments	100%	0%	Workshops to be conducted
23.	Remuneration Scales and Allowances	100%	0%	Workshops to be conducted
24.	Resettlement	100%	0%	Workshops to be conducted
25.	Sexual Harassment	100%	0%	Workshops to be conducted
26.	Skills Development	100%	0%	Workshops to be conducted
27.	Special Skills	100%	0%	Workshops to be conducted
28.	Work Organisation	100%	0%	Workshops to be conducted
29.	Uniforms and Protective Clothing	100%	0%	Workshops to be conducted
30.	Other:			

4.3 INJURIES, SICKNESS AND SUSPENSIONS

4.4 PERFORMANCE REWARDS

The Abaqulusi Municipality has not paid any performance bonuses over the last 3 years due to the absence of a performance evaluation committee. However, once a municipal manager is appointed, only then will a performance evaluation committee be established.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 SKILLS DEVELOPMENT AND TRAINING

The Municipality has a fully-fledged Human Resource Management Strategy (Manual) which responds to the long-term development plans as contained in the national frameworks e.g. Skills Development Act, Affirmative action etc. This strategy articulates how staff has to be recruited, capacitated, retained, maintained and disciplined amongst others. The new Organogram has created a separate Training Division so as to give effect fully to the demands related to training for scarce skills and in line with a vast of national directives. For example, in Water management it is now a must that those Technicians dealing with water be trained in many skills and certified to operate plants. Municipalities in this angle have to be periodically evaluated on either Blue drop or Green drop standards. Therefore, continuous training is paramount.

Skills development is given life by the direct funding of 1% from the salary budget of a municipality as well as through an indirect funding from various SETAs. This training has to be underpinned on the Annual Skills Development Plan which is implemented through Skills Training Committee.

Again training has to be consistent with the demands of Affirmative Action and Employment Equity Act to balance the playing field of those (the designated groups) who were overlooked in the past. The so to be implemented Performance Management System will also play an important part in ensuring that the skills gaps identified are closed after evaluation and rewarded accordingly if exceeding the norm.

Another challenge facing employers in South Africa is the scourge and impact of the HIV & AIDS disease. Abaqulusi Municipality is accordingly positioned in dealing with this matter as at times it robs the community of skilled personnel. Employee Assistance Programme is being implemented to support those infected and affected by the disease.

TRAININGS AND WORKPLACE SKILLS PLAN

This section had a budget of R1, m and out of that budget 21 councillors were trained on Councillor Development Program from 28 September to 02 October, Directors finalized their MFMP course, 49 General workers were trained on gear switching in electricity and first aiders. Six local labour forum members were trained on the 06 October 2015. They were also trained in essential services in meeting held in Durban. Two managers undergone an induction program offered by SALGA. Thirty-one employees from Technical services were also trained on sewer and waste treatment on water. The workplace skills plan was also submitted to LGSETA in attempt to secure grants for training employees.

