

**CITY OF CHOICE**



**PIETERMARITZBURG  
M S U N D U Z I**

**ANNUAL PERFORMANCE REPORT  
2014/2015 FINANCIAL YEAR**

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## TABLE OF ABBREVIATIONS

<b>AIDS</b>	Acquired Immune deficiency syndrome
<b>AMP</b>	Ampere
<b>APR</b>	Annual Performance Report
<b>CBD</b>	Central Business District
<b>CCTV</b>	Closed Circuit Television Camera
<b>CoGTA</b>	Co-operative Government & Traditional Affairs
<b>CWP</b>	Community Work Programme
<b>DAEARD</b>	Department of Agriculture, Environmental Affairs and Rural Development
<b>DMAPC</b>	Disaster Management Planning Advisory Committee
<b>EAP</b>	Employee Assistance Programme
<b>EPWP</b>	Expanded Public Works Programme
<b>EXCO</b>	Executive Committee
<b>HIV</b>	Human immune Virus
<b>HNR</b>	Housing Needs Register
<b>HRD</b>	Human Resources Development
<b>HRM</b>	Human Resources Management
<b>IA</b>	Implementing Agent
<b>IDT</b>	Independent Development Trust
<b>IPMS</b>	Individual Performance Management System
<b>KPI</b>	Key Performance Indicators
<b>MCB</b>	Miniature Circuit Breaker
<b>MEC</b>	Member of Executive Committee
<b>MM</b>	Municipal Manager
<b>MOA</b>	Memorandum of Agreement
<b>NDPG</b>	Neighbourhood Development Partnership Grant
<b>NERSA</b>	National Electricity Regulator of South Africa
<b>NRW</b>	Non-revenue Water
<b>OPMS</b>	Organizational Performance Management System
<b>PDOHS</b>	Provincial Department of Housing
<b>PHC</b>	Primary Health Care
<b>SCM</b>	Supply Chain Management
<b>SDBIP</b>	Service Delivery Budget Implementation Plan
<b>OP</b>	Operational Plan
<b>SITA</b>	South African State Information Technology Agency
<b>SMME's</b>	Small and Medium Enterprises
<b>VIP</b>	Ventilated Improved Pit
<b>WSP</b>	Workplace Skill Plan
<b>WWTP</b>	Waste Water Treatment Plan
<b>DMM</b>	Deputy Municipal Manager
<b>SOP</b>	Standard Operating Procedure

## INTRODUCTION:

The Annual Performance Report (APR) is a legislative requirement which prescribes that the report must be submitted to the Auditor General by the 31<sup>st</sup> August annually. The Annual Performance Report, amongst other documents, will form part of the consolidated Annual Report of the Municipality which must be submitted to Council by the end of January on an annual basis.

The Annual Performance Report 2014 / 2015 of the Msunduzi Municipality is divided into two (2) broad categories as follows:

- **SECTION ONE: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT.**
- **SECTION TWO: ANNUAL REPORT OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2013 / 2014 & ANNUAL REPORT OF THE OPERATIONAL PLAN 2013/2014**

During the 2014 / 2015 financial year, Msunduzi Municipality developed as part of the reporting process on the SDBIP, a process for reporting against pre-determined objectives and Key Performance Indicators (KPI's) that are contained in the approved Service Delivery and Budget Implementation Plan (SDBIP). The process is based on a colour-coded dashboard that serves as an early-warning indicator of under / zero performance. Monthly and Quarterly reports, based on the colour-coded dashboard were submitted to Council with applicable recommendations that were adopted. These reports and Council resolutions are available for inspection on request.

During the 2014 / 2015 financial year, Msunduzi Municipality had a full team of S57 employees being the Municipal Manager and five Deputy Municipal Managers. All S57 managers signed performance agreements for the financial year. The Individual Performance Management System (IPMS) was cascaded Level 3 employees (S58 – Process Managers as well as Managers in Strategic Positions reporting directly to the Municipal Manager i.e. Executive Manager: Internal Audit, Manager: Integrated Development Plan, Manager: Marketing & Communications, Manager: Office of the Municipal Manager, Manager: Office of the Mayor and the Manager: Office of the Speaker. All Process Managers and Managers in Strategic Positions reporting directly to the Municipal Manager signed performance agreements as well. During the 2014 / 2015 financial year individual quarterly assessments were conducted for all employees who had signed performance agreements for the financial year. The Evaluation assessment panels as prescribed by legislation to assess the Municipal Manager and Manager's reporting directly to the Municipal Manager were constituted and were present during the assessment processes.

