

2017/18



**ABAQULUSI
MUNICIPALITY**

**DRAFT ANNUAL REPORT
2017/18**

JANUARY 2019

TABLE OF CONTENTS

TABLE OF CONTENTS.....	1
LIST OF TABLES	4
LIST OF FIGURES.....	4
CHAPTER 1.....	9
MAYOR’S FOREWORD AND EXECUTIVE SUMMARY	9
BACKGROUND.....	9
LEGAL FRAMEWORK.....	9
COMPONENT A: MAYOR’S FOREWORD	12
1.1 MUNICIPAL MANAGERS’ OVERVIEW	15
1.2 OVERVIEW OF THE MUNICIPALITY	17
<i>Spatial context.....</i>	<i>17</i>
<i>Population</i>	<i>17</i>
<i>Age Profile</i>	<i>18</i>
<i>Race Composition</i>	<i>21</i>
1.4 KEY OPPORTUNITIES	23
1.5 FINANCIAL HEALTH OVERVIEW	26
1.6 STATUTORY ANNUAL REPORT PROCESS	28
CHAPTER 2 GOVERNANCE.....	30
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	30
2.1 POLITICAL STRUCTURE	30
2.2 COUNCIL	32
2.3 ADMINISTRATIVE GOVERNANCE	35
COMPONENT B: INTERGOVERNMENTAL RELATIONS	39
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	41
2.4 PUBLIC MEETINGS.....	41
2.5 IDP PARTICIPATION AND ALIGNMENT	42
COMPONENT D: CORPORATE GOVERNANCE	43
2.6 RISK MANAGEMENT	43
2.8 ANTI-CORRUPTION AND FRAUD	45
2.9 SUPPLY CHAIN MANAGEMENT	46
2.10 BY-LAWS	47
2.11 WEBSITES.....	47
CHAPTER 3 SERVICE DELIVERY PERFORMANCE	49
COMPONENT A: BASIC SERVICES	50

3.1 WATER SUPPLY	50
<i>Water delivery</i>	51
3.2 SANITATION.....	52
3.3 WASTE MANAGEMENT	53
<i>SANITATION delivery</i>	56
3.4 ENERGY AND ELECTRICITY	57
3.5 HUMAN SETTLEMENTS.....	58
<i>Housing Typologies</i>	59
<i>Current Housing Projects</i>	60
3.7 INDIGENT SUPPORT (INCLUDING FREE BASIC SERVICES).....	61
COMPONENT B: ROAD TRANSPORT	62
3.8 INTRODUCTION TO ROADS	62
3.9 WASTE WATER (STORMWATER DRAINAGE)	63
3.10 CURRENT PROJECTS.....	64
3.11 RAIL.....	69
3.12 AIR TRANSPORT	70
COMPONENT C: DEVELOPMENT PLANNING	71
3.13 PLANNING	71
COMPONENT D: COMMUNITY & SOCIAL SERVICES.....	82
3.16 CEMETERIES	82
3.17 HALLS AND PARKS.....	84
COMPONENT E: ENVIRONMENTAL PROTECTION	85
COMPONENT F: HEALTH	85
3.18 CLINICS	85
3.19 COMPONENT G: SECURITY AND SAFETY	86
3.19.1POLICE.....	86
3.19.2 <i>Crime prevention</i>	86
3.19.3 <i>Security</i>	86
3.20 FIRE AND DISASTER MANAGEMENT	88
3.21 OTHERS.....	92
COMPONENT H: SPORT AND RECREATION.....	93
3.22 SPORTS AND RECREATION:	93
<i>ARTS AND CULTURE</i>	93
<i>MUSEUM SERVICES</i>	93
<i>LIBRARY SERVICES</i>	94
<i>THUSONG CENTRE (COMMUNITY SERVICE CENTRES)</i>	94
3.23 COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICE	96

3.23.2 GENERAL ADMINISTRATION	96
STRATEGIC OBJECTIVES	96
COMPONENT J: MISCELLANEOUS	99
COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD	99
<i>2017/2018 Integrated Development Plan Review (IDP).....</i>	<i>99</i>
<i>2017/2018 Budget.....</i>	<i>100</i>
<i>2017/2018 Service Delivery and Budget Implementation Plan (SDBIP)</i>	<i>100</i>
<i>2017/2018 Municipal Scorecard.....</i>	<i>100</i>
CHAPTER 4	111
ORGANISATIONAL DEVELOPMENT PERFORMANCE	111
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES.....	111
<i>CRITICAL POSITIONS</i>	<i>112</i>
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE	113
4.2 POLICIES.....	113
4.3 INJURIES, SICKNESS AND SUSPENSIONS	114
4.4 PERFORMANCE REWARDS.....	114
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	114
4.5 SKILLS DEVELOPMENT AND TRAINING	114
CHAPTER 5. FINANCIAL PERFORMANCE	117
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE	118
<i>REVENUE</i>	<i>118</i>
<i>EXPENDITURE</i>	<i>118</i>
<i>CAPITAL EXPENDITURE AND FINANCING.....</i>	<i>118</i>
<i>EXTERNAL LOANS, INVESTMENTS AND CASH.....</i>	<i>118</i>
<i>DEBTORS.....</i>	<i>119</i>
<i>CREDITORS.....</i>	<i>119</i>
<i>ANNUAL FINANCIAL STATEMENTS</i>	<i>119</i>
<i>FINANCIAL OVERVIEW</i>	<i>119</i>
CHAPTER 6. AUDITOR GENERAL FINDINGS.....	123
FINANCIAL PERFORMANCE	123
STATEMENTS OF FINANCIAL PERFORMANCE	123
<i>CONCLUSION</i>	<i>123</i>
GLOSSARY	130

LIST OF TABLES

Table 1 Population of Abaqulusi (2001 - 2011).....	17
Table 2 Key Statistics.....	18
Table 3 Age groups	19
Table 4 Age groups	19
Table 5 Age groups	19
Table 6 Zululand population by gender from 2007 – 2010	21
Table 7 Abaqulusi population by race 2010.	21
Table 8 Statutory Annual Report Process.....	28
Table 9 Administration of Abaqulusi.....	37
Table 10 IGR National and Provincial Structures.....	40
Table 11 IGR Municipal Structure	40
Table 12 Public Participation Schedule.....	41
Table 13 IDP Application and Alignment.....	42
Table 14 Municipal top five risks	44
Table 15 SCM SWOT.....	46
Table 16 Status of Municipal Bylaws.....	48
Table 17 Municipal Website Inputs	47
Table 18 Key Service Delivery.....	50
Table 19 Access to Water.....	51
Table 20 Access to Sanitation.....	52
Table 21 Access to Refuse Service	53
Table 22 Access to Electricity	57
Table 23 Housing Projects	60
Table 24 Status of the gravel road	62
Table 25 Status of the tarred road.....	62
Table 26 Status of Storm water in Abaqulusi Municipality	63
Table 27: 2017/18 Financial Performance	64
Table 28: List of Project which reached Practical Completion Stage.....	64
Table 29: Progress Report per Project.....	65
Table 30 Municipal Community Halls	84
Table 31 Municipal Parks and Open Spaces	84
Table 32 Status of Municipal Senior management	112
Table 33 Municipal Financial Challenges.....	120
Table 34 Financial Overview	120
Table 35 Debtors Age Analysis by Customer Group	121
Table 36 Operating Ratios	122
Table 37 Operating Ratios	122
Table 38 Glossary	130

LIST OF FIGURES

Figure 1: Age Groups and Gender	20
Figure 2: Municipal Organogram.....	36
Figure 3 Dwellings and Human Settlement.....	58

Figure 4 Capital Expenditure.....	122
-----------------------------------	-----

ANNEXURES

ANNEXURE A: ORGANISATIONAL SCORECARD 2017/18

ANNEXURE B: ANNUAL FINANCIAL STATEMENTS (AFS) 2017/18

ANNEXURE C: AUDIT REPORT 2017/18

ANNEXURE D AUDIT COMMITTEE REPORT

ANNEXURE E AUDIT ACTION PLAN 2017/18

Legislative Provisions

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

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

The purpose of an annual report is-

- To provide a record of activities of the municipality or municipal entity during the financial year to which the report relates;
- To provide a report on performance against the budget of the municipality or municipal entity for that financial year; and
- To promote accountability to the local community for the decision made throughout the year by the municipality or municipality entity

The annual report of the municipality must include-

- The annual financial statements of the municipality, and in addition, if section 122 (2) applies, consolidated annual financial statements, as submitted to the Auditor General for audit in terms of section 126 (1);
- The Auditor General report in terms of section 126 (3) on those financial statements.
- The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal System Act;
- The Auditor General's audit report in terms of section 45 (b) of the Municipal Systems Act.
- An assessment by the municipality 's accounting officer of any arrears on municipal taxes and service charges;
- An assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17 (3) (b) for revenue collection from each revenue sources and for each vote in the municipality's approved budget for the relevant financial year;
- Particulars of any corrective action taken or to be taken in response to the issues raised in the audit reports referred to in paragraphs (b) and (d)
- Any explanation that maybe necessary to clarify issues that in connection with the financial statements;

- Any information as determined by the municipality;
- Any recommendations of the municipality's audit committee; and
- Any other information as may be prescribed.
- To provide a report on performance against the budget of the municipality or municipal entity for that financial year; and
- To promote accountability to the local community for the decision made throughout the year by the municipality or municipality entity

ABREVIATIONS

AG	Auditor General
CBP	Community Based Planning
COGTA	Cooperative Governance and Traditional Affairs
CWP	Community Works Programme
B2B	Back to Basics
EPWP	Expanded Public Works Programme
Exco	Executive Committee
GIS	Geographic Information System
HIV/AIDS	Human Immuno-Deficiency Virus/Acquired Immune Deficiency Syndrome
ICT	Information Communication Technology
IDP	Integrated Development Plan
IA	Internal Audit
IWMP	Integrated Waste Management Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
KZN	KwaZulu – Natal
LED	Local Economic Development
MEC	Member of Executive Council
MIG	Municipal Infrastructure Grant
MPAC	Municipal Public Accounts Committee
MSCOA	Municipal Standard Chart of Accounts
MTEF	Medium Term Expenditure Framework
PMS	Performance Management System
PMU	Project Management Unit
SDF	Spatial Development Framework
SEA	Strategic Environmental Assessment
SDBIP	Service Delivery and Budget Implementation Plan
IDP RF	Integrated Development Plan Representative Forum

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 2018, we acknowledge progress made during the 2017/2018 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



It is with gratitude and appreciation to reflect on the past year and the performance of

the municipality in exercising its various responsibilities as guided by section 152 of the Constitution of the Republic of South Africa (Act 108 of 1996). This document does not only reflect on performance of the municipality but also provide valuable information to all stakeholders of Abaqulusi Municipality on service delivery issues, challenges to be addressed collectively and achievements that could be celebrated by all.

It is for this reason that the people of Abaqulusi and all stakeholders be brought into common understanding and that service delivery initiatives converge at one common point.

The 2017/18 has been a critical year for Abaqulusi Municipality's strategic journey to concretise current success stories and explore effective and efficient ways to make Abaqulusi a liveable place for all. Agriculture remains the main economic activity for Abaqulusi and the municipality during the under review has undertaken the following activities which are broadly articulated in the performance report

- Agricultural Support to cooperatives
- SMME Training

- Job creation through EPWP

Vision

The municipality is guided by its long term vision and commits to it on annual basis and continue to be progressive, prosperous and sustainable economic hub of Zululand. To fulfil its vision, the SDBIP serves the annual implementation of the objectives outlined in the IDP.

Integrated Development Plan

The Integrated Development Plan 2016/17 – 2020/21 was developed and adopted by Council on 30 May 2017. It is then reviewed annually in terms of section 34 of Local Government Municipal Systems Act 56 of 2000. It provided the strategic direction that the Municipality will pursue to achieve the set goals and objectives in line with priorities of Abaqulusi.

To monitor and evaluate implementation of the IDP, the Service Delivery and Budget Implementation Plan was developed and approved by the mayor, it served as service delivery contract between the mayor and the community of Abaqulusi, and hence the performance monitoring and evaluation of the municipality is measured against it. A reflection of actual performance will be outlined in this

report and briefly undertook IDP implementation as follows:

Administrative Capacity

The municipality transitioned well from Local Government new term challenges and has managed to fill all senior management positions successfully. A dedicated management team worked tirelessly with Council to achieve the objectives of Abaqulusi

Good Governance

Central to good governance is a responsive and functional municipality. The municipal governance is stable. There is functional Council, Executive Committee and portfolio committees in terms section 79 of the Local Government Municipal Structures Act are in place. Each portfolio committee undertakes its responsibility in line with the national key performance areas.

The municipality embarked on different ways in order to ensure monitoring and key controls are in place for functioning of the municipality. Various policies were developed and reviewed by council including Human Resource Policies, Finance Policies and other municipal policies. The existence of policies enables decision making and enhance implementation of operational plans.

The development of standard operating procedure manuals has also been main focus in order to improve current processes, identify problem areas and provide a detailed account of operational matters within the municipality

Basic Service Delivery

Local Government is at the coal face of service delivery the following achievement can be noted during 2017/18

- Construction of roads and causeways in ward 02, 04,13,16,20,21
- Provision of basic sanitation and water in all wards
- Maintenance of existing electricity network in ward 8, 9, 10,11, 13,18
- Maintenance of major substation in ward 6,7,8, 9,10,11, 13,18

Public Participation

Abaqulusi Municipality consider public participation as important and engaged the communities at ward level to identify needs and priorities of our people. The IDP Roadshows served as a platform for this purpose and were undertaken in April and May 2017. Over and above the councillors had been in constant consultation with communities to improve transparency and accountability on municipal affairs.

Performance

Overall performance of the municipality has improved during 2017/18 with some KPAs doing very well and some requiring much more attention due to capacity constraints which were being addressed, however none of the challenges will be experienced moving forward considering that all Senior Management

positions were filled and other key positions also filled. A broader perspective of performance on all Key Performance Areas is provided report attached.

Conclusion

Cllr MJ Sibiya
Mayor

I wish to express my sincere gratitude to Councillors, Officials and residents of Abaqulusi for their dedication, support and cooperation to improve service delivery within our area.

COMPONENT B EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGERS' OVERVIEW



The Annual Report is culmination of the council's five year Integrated Development Plan (IDP) The IDP was adopted in 2017 and is reviewed annually. Guided by section 121 of the Local Government Municipal Finance Management Act 56 of 2003, Abaqulusi municipality proudly present its annual report which is reflection of the past year record of activities of the municipality, performance against the budget of the municipality and promoting accountability to the local community for the decision made throughout the year by the municipality

The municipality has ensured alignment of Services through Reviewed IDP 2017/18 and Service Delivery and Budget implementation (SDBIP) which is our tool to ensure that priorities of Abaqulusi are met as set out in the IDP

Close monitoring was improved in the 3rd and 4th quarter. The management team tirelessly provided strategic direction and support on all national Key Performance Areas and also worked collectively to improve service delivery. The performance on each Key Performance Areas is articulated broadly in the attached

performance report where achievements on the set targets have been indicated with

corrective measures on areas needing attention.

Service Delivery in both urban and rural remained a priority in the year under review with focus on the following

- road construction and infrastructure maintenance, to expand accessibility in various wards, road construction and causeway was undertaken during 2017/18.
- Maintenance existing network electricity in urban and rural areas
- Expansion of electrical accessibility
- Expand accessibility and maintenance of Community Halls in various ward
- Early Childhood Development was enhanced with construction of crèches in various wards
- Basic level of refuse removal was provided to all wards

The municipality participates in Back to Basics and has improved its categorisation to a functional municipality

The municipality obtained qualified audit opinion. This was due to capacity constraints challenges, filling of all Senior Management positions was only finalised towards the end of the financial year. To ensure financial viability in the year under review, the municipality achieved 90% revenue collection. The municipal spending on Municipal Infrastructure

Grant was 100% and all grant funds were used for rightful purpose. The municipality experienced challenges with INEP grant funding, however much work on the ground was undertaken and access to electricity connection remains the priority for the municipality.

I wish to convey my appreciation for the support I received from the management team, honourable Councillors for always providing the strategic direction needed in achieving our vision, Abaqulusi will not be the same with efforts and commitment from all stakeholders in development of our area.