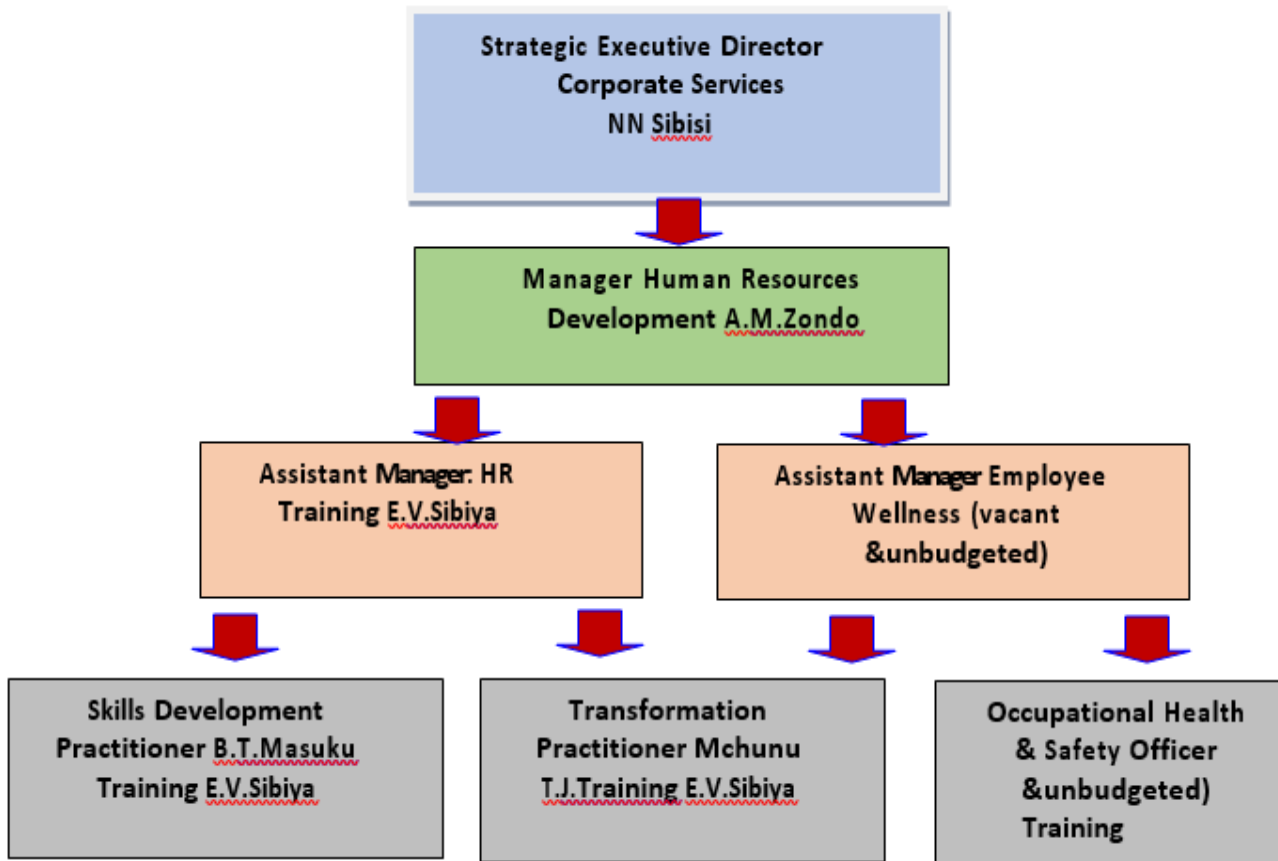
AbaQulusi has also made positive strides in accessing many grants by SETAs to train unemployed youth in Marketing and others in Local Economic Development. Apart from this the youth is offered bursaries by the Municipality as well as are exposed to on the job training and orientation.

CHALLENGES FACED BY HUMAN RESOURCES DEVELOPMENT SECTION OF THE CORPORATE SERVICES DEPARTMENT.

The injury on duty was handed over to HRD section whereas previously was falling under the HRM of the Corporate Services department. This created challenges in terms of handling the injuries on because the section does not have the necessary capacity to handle the injuries. It is further exacerbated by the fact that the municipality does not have municipal doctor to assist employees injured on duty. As of now there were fatalities incurred by the employees working in the Electrical section because the municipality has no Safety Officer to spot check the safety of the working environment. Tenders were advertised by the Supply Chain of the Municipality in an attempt to get Municipal Doctors. It is alleged that doctors rendering service to the municipality are not paid on time hence became demoralized to tender or to offer their services to the municipality.

INTERVENTIONS TO MAKE THE SECTION PERFORM ITS DUTIES FULLY AND IN COMPLIANT WITH THE OSH ACT.

There is an urgent need to appoint the Safety Officer so that the workplace environment can be monitored to avoid further fatalities in the municipality. Furthermore, municipal doctors need to be appointed to assist employees who happened to be injured during the working hours. In addition to Safety Officer, the section also requires Wellness Officer to assist the employees of the council with various challenges that employees do experience at their working stations. These positions are there in the approved organogram of the council, but not all of them are budgeted for due to some financial constraints experienced by the municipality.



COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE

Table 38 Remunerations of the Municipal personnel

SALARIES					
200000	BASIC SALARIES	63 945 880	66 967 160	70 650 360	74 484 310
200001	BASIC SALARIES SECT 57 MUN MAN	1 053 640	1 121 070	1 182 730	1 245 410
200002	BASIC SALARIES SECT 57 C F O	960 500	1 052 580	1 110 470	1 169 320
200003	BASIC SALARIES SECT 57 DIR TEC	960 500	1 052 580	1 110 470	1 171 550
200004	BASIC SALARIES SECT 57 DIR COR	800 420	1 052 580	1 110 470	1 171 550
200005	BASIC SALARIES SECT 57 DIR COM	800 420	1 052 580	1 110 470	1 169 320
200006	BASIC SALARIES SECT 57 DIR PLA	800 420	1 052 580	1 110 470	1 171 550