In the 2014 / 2015 financial year institutional arrangements have been put in place in order to ensure the implementation of an Organizational Performance Management System (OPMS) as per legislative requirements and also to enable meaningful and informed monitoring and evaluation. It is hoped that as OPMS becomes institutionalized within the municipality and part of our everyday business, that Managers, Councillors and the Community alike will use it as tool to monitor the services that are being delivered by the municipality thereby increasing the accountability and transparent role of local government.

During the Strategic Planning Process for the 2014/2015 financial year a management resolution was taken to differentiate between service delivery indicators that have a direct impact on the community and those that are operational, support and auxiliary services. In this regard for the 2014/2015 financial year the Service Delivery & Budget Implementation Plan (SDBIP) has been developed to focus on the service delivery indicators and the Operational Plan (OP) 2014/2015 has been developed to focus on operational, support and auxiliary services.

The SDBIP 2014/2015 contains Public Participation Units (Office of the Speaker, Office of the Mayor & Office of the Municipal Manager), Community Services Units (Area Based Management, Health and Social Services, Community Development (Parks, Waste Management, Halls, Libraries and Art Gallery) and Public Safety Enforcement and Disaster Management), Infrastructure Services Units (Water and Sanitation, Roads and Stormwater, Electricity, Fleet Management and the Landfill Site) and Economic Development Units (Local Economic Development, Town Planning and Environmental Management & Human Settlements). Also included are the Legislated Performance Indicators as regulated by the National and Provincial Departments of Cooperative Governance and Traditional Affairs (CoGTA). As prescribed by legislation, the Municipality must set and monitor key performance indicators of all municipal entities. To fulfill this, SAFE CITY the only registered municipal entity; key performance indicators were also developed and inserted in the SDBIP 2014/2015.

All other units provide operational, support and auxiliary services to the Municipality and have been placed on the Operational Plan 2014/2015. The Operational Plan 2014/2015 contains the Corporate Business Units (Internal Audit, Marketing and Communication, Integrated Development Plan and Performance Management System), Finance Business Units (Budget and Treasury, Revenue Management, Expenditure Management, Supply Chain Management & Assets & Liabilities), Infrastructure Services Units (Project Management Unit), Corporate Services Units (Legal Services, Information Communication Technology, Sound Governance and Human Resources) and Economic Development Unit (Infrastructure Planning and Survey)

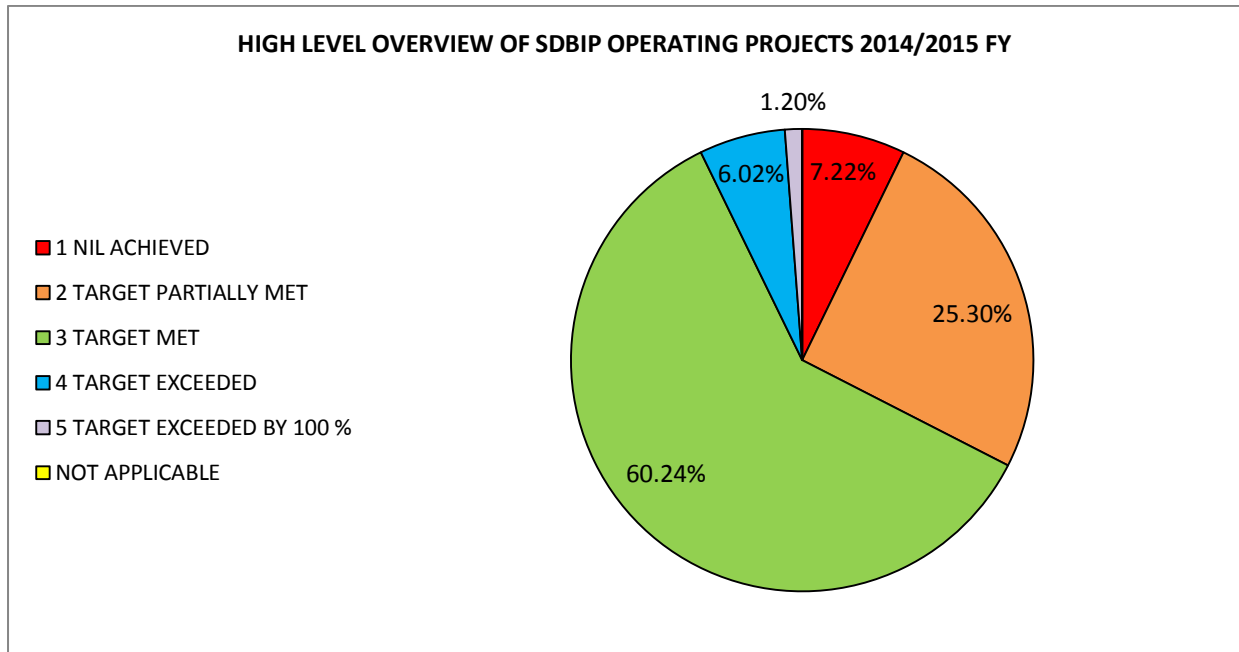
#### **HIGH LEVEL PERFORMANCE OF THE MUNICIPALITY FOR THE 2014/2015 FINANCIAL YEAR**