Mr BE Ntanzu
Municipal Manager

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 has been growing steadily since 2001. From 2001 (191 019) to 2011 (211 032) the population of the municipality increased by 20 013 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 Dlodlomo, 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 1 Population of Abaqulusi (2001 - 2011)

WARD	POPULATION	WARD	POPULATION
1	10008	12	12708
2	8520	13	14253
3	11175	14	8604
4	6978	15	8103
5	10755	16	9417
6	10335	17	11889
7	10944	18	8085
8	4830	19	7437
9	6351	20	11124
10	2703	21	12603
11	11358	22	12852
Total		211 032	

Source: Census 2011

ABAQULUSI KEY STATISTICS

Table 02: Key statistics

Total population	211,060
Young (0-14)	36,7%
Working Age (15-64)	58,6%
Elderly (65+)	4,7%
Dependency ratio	70,5
Sex ratio	90,9
Growth rate	1% (2001-2011)
Population density	50 persons/km2
Unemployment rate	35,4%
Youth unemployment rate	45,1%
No schooling aged 20+	16,9%
Higher education aged 20+	6,6%
Matric aged 20+	28,1%
Number of households	43,299
Number of Agricultural households	16,838
Average household size	4,6
Female headed households	50%
Formal dwellings	78,8%
Housing owned/paying off	66,6%
Flush toilet connected to sewerage	40,9%
Weekly refuse removal	41,5%
Piped water inside dwelling	38,8%
Electricity for lighting	72,1%

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 03: age groups
Census 2011

Age	Males	Females
0-4	6,4%	6,4%
5-9	6,1%	5,9%
10-14	6,1%	5,8%
15-19	6,1%	5,9%
20-24	4,8%	5%
25-29	4%	4,4%
30-34	2,9%	3,2%
35-39	2,4%	2,7%
40-44	1,8%	2,4%
45-49	1,6%	1,6%
50-54	1,4%	2,1%
55-59	1,3%	1,8%
60-64	1%	1,4%
65-69	0,6%	0,9%
70-74	0,5%	0,8%
75-79	0,3%	0,6%
80-84	0,2%	0,4%
85+	0,2%	0,3%

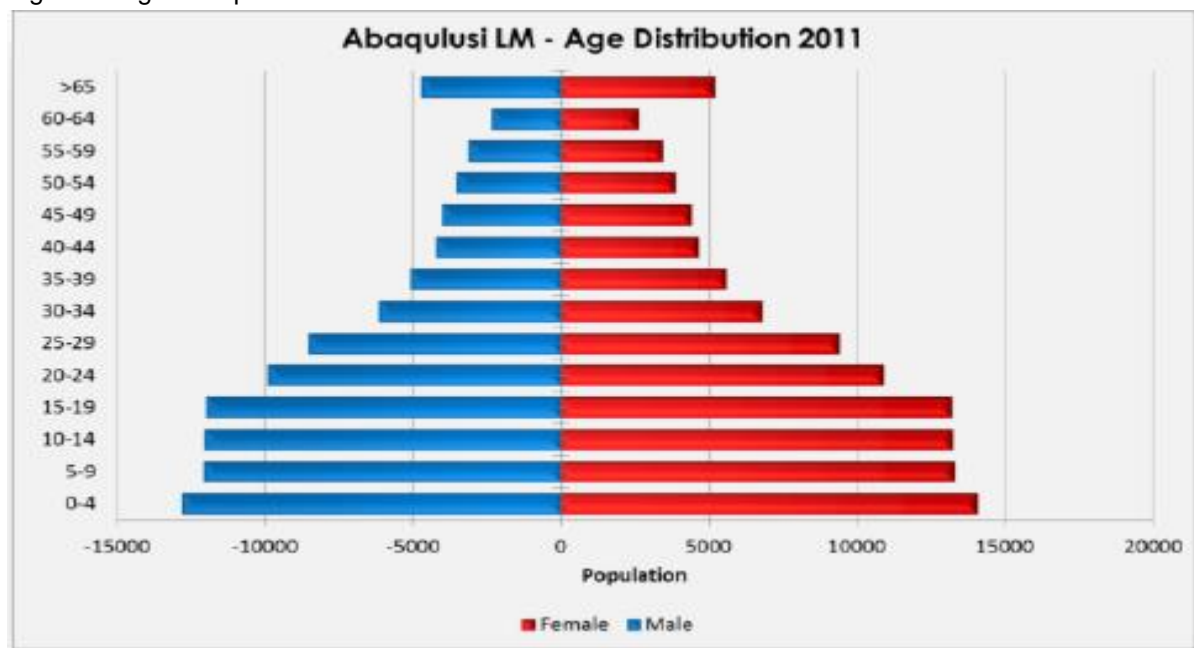
Table 4
Age groups
Community survey 2016 Stats SA

AGE		%
0 - 14	92354	37.9
15-59	135628	55.6
60+	15814	6.5
TOTAL	243795	

Table 5 Age groups

Age	Characterisation	2001	2011
0-14	Youth	36.8%	36.7%
15-64	Working Age	58.6%	58.6%
65+	Elderly	4.6	4.7%
Total		100	100

Figure 1: 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

	2007		2008		2009		2010	
Municipality	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 SERVICE DELIVERY OVERVIEW

BASIC SERVICE DELIVERY INTRODUCTION

Abaqulusi basic services as contained in the municipal indigent policy is intended to provide norms and standards for a program to improve provision of access to basic services. The policy place emphasis of local government sphere recognising the importance of role a municipality has to play in addressing needs of indigent households.

Council provide an important role in identification of qualifying people to receive indigent support. The applications are open for qualifying households on annual basis

1.4 KEY OPPORTUNITIES

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)
- Vryheid Private Hospital

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 exist 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, Enyathi, 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.

1.5 FINANCIAL HEALTH OVERVIEW

The municipality began the financial year with a cash balance of R12 million

FINANCIAL OVERVIEW – 2017/2018 R'000			
Income	Original Budget	Adjustment Budget	Actual
Grants	158,986	158,986	158,986
Taxes, Levies and Tariffs	324,154	324,154	345,999
Other	20,940	21,905	15,613
Subtotal	504,080	505,045	520,598
Less expenditure	630,798	558,145	543,508
Net Total	(126,718)	(53,100)	(22,910)
* Note: Surplus/(deficit)	Non-cash items		

OPERATING RATIOS DETAILS	
Employee cost	28,92
Repairs and Maintenance	1,03
Finance charges and depreciation	17,23

COMMENT ON OPERATING RATIOS

Employee related cost is 28,92% of total operating expenditure while the norm recommended by National treasury is between 30% and 35%. Repairs and Maintenance must be 6% of operating budget in terms of the norm by National Treasury while the municipality is sitting at 1%. It must be mentioned that due to cash flow challenges there was no capital expenditure as renewal of existing assets or any new assets purchased. Finance charges and depreciation make up 17,23% of total operational expenditure

TOTAL CAPITAL EXPENDITURE 2015/16 – 2017/18			
DETAILS	2015/16	2016/17	2017/18
Original Budget	65,016	59,423	61,972
Adjustment Budget	70,866	36,326	59,855
Actual	65,359	26,456	34,170

CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS

The municipality was unable to allocate funding from own revenue for projects in roads, water, electricity and sewerage as the impact of the drought in the previous financial year where the municipality had to provide water without receiving any revenue for water severely impacted on the finances of the municipality.

Indigent Support (Including Free Basic Services)

The majority of the population in Abaqulusi Municipality is indigent; this has an 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 R88, 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 R16,919,365

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.

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 is approximately 28,92% of the total expenditure.

Supply Chain Management

Abaqulusi municipality currently has Supply Chain Management Unit that manages the flow of goods and services guided by the municipal SCM policy. In order to give effect to the SCM Policy.

Status of Bid Committees in 2017/18

The municipality has an established BID specification, Evaluation and Adjudication committee that is fully functional

Challenges

High level of indigent dependency
Loss of income due to illegal electricity and water connections
Loss of income due to illegal development
Delays in SCM processes
High rate of debtors
Procurement Plans not submitted timeously by departments

Interventions

Revenue enhancement committee has been established assisted by National COGTA
Blocking of prepaid electricity
Handing over of accounts to attorneys

1.6 STATUTORY ANNUAL REPORT PROCESS

Table 8 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 I 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 4 th quarter Report for previous financial year	
4	Submit draft 17/18 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.	

NO	ACTIVITY	TIMEFRAME
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	
16	Council adopts Oversight report	December
17	Oversight report is made public	
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.	January
T1.7.1		

CHAPTER 2 GOVERNANCE







COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Governance at Abaqulusi is made up of political and administrative governance. Political governance comprise of elected councillors and council committees. Its role is to play oversight role over administration of the municipality to ensure effective and efficient service delivery. Administrative governance is undertaken through various administrative structures under the leadership of the Municipal Manager.

The principal structure of municipality is Council chaired by Speaker of Council, Cllr. MB Khumalo. The Executive Committee is led by Mayor, Cllr. MJ Sibiya and is tasked with day – to – day running of the municipality. Political governance structures at Abaqulusi comprise of the elected councillors respectively they work together on day – to day basis to achieve service delivery goals and targets as set out in the municipal IDP.

2.1 POLITICAL STRUCTURE

The Abaqulusi municipal Executive Committee comprises of 8 members of Council chaired by the Honourable Mayor, Councillor MJ Sibiya. The EXCO political structure is made up of the following: 3 IFP: Members, 1 DA Member, and 4 ANC: Members. The composition of EXCO Councillors and their political affiliation is as follows:

Councillor Identity	Councillor Profile	Councillor Identity	Councillor Profile
 Cllr. MJ Sibiya Mayor Political Representation: IFP	 NN Mdlalose Designation: PR Councillor Political Representation: ANC	 Cllr. MC Maphisa Deputy Mayor Political Representation: IFP	 Cllr. PP Selepe PR Councillor Political Representation: ANC
 Cllr. BL Zwane PR Councillor Political Representation: IFP	 Cllr. PN Mazibuko Designation: PR Councillor Political Representation: ANC	 Name: IA De Kock Designation: Ward Councillor Political Representation: DA	 Cllr. TZ Nkosi Designation: Ward Councillor Political Representation: ANC Ward: 1

Various committees are in place to ensure effective oversight role on council matters
















The committees are established in terms of section 79 and 80 of the Local Government Municipal Structures Act No 117 of 1998. These committees include





















NO.	COMMITTEE	CHAIRPERSON	MEMBERS
1.	Executive Portfolio Committee	Cllr. MJ Sibiya	Cllr. MC Maphisa, Cllr. IA De Kock, Cllr. PN Mazibuko, Cllr. TZ Nkosi, Cllr. NN Mdlalose, Cllr. PP Selepe, Cllr. BL Zwane, Cllr. MB Khumalo
2.	Technical Services Committee	Cllr. BL Zwane	.BL Zwane, Cllr. KM Ntuli, Cllr. ZH Nxumalo, Cllr. NB Manana, Cllr. ZK Thwala, Cllr. XJ Zungu, Cllr. IA De Kock, Cllr. DJ Mahlase, Cllr. TZ Nkosi, Cllr. PM Mtshali, Cllr. MM Ntuli
3.	Community Services	Cllr. MJ Sibiya	Cllr. MA Mazibuko, Cllr. CJQ Hadebe, Cllr. ZH Nxumalo, Cllr. SS Siyaya, Cllr. NA Kunene, Cllr. . P.P Selepe, Cllr. DP Mazibuko, Cllr. LR Mhlongo, Cllr. VC Mtshali, Cllr. MM Mhlungu
4.	Finance Portfolio	Cllr. MJ Sibiya	Cllr. MA Mazibuko, Cllr. AP Mbatha, Cllr. NB Manana, Cllr. NA Kunene, Cllr. ZK Thwala, Cllr. PN Mazibuko, Cllr. PM Mtshali, Cllr. LC Zwane, Cllr. MT Lushaba
5.	Corporate Services Portfolio	Cllr. IA De Kock	Cllr. MP Williams, Cllr. AP Mbatha, Cllr. KM Ntuli, Cllr. SS Siyaya, Cllr. NB Manana, Cllr. MM Mhlunu, Cllr. TZ Nkosi, Cllr. AM Masondo, Cllr. NN Mdlalose, Cllr. B Ntombela
6.	Development Planning Portfolio	Cllr. MC Maphisa	Cllr. MP Williams, Cllr. NA Kunene, Cllr.. MA Mazibuko, Cllr.. ZK Thwala, Cllr.. ZH Nxumalo, Cllr. TD Ndlovu, Cllr. PN Mazibuko, Cllr. NS Mgidi, Cllr. CN Mbatha, Cllr. TA Khumalo
7.	Municipal Public Account Committee	Cllr. M Victor	Cllr. JJ Jones, Cllr.. MM Kunene, Cllr. TZ Mavundla, Cllr. R Ally, Cllr. MB Mabaso, Cllr. L Dube, Cllr. NY Mdlalose, Cllr. SN Ndlela

2.2 COUNCIL










Councillors are elected representatives serving predetermined term of office on the local council on behalf of their respective constituents. Abaqulusi municipal council has a total number of forty - four (44). Twenty-two (22) are represented as ward councillors and twenty-two (22) are party representatives. The Councils Political structure is made up of the following: ANC: 21 Members, IFP: 19 Members, DA: 3 Members, EFF: 1 Member. The Council is chaired by the Honourable Speaker, Councillor MB Khumalo.

The composition of Council and their political affiliation is as follows:

KNOW YOUR COUNCILLOR				
 <p>Cllr. TZ Nkosi Designation: Ward Councillor Political Representation: ANC Ward: 1</p>	 <p>Cllr. MM Ntuli Designation: Ward Councillor Political Representation: ANC Ward: 2</p>	 <p>Cllr. SN Ndlela Designation: Ward Councillor Political Representation: ANC Ward: 3</p>	 <p>Cllr. MB Khumalo Designation: Honourable Speaker/ Ward Councillor Political Representation: IFP Ward: 4</p>	 <p>Cllr. B Ntombela Designation: Ward Councillor Political Representation: ANC Ward: 5</p>
 <p>Cllr. AM Masondo Designation: Ward Councillor Political Representation: ANC Ward: 6</p>	 <p>Cllr. XJ Zungu Designation: Ward Councillor Political Representation: IFP Ward: 7</p>	 <p>Cllr. M Viktor Designation: Ward Councillor Political Representation: DA Ward: 8</p>	 <p>Cllr. IA De Kock Designation: Ward Councillor Political Representation: DA Ward: 9</p>	 <p>Cllr. DP Mazibuko Designation: Ward Councillor Political Representation: ANC Ward: 10</p>
 <p>Cllr. LR Mhlongo Designation: Ward Councillor Political Representation: ANC Ward: 11</p>	 <p>Cllr. MM Kunene Designation: Deputy Mayor-ZDM/ Ward Councillor Political Representation: IFP Ward: 12</p>	 <p>Cllr. AP Mbatha Designation: Ward Councillor Political Representation: IFP Ward: 13</p>	 <p>Cllr. NS Mgidi Designation: Ward Councillor Political Representation: ANC Ward: 14</p>	 <p>Cllr. NB Manana Designation: Ward Councillor Political Representation: IFP Ward: 15</p>

 <p>Cllr. NA Kunene Designation: Ward Councillor Political Representation: IFP Ward: 16</p>	 <p>Cllr. TA Khumalo Designation: Ward Councillor Political Representation: ANC Ward: 17</p>	 <p>Cllr. ZK Thwala Designation: Ward Councillor Political Representation: IFP Ward: 18</p>	 <p>Cllr. MA Mazibuko Designation: Ward Councillor Political Representation: IFP Ward: 19</p>	 <p>Cllr. ZH Nxumalo Designation: Ward Councillor Political Representation: IFP Ward: 20</p>
 <p>Cllr. LC Zwane Designation: Ward Councillor Political Representation: ANC Ward: 21</p>	 <p>Cllr. L Dube Designation: Ward Councillor Political Representation: ANC Ward: 22</p>	 <p>Cllr. PP Selepe Designation: PR Councillor Political Representation: ANC</p>	 <p>Cllr. PN Mazibuko Designation: PR Councillor Political Representation: ANC</p>	 <p>Cllr. PM Mtshali Designation: PR Councillor Political Representation: ANC</p>
 <p>Cllr. NY Mdlalose Designation: PR Councillor Political Representation: ANC</p>	 <p>Cllr. NN Mdlalose Designation: PR Councillor Political Representation: ANC</p>	 <p>Cllr. MT Lushaba Designation: PR Councillor Political Representation: ANC</p>	 <p>Cllr. VC Mtshali Designation: PR Councillor Political Representation: ANC</p>	 <p>Cllr. TZ Mavundla Designation: PR Councillor Political Representation: IFP</p>
 <p>Cllr. TD Ndlovu Designation: PR Councillor Political Representation: EFF</p>	 <p>Cllr. R Ally Designation: PR Councillor Political Representation: IFP</p>	 <p>Cllr. KM Ntuli Designation: PR Councillor Political Representation: IFP</p>	 <p>Cllr. JJ Jones Designation: PR Councillor Political Representation: IFP</p>	 <p>Cllr. DJ Mahlase Designation: PR Councillor Political Representation: ANC</p>

KNOW YOUR COUNCILLOR

 <p>Cllr. MC Maphisa Designation: Honourable Deputy Mayor/ PR Councillor Political Representation: IFP</p>	 <p>Cllr. CQJ Radebe Designation: PR Councillor Political Representation: IFP</p>	 <p>Cllr. CN Mbatha Designation: PR Councillor Political Representation: ANC</p>	 <p>Cllr. BL Zwane Designation: PR Councillor Political Representation: IFP</p>	 <p>Cllr. MP Williams Designation: PR Councillor Political Representation: IFP</p>
 <p>Cllr. MM Mhlungu Designation: PR Councillor Political Representation: DA</p>	 <p>Cllr. MJ Sibiya Designation: Honourable Mayor/ PR Councillor Political Representation: IFP</p>	 <p>Cllr. SS Siyaya Designation: PR Councillor Political Representation: IFP</p>	 <p>Cllr. MB Mabaso Designation: PR Councillor Political Representation: ANC</p>	

2.3 ADMINISTRATIVE GOVERNANCE

The Administrative Team, headed by the Municipal Manager and the Departmental Executive Directors. They ensure that the political decisions are put into effect. The administrative team comprise of six departments namely, Office of the Municipal Manager Financial Services, Technical Services, Corporate Services, Community Services and Development Planning. The organogram is depicted below