200055	OVERTIME	5 994 050	9 763 000	10 299 980	10 862 040
200061	ALLOWANCE TRAVELLING	6 728 830	7 597 600	8 015 480	8 449 220
200064	TELEPHONE ALLOWANCE	602 570	667 770	704 510	742 580
200065	CELL ALLOWANCE SECT 57 MUN MAN	30 000	0	0	0
200066	CELL ALLOWANCE SECT 57 C F O	18 000	150 000	159 600	169 810
200067	CELL ALLOWANCE SECT 57 DIR TEC	18 000	0	0	0
200068	CELL ALLOWANCE SECT 57 DIR COR	18 000	0	0	0
200069	CELL ALLOWANCE SECT 57 DIR COM	18 000	0	0	0
200070	CELL ALLOWANCE SECT 57 DIR DEV PLAN	18 000	0	0	0
200090	ANNUAL BONUS	5 431 180	5 821 950	6 142 180	6 475 660
200095	PER BONUS SECT 57 MUN MAN	105 360	155 000	163 530	172 200
200096	PER BONUS SECT 57 C F O	0	150 000	0	0
200097	PER BONUS SECT 57 DIR TECH	134 470	150 000	158 250	166 950
200098	PER BONUS SECT 57 DIR COR	176 090	150 000	158 250	166 950
200099	PER BONUS SECT 57 DIR COM	80 040	150 000	158 250	166 640
200100	PER BONUS SECT 57 DIR PLA	80 420	150 000	158 250	166 950
200125	HOUSING SUBSIDY	322 980	368 830	389 170	410 160
200145	L/SERVICE ALLOWANCE	33 650	35 590	37 540	39 580
200155	MEDICAL AID CONTRIBUTIONS	6 135 810	6 514 960	6 873 290	7 245 360
200165	PENSION FUND	15 170 900	15 566 820	16 423 000	17 313 170
200200	STANDBY ALLOWANCE	1 543 490	1 888 000	1 991 840	2 100 380
200240	UIF	812 890	909 900	959 960	1 012 050
200270	PROTECTIVE CLOTHING	839 800	886 000	934 760	987 370
200300	BARGAINING COUNCIL	48 030	50 990	53 760	56 650
	TOTAL EXPENDITURE SALARIES	113 682 340	124 477 540	131 167 040	138 286 730

CHAPTER 5. FINANCIAL PERFORMANCE

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate funds were transferred from low- to high priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure on non-essential and 'nice-to-have' items. The 2015/16 MTREF was drafted in context of a reviving economy, whilst still acknowledging the lingering effects of the economic downturn of the past couple of years.

The budget for the 2015/16 MTREF period was based on the realisation that no, or limited, scope for additional externally- or internally-funded revenue growth existed and was further reiterated in National Treasury guidelines (circular 51) - *"...over the next few years, government must deliver more services – and deliver them more efficiently – within a tight resource envelope. Achieving this objective requires a new way of working: the budget has been reprioritised so that money is moved from low-priority programmes to high-priority programmes. Municipalities are encouraged to adopt similar stances on these issues. This is particularly important in the run-up to the local government elections. Mayors and Councils need to remain focused on the effective delivery of core municipal services...."*

The budget was compiled by ensuring that the financial management processes are transparent, aligned to the accountability cycle and facilitate good governance that is accountable to the local community. The budget supports the provision of basic services to the communities, facilitating social and economic development, promoting a safe and healthy environment in a sustainable manner. The main challenges experienced during the compilation of the 2015/16 MTREF can be summarised as follows:

- The ongoing difficulties in the local economy
- Ageing water, roads and electricity infrastructure
- The need to prioritise projects and expenditure within the existing resources available.
- The increased cost of bulk electricity due to tariff increases from ESKOM. This is placing pressure on the budget as the tariff the municipality has been allowed to charge is less than the bulk cost meaning there are less funds available for maintenance. Continuous high increases are not sustainable as it gets to a point where services are no longer affordable.

- Affordability of capital projects – allocations had to be reduced due to cash restraints and preference given to repairs and maintenance.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Financial Services Department experienced a very difficult period during the year under review. The department faced many challenges most of which were the lack of Human Resources. The employment of staff has continued to be problematic during this year, with the Finance Department really under pressure due to a critical shortage of staff.