The graphical representations below illustrate the summary of high level performance of the municipality for the 2014/2015 financial year, as per the colour-coded dashboard.

	<b>TOTAL PROJECTS</b>	<b>KEY</b>
	<b>1 NIL ACHIEVED</b>	
	<b>2 TARGET PARTIALLY MET</b>	
	<b>3 TARGET MET</b>	
	<b>4 TARGET EXCEEDED</b>	
	<b>5 TARGET EXCEEDED BY 100 %</b>	
	<b>NOT APPLICABLE</b>	

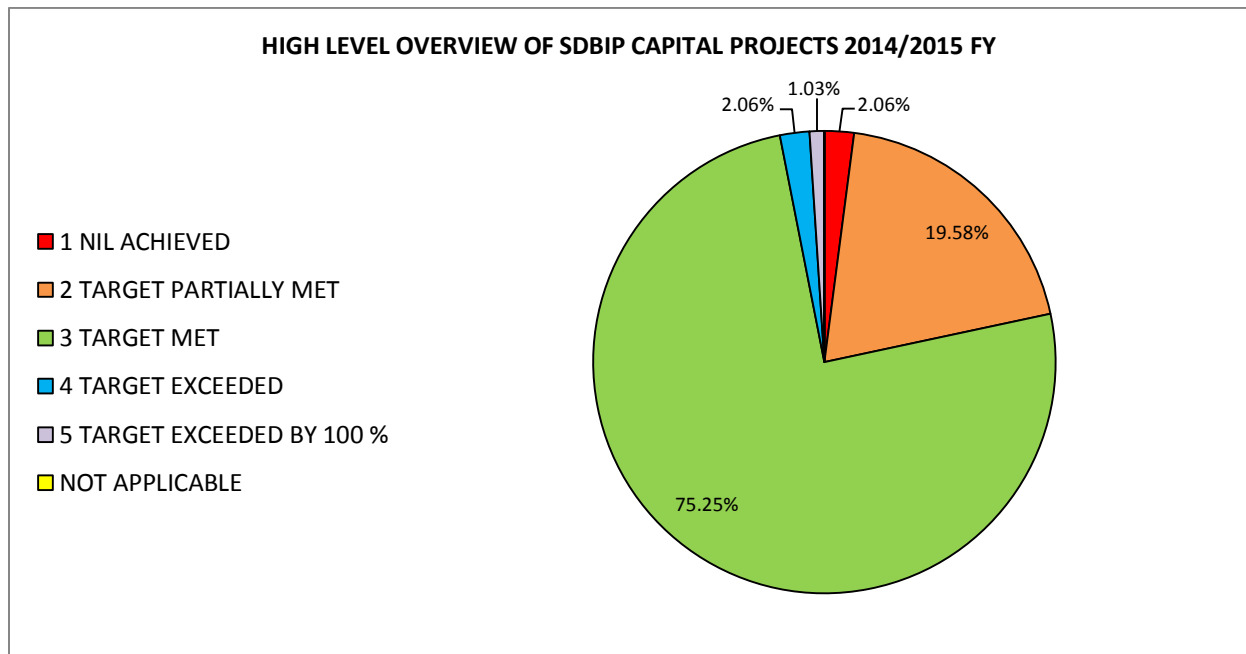
There were a total of 180 Key performance indicators on the SDBIP 2014/2015, 97 being operating projects and 83 being capital projects. There were a total of 131 Key performance indicators on the Operational Plan for 2014/2015.