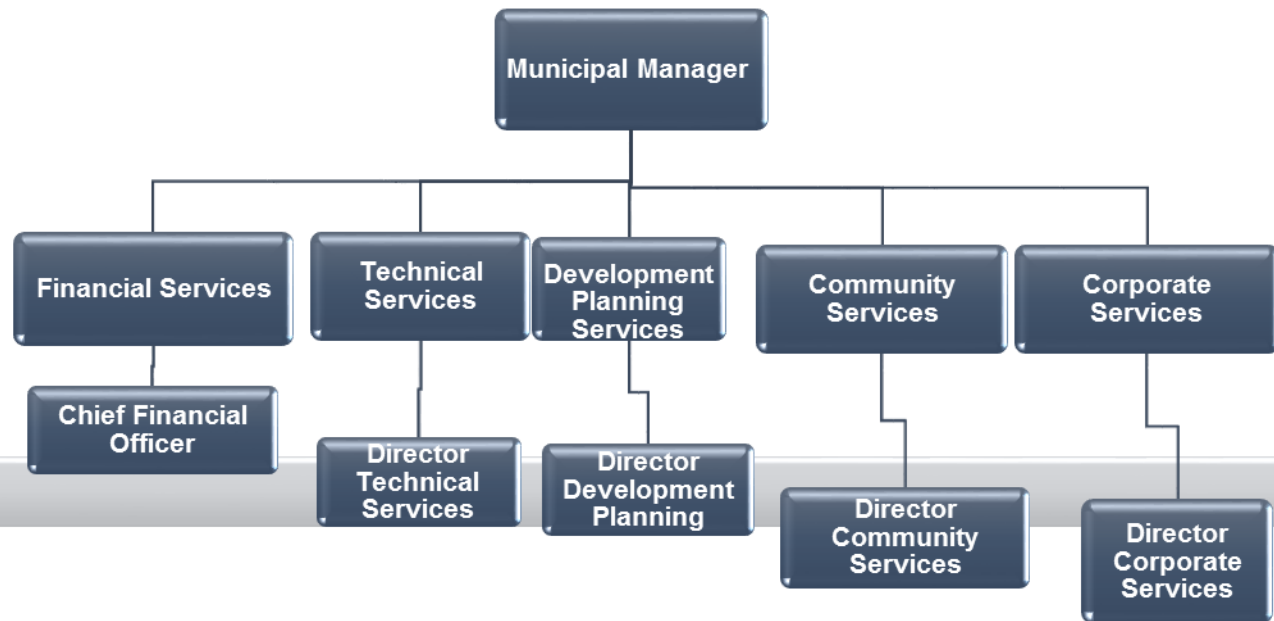






Figure 2 Organogram

Table 2 Administration of Abaqulusi

	DEPARTMENT	FUNCTION
 <p>Municipal Manager MR. BE NTANZI</p>	<p>Office of the Municipal Manager Comprise of the following sections:</p> <ul style="list-style-type: none"> • Internal Audit • Performance Management • Legal Services 	<p>Municipal Manager is Head of Administration and is responsible for</p> <p>The management of the municipality's administration in accordance with the Local Government Municipal Systems Act of 2000 and other legislation applicable to the municipality</p> <ul style="list-style-type: none"> • The primary objective to measure, monitor and enhance the institution's performance and advise the political structures and political office bearers of the municipality.
 <p>Executive Director Corporate Services: MRS SP DLAMINI</p>	<p>Corporate Services Comprise of</p> <ul style="list-style-type: none"> • Human Resource, Administration • Information Technology • Council Support and 	<p>Enable support to Council, the Committees of Council, as well as to the Political Office Bearers, Provide an effective and efficient human resource strategic and administration, Ensure skilled workforce, Ensure fair representation of the workforce, Promote a conducive working environment Provide optimal information technology services and infrastructure</p>
 <p>Executive Director: Budget and Treasury MR HA MAHOMED</p>	<p>Budget and Treasury Comprise of</p> <ul style="list-style-type: none"> • Revenue, • Expenditure and Supply Chain • Budget and treasury 	<p>Budget & Treasury manages the financial affairs of municipality to ensure the optimum use of all municipal assets. In essence, it is the protector of the public purse as it levies taxes and charges on the public, collects the taxes and charges for the public, and administers the expenditure of those taxes and charges on goods, services and assets on behalf of the public.</p>
 <p>Executive Director: Community Services MR DA KHUMALO</p>	<p>Community Services comprise of the following sections</p> <ul style="list-style-type: none"> • Waste management • Safety and Security • Recreational Services 	<p>The Community Development Department's core functions is to ensure that the community is well serviced in regards to:</p> <p>Health care, Public Safety, Education (Libraries) Sports & Recreation, Community Halls, Traffic Management, Refuse removal and sewerage</p>



 <p>Executive Director Technical Services MR SC MASUKU</p>	<p>Technical Services Comprise of</p> <ul style="list-style-type: none"> • Electrical Services, • Water and sanitation • Roads and Storm Water, and • PMU 	<p>The Technical Services department's main objectives and functions are</p> <ul style="list-style-type: none"> • to provide the basic needs of the community as well as maintain the standard of service provided. • The department focuses on issues surrounding:
 <p>Executive Director: Development Planning MR JS LANDMAN</p>	<p>Development Planning Comprise of the following</p> <ul style="list-style-type: none"> • Town Planning • LED • Tourism • Housing • GIS • Building Inspectorate 	<p>The planning and development departments' primary function within the municipality is to regulate and control all development.</p>

Table 9: Administration of Abaqulusi

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The municipality participates in a number of national, provincial forums.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The mayor and municipal manager participate in the technical and provincial MUNIMEC respectively

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

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

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

Table 10 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)

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 11 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

2.4 PUBLIC MEETINGS

The Abaqulusi Municipality prides itself on public participation within its municipality. It is imperative that the public is 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 to the constant demands within local government. Structures used to involve the public of municipal affairs include:

- Council Meetings (Public is invited)
- IDP Representative Forums
- IDP/Budget Roadshows/Izimbizos
- Ward Committee Meetings
- Meetings with Amakhosi
- Meeting with Business
- Media Releases
- Website Releases

The Abaqulusi Municipality embarked on its 2017/2018 IDP/Budget Roadshows as per the schedule below:

Table 12 Public Participation Schedule

WARD	DATE	NO. OF PARTICIPANTS	WARD	NO. OF PARTICIPANTS	DATE
1	05 April 2018	76	12	128	09 April 2018
2	06 April 2018	70	13	177(ward 10,11 &13)	23 April 2018
3	06 April 2018		14	97	16 April 2018
4	19 April 2018	206	15		16 April 2018
5	24 April 2018		16		27 April 2018
6	07 April 2018	114	17	209	16 April 2018
7	26 April 2018		18	193(ward 18&20)	15 April 2018
8	06 April 2018	116	19		23 April 2018
9	06 April 2018		20	193(ward 18& 20)	15 April 2018
10	23 April 2018	177	21		22 April 2018
11	23 April 2018		22	108	08 April 2018

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.

2.5 IDP PARTICIPATION AND ALIGNMENT

Table 13 IDP Application and Alignment

IDP Participation and Alignment Criteria*	Yes/No
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

2.6 RISK MANAGEMENT

Section 62 (1) of the MFMA states that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically and that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

The risk management function fall under Internal Audit in the Office of the Municipal Manager.

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, programme 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 2017/2018 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 14 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	Financial risk	Ineffective expenditure management of department and failure to pay creditors within 30 days	Cash flow challenges. Inadequate management of departmental budgets. Delays in submitting invoices by internal departments.
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	Human resources management risk	Ineffective human resources services	Low staff morale. Lack of a retention strategy. Lack of human capacity. Insufficient supervision by departmental supervisors on leave management. Delays in processing the pension claims.

The Abaqulusi LM has currently developed and adopted the following Risk Management Plans and Policies related to Risk which are subject to annual reviews:

- Risk Management Policy,
- Anti-Fraud and Corruption Policy,
- Whistle-blower policy,
- Risk Management Strategy,
- Fraud Prevention Plan

- Employees and Councils Code of Conduct

The municipality is also currently establishing its Risk Management Committee which will provide an in-depth analysis of the risks the municipality is faced with.

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 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 2016. 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 Councillors 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 15 SCM SWOT

Strengths/Opportunities	Weaknesses/Threats
Financial Municipal Policies in place	High levels of indigent dependency
All SCM Committees are established	Loss of income due to illegal water and electricity connections
Performance evaluation of service providers are completed	Loss of income due to illegal developments
Staff members are well trained	Delay in SCM Processes results in delayed service provided
There is sufficient office space to carry out all admin duties	Procurement plans not submitted timeously
	SCM Process not followed
High staff compliment with very few vacancies	

2.10 BY-LAWS

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

Table16 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
Building regulation	Yes	2009
Outdoor Advertising	Yes	2009
Electricity	Yes	2009
Littering and illegal dumping		

2.11 WEBSITES

Table 17 Municipal Website Inputs

DOCUMENTS PUBLISHED ON THE MUNICIPALITY'S / ENTITY'S WEBSITE	YES/NO	PUBLISHING DATE
All current budget-related policies	Yes	30 May 2018
Draft Budgets	Yes	08 April 2018
Final Budget	Yes	28 May 2018
IDP	Yes	04 April 2018 ⁷
SDBIP	Yes	20 June 2018
SDF	Yes	20 June 2018

DOCUMENTS PUBLISHED ON THE MUNICIPALITY'S / ENTITY'S WEBSITE	YES/NO	PUBLISHING DATE
Policies	Yes	30 May 2018
By-Laws	Yes	20 April 2018
Valuation Roll	Yes	24 April 2018
Performance Agreements	Yes	13 Sep 2018
Assets Disposal	Yes	01 July 2018
Annual Financial Statements	Yes	11 Jan2018
Municipal Annual Calendar	Yes	27 June 2018

CHAPTER 3 SERVICE DELIVERY PERFORMANCE

The municipality is mandated to ensure provision of services to its community and is legislatively guided by the section 152 Constitution of the Republic of South Africa (1996) which deals with the objectives of local government as follows:

- the promotion of efficient, economic and effective use of resources
- accountable public administration
- to be transparent by providing information
- to be responsive to the needs of the community
- o facilitate a culture of public service and accountability amongst staff

The Municipal Systems Act (MSA), (Act 32 of 2000) requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the municipal budget to be aligned to the Integrated Development Plan (IDP) and create a mechanism for the implementation of the budget against the IDP using the Service Delivery and Budget Implementation Plan (SDBIP).

Key service delivery at Abaqulusi during 2017/18 is indicated in the Annual Report 2017/18 and briefly achievements can be summarised as follows:

Table 18 Key Service delivery

	INTERVENTION	WARD
1.	Road construction	4,12,13,16,20,21
2.	Basic level of Sanitation	All wards
3.	Basic level of water	All wards
4.	Basic level to electricity	All wards
5.	Access of electricity – new households	2,3,4,7
6.	Maintenance of electrical network	6,13,14,7,8,9,10,11,14,18
7.	Maintenance of community halls	6,8,10,14
8.	Fencing of cemetery	16
9.	Construction of cemetery	12
10.	Construction of crèches	15,16,19,20
11.	Refuse removal	1,6,7,8,9,10,11,13,18,20

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.

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 is 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.

The municipality is faced with challenges relating to

- ageing water infrastructure
- water losses
- and shortage equipment

Remedial action will include implementation of maintenance plans, but not limited to

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 WASTE MANAGEMENT

3.3.1 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%)
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, Bhhekuzulu, 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 follows 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.

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 (Mobitainers/Skips) distributed in various locations 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 prevents 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 spot programme has been introduced to Abaqulusi community and there is a decrease in illegal dumps which indicate that there is communication between the Municipality and community.
- 5) Recycling station – (Drop-off, transfer station and collection of recyclable waste) is currently not operational as the Landfill site is under construction/rehabilitation.

Street Cleaning

Street cleaning is done in town, Vryheid and daily by training and well equipped personnel. Street cleaning has improved 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 operational as the Landfill site is under construction/rehabilitation.

Disposal

Waste is disposed at a registered 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 Environmental Affairs in urban wards i.e Mondlo, Vryheid, Coronation, Bhhekuzulu. Environmental and special days are celebrated.

Greening

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

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 Environmental Management Plans for operations

Challenges

- Illegal dumps around the townships
- Lack of education and awareness in the community
- Unfished Rehabilitation Landfill site
- Lack of landfill site equipment

Service delivery priorities

- 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

SANITATION DELIVERY

Provision of clean drinking water and adequate sewage disposal is human right and Abaqulusi strive to ensure that the households are provided with clean drinking water. There are existing capacity challenges and 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.

Challenges

- Ageing infrastructure
- Insufficient funds to upgrade waste water treatment plants
- Equipment breakdowns and failing equipment in the plants

Remedial Actions

- To review and amend the current contract which WSSA has with ZDM
- Implement maintenance plans

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 which is due to the shortage of staff, availability of equipment and material.

Primary Network

Maintenance is done on an annual basis as determined on the SDBIP. A master plan for electricity has been completed and needs to be implemented.

Street Lighting

In as much as there is a lot of maintenance work carried out to ensure that the town 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 and staff shortages 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 place a burden on the network. Ring circuits are non-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

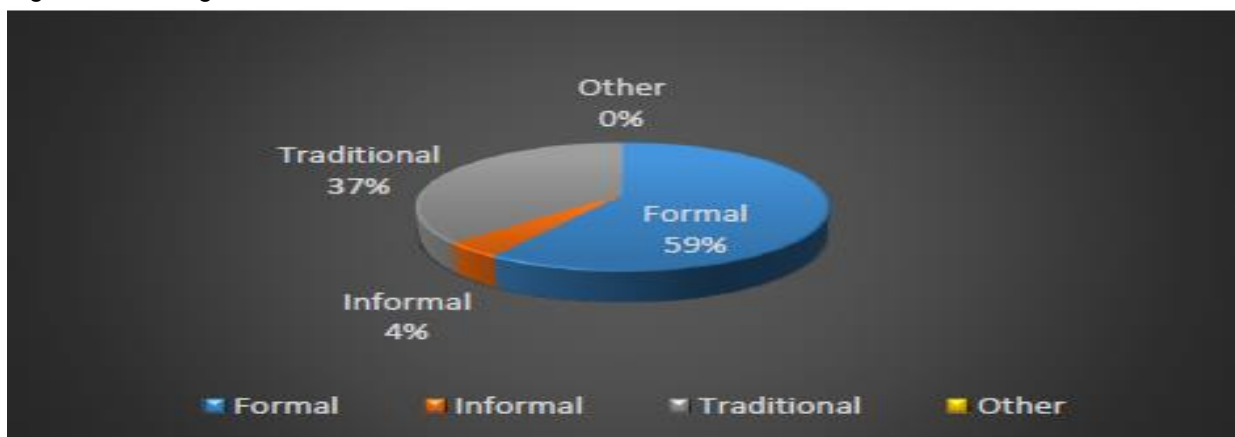
3.5 HUMAN SETTLEMENTS

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 centre 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 3 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 built 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.

PROJECTS

The Housing Section implemented the following projects for 2017/18

Table 23 Housing Projects

PROJECT	STATUS	COMMENT
Vryheid Ext 16	There are 102 units to be built.	There was a storm water 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 are being finalized.	There were delays caused by the Surveying of the area.
Gluckstadt/ 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

PROJECT	STATUS	COMMENT
		Implementation will then be finalised with the Department of Human Settlements.
Emondlo A&B and Bhekuzulu 3B Consolidation Housing Project	The Project is still at Planning Stage.	The beneficiary administration exercise is still being finalised

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.

Remedial Actions:

- 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.
- Constant engagement with 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 R88, 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 R 16 919 365

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 with the help of Municipal Infrastructure Grant. 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 through town and bursting of water pipes underneath roads are contributing to the deteriorating of roads infrastructure, despite

3.8.1 Status of gravel roads

The status of the gravel roads within the Municipality as per June 2018 is presented below.

Table 24 Status of the gravel road

Total Gravel roads	New Gravel Roads constructed	Gravel roads upgraded to Tar/paving	Gravel roads maintained
1000 km	24.7 km	1.5	2 km

The status of the tarred roads within the Municipality as per June 2018 is presented in the following table.

Table 25 Status of the tarred road

Total Tar roads	New Tar Roads constructed	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained (Pothole patched)
1000 km	0	0 km	0 km	14 339.74 m ²

3.8.2 Personnel

The section comprises of Manager, foreman, brick layers, operators, mechanic, drivers, artisan assistants and general workers.

Fleet of vehicles, Construction plant and equipment are available for the section daily activities.

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 sytem.

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

Table 26 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 cleaned
Year end 2018	15000	0	0	14 140.50

3.10 CURRENT PROJECTS

MIG Financial Performance

The financial performance of the Municipality in the 2017/18 financial year with respect to MIG projects is indicated in the table below

Table 27: 2017/18 Financial Performance

MIG Allocation	R35 440 000.00
Certified Expenditure	R35 440 000.00
Outstanding Proof of Payments	R771 011.68
Expenditure vs Actual Transfers	100%

As indicated in the table above the Municipality managed to spend all its MIG allocation in the 2017/18 financial year.