REVENUE

Revenue in total increased in the current year compared to the previous year by R 19, 1 million which represents 4, 1% increase. Rates decreased by 3, 87% compared to the prior year. Revenue from service charges grew by R 1, 5 million or 0, 64% compared to the prior year. Government grants and subsidies increased by R 2, 5 million which represents 2, 3% compared to the previous year.

The municipality is currently undergoing a critical drought; this disaster has hampered revenue due to no billing of water consumption. The municipality is currently supplying water to the community via water tankers, thus cost of purifying and supply of water is a loss to the municipality

Whilst there were new electrical connections implemented in the current financial year, there has been a significant increase in the applications for free basic services which posed a challenge in terms of the equitable share allocation for free and basic services. The theft of electricity and illegal connections still poses as a big threat to the Municipality's ability to grow the revenue; the Municipality needs to focus on strengthening controls to reduce illegal connections and electricity theft.

EXPENDITURE

The budget for 2015/2016 was adopted on 28th of May 2015. The Budget was taken to all Communities during May 2015. The monthly reporting requirements are putting more and more pressure on the department to ensure compliance. All finance policies were adopted with the budget.

Expenditure decreased by 4, 1% compared to the prior year.

As Municipalities are a third tier of government and therefore closest to the communities, they are looked upon as the source of job creation, providers of housing, and service such a health, education, sport and recreation, agriculture, arts and culture as well as security. This places severe strain on the limited budget resources to provide services to the people to ensure their social and economic wellbeing is sustained. The Municipality has

concentrated on its core function which is to provide services such as water, electricity, sanitation and solid waste removal and to provide a service to all municipal departments. However, the provision of housing is also uppermost on the service delivery agenda.

CAPITAL EXPENDITURE AND FINANCING

Expenditure on fixed assets incurred during the year amounted to R 54, 6 million which was mainly funded from Municipal Infrastructure Grant (MIG) and Department of Energy (DOE) grant funding.

The Municipality spent all of the funds in terms of both the Municipal Infrastructure Grant (MIG) and the Department of Energy Grant (DoE) by June 2016.

EXTERNAL LOANS, INVESTMENTS AND CASH

The Municipality has no external loan commitments. The Municipality also holds a portfolio of investments to the value of R 9, 7 million, as well as a positive bank balance of R 3, 8 million.

DEBTORS

Debtors increased compared to the prior year, a provision for doubtful debts has been accounted for in the current year for balances above 90 days. The collection rate at year end was at 96, 51% which is more than the previous financial year. However, with the downturn in the economy it is doubtful whether this rate will be maintained. The outstanding debts have not reduced as expected. A process is in place to address this matter. Most of the consumers in Abaqulusi are Indigent with no ability to pay for services. This places extreme pressure on the budget and increases the debtors. Certain under developed areas have been identified for investigation of whether they are able to pay for services and whether the Municipality is delivering adequate services in those areas. On the 1st of September 2015 the municipality appointed a service provider to assist with debt collection.

CREDITORS

Creditors increased compared to the prior year. All creditors are paid within 30 days of statement.

ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements for 2015/2016 have been prepared in the correct GRAP format.

FINANCIAL OVERVIEW

Abaqulusi Municipality's financial priorities are to ensure a financially viable and a sustainable Municipality. The Municipality's financial sustainability is also measured on its capacity to generate sufficient and reliable revenues to finance short, medium and long-term financial obligations in response to the acceleration of service delivery.

The financial position of Abaqulusi Municipality is fairly sound and sustainable as is evident by the liquid ability towards its short and long term obligations. We have a stable and sustainable financial environment that has the necessary ability to deliver the service to all residents of Abaqulusi, which in turn adds to the credibility and sustainability of the Municipality. We have good financial management and budgetary control measures and mechanisms that result in a well-managed control environment.

The Municipality had managed to spend approximately 82, 27% of the Municipality's capital and 93, 79% of the Municipality's operational budget for the budget year 2015/2016.