## SDBIP GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- A total of 83 Operating Projects were reported on the SDBIP for the 2014/2015 financial year.
- 7.22% of the projects were reported as having Nil Achievements for the 2014/2015 financial year.
- 25.30% of the projects were reported as having been partially met for the 2014/2015 financial year.
- 60.24 of the projects were reported as having been met for the 2014/2015 financial year.
- 6.02% of the projects were reported as having exceeded the target for the 2014/2015 financial year.
- 1.20% of the projects were reported as having exceeded the target by 100% for 2014/2015 financial year.
- 0% of the projects were reported as not applicable due to not having any targets set for the 2014/2015 financial year.

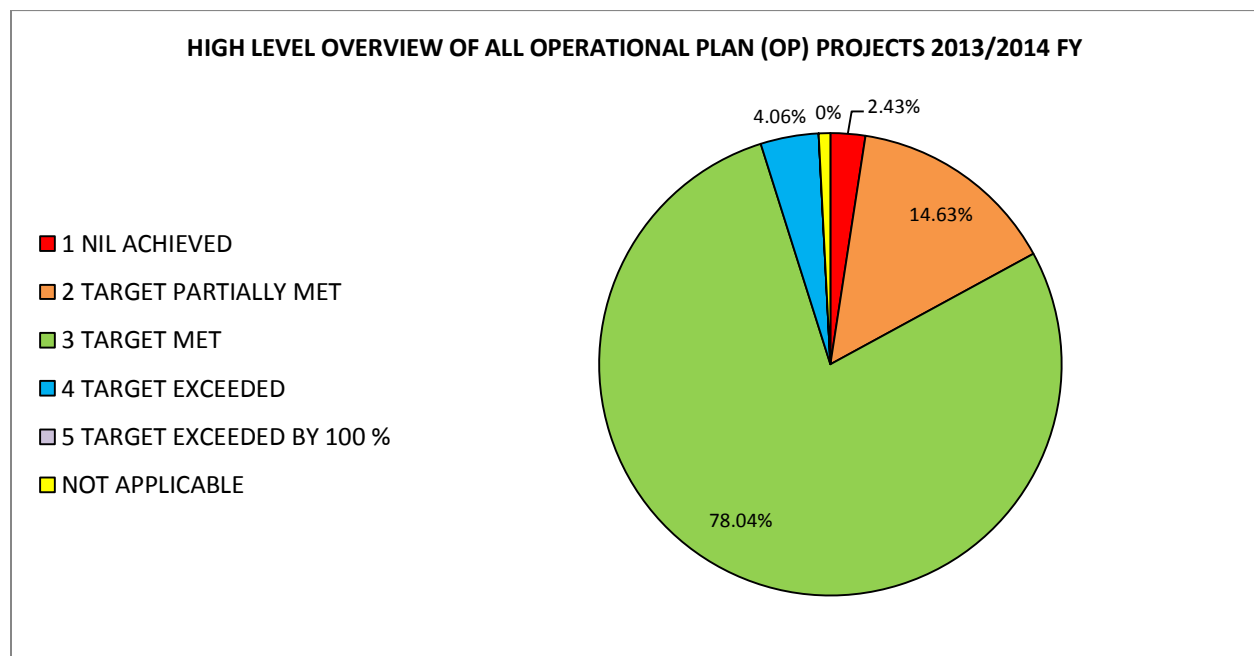
## SDBIP GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



- A total of 97 Capital Projects were reported on the SDBIP for the 2014/2015 financial year.
- 2.06% of the projects were reported as having Nil Achievements for the 2014/2015 financial year.
- 19.58% of the projects were reported as having been partially met for the 2014/2015 financial year.
- 75.25% of the projects were reported as having been met for the 2014/2015 financial year.
- 2.06% of the projects were reported as having exceeded the target for 2014/2015 financial year.
- 1.03% of the projects were reported as having exceeded the target by 100% for 2014/2015 financial year.
- 0% of the projects were reported as not applicable due to not having any targets set for the 2014/2015 financial year.



## OPERATIONAL PLAN GRAPHICAL REPRESENTATION OF PERFORMANCE: ALL PROJECTS



- A total of 131 Projects were reported on the Operational Plan for the 2014/2015 financial year.
- 2.43% of the projects were reported as having Nil Achievements 2014/2015 financial year.
- 14.63% of the projects were reported as having been partially met for the 2014/2015 financial year.
- 78.04% of the projects were reported as having been met for the 2014/2015 financial year.
- 4.06% of the projects were reported as having exceeded the target for the 2014/2015 financial year.
- 0% of the projects were reported as having exceeded the target by 100% for the 2014/2015 financial year.
- 0% of the projects were reported as not applicable due to not having any targets set for 2014/2015 financial year.