MIG Projects Progress Report

The following projects reached at least practical completion stage in the 2017/18 financial year.

Table 28: List of Project which reached Practical Completion Stage

No	Project Name	Ward No
1	Vryheid Landfill Fencing	08
2	Cecil Emmet Sports Complex	08
3	eMadoshini Paved Road	13
4	Jimani Causeways	12
5	Khokhoba Gravel Road	16
6	Mkhumbane Gravel Road	18
7	Bhozimini Gravel Road	04
8	Zwelisha Gravel Road	19
9	King Bhekuzulu Community Hall	10
10	Zwelisha Creche	19
11	eNgilandi Gravel Road	21
12	eMadresini Cemetery Fencing	16

Indicated in the Table below is a summary of progress per project.

Table 29: Progress Report per Project

	PROJECT DETAILS	PROJECT STATUS
1.	Abaqulusi Rural Roads Project (AFA) MIS Khokhoba Gravel Road Consultant: DLV Engineers Contractor: Off-Camp Trading Enterprise Contract Value: R4 641 630.84 Expenditure to Date: R4 782 738.99 Completed: 100% Start Date: 07/11/2017 Practical Completion: 05/12/2017	Project is Complete. Final retention to be released in December 2018.
2	Vryheid Extension 16 Infrastructure Abaqulusi Low Cost Housing: Storm Water Control Measures Consultant: DLV Engineers Contractor: Hlanga Trading Enterprise Contract Value: R6 419 163.51 Expenditure to Date: R6 405 022.97 Completed: 100% Start Date: 02/03/2015 Completion Date: 07/03/2018	Project is complete and closed
3.	Cecil Emmet Sports Complex Consultant: Eyabantu & Project Managers Contractor: Uzamile Trading Contract Value: R3 338 580.78 Expenditure to Date: R3 980 7884.94 Completed: 97% Start Date: 15/12/2015 Practical Completion: 25/02/2018	Practically complete. Snags have not yet been attended as the contractor abandoned site. Vandalism then occurred. Damages and outstanding work to be attended to.
4.	Lakeside and Bhekuzulu Township Roads Emadoshini Paved Roads Consultant: Isimo Engineers Contractor: TK Gutters Plumbers & Plant Hire Contract Value: R6 781 169.49 Expenditure to Date: R5 109 571.34 Completed: 100% Start Date: 28/03/2017 Practical Completion: 25/01/2018	Practical completion was issued on 25 January 2018. Additional work ordered to address storm water challenges which surfaced after completion. Completion of snags due 08/08/2018
5.	Abaqulusi Rural Roads Phase 2 Ezingadini Gravel Road Consultant: TPA Consulting CC Contractor: Vukuzithathe Construction Contract Value: R1 846 703.10 Expenditure to Date: R1 613 805.30 Completed: 95%	Contractor Completed concrete for slope section. Community from Nqutu Municipality stopped the contractor from laying pipes on the road. Road works and stone pitching completed. Culverts 90%.

	PROJECT DETAILS	PROJECT STATUS
	Start Date: 04/01/2018 Completion Date: 18/04/2018 Revised Completion Date:	
6.	Ngilandi Gravel Road Consultant: TPA Consulting CC Contractor: Mpandla Construction Contract Value: R3 154 819.47 Expenditure to Date: R3 021 489.68 Completed: 98% Start Date: 16/01/2018 Practical Completion: 22/06/2018 Revised Completion Date:	Contractor is currently remedying defects. Final Inspection is due 08/08/2018
7.	Mkhumbane Gravel road Consultant: DLV Engineers Contractor: Mpandla Trading Contract Value: R3 141 887.60 Expenditure to Date: R3 414 569.65 Completed: 100% Start Date: 07/04/2017 Completion Date: 31/08/2017 Revised Completion Date: 03/10/2018	The project is complete and is on defects liability period
8.	Zwelisha Gravel Road Consultant: TPA Consulting CC Contractor: Ndlumbi Trading Contract Value: R2 727 913.98 Expenditure to Date: R2 869 325.42 Completed: 100% Start Date: 07/04/2017 Completion Date: 03/10/2018	The project is complete and is on defects liability period.
9.	Jimani Causeways Consultant: Isimo Engineers Contractor: Ingwemabala Construction CC Contract Value: R3 085 588.39 Expenditure to Date: R3 054 614.51 Completed: 100% Start Date: 28/03/2017 Completion Date: 26/06/2018 Revised Completion Date:	The project is complete. Snags being attended to will be completed 08/08/2018. There was a challenge of theft of the gabion boxes. Councillor was engaged
10.	Jimani Gravel Road Consultant: Delca Systems Contractor: PZL Projects Contract Value: R11 050 645.52 Expenditure to Date: R13 500 941.07 Completed: 100% Start Date: 28/03/2017 Completion Date: 22/08/2017 Revised Completion Date: 26/06/2018	The project is complete and closed.

	PROJECT DETAILS	PROJECT STATUS
11.	Bhozimini Gravel Road Consultant: Isimo Engineers Contractor: Sele and Musa Trading Contract Value: R5 483 445.43 Expenditure to Date: R3 259 485.09 Completed: 90% Start Date: 07/04/2017 Completion Date: 22/07/2017 Revised Completion Date: 08/08/2018	Practical Completion certificate was issued on 29 June 2018. Proposed completion 08 August 2018. The road is now functional. Contractor is currently attending storm water control and gabions.
12.	Mnunse/Eastmine River Crossing Consultant: DLV Engineers Contractor: Sebenzimali Trading Enterprise Contract Value: R4 836 703.08 Expenditure to Date: R5 730 927.41 Completed: 98% Start Date: 09/03/2017 Completion Date: 31/08/2017 Revised Completion Date:	The original contractor ceded work to a cessionary who is completing the work. Mnunse is complete, East mine to be completed 03/08/2018
13.	Ezibomvu Community Hall Consultant: DLV Engineers Contractor: Amatawutawu General Trading Contract Value: R4 496 540.00 Expenditure to Date: R2 104 221.38 Completed: 45% Start Date: 30/01/2018 Completion Date: 11/09/2018 Revised Completion Date:	Slow progress on site and delays had occurred due to major blasting of rock being required upon change of site location. The contractor has been issued with a letter of slow progress
14.	Mdengenduku Creche Consultant: Thoko Consulting Engineers Contractor: Dlakscon Construction Contract Value: R2 051 207.08 Expenditure to Date: R1 654 625.24 Completed: 90% Start Date: 22/01/2018 Completion Date: 31/05/2018 Revised Completion Date:	The project is complete except for fence and borehole which is still to be drilled and equipped.
15.	Vryheid Landfill Fencing Consultant: DLV Engineers Contractor: Deezlo Trading Contract Value: R4 421 467.83 Expenditure to Date: R4 962 276.81 Completed: 100% Start Date: 09/03/2017	The project is complete and is on defects liability period

	PROJECT DETAILS	PROJECT STATUS
	Completion Date: 03/07/2017 Revised Completion Date: 06/03/2018	
16.	Gwebu Creche Consultant: Thoko Consulting Engineers Contractor: Mchilobomvu Civils Construction Contract Value: R1 587 363.25 Expenditure to Date: R1 705 830.70 Completed: 95% Start Date: 15/01/2018 Completion Date: 31/05/2018 Revised Completion Date:	The project is practically complete. Snags are being attended to.
17.	Rehabilitation of Bhekuzulu Hall Consultant: TPA Consulting CC Contractor: Sthabiso Construction Contract Value: R3 551 058.39 Expenditure to Date: R3 807 000.21 Completed: 99% Start Date: 16/01/2018 Completion Date: 31/05/2018 Revised Completion Date:	The project is practically complete. Final inspection is scheduled for 08/08/2018
18.	Ward 19 Creche Consultant: TPA Consulting CC Contractor: Mchilobomvu Civils Construction Contract Value: R1 265 800.14 Expenditure to Date: R1 476 227.84 Completed: 92% Start Date: 16/01/2018 Completion Date: 31/05/2018 Revised Completion Date:	Final inspection will take place on 08/08/2018. The project is practically complete
19.	Ward 20 Creche Consultant: TPA Consulting CC Contractor: Thinasonke Building Projects Contract Value: R1 259 147.67 Expenditure to Date: R1 113 516.29 Completed: 99% Start Date: 16/01/2018 Completion Date: 31/05/2018 Revised Completion Date:	The project is practically complete. Final inspection is scheduled for 08/08/2018
20.	Emadresini Creche – Ward 16 Consultant: Thoko Consulting Engineers	The project is complete with snags identified. The community, however,

	PROJECT DETAILS	PROJECT STATUS
	Contractor: Mchilobomvu Civils Contract Value: R1 520 316.88 Expenditure to Date: R1 710 676.91 Completion: 95% Start Date: 15/01/2018 Completion Date: 31/05/2018 Revised Completion Date:	has occupied the creche before practical completion certification had been issued.
21.	Emadresini Cemetery Fencing Consultant: DLV Engineers Contractor: Thinasonke Trading Contract Value: R1 549 504.53 Expenditure to Date: R1 652 513.43 Completed: 98% Start Date: 24/01/2018 Completion Date: 13/06/2018	The project is practically complete. Snags and lighting system are currently being attended to

Challenges

There are a number of challenges faced in the execution of the projects. These include

- Contractor's cash-flow problems affecting the execution of projects on time
- Vandalism of property due to lack of security on sites.
- Theft of construction materials affecting the execution programme.
- Poor performance by some contractors resulting in delays and eventually ceding of projects and projects overlapping.

Proposed Remedies:

The following remedial measures are proposed.

- Improved project management measures including monthly reporting meetings to ensure smooth running of projects.
- Payment of contractors within 30 days of submitting invoices to ensure healthy cashflows.

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 passes through Abaqulusi in a north-south direction and at Vryheid, it branches 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 (PSED, 2007), and the potential link with Dube Trade Port. The Map below indicates the Transport Network that exist within the Abaqulusi Municipality.

COMPONENT C: DEVELOPMENT PLANNING

3.13 PLANNING

3.13.1 Overview and Background

The Town Planning Section falls within the Development Planning Department and comprises of Land Use Management, Spatial Planning and GIS.

Town Planning Unit

The Town Planning Unit manages the following:

- sustainable urban growth and
- spatial transformation through the preparation of spatial plans.
- It is also responsible for the processing of town planning development applications and the monitoring of development in compliance with statutory procedures. It seeks to achieve co-ordinated and harmonious development by promoting health, safety, order, amenity, convenience and improved general welfare.
- monitoring land use development to protect the interests of all Property Owners and Government Agencies against undesirable contraventions of existing legislation and acceptable norms in the interests of maintaining a safe and healthy environment of the residents of Abaqulusi.

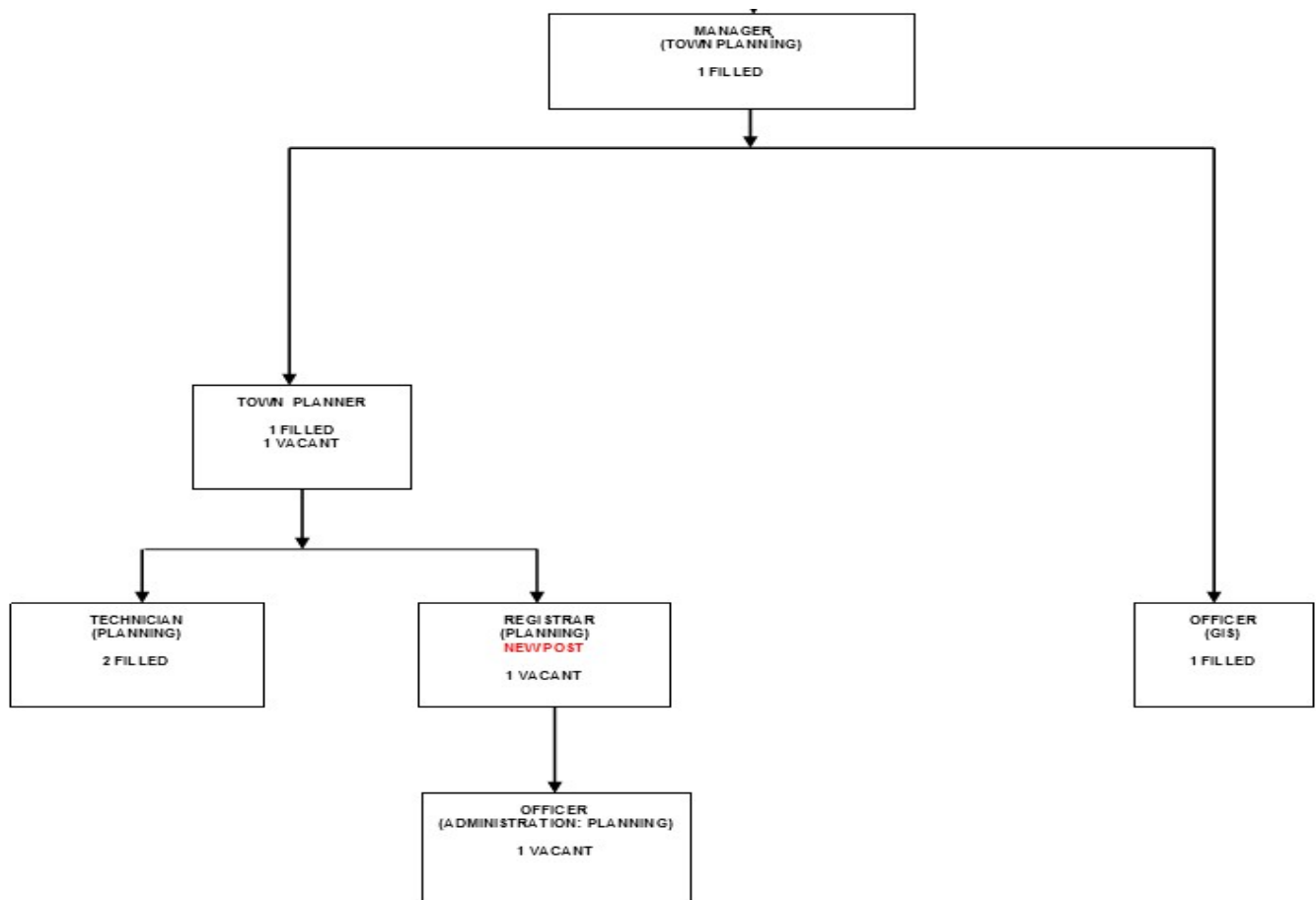
Geographic Information Systems (GIS)

- Develops, maintains and interrogates spatial data in order to provide relevant information that will assist with decision making across the Abaqulusi Municipality.
- provides continual maintenance and capturing of zoning and land use data on the GIS for properties that fall within the area of the scheme and continuous exchange of GIS data with Zululand District Municipality to be able to provide information to the general public and other internal departments

The Town Planning Section provides support to all other municipal departments with regards to land use management and development.

3.13.2 Structure

The Town Planning Section is Managed by Manager: Town Planning who reports directly to Director: Development Planning. It comprises of existing six (6) staff with two (2) vacant positions. The two positions that are vacant are the Town Planner and Planning Registrar.



3.13.3 Land Use Management System

The Abaqulusi Local Municipality is functional in terms of SPLUMA Compliance. The members of the Municipal Planning Tribunal have been appointed and gazetted. The Municipality is compliant with regulation 14 and has appointed the Municipal Planning Authorised Officer (Manager: Town Planning). The Executive Committee has been appointed as the Appeals Authority. The Abaqulusi Local Municipality Spatial Planning and Land Use Management By-law was gazetted in January 2017. The Municipal Planning Tribunal is operational with its first meeting taking place on 20th April 2018.

All land use and development applications such as rezoning, subdivision, consolidation, land situated outside the area of the scheme, consent applications, etc. are processed and assessed in terms of

SPLUMA. A notice for Amnesty for illegal land uses and building activities was placed in the Vryheid Herald and Illanga to inform Abaqulusi residents to comply with all Town Planning and Building Inspectorate by-laws and to correct illegal activities and structures. The closing date for the amnesty period is 30th September 2017.

3.13.4 Abaqulusi Municipality Wall-to-Wall Scheme

As part of the back to basic programme the Abaqulusi Municipality has identified the Land Use Management Scheme as a priority area. With the Spatial Planning Land Use Management Act, 16 of 2013 (referred to as “SPLUMA”) being effective from the 01st July 2015, all municipalities are required to prepare Wall-to-Wall Land Use Schemes by 2020. Black Cubans Investments (PTY) Ltd, previously known as UDIDI Environmental Planning & Development Consultants, was appointed on 07th March 2017 by Abaqulusi Municipality to Develop the Wall-to Wall Land Use Scheme and Land Use/Rights Audit which is to be completed within a period of Eighteen Months (18 consecutive months). An amount of R2, 944,141.2 is required by the municipality for the finalization and completion of the whole Abaqulusi Wall-to-Wall Land Use Scheme and Land Audit project. A request for further assistance was submitted to COGTA and DBSA but no response has been received to date.

The first project steering committee meeting was held on 31st March 2017 at Ntinginono Environmental Centre where the inception report was presented by the service provider.

As part of phase 1: the status quo a land use survey and land audit was conducted by the service provider in urban areas of Abaqulusi Municipality. Public meetings have been held in each area prior to the land use survey to inform communities of the purpose of carrying out this task. Public notification with the schedule of dates for the public meetings was published in the Vryheid Herald and Illanga Newspapers to inform community

A Workshop was held at Ntinginono Environmental Centre on 14th August 2017 for the Development Planning Portfolio Committee.