In order for the Municipality to maintain and improve its financial position, certain risks need to be managed and financial management practices need to be monitored and improved. The key financial challenges confronting the Municipality can be summarized as follows:

Table 39 Municipal Financial Challenges

Description: key challenges	Action to Address
The continuous growth of outstanding debtors.	<p>Certain interventions have been discussed such as blocking of the prepaid electricity as well as a portion of the income when prepaid electricity is purchased being taken for other outstanding services,</p> <p>Monthly deductions by agreements, handing over to Lawyers for collection.</p>
Expansion of the revenue base.	Devise means of identifying and accessing of additional financial resources to enhance service delivery
Capacitating of the financial directorate.	The organizational structure has been reviewed in order to Address the capacity issues and key positions urgently need to be advertised.
To obtain an unqualified audit opinion.	Finance staff are attending courses that will assist in enabling the continuous improvement of understanding the changes in accounting standards and apply them accordingly. An Annual Financial Statement Committee has been established to address all audit queries timeously during the 2015/2016 audit

The table below depicts a breakdown of operating revenue, government grants and subsidies for the year under review.

Table 40 Financial Overview

Financial Overview: Year 2015-16			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:	511 779	490 066	488 961
Grants	114 513	114 513	114 513
Taxes, Levies and tariffs	330 764	330 764	296 994
Other	66 502	44 789	77 454
Sub Total	511 779	490 066	488 961
Less: Expenditure	(510 049)	(614 590)	(576 449)
Net Total*	1 730	(124 524)	(87 488)

Total operating revenue amounts to R 488, 9 million in 2015/2016, of which 60, 74% is derived from property rates and municipal services, 15, 84% from other revenue streams and 23, 42% from government grants and subsidies. The Municipality is highly dependent on grants and subsidies for its operating activities and that the Municipality from its own funds, property rates and municipal services is not financially viable to render municipal services to its communities.

Total operating expenditure amounts to R 576, 4 million in 2015/2016, of which 22, 04% is incurred towards employee related costs, 18, 08% on depreciation, 24, 86% on bulk purchases and 48, 88% on general expenses. It is clear that employee related costs and bulk purchases accounts for the majority of the total operating expenditure of the Municipality for the period under review.

Abaqulusi Municipality's operating activities for the 2015/2016 financial year realized a non-cash operating deficit of R 87, 4 million

The real monetary operating surplus for the period under review amounts to R 38, 2 million after non-cash transactions (depreciation and provisions) and grants utilized for capital expenditure was taken into consideration. It is calculated as set out in the notes to the Annual Financial Statements (AFS) and as set out in the below table:

An assessment of the arrears on municipal property rates and municipal services charges was made by the Accounting Officer as required by section 121(3)(e) of the Local Government: Municipal Finance Management Act (MFMA). Provision for bad debts was made at year end according to paragraph xxx of Council's Accounting Policies as set out in the 2014/2015 AFS. The municipal property rates (trade receivables from non-exchange transactions) and municipal service charges (trade receivables from exchange transaction) arrears at year end as set out in note xx and xx of the AFS is as follows as set out in the table below.

An assessment of revenue collection from each revenue source was also made by the Accounting Officer as required by section 121(3) (f) of the MFMA. Revenue collection rates for the year under review by revenue source and vote are as follows:

The revenue collection rates per customer group are set out in the table below. It is somewhat of a concern that the government departments' payment rate for the year under review was only 17,6%.

Table 41 Debtors Age Analysis by Customer Group

Debtors Age Analysis By Customer Group										
Organs of State	2200	2077	1207	1 033	771	1 354	–	–	6442	2 125
Commercial	2300	6893	1560	849	721	18 141	–	–	28164	18 862
Households	2400	6212	2905	2 225	2003	58 983	–	–	72328	60 986
Other	2500	186	150	152	137	6 147	–	–	6772	6 284
Total By Customer Group	2600	15369	5822	4258	3633	84624	–	–	113706	88 257