### COMMENT ON PERFORMANCE OVERALL – SDBIP (OPERATING & CAPITAL PROJECTS) & OP (ALL PROJECTS)

In terms of the Operating projects on the SDBIP, in the 2013/2014 FY Msunduzi Municipality achieved 59.03% in terms of the targets that were met, whereas in the 2014/2015 FY 60.24% of the targets were met. This indicates a slight improvement of 1.21% increase in targets met.

In terms of the Capital projects on the SDBIP, in the 2013/2014 FY Msunduzi Municipality achieved 59.96% in terms of the targets that were met, whereas in the 2014/2015 FY 75.25% of the targets were met. This indicates a significant improvement of 15.29% increase in targets met.

In terms of All Projects on the OP, in the 2013/2014 FY Msunduzi Municipality achieved 77.67% in terms of the targets that were met, whereas in the 2014/2015 FY 78.04% of the targets were met. This indicates a slight improvement of 0.37% increase in targets met.

## MEASURES UNDERTAKEN AS PER S46 OF THE MUNICIPAL SYSTEMS ACT TO IMPROVE PERFORMANCE

During the 2014/2015 financial year a number of measures were undertaken as per S46 of the Municipal Systems Act to improve the overall performance of the Municipality in order to ensure that Msunduzi Municipality continuously maintains a clean audit on Performance Management and Information as a clean audit was obtained in the 2013/2014 FY. The measures undertaken where as a result of the Auditor Generals findings of previous financial years in respect of SMARTNESS of indicators, linkage of indicators between the Integrated Development Plan (IDP) and the Service Delivery & Budget Implementation Plan (SDBIP), poor quality Portfolios of Evidence & inaccurate reporting against quarterly and annual targets set at the beginning of the financial year.

### THE FOLLOWING TABLE AIMS TO DESCRIBE THE MEASURES UNDERTAKEN TO IMPROVE PERFORMANCE:

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2013/2014 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
1	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies & All Deputy Municipal Managers	As per the resolution of the Municipal Public Accounts Committee (MPAC) all Deputy Municipal Managers were required to sign Memo's indicating they reviewed the SDBIP 14/15 FY and it complies with the SMART Principle, that reports will be forwarded to the portfolio committees and that the targets in the SDBIP fits in with the National and Provincial Development Goals.	Completed	N/A	N/A
2	Office of the Municipal Manager	Mr. MA. Nkosi (MM)	Management took a decision to separate the functions of the Organization whereby only Service Delivery & Public Participation functions & projects that were budgeted for would be placed on the SDBIP, all other auxiliary functions and projects would be placed on an Operational Plan.	Completed	N/A	N/A
3	Internal Audit	Mr. PJ. Mahlaba	At the approval of the SDBIP 2014/15 by the Mayor, the Office of the Municipal Manager forwarded both the SDBIP & OP 14/15 to the Internal Audit unit for an audit on SMARTNESS and Alignment to the IDP. Internal Audit conducted and Audit and presented the findings.	Completed	N/A	N/A

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2013/2014 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
4	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies	Upon completion of the Audit of the SDBIP & OP by Internal Audit, the Office of the MM then conducted a review of the SDBIP in order to rectify the findings presented. KPIs that were not SMART were reviewed and made SMART; KPIs that were not aligned to the IDP were re-aligned. A report on the completed review was prepared and submitted to the Strategic Management Committee (SMC) for approval and finally to the FULL COUNCIL for approval and noting.	Completed	N/A	N/A
5	Office of the Municipal Manager	Mr. MA. Nkosi (MM)	Upon the Auditor General releasing their report on the Audit Opinion for the Municipality, the Municipal Manager set up the Controls Transformation Steering Committee which meets bi-weekly to deal with the Auditors Queries. In preparation for the meetings and Action Plan is initially created and reviewed as progress is made in order to fully resolve all queries. The Audit Action Plan contains queries for both financial and non-financial activities including performance management queries.	Completed	N/A	N/A