3.13.5 Shoba Township Establishment – Portion 5 of the Farm Welgevonden No. 287

Isibuko Development Planners were appointed to undertake the detailed Planning and Formalisation of Portion 5 of the Farm Welgevonden No.287 commonly known as Shoba Settlement in the Abaqulusi Municipality. This project is to be completed within a period of Thirty-two Months (32 months). The cost implications for project is R 3 898 870, 00 and funding has been received from the Department of Human Settlements for the project.

The Shoba settlement developed illegally on privately owned land of which the Municipality has acquired with the intention to formalise and establish a sustainable human settlement neighbourhood. Shoba is

regarded as an “informal settlement” because of the lack of planning and insecurity of land tenure. Otherwise, the houses that have been built in the area suggest dominance of middle income households who fall outside of the low-cost housing subsidy bracket. As such, the character of the area is that of a middle-income residential suburb.

The project is currently in Phase 3- Layout plan and Phase 4 Environmental Impact Assessment. A preliminary layout plan has been drafted and is awaiting input from wetland delineation study to be completed by the specialist and input from the Abaqulusi Municipality.

3.13.6 Abaqulusi Spatial Development Framework

The 2018/2019 Abaqulusi Spatial Development Framework was reviewed internally and was approved by Council with the Integrated Development Plan in May 2018. The SDF was reviewed in terms of the Department of Rural Development and Land Reform Guidelines 2017 and the MEC Comments submitted for the 2017/2018 SDF. The review included an overview on the Abaqulusi Municipality and the Vryheid Town. It touched on the recent developments of the preparation of the wall-to-wall scheme, eMondlo Shopping Centre and Louwsburg Transportation facility. The SDF was also reviewed in terms of SPLUMA Compliance.

3.13.7 GIS

The GIS section of Development Planning serves on a daily basis the public and other departments in the Municipality with information from our own data base and other sources like the Surveyor General. Information mainly includes SG Diagrams, Property information, cadastral layouts, service maps that indicate where water and sewer lines are located.

Property searches are also done on town areas as well as farm regions and then aerial maps in relation to the cadastral are produced.

Data downloads and assistance to several consultants and services providers are done.

3.13.8 Statistics

The following table indicates the number of applications received by the Town Planning Department during the 2017/2018 financial year:

	SUBMITTED	APPROVED	NOT SUPPORTED	PENDING
Building Plans assessed	41	28	9	4
Relaxation	18	16	1	1
Granny flat	3	3	0	0
SPLUMA Applications	13	5	1	8

3.13.9 Achievements in 2017/2018

- Review of the 2018/2019 SDF and Approval of Council
- Permanent appointment of Director Development Planning
- Fully Functional Planning Section with the appointment of the Town Planner and two Planning Technicians
- The Municipal Planning Tribunal is fully operational and has already commenced taking decisions on Applications
- The Department currently consists of Registered Planners in terms of SACPLAN
- Legal Assistance obtained from external attorneys to address illegal developments and contraventions within the Municipal Area.
- Capital Investment Framework preparation

3.14. Building Regulations and Enforcements

3.14.1 Overview and Background of Unit/Section

The Building Regulations and Enforcement Section 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.

The examination of plans is a critical function within this department and is currently been done by the Building Inspector and the Building Control Officer. 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.

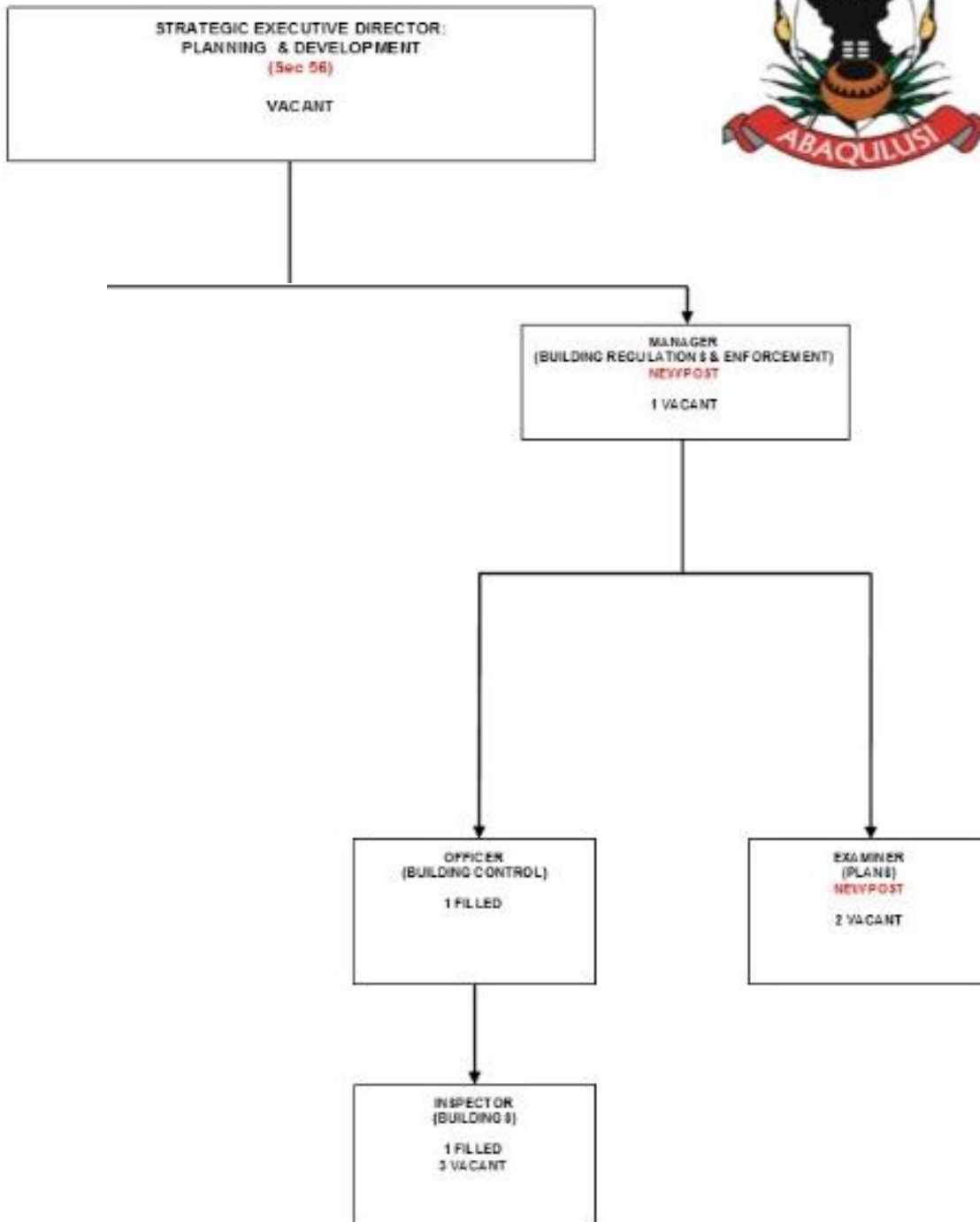
The function of building inspections is related to the development management function of the municipality. This function relates to the inspection of the construction work that has been approved in terms of the applicable legislation.

The inspections are there to determine compliance with the approved plans as per the legislative requirements. The inspections involve assessing each construction site from the establishment of the

construction camp to the final finishes of the building. Once the final inspection process is completed and the building is certified as habitable the occupational certificate is then awarded.

3.14.2 Structure

*Approved by
Council on*



The above is the council approved structure for the Building Regulations and Enforcement Section, however the section only comprises of a Building Inspector who was employed in August 2017 and a Building Control Officer in October 2017. The lack of staff within the section hampers service delivery.

3.14.3 Statistics

The following can be reported on building control:

- Building Plans submitted : - 54
- Building plans approved : - 43
- Building Plans referred : - 08
- Building Plans pending : - 03

3.14.4 Built Environment Workshops

Building Inspectorate and Planning Workshop was held for Professionals in the built environment on 19th March 2018. The Workshop was facilitated by SAIAT.

3.14.5 Challenges in 2017/2018

- Illegal developments without the submission of building plans
- Non-compliance from members of the public
- Outdated Filling system and circulation of plans
- Plan drawers who are not registered as a Professional in terms of SACAP Lodging Plans
- Turn-around time of Municipal Departments assessing plans
- Fines cannot be issued as Peace officer training is needed.
- Short staffed.

3.14.6 Way Forward: What to expect in 2018/2019

- The appointment of more building inspectors will assist in improving our development control function in the municipality.
- Peace officer training.

3.15 Housing and Real Estate

3.15.1 Background

The Housing Unit is responsible for some of the biggest and the most significant capital projects and yet it is the smallest unit within the Development Planning Department.

The Human Settlements Section is responsible for the development and implementation of the Housing Sector Plan. The work of the Human Settlements section is aligned to various national, provincial and municipal policies and plans which guide the planning and implementation of the various Human Settlements projects. These policies and plans include but are not limited to

(a) The Kwa-Zulu Natal Master Spatial Plan (MSP): it sets out the vision for human settlements investment within the province and provides a framework to guide where human settlements investment should be prioritised both at a provincial and municipal level. The MSP was formulated to address the need for a master spatial plan to guide human settlements investment and it identified focus areas for Human Settlements within the province. It also indicated that at least 70% of all discretionary spending (projects) needs to be located within these focus areas. Vryheid which is one of the main towns within Abaqulusi, is located within the provincially identified focus areas and will contribute to the housing delivery targets identified in the MSP).

(b) The Zululand District Growth and Development Plan (ZDGDP) identifies a number of strategic goals and objectives for Sustainable Human Settlement. These include but are not limited to promotion of spatial concentrations so as to provide adequate levels of service and infrastructure to the population in a cost-effective manner.

(c) The Abaqulusi Integrated Development Plan: The IDP defines the Municipality's vision and interventions for human settlement planning need to be aligned to this development vision. The housing sector plan needs to be prepared comprehensively enough so it can adequately feed into a cohesive human settlements chapter.

Abaqulusi Spatial Development Framework: The Housing Sector Plan incorporates the spatial proposals and land use allocations as set out in the Spatial Development Framework of the Municipality, in terms of Human Settlement.

There is insufficient work that has been done with regards to the Real Estate section because there was no particular department responsible for it. The function was incorporated into the Human Settlements section towards the end of the financial year 17/18. The plan is to do an audit of the property the municipality owns, assess the current use and occupants of the property and update all outstanding leases. It is planned that in the first quarter of the next financial year the assessment will be complete and the process to update the leases will be underway.

The functions of the Real Estate section will be aligned to the Abaqulusi Spatial Development Framework and the principles of the SPLUMA (2013). Approval of leases on the bulk of the farms owned by the

Municipality will be focussed on achieving the objectives of the Abaqulusi Local Economic Development Plan.

3.15.2 Human Settlements and Real Estate Structure

The Section currently has a total staff establishment of 5(five) but it is planned that the section will be comprised of the following:

HOUSING UNIT:		
Responsibility:	Approved Staff:	
• Housing Planning	Senior Manager: Human Settlements & Real Estate	Filled
• Project Management	Snr Administration Officer	Filled
• Forum Management	Officer (Housing Projects)	Filled
• Housing administration	Officer (Real Estate)	Not filled
	Clerk (Housing Projects)	Filled
	Clerk (Housing)	Filled
	Clerk (Real Estate)	Not filled
REAL ESTATE		
Responsibility:	Approved Staff:	
• Processing of Leases	Senior Manager: Human Settlements & Real Estate	Filled
• Land purchases, sales and transfers	Officer (Real Estate)	Not filled
• Project coordination and support	Clerk (Real Estate)	Not filled
• General property administration		

3.15.3 Backlogs

Statistics from 2013 accessed from the Human Settlements Subsidy Scheme indicated that the Municipality transferred 2542 serviced sites, completed 4468 housing units completed 3757 as of 2013.

The Abaqulusi Municipality has the second biggest potential housing backlog after Nongoma Local Municipality. It is estimated that the current Housing Backlog of Abaqulusi Local Municipality is 8 792 (Data Source: Stats SA, Census 2011). However, as per the Community Survey (2016) the housing backlog for the Municipality is 13 825.

For the 2017 financial year it was planned that 145 housing units will be constructed in the Municipality. However only 99 units were eventually constructed and this was caused by various reasons which included

- Construction of a borehole on 4 of the intended sites.

- Unsuitable land parcels for the construction of 6 units
- One unit has to be sacrificed to allow access to neighbouring property.
- Construction of 12 units had to be stalled because the contract of the Implementing Agent had expired.
- 24 houses could not be constructed because the beneficiaries could not be located.

Studies from the draft Housing Sector Plan show that the highest housing demand is within Ward 3 of the AbaQulusi LM with a demand of 1 047 houses, this demand is followed by Ward 2 (948) and Ward 7 (901). The estimated housing demand was calculated by utilising the Small Area Layers (SAL)

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.16 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 considering religious and cultural differences.
 - All existing cemeteries need fencing.
 - Need to provide water and sanitation in all cemeteries.

Service delivery priorities

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

3.17 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 30 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	Vryheid
6. eMondlo hall	Section A Mondlo
7. Coronation hall	Coronation
8. Hlobane hall	Hlobane
9. Mzamo hall	Louwsburg
10. Nkongolwane hall	Vryheid

Table 31 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

3.18 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 2017/18 more War-rooms would be established.

3.19 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.

3.19.1 POLICE

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

- Vryheid
- eMondlo
- Gluckstadt
- Louwsburg
- Driefontein
- Ngome

The Abaqulusi Public Safety Section which forms part of the Community Services Directorate also responsible for the traffic law enforcement, including road blocks, speed control, attending to road accidents, enforcing Bylaws, conducting road safety, motor vehicle testing and licensing. Its additional functions include crime prevention, and participation in Community Policing Forums (CPF) and supporting the Neighbourhood Watches that exist around the various areas. It also renders services in disaster risk management, however, the operations of this unit are limited by the shortage of both financial and human resources

3.19.2 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 meeting is held with the South African Police Services and Community Policing Forum.

3.19.3 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 Municipality has appointed Qomkufa Security. This service provider is expected to provide security solutions to the Municipality to minimise theft of Municipal assets.

Challenges

- Sites not covered by the contract awarded to Qomkufa Security

Remedial actions

- To restructure the current contract to cover sites not in the current contract.

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.

3.20 FIRE AND DISASTER MANAGEMENT

The Abaqulusi Local Municipality currently has a Disaster Management Centre where disaster management functions are fully rendered. However, it must be noted that the municipality still requires assistance from all relevant stakeholders in order to have a fully functional and effective unit within the municipality due to the lack of capacity and limited funding. The municipality is in possession of Disaster Management Sector Plan which is to be reviewed and adopted by 31 June 2019

3.20.1. Municipal Institute Capacity

The main objective of the Municipal Institute Capacity is to establish an integrated institutional capacity within the Abaqulusi Municipality to enable the effective implementation of disaster risk management policy and legislation. This institutional capacity establishes the requirements which will ensure the establishment of effective institutional arrangements for the integrated and coordinated implementation of disaster management policy and legislation; and which will give explicit priority to the application of principles of cooperative governance and place appropriate emphasis on the involvement of all stakeholders in disaster management in strengthening the capabilities of municipal organs of state for the purposes of disaster management. The following sub-objectives need to be implemented:

- Facilitate arrangements for the development of an integrated disaster risk management policy by the municipality.
- Facilitate the establishment instruments that will give direction for successful execution of disaster risk management policy.
- Achieve stakeholder participation and the engagement in all phases and activities of disaster management.
- Key deliverables of this KPA shall therefore include but not limited to:
 - An approved and adopted disaster management policy by the municipality.
 - Municipal Disaster Management Capacity Report.

Identified municipal instrument/s that will guide and provide support for the successful implementation of the disaster management plan

3.20.2 Risk Assessment

The main objective of Risk Assessment is to generate an Indicative Local Disaster Risk Profile by establishing and maintaining a uniform methodology to continuously assess and monitor risks. The need for disaster risk assessment and monitoring to set priorities, guide risk reduction action and monitor the effectiveness of efforts. Although the country faces many different types of risk, disaster risk specifically refers to the likelihood of harm or loss due to the action of hazards or other external threats on vulnerable structures, services, areas, communities and households. Therefore, this outlines the requirements for implementing disaster risk assessment and monitoring by organs of state. The following are sub-objective of Risk Assessment:

- Conducting disaster risk assessment to inform disaster risk management and risk reduction policies, planning and programming
- Generating an indicative entity disaster risk profile
- Monitoring, updating and disseminating risk information
- Conducting quality control

3.20.3 Risk Reduction and Prevention

The main objective of Risk Reduction and Prevention is to facilitate co-operation and integration amongst stakeholders and that the municipality develops and implements Disaster Management Objectives as stipulated by the Disaster Management Act. The prevention and mitigation strategies and disaster response must be aligned with the requirements of the Zululand District Municipality framework. Abaqulusi Municipality must mobilise fiscal resources to enable it to plan and implement risk reduction projects and programmes in its area of jurisdiction.