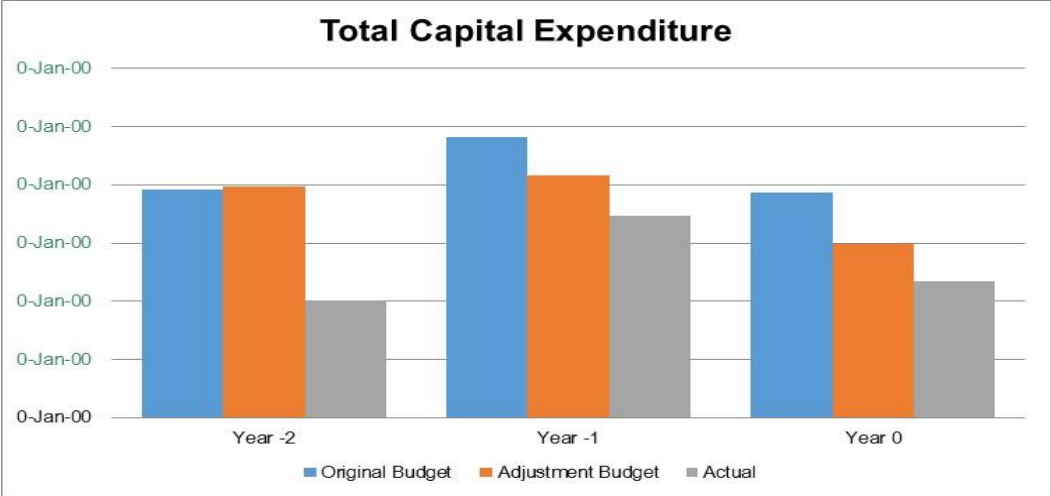
Table 42 Operating Ratios

Operating Ratios	
Detail	%
Employee Cost	22,04%
Repairs & Maintenance	3,25%
Finance Charges & Impairment	%
	<i>T 1.4.3</i>

Table 43 Operating Ratios Comments

R'000		
Detail	Year -2015-2016	2016
Original Budget	67 461	71 388
Adjustment Budget	74 866	
Actual	61 591	
		<i>T 1.4.4</i>

COMMENT ON CAPITAL EXPENDITURE:



VARIATIONS BETWEEN ACTUAL AND THE ORIGINAL AND ADJUSTMENT BUDGETS

The municipality received additional funding for MIG and DoE of R6 million

CHAPTER 6. AUDITOR GENERAL FINDINGS

AUDITOR GENERAL REPORT: YEAR 2015 (PRIOR YEAR)

The Municipality received an unqualified audit opinion. Abaqulusi Local Municipality was audited by the Auditor-General (AG) of South Africa in terms of section 188 of the Constitution, section 4 of the Public Audit Act and section 126 of the MFMA. The Audit Report for the financial year under review is in **Annexure B** of this report.

Table 44 Auditor Report

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of Municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is	

	invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	January
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	

INTRODUCTION TO PROCUREMENT SERVICES

During the financial year steps were taken to reduce the amount of deviations being submitted to EXCO and Council. The centralising of the procurement for all departments was finalised at the beginning of the 2015/2016 financial year and the new Supply Chain module on the Munsoft Financial System will be implemented after the conversion to MSCOA during 2016/17.

A report on all tenders/quotations awarded is now submitted monthly as part of the Section 71 report.

FINANCIAL PERFORMANCE

This section contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

Most expensive consultancy arrangements in year 2016 and explain the costs, the reasons for the engagements and the result Consultant– the Consultants were appointed to assist the Municipality with the decomponentisation of the assets register and have been appointed this year to further assist the municipality with the unbundling of the Heritage Assets and maintaining the status of unqualified audit opinion.

STATEMENTS OF FINANCIAL PERFORMANCE

Overview of the financial performance of the Municipality and focuses on the financial health of the Municipality

CONCLUSION

The financial position of the municipality is still healthy, but the negative economic challenges are hampering increased growth which would enable the municipality to provide more service delivery projects. More focus will be directed toward revenue enhancing and revenue protection initiatives as well as debtor collection.

STATUTORY ANNUAL REPORT PROCESS

6.1 REPORT ON THE FINANCIAL STATEMENTS

INTRODUCTION

ACCOUNTING OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

AUDITOR-GENERAL'S RESPONSIBILITY

OPINION

ADDITIONAL MATTER UNAUDITED SUPPLEMENTARY SCHEDULES

6.2 REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

PREDETERMINED OBJECTIVES

ADDITIONAL MATTERS

ACHIEVEMENT OF PLANNED TARGETS

MATERIAL ADJUSTMENTS TO THE ANNUAL PERFORMANCE REPORT

COMPLIANCE WITH LAWS AND REGULATIONS

GLOSSARY

Table 45 Glossary

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.

Cost indicators		The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators		The distribution of capacity to deliver services.
Financial Statements		Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General performance indicators	Key	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact		The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs		All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)		Set out municipal goals and development plans.
National performance areas	Key	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes		The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs		The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action

	such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or

functional area.

Section 1 of the MFMA defines a “vote” as:

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and*
- b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*