The successful implementation of the Disaster Management Act critically depends on the preparation and alignment of disaster management frameworks and plans for all spheres of government. The legal requirements for the preparation of disaster management frameworks and plans by provincial and municipal organs of state are specified in sections 38 and 52 of the Act. This key performance area addresses requirements for disaster management planning within provincial and municipal spheres of government. It gives particular attention to the planning for and integration of the core risk reduction principles of prevention and mitigation into ongoing programmes and initiatives. The following activities are paramount to be executed:

- Ensure all stakeholders compile integrated and relevant disaster risk management plans.
- Determine priority disaster risks and priority areas, communities and households.
- Scoping and development of risk reduction plans, projects and programmes.
- Inclusion of risk reduction efforts into strategic integrating structures and processes.
- Implement and monitor disaster risk reduction programmes and initiatives.

3.20.4 Response and Recovery

The objectives that are summarised below should be executed in collaboration with the Zululand District Municipality Disaster Management Centre. It is expected that the Disaster Management Centre shall have the necessary response and recovery equipment and immediate relief provision and needs. Abaqulusi Municipality is advised to acquire some response and recovery equipment and immediate relief provisions.

Objective: To ensure effective disaster response and recovery by:

- Implementing early warning systems.
- Implementing immediate and appropriate response.
- Implementing recovery and rehabilitation strategies.

Immediate Relief Measures: The Disaster Management Centre needs to ensure that they have measures in place to readily provide emergency relief. These interim relief measures should be disseminated efficiently to the affected household and communities in the event of a major incident.

Whenever there is threatening or imminent hazard, an early warning is disseminated to communities or relevant stakeholders. Preparedness levels are kept high through public engagement via awareness campaigns, media releases and training sessions. Ward Councillors, Ward Committee Members, Traditional Leaders and Volunteers are utilized to carry out response and recovery plans.

3.20.5 Training and Awareness

The Abaqulusi Municipality is committed to Disaster Management Training and Public Awareness campaigns around its area of jurisdiction, particularly in the most vulnerable wards. Volunteers within the municipality are also utilized in order to assist with disasters. Ward Councillors are also workshopped on a time-to-time basis in order to sensitise their communities about potential disaster risks.

The Abaqulusi Municipality Disaster Management Centre core priority is to ensure the vulnerable communities can be able to mitigate effects of disasters by addressing following:

- Determine the risk and Identify possible hazards and emergencies
- Learn about the hazards that may strike their community
- The risks they face from these hazards
- Familiarize communities with plans for warning and evacuation which can be obtained this information from your local Disaster Management Centre of local municipality.

3.20.6 Funding arrangements

The municipality's disaster budget operates on very limited funding; however, funds are made available via the municipal budget and other supporting structures. There is however a dependency from the district municipality and KZN Provincial Disaster Management Centre during an event of a disaster.

There are three funds currently administered by the Department of Social Development that provide financial support after a disaster:

- The Disaster Relief Fund provides ex gratia support to people involved in both natural disasters and human-made disasters. To access this fund, the relevant municipality must request the Premier of the Province to approach the National Department of Social Development to take the necessary steps to have the event declared a disaster. Once the Department of Social Development receives such a request, it advises the President who can declare the event a disaster.
- The Social Relief Fund provides support to organizations that provide relief services to communities that are affected by violence.
- These funds were originally designed to provide immediate relief to persons affected by disasters. However, they have been slow to provide assistance to victims of disasters and organizations involved in relief efforts.

3.21 OTHERS

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. In order to ensure compliance meetings regularly with all stakeholders such as RTI, SAPS and Magistrate Courts are adhered too.

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 LICENCING 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.

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

3.22 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, and 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

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.

Abaqulusi Municipality and Provincial museums services are currently conducting a research on tribes and indigenous people who settled in Vryheid. This research is envisaged to be completed at the end of 2018.

LIBRARY SERVICES

Abaqulusi Municipality is enriched with three operational libraries based at Vryheid town, Emondlo and Bhhekuzulu. The libraries serve as the core- centre of empowerment and educational venture for adults, youth and children. The current membership and circulation indicate 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 (also provides basic computer courses to the public)
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

- Mthintle 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.

3.23 COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICE

3.23.1 INFORMATION TECHNOLOGY (IT)

Additional controls were implemented as per the IT Policy as well as mitigating procedures and security procedures were implemented in order to prevent security breaches. A number of weaknesses were identified and attended to and management is encouraged to ensure that these processes/procedures are enforced for the safety of the municipal IT infrastructure. It is further recommended that the municipality should consider setting up a robust IT Steering Committee. IT controls, policies and procedures should be supported and enforced by management to ensure security of the IT infrastructure and the information stored. It is furthermore recommended that management ensures not only staff but management attends cyber security and IT policy workshops to get a clear understanding of the severe risks they put themselves and the municipality in when making decisions that override cyber security procedures and protocols as this can in turn be a severe risk by the municipality management and could cause loss of information or data. It is also further advised that all systems using Wi-Fi are secured and not publicly available as this presents a severe risk to the infrastructure and its internal functions and that IT staff should be supported and engaged to generate solutions to problems and that IT staff should engage management of risks beyond their control and therefore make decisions that would lower the risks and not increase the risks. As it is important for management to understand the risks, because solutions are based on the risks. It is noted that IT is also in need of staff to bolster and cope with the work, and therefore recommended that IT staff are employed as per the organogram.

3.23.2 GENERAL ADMINISTRATION

This section normally comprises of General Administration Section and Council Support, it is actually responsible for the entire general administration of the whole Municipality including providing secretarial services to Council and all Committees, it is comprehend the cleaning function, building maintenance and also renders a comprehensive registry function on behalf of the whole Municipality. In all functional areas as mentioned there is Council Support division which is the most challenging division and a heartbeat of every municipality prospect; Thus, in the past few years there was no Manager employed to perform Council Support duties, hence Manager General Administration was actually responsible and performing duties for Council Support.

Strategic objectives

To render efficient and effective administrative support service to the organisation.

- Administrative support to Council and its Committees
- Review and update of bylaws, policies and Council resolutions

- Managers office accommodation
- Implement office automation in all departments
- Provide Telephone support to all Departments
- Manage Council's electronic document management function
- Manages and provides messenger services between all departments
- Review delegations/rules of order and procedures of Council

Key challenges identified

- The Department need to look at the inadequate office accommodation;
- The non-filling of positions to perform functions with special reference to Council Support, the position for the building caretaker as this a janitorial position, the Executive Clerk for Councillors as well as the Cleaners. This is a predicament which may cause the lack on service delivery.
- The budget for facilities management is insufficient to address the needs identified as far as maintenance of buildings is concerned.

Key achievements

During the period under review six months January – July 2018; the department have successfully managed to the following:

- To fill the critical positions as articulated on the challenges indicated above.
- A fully functional registry has been established in the Human Resources Department as required by the KZN Archives and Records Services Act and its regulations.

Most important progress points.

- Terminated records has been separated from current records
- Format of all current files have been changed to new personnel file covers and collated in A4 collators.
- New bulk filer system has been installed.
- Proper Access controlled counter system and security gate has been installed.
- Request for disposal of terminated records has been sought from the KZN Provincial Archivist.
- A huge step has been taken towards Protection of Personal Information as required by the POPI Act.
- Temporary registry Clerks have been trained and are currently assisting in both the Head office Registry and the satellite Human Resources registry with daily procedures.

Council support:

The Municipality is comprised of 44 elected Councillors representing 22 wards. From the 44 seats the Inkatha Freedom Party 19 seats, Democratic Alliance three (3) seats Economic Freedom Fighters one (1) seat and the African National Congress (ANC) they have got 21 seats.

Basically, the Municipal Council operates as a Collective System with a Mayor and Executive Committee appointed by Council. The members of the Executive Committee are constitutionally delegated as full time Councillors. There are other Municipal Committees which are legitimately established in terms of Section 79 of the Municipal Structures Act 117 of 1998, Council is assisted by portfolio committees to perform or exercise any duties or tasks as delegated by Council.

- **Corporate Services**
- **Community Services**
- **Technical Services**
- **Finance**
- **Development Planning**

Apart from Portfolio Committees Council after elections, further established in terms of legislative prescripts the following committees:

- **Local Labour Forum**
- **Municipal Public Accounts Committee (MPAC)**
- **Training Committee**

Portfolio Committees were appointed in September 2016 and meet every month as per schedule approved by Council. If a special need arises, the chairperson calls for a special meeting to be convened.

Portfolio Committees are appointed by Council and all Political Parties represented in Council is represented on Portfolio Committees.

During the year under review Council and its support structures met as follows:

EXECUTIVE COMMITTEE JULY 2017 TO JUNE 2018	
Ordinary meetings	13
Special meetings	15

COUNCIL JULY 2017 TO JUNE 2018	
Ordinary meetings	11
Special meetings	09

PORTFOLIO COMMITTEES JULY 2017 TO JUNE 2018	
CORPORATE SERVICES	
Ordinary meetings	10
Special meetings	01
LLF	
Ordinary meetings	04
Special meetings	01
TRAINING COMMITTEE	
Ordinary meetings	Nil
Special meetings	Nil
COMMUNITY SERVICES	
Ordinary meetings	07
Special meetings	02
DEVELOPMENT PLANNING	
Ordinary meetings	06
Special meetings	Nil
TECHNICAL SERVICES	
Ordinary meetings	08
Special meetings	Nil
FINANCE	
Ordinary meetings	06
Special meetings	Nil
MPAC	
Ordinary meetings	02
Special meetings	Nil

COMPONENT J: MISCELLANEOUS

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

2017/2018 INTEGRATED DEVELOPMENT PLAN REVIEW (IDP)

According to Chapter 5 of the Municipal Systems 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 2017/2018 IDP Review was tabled for adoption on 26 May 2016 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 2017/2018 IDP represented the Strategic Plan of the municipality and clearly identified what the municipality's vision and goals were for the 2017/2018 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.

2017/2018 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 2017/2018- 2019/2020 Medium Term Revenue and Expenditure Framework (MTREF) was tabled and adopted before full Council with the Municipal IDP on the 30th of May 2017.

2017/2018 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 24 June 2016.

The SDBIP and Budget adjustment was completed in February 2017 and was tabled and approved in Council on 24 February 2017.

2017/2018 MUNICIPAL SCORECARD

The Abaqulusi Municipality's 2017/2018 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 2017/2018 financial year as shown in the Organisational Scorecard, annexure "A"

The Organisational Scorecard **annexure "A"** in order of the following Key Performance Area:

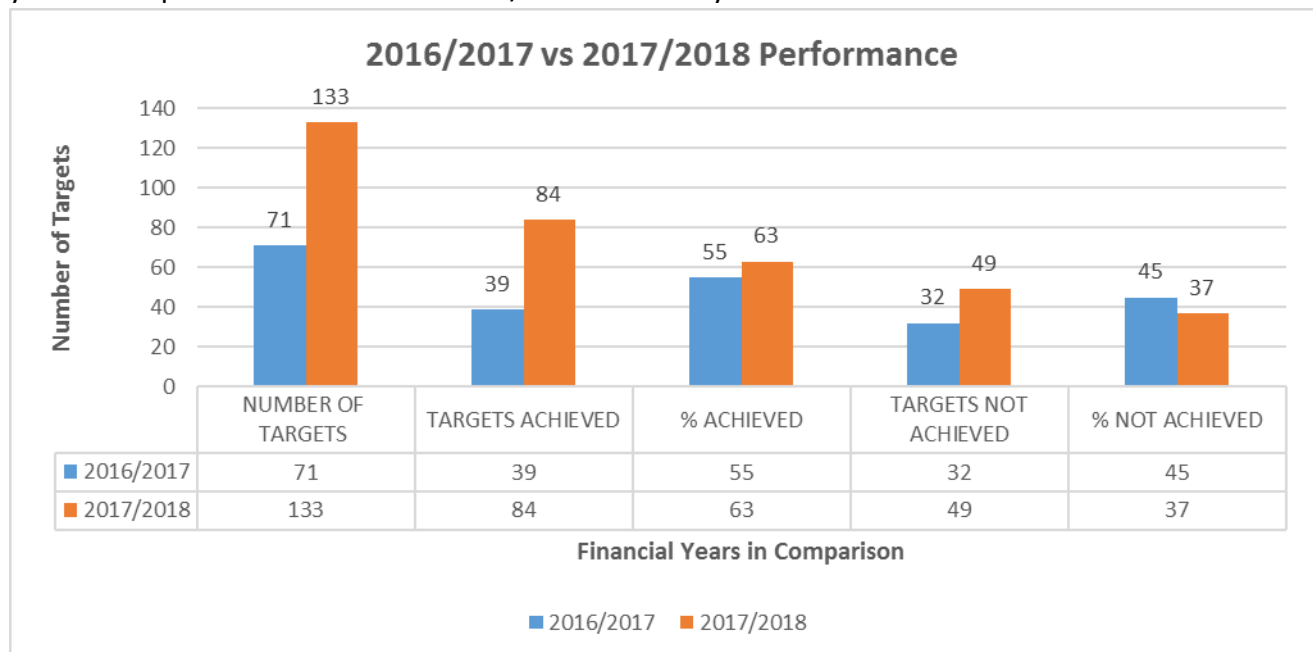
Key Performance Area	
1.	Basic Service Delivery and Infrastructure Development
2.	Municipal Transformation and Institutional Development
3.	Financial Viability and Management
4.	Good Governance and Community Participation
5.	LED and Social Development
6.	Cross Cutting Interventions

6. Performance Highlights of the 2017-2018 Financial Year

During the 2017/2018 financial year, the Abaqulusi Municipality had a total of 133 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) **Basic Service Delivery and Infrastructure Development**
- (2) **Municipal Transformation and Institutional Development**
- (3) **Financial Viability and Management**
- (4) **Good Governance and Community Participation**
- (5) **Local Economic Development and Social Development**
- (6) **Cross-cutting (Disaster, Environmental and Spatial)**

The graph below highlight the municipality's overall performance for the 2017/2018 financial year in comparison to that of the 2016/2017 financial year.



It is clearly evident from the graph above which expresses the municipality's performance in a percentage value that the municipality had experienced difficulties in achieving its targets during the 2017/2018, however still recording an improvement in comparison to the 2016/2017 financial year. The municipality had achieved 63% of all targets planned for in 2017/2018 as compared to 55% in 2016/2017, increasing by 8%. However the 37% of targets not achieved in 2017/2018 is still a call for concern and the municipality will aim on further improving during 2018/2019.

A major contributing factor to the levels of performance by the municipality and difficulties experienced when attempting to meet a target was caused by the cash-flow problems experienced by the municipality during the 2017/2018 financial year.

7. 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 2017/2018 performance compared to that of the 2016/2017 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.

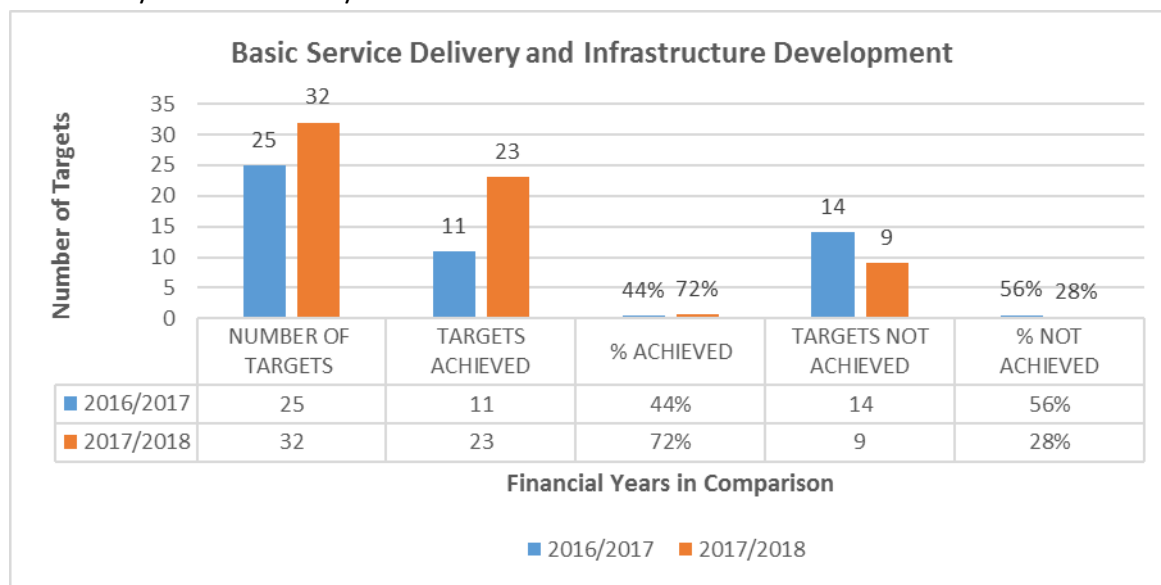
KPA 1: Basic Service Delivery and Infrastructure Development									
2017/2018					2016/2017				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
32	23	72%	9	28%	25	11	44%	14	56%
KPA 2: Municipal Transformation and Institutional Development									
2017/2018					2016/2017				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
24	19	79%	5	21%	9	3	33%	6	67%
KPA 3: Financial Viability and Management									
2017/2018					2016/2017				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
15	12	80%	3	20%	9	6	67%	3	33%
KPA 4: Good Governance and Community Participation									
2017/2018					2016/2017				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
22	12	54%	10	46%	12	9	75%	3	25%
KPA 5: Local Economic Development and Social Development									
2017/2018					2016/2017				
NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED	NUMBER OF TARGETS	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT ACHIEVED	% NOT ACHIEVED
28	10	36%	18	64%	10	7	70%	3	30%
KPA 6: Cross-cutting (Disaster, Environment and Spatial)									
2017/2018					2016/2017				
NUMBER OF	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT	% NOT ACHIEVED	NUMBER OF	TARGETS ACHIEVED	% ACHIEVED	TARGETS NOT	% NOT ACHIEVED

TARGETS			ACHIEVED		TARGETS			ACHIEVED	
12	8	67%	4	33%	6	3	50%	3	50%

7.1 Basic Service Delivery and Infrastructure Development

- During 2017/2018, Abaqulusi Municipality achieved 72% of its targets linked to this KPA, decreasing by 28% from 2016/2017, clearly indicating an improvement in the performance of this KPA.
- It must also be noted that the number of targets increased to 32 in 2017/2018 from 25 in 2016/2017.
- The 28% of targets not achieved was due to problems experienced in the municipality's cash-flow as well as delayed SCM processes which resulted in the late appointment of service providers.
- Measure taken to improve performance include budget prioritisation, enhancing the municipality's revenue base and fast-tracking SCM Processes.

The graph below is a graphic representation of the municipality's performance of this KPA over 2016/2017 and 2017/2018.

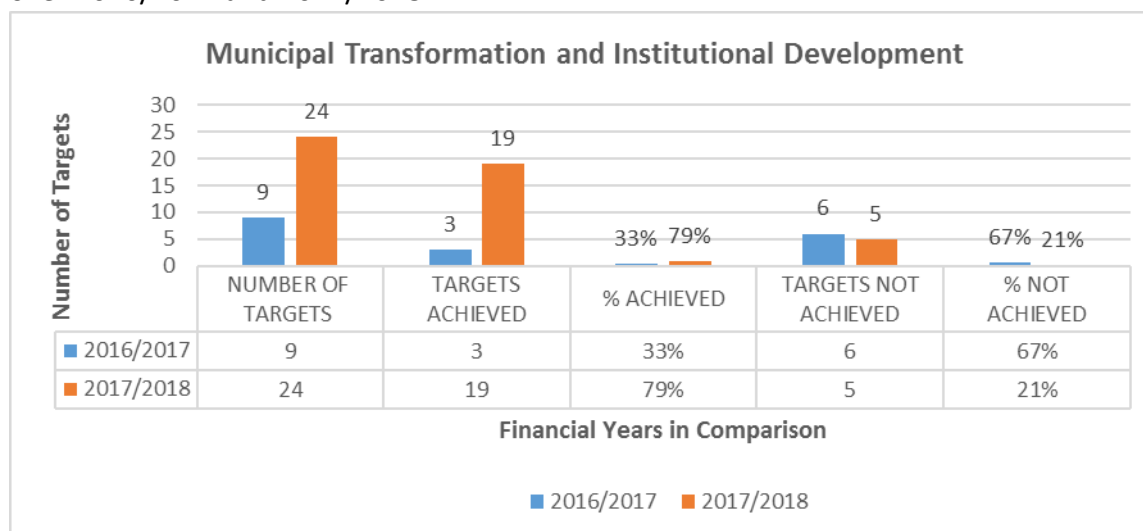


7.2 Municipal Transformation and Institutional Arrangements

- During 2017/2018, Abaqulusi Municipality achieved 79% of its targets linked to this KPA, increasing by 46% from 2016/2017, clearly indicating an improvement in the performance of this KPA.
- It must also be noted that the number of targets increased significantly to 24 in 2017/2018 from only 9 in 2016/2017.
- Major challenges experienced for not achieving 21% of the targets included the non-sitting of the local labour forums, MPAC and Portfolio Committees.

- Measures taken to improve performance include the strict monitoring and implementation of Councils Annual Programme as well as regular reporting to the office of the Speaker on the functionality of Council and its committees.

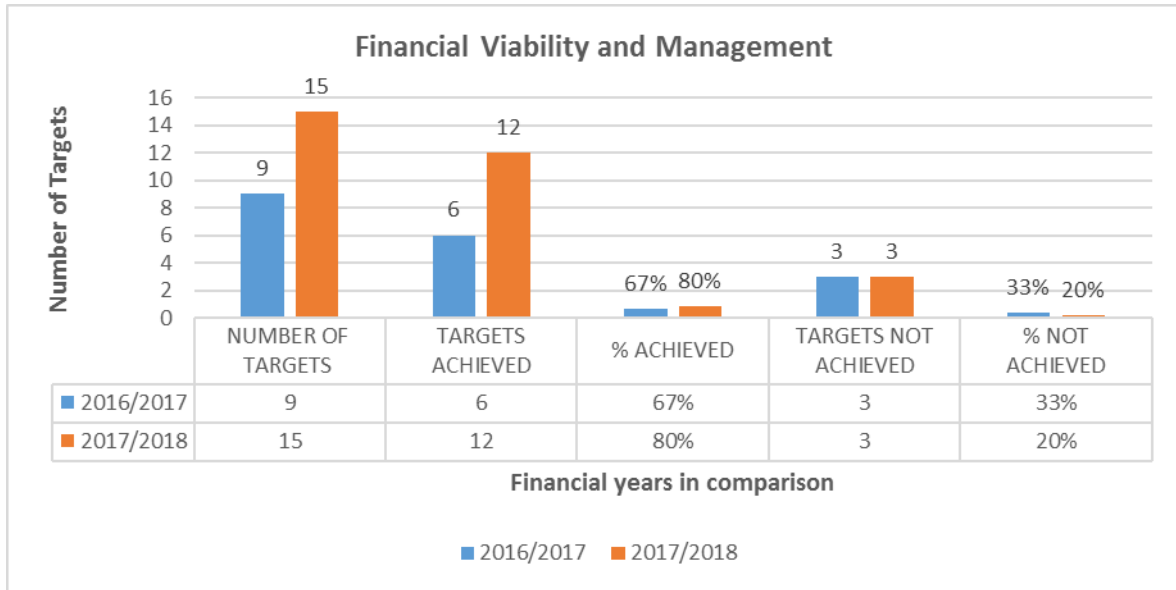
The graph below is a graphic representation of the municipality's performance of this KPA over 2016/2017 and 2017/2018.



7.3 Financial Viability and Management

- During 2017/2018, Abaqulusi Municipality achieved 80% of its targets linked to this KPA, increasing by 13% from 2016/2017, clearly indicating an improvement in the performance of this KPA.
- The 20% of targets not achieved was largely due to the fact that the municipality experienced a loss of income when comparing the actual billed and actual collected over the financial year, as well as non-expenditure from its INEP Grant.
- It must also be noted that the number of Targets in 2017/2018 increased to 15 from 9 in 2016/2017.
- Measure taken to improve performance regarding the 20% of targets that were not achieved include the enhancement of revenue and stricter control and implementation of Grant funding.

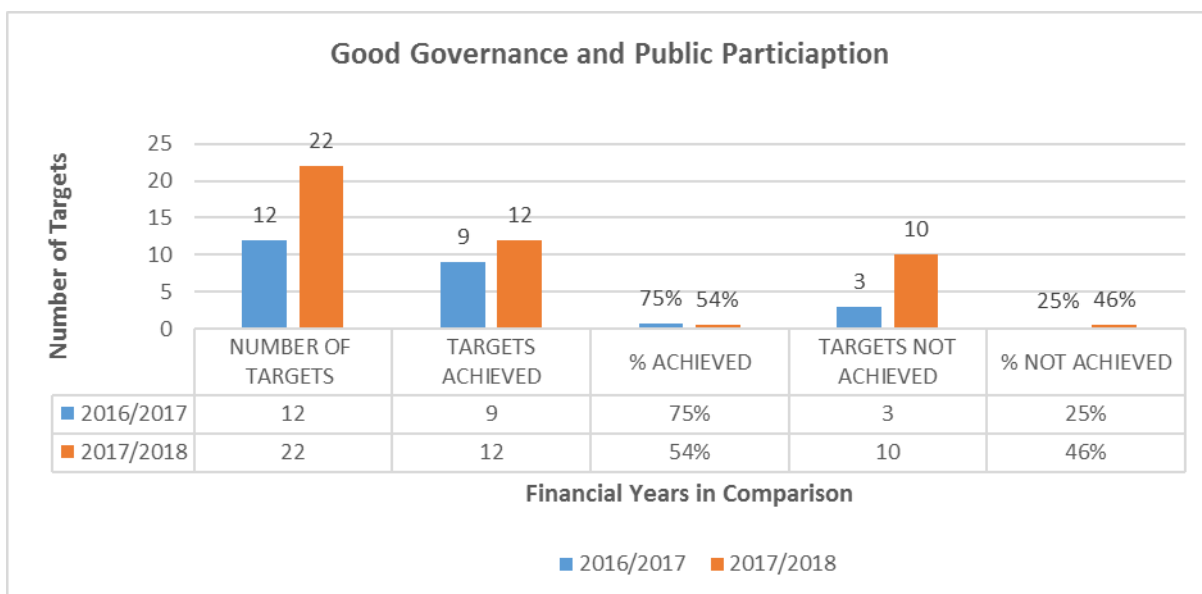
The graph below is a graphic representation of the municipality's performance of this KPA over 2016/2017 and 2017/2018.



7.4 Good Governance and Community Participation

- During 2017/2018, Abaqulusi Municipality achieved 54% of its targets linked to this KPA, decreasing by 21% from 2016/2017.
- It is important to note that the number of targets in 2017/2018 were set at 22 and increased by 10 compared to 12 in 2016/2017.
- The 46% of targets not achieved in 2017/2018 were largely due to the challenges experienced around Communication and Batho Pele.
- Measures taken to improve performance include the fast tracking of adopting the Draft Communication Plan, establishing a Customer Care Centre and Committee, as well introducing and implementing a Batho Pele Programme in the municipality.

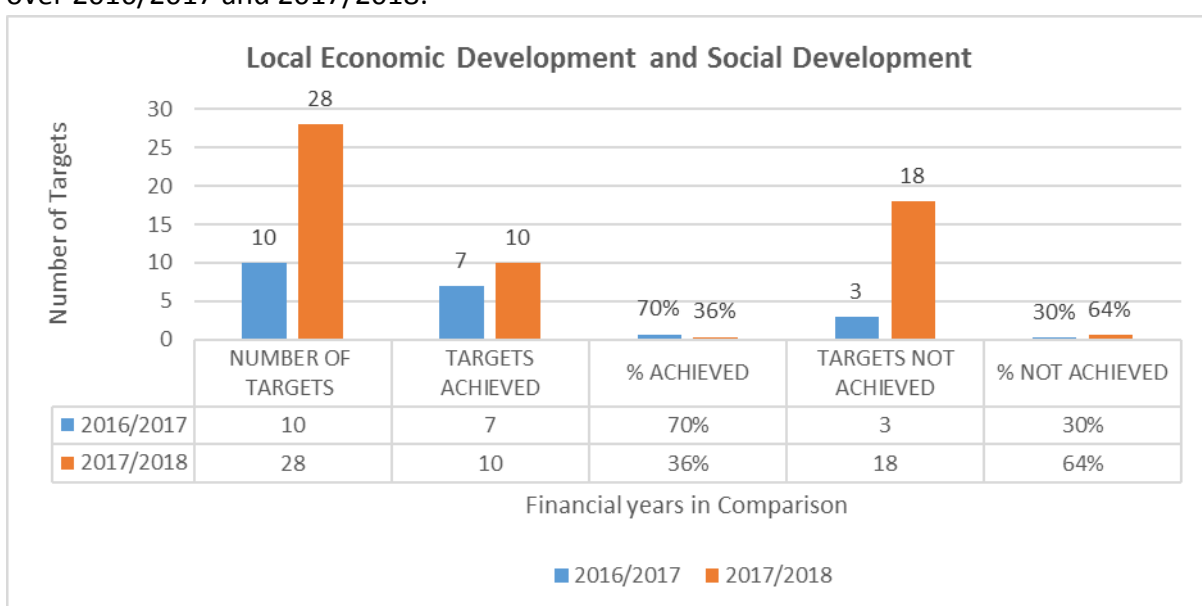
The graph below is a graphic representation of the municipality's performance of this KPA over 2016/2017 and 2017/2018.



7.5 Local Economic Development and Social Development

- During 2017/2018, Abaqulusi Municipality achieved 36% of its targets linked to this KPA, decreasing by 34% from 2016/2017.
- The number of targets set for 2017/2018 also increased to 28 from 10 in 2016/2017 as this was due to prioritising the goals of the departments associated with this KPA.
- Measures to improve performance include the finalisation and adoption of the LED and Tourism Strategy, as well as establishing all Social Development Committees within the Municipality.

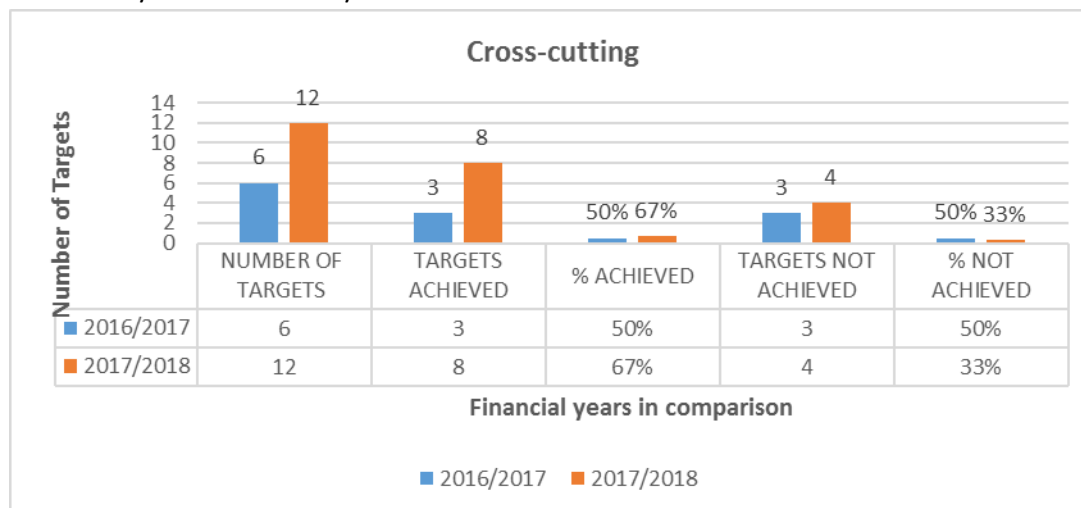
The graph below is a graphic representation of the municipality's performance of this KPA over 2016/2017 and 2017/2018.



7.6 Cross-cutting

- The cross-cutting KPA was newly introduced in the 2015/2016 financial year. This KPA focused on areas pertaining to disaster, environmental and spatial issues within the municipality.
- During 2017/2018, 67% of the targets were met as compared to the 50% achieved in 2016/2017, thereby clearly indicating an improvement within this KPA.
- It must also be noted that the number of Targets in 2017/2018 increased to 12 from 6 in 2016/2017.
- Measures taken to improve performance include fast tracking of developing the Wall to wall Scheme, Township Establishment and establishing a functional Environmental Committee.

The graph below is a graphic representation of the municipality's performance of this KPA over 2016/2017 and 2017/2018.



8. 2017/2018 External Service Providers Performance

No.	Bid Number	Project Description	Target Met		Assessment			Comments
			Yes	No	G	S	P	
1.	8/2/1/353	Khokhoba Gravel Road	✓		✓			N/A
2.	8/2/1/233	Emadoshini Paved Roads	✓		✓			N/A
3.	8/2/1/365	Ezingadini Gravel Road	✓		✓			N/A
4.	8/2/1/366	Ngilandi Gravel Road	✓		✓			N/A
5.	8/2/1/338	Jimani Causeways	✓		✓			N/A
6.	8/2/1/340	Bhozimini Gravel	✓		✓			N/A

No.	Bid Number	Project Description	Target Met		Assessment			Comments
			Yes	No	G	S	P	
		Road						
7.	8/2/1/337	Mnunse/Eastmine River Crossing		√			√	Original Contractor ceded work
			√		√			New Contractor completed project
8.	8/2/1/363	Ezibomvu Community Hall		√			√	Contractor issued with letter of slow progress
9.	8/2/1/360	Mdengenduku Creche		√	√			Delay in identifying suitable borehole
10.	8/2/1/359	Gwebu Creche	√		√			N/A
11.	8/2/1/358	Rehabilitation of Bhekuzulu Hall	√		√			N/A
12.	8/2/1/361	Ward 19 Creche	√		√			N/A
13.	8/2/1/362	Ward 20 Creche	√		√			N/A
14.	8/2/1/367	Emadresini Creche – Ward 16	√		√			N/A
15.	8/2/1/364	Emadresini Cemetery Fencing	√		√			N/A
16.	8/2/1/344	Review and Adopt Housing Sector Plan		√	√			Target was not met due to the municipality failing to pay the service provider as a result of financial constraints
17.	8/2/1/334	Review and Adopt Tourism Sector Plan		√			√	Non-compliance with municipality's requests
18.	8/2/1/334	Review and adopt LED Strategy		√			√	Non-compliance with municipality's requests
19.	8/2/1/333	Wall-to-wall Scheme (Urban Scheme)		√			√	Slow Progress on project and non-compliance with municipality's requests
20.	8/2/1/332	SHOBA Township		√	√			Delay in project is due to community

No.	Bid Number	Project Description	Target Met		Assessment			Comments
			Yes	No	G	S	P	
		Establishment						unrest on site

9. Conclusion

The Abaqulusi Municipality will aim high on improving its performance during the 2018/2019 financial year, building on its weaknesses and strengths that exist. The appointment of a Municipal Manager and all Directors has also strengthened the core of the municipality which enabled the organisation to function with direction within each department as there has been an overall improvement with performance, rising to 63% as compared to 55% in 2016/2017.

The recently reviewed and adopted Organogram will also pave way for the additional human resources that are required in various departments which will allow for the performance of the municipality to improve, specifically within the IDP and PMS Unit which is currently under staffed. Major challenges experienced during the 2017/2018 financial year will be thoroughly examined by the Management team of the municipality in order to close the gaps when addressing service delivery issues in 2018/2019.

It also worth noting that the disaster experienced in the form of the drought during the 2016/2017 impacted heavily on the municipality's financial base creating a loss for the municipality running into millions of rands in revenue that were not collected for water services. The effects of the drought can be still be felt as it has had a negative impact on the financial implications and infrastructure within the municipality. Many targets that were set aside for 2017/2018 were highly dependent on the revenue of the municipality in order to roll out projects to improve the services and functionality of the municipality and this could only happen to a certain level.

Moving forward, 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 that point in the direction of poor performance.

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Like every other municipality, the Abaqulusi municipality does acknowledge that there is critical position that need to be filled in order to ensure smooth operations of the Municipality. The Municipality currently has 422 employees within its organisation, of which 422 are permanent employees.

EMPLOYEES					
DESCRIPTION	2016/17	2017/18			
	EMPLOYEES NO.	APPROVED POSTS	EMPLOYEES	VACANCIES NO.	VACANCIES %
Water and Sanitation	123	296	121	175	59.12%
Electricity	47	89	42	42	52.81%
Development Planning & Housing	18	37	18	19	51.35%
Technical administration	1	3	2	1	33.33%
Museum	2	4	2	2	50%
Library	10	35	21	14	40%
Public Safety	33	107	35	72	67.9%
Community Development	10	32	10	22	68.75%
Parks and Garden	4	37	7	30	81.08%
Corporate Services	21	49	29	20	40.82%
Financial Services	44	100	41	59	59%
Office of the Municipal Manager	11	23	9	14	60.87%
Solid Waste	26	73	26	47	64.38%
Public Safety	33	63	35	28	44.44%
Engineering	49	64	43	21	32.81%
Vehicle Registration	5	6	5	1	16.67%
Data Processing	4	8	3	5	62.50%
Cemeteries	6	32	11	21	65.63%
TOTAL	447	1058	460	598	56.52%

VACANCIES

VACANCY RATE			
DESIGNATION	TOTAL APPROVED POSTS	VACANCIES NO.	VACANCIES %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S54/56 Managers	2	2	50%
Technical Services	226	385	170.35%
Development Planning	11	20	181.82%
Community Services	129	180	139.53%
Corporate Services	29	35	120.69%
Office of the Municipal Manager	23	14	60.87%
Financial Services	41	25	60.98%

TURN OVER

DETAILS	TOTAL APPOINTMENTS AS OF BEGINNING OF FINANCIAL YEAR	TERMINATIONS DURING FINANCIAL YEAR	TURN – OVER RATE
2015/16	2	1	
2016/17	9	10	
2017/18	20	23	

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

Table 32 Status of Municipal Senior management

POSITION	STATUS	POSITION	STATUS
S54-Municipal Manager	Filled	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	Filled
S56-Director: Development Planning	Filled	Manager: Environmental Services	Filled
Manager: Office of the MM	Vacant	Manager: Council Support & General Admin	Filled
Manager: IDP/PMS	Filled	Manager: General Admin	Filled
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
Manager: Electrical	Filled	Manager: Housing	Filled
Manager: Financial Planning	Filled	Manager: ICT	Filled
Manager; Fleet	Filled	Manager: Legal Services	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

The municipality is in compliance with Section 156 of the Constitution of the Republic of South Africa, 1996.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 POLICIES

HR POLICIES AND PLANS					DATE ADOPTED BY COUNCIL
	NAME OF POLICY	COMPLETED %	REVIEWED %	DATE ADOPTED BY COUNCIL OR COMMENT ON FAILURE TO ADOPT	DATE ADOPTED BY COUNCIL
	Attraction and Retention	100%	0%	Workshopped	31 May 2018
1.	Code of Conduct for employees	100%	0%	Workshopped	31 May 2018
2.	Delegations	100%	0%	Workshopped	
3.	Disciplinary Code and Procedures	100%	0%	Workshopped	01 Feb 2018
4.	Essential Services	100%	0%	Workshopped	
5.	Employee Assistance / Wellness	100%	0%	Workshopped	31 May 2018
6.	Employment Equity	100%	0%	Workshopped	31 May 2018
7.	Exit Management	100%	0%	Workshopped	31 May 2018
8.	Grievance Procedures	100	0%	Workshopped	SALGBC
9.	HIV/Aids	100%	0%	Workshopped	
10.	Human Resource and Development	100%	0%	Workshopped	31 May 2018
11.	Information Technology	100%	0%	Workshopped	
12.	Job Evaluation	100%	0%	Workshopped	SALGA
13.	Leave	100%	0%	Workshopped	31 May 2018
14.	Occupational Health and Safety	100%	0%	Workshopped	31 May 2018
15.	Official Housing	100%	0%	Workshopped	
16.	Subsistence and Travelling	100%	0%	Workshopped	31 May 2018
17.	Official transport to attend Funerals	100%	0%	Workshopped	
18.	Official Working Hours and Overtime	100%	0%	Workshopped	31 May 2018
19.	Organisational Rights	100%	0%	Workshopped	SALGBC
20.	Payroll Deductions	100%	0%	Workshopped	31 May 2018
21.	Performance Management and Development	100%	0%	Workshopped	31 May 2018
22.	Recruitment, Selection and Appointments	100%	0%	Workshopped	31 May 2018
23.	Remuneration Scales and Allowances	100%	0%	Workshopped	31 May 2018
24.	Resettlement	100%	0%	Workshopped	
25.	Sexual Harassment	100%	0%	Workshopped	31 May 2018
26.	Skills Development	100%	0%	Workshopped	
27.	Special Skills	100%	0%	Workshopped	
28.	Work Organisation	100%	0%	Workshopped	
29.	Uniforms and Protective Clothing	100%	0%	Workshopped	

4.3 INJURIES, SICKNESS AND SUSPENSIONS

NUMBER AND COST OF INJURIES ON DUTY					
TYPE OF INJURY	INJURY LEAVE TAKEN DAYS	EMPLOYEES USING INJURY LEAVE NO.	PROPORTION EMPLOYEES USING SICK LEAVE %	AVERAGE INJURY LEAVE PER EMPLOYEE	TOTAL ESTIMATED COST
Head injury	11	1			

NUMBER AND COST OF INJURIES ON DUTY						
SALARY BAND	TOTAL SICK LEAVE	PROPOTION OF SICK LEAVE WITHOUT MEDICAL CERTIFICATE	EMPLOYEES USING SICK LEAVE NO.	TOTAL EMPLOYEES IN POST	AVERAGE SICK LEAVE PER EMPLOYEES	ESTIMATED COST
	249	182	249			

4.4 PERFORMANCE REWARDS

The performance management is implemented to section 54/56 Managers only and has not been cascaded to levels below senior management. No performance rewards were paid for 2017/18. Senior Management positions were vacant in the beginning of the financial year except Municipal Manager position and all positions were all filled by 31st May 2018

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 SKILLS DEVELOPMENT AND TRAINING

4.5.1 Introduction

Human Resources Development is a division of the municipality, which is charged with the responsibility of ensuring that both employees and prospective employees are properly capacitated to meet the mandate of the Local Municipality.

Again, HRD is a melting pot of ideas and sharpening of strategies of all employees by increasing their capacity to meet challenges and to develop macro perspectives while thinking strategically beyond the confines of their immediate line functions. It is through training and capacity development where employees are able to match their skill levels in synchrony with the Integrated Development Plan which has been, and will continue being, a primary guiding document of this municipality.

4.5.2 Mandating legislations

In making this a reality various pieces of legislations are used and give mandate to all activities in the Human Resources Development (HRD). These being primarily the Skills Development Act, Labour Relations Act, Employment Equity Act, National Human Resources Development Strategy and National Skills Development Strategy 2010-2015. The strategy is geared towards implementing a strategy plan of any public service organisation through the provisioning of Competency Based Training (CBT) which intends to capacitate and enables employees to be productive in the workplace.

4.5.3 Programme execution

Human capacity development has been executed under difficult circumstances of limited capital resource, However, the division has been able to deliver this service using three approaches i.e.

- (i) The Determination of training needs
- (ii) The Study Assistance Programme and
- (iii) The Experiential Learning Programme.

The former caters for all skills programmes shorter than 12 months whilst the latter cater for programmes 12 months or longer. The other programme is Experiential Learning Programme which cater for prospective employees and has been a direct contributor to increase employability of the members of the general community. All these interventions have been executed within the confines of the Work Skills Plan (WSP) and has been reported to the Local Government Sectoral Education and Training Authority (LGSETA)

4.5.4 Learnerships

The Skills Development Act and South African Qualifications Authority Act provide for the practical learning to be the integrated part of the theoretical learning for any qualification to meet the requirement of the National Qualifications Framework. This therefore, calls for organisations and employers to afford learners with experiential learning opportunities. This provides students with opportunities to do in-service training and that the workplace be made an active learning area.

The division has through this programme been able to place students in various departments, i.e. Technical Services, Finance and Corporate Services to obtain on the job training on relevant fields such as electrical engineering, finance and general administration.

4.5.5 Training of staff and councillors

Fourteen employees have been trained on Water and Wastewater Reticulation Services NQF 2

By Mahube Training and Development.

Councillors have been trained on Housing Qualifications Criteria & Types of Subsidies by the Department of Human Settlement and the Ward Committees also been trained by the said Department.

Councillors were trained on HR Policies

The Occupational Health and Safety Committee was trained on how to handle health and safety at workplace.

One employee is nearly finish in obtaining his BA in Local Government.

According to the Occupational Health & Safety Act, of 1993 its main objective is to provide for the Health and Safety of persons at work and for the health and safety of persons in connection with the use of plants and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; and to provide for matters connected with health and safety.

Abaqulusi Municipality has thus elected a Health & Safety Committee which comprises of employee representatives and employer representatives to deal with health and safety matters at workplace. This committee has embarked on risk assessment at workplace and a report has been finalised and submitted to the employer for further engagement.

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 2017/18 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 2017/18 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 2017/18 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. There is still a lack of Human Resources. The employment of staff has continued to be problematic during this period, with the Finance Department really under pressure due to a critical shortage of staff.

REVENUE

Revenue in total decreased in the year to date compared to the budget by R 2,6 million which represents a 0,53% decrease. Rates are higher by R5,3 million compared to budget. Revenue from service charges is lower than budget with R 8 million which is 15%. Government grants and subsidies, all tranches of the Equitable Share, the FMG, EPWP, Library Grant, MIG and INEP funding having been received. Other own revenue being collected is lower when compared to budget. Investment revenue is R 1,2 million less than budget or 70%. The municipality is now showing a surplus for the financial year to date.

EXPENDITURE

Expenditure for the year to date is overall lower than budget as the provisions have not yet been allocated as well as certain creditors who have not yet been paid. There are however, no savings.

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

There was an amount of R35,4 million on fixed assets incurred to date which is mainly funded from Municipal Infrastructure Grant (MIG) and Department of Energy (DOE) grant funding. This represents under spending when compared to budget.

EXTERNAL LOANS, INVESTMENTS AND CASH

The municipality holds a portfolio of investments to the value of R 6,3 million, as well as a positive bank balance of R 5 million. Consumer deposits of R 13,2 million which should be funded from investments and the current

bank account. The municipality investments are low due to the court case of Claveshay resulting in the municipality's grants not being cash backed.

DEBTORS

Debtors' balances continue to increase which poses a challenge on the municipality's collection rate which is now sitting at 89,83% which is 3,46% less than June 2017. With the downturn in the economy it is doubtful whether this rate will improve as forecasted. The outstanding debts have not reduced as expected. A process is in place to address this matter. 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. This is a focus area for the finance department and a lot of effort is being directed towards the collection of outstanding debts as well as reducing the debtors.

CREDITORS

All creditors should be paid within 30 days of statement which is a MFMA requirement but due to the municipality being in financial distress this cannot be done timeously.

ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements (AFS) for 2017/2018, **annexure "B"** were prepared in the GRAP format and submitted to the Auditor-General on the 31st of August 2018. The municipality was audited and the audit outcome was unqualified opinion.

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 67,76% of the Municipality's capital and 75,59% of the Municipality's operational budget for the budget year 2017/2018

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 33 Municipal Financial Challenges

DESCRIPTION: KEY CHALLENGES	ACTION TO ADDRESS
The continuous growth of outstanding debtors	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
	Monthly deductions by agreements, handing over to Lawyers for collection
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 2017/2018 audit

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

Table 34 Financial Overview

Financial Overview: Year 2017-18			
			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 2017/2018, 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 2017/2018, 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 2017/2018 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 Council's Accounting Policies as set out in the 2017/2018 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 35 Debtors Age Analysis by Customer Group

Debtors Age Analysis by Customer Group						
Organs of State	2200	2 624	105	269	308	3 408
Commercial	2300	8 557	2 200	1 191	1 131	28 261
Households	2400	7 830	3 476	3 326	2 718	85 368
Other	2500	305	141	176	171	8 386
Total by Customer Group	2600	19 317	5 922	4 962	4 329	125 423

Table 36 **Operating Ratios**

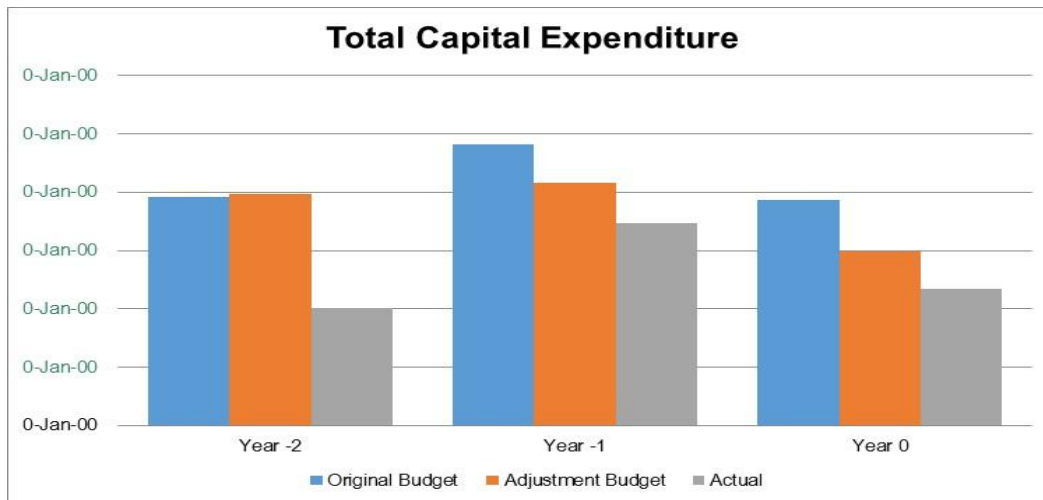
OPERATING RATIOS	
Detail	%
Employee Cost	22,04%
Repairs & Maintenance	3,25%
Finance Charges & Impairment	%
	<i>T 1.4.3</i>

Table 37 Operating Ratios

DETAILS			
	2015/16	2016/17	2017/18
Original Budget	65,016	59,423	61,972
Adjustment Budget	70,866	36,326	59,855
Actual	65,359	26,456	34,170

COMMENT ON CAPITAL EXPENDITURE:

Figure 04: Capital Expenditure



VARIATIONS BETWEEN ACTUAL AND THE ORIGINAL AND ADJUSTMENT BUDGETS

The municipality did not receive any additional funding.

CHAPTER 6. AUDITOR GENERAL FINDINGS

AUDITOR GENERAL REPORT: YEAR 2017/18

The Municipality received a qualified 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 “C”** of this report.

INTRODUCTION TO PROCUREMENT SERVICES

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

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 no longer healthy, the negative economic challenges are hampering increased growth which would enable the municipality to provide more service delivery projects is mostly due to the drought. More focus will be directed toward revenue enhancing and revenue protection initiatives as well as debtor collection.

**ANNEXURE A: ORGANISATIONAL
SCORECARD2017/18**

**ANNEXURE B: ANNUAL FINANCIAL STATEMENTS
2017/18**

ANNEXURE C: AUDIT REPORT 2017/18

ANNEXURE D: AUDIT ACTION PLAN 2017/18

ANNEXURE E: AUDIT COMMITTEE REPORT 2017/18

ANNEXURE F: OVERSIGHT REPORT

Available by 31 March 2019

GLOSSARY

Table 3 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	The distribution of capacity to deliver services.

indicators	
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) Plan	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:	<p>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.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>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</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

Table 38: Glosary