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2013/2014 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
6	Office of the Municipal Manager	Mr. MA. Nkosi (MM)	The Municipal Systems Act makes provision that the municipality must on a quarterly basis prepare a quarterly report on the SDBIP performance. Management took a decision to go a step further and have monthly meetings to discuss the progress made towards achieving targets on the SDBIP & OP. Meetings are held once a month. Reports on the SDBIP & OP are presented to the Operational Management Committee which is constituted of the Municipal Manager, Deputy Municipal Managers, Process Managers and all Managers reporting directly to the Municipal Manager. At the meetings monthly or quarterly reports are discussed in-depth before onwards transmission to the relevant portfolio committees.	Completed	N/A	N/A
7	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies	Reports discussed at the OMC monthly meetings are presented by the Office of the Municipal Manager at Portfolio Committees, Executive Committee, Full Council, the Municipal Public Accounts Committee and the Audit Committee.	Completed	N/A	N/A
8	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies	Review of the Organizational Performance Management Framework and the Individual Performance Management Policy was conducted and submitted to the Strategic Management Committee for approval on the 22nd of July 2014. The policies have been forwarded to the portfolio committee and Local Labour Forum. A workshop was conducted for Union members as well. Awaiting the Local Labour Forum approval for onwards transmission to the Executive Committee and Full Council.	In Progress	Local Labour still to approve the policies	Local Labour to approve the policies and/or respond with queries

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2013/2014 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
9	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies	Management took a decision that Individual Performance Management would be cascaded to level 3 employees until such time the organization was ready to go to the next levels and finally all employees. The Municipal Manager, Deputy Municipal Managers, Process Managers and all Managers reporting directly to the Municipal Manager x 34 signed Performance Agreements which included, personal development plans, the code of conduct, financial declarations of private interests as well as workplans. Systems Act says that all section 56/57 Managers Performance agreements must be made public within 14 days after the approval of the SDBIP by the Mayor. This was completed through the Publishing of the MM & DMMs performance agreements on the municipal website. Copies of the signed performance agreements were also forwarded to CoGTA as per circular 1 of 2014.	Completed	N/A	N/A
10	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies	In line with the Individual Performance Management System policy, after the completion of a quarter Performance Assessments of all Managers up to level 3 are conducted by the Office of the Municipal Manager. Quarters 1 & 2 assessments were conducted. Quarter 3 is in progress, and Quarter 4 is still to be conducted. After assessments are concluded a report is prepared and submitted to SMC, EXCO & Full Council as well as Internal Audit to conduct an audit of the scoring in line with the presented Portfolios of Evidence.	In Progress	Due to the National Elections taking place, the evaluation panel to conduct the assessments for the Municipal Manager and Deputy Municipal Managers were not available	Evaluation panel members to be informed of the dates of assessments and the assessments to be conducted.

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2013/2014 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
11	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies	A report in terms of the Municipal Systems Act on the appointment of Evaluation Panel members was developed and presented to the SMC, Corporate Services Portfolio Committee and the Executive Committee. Members were appointed and informed via written communication from the Office of the Municipal Manager.	Completed	N/A	N/A
12	Internal Audit	Mr. PJ. Mahlaba	After the performance assessments are conducted and the SDBIP & OP quarterly reports are completed, they are forwarded to the Internal Audit Unit. The Internal Audit unit then Performs an audit on the results presented in the respective documents. Reports on the IA findings are produced and submitted to Management for comments.	In Progress	Due to the review of the entire SDBIP & OP for the 14/15 FY, audit assignments are taking longer than expected.	Management to ensure at the outset that the KPI's contained in the SDBIP & OP are correct and therefore not requiring review at Mid-year.
13	Office of the Municipal Manager	Mr. MA. Nkosi (MM)	During the OMC, the Municipal Manager noted there was a slow pace on municipal expenditure on MIG funding & Grants. As a result it was resolved compulsory weekly meetings with all Deputy Municipal Managers, Process Managers and Project Champions will take place. The meetings looked at possible ways of fast-tracking expenditure on MIG funding & Grants.	In Progress	N/A	N/A
14	Office of the Municipal Manager	Mr. MA. Nkosi (MM)	Msunduzi Municipality continues to implement a dashboard for performance management. In the reporting templates of the SDBIP & OP a graphical summary is included and on each sub-unit's reporting templates there are drop down menus which are Colour coded and linked to the graphical summaries. This further enhances oversight by the MM in respect	In Progress	N/A	N/A

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2013/2014 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
			of early warnings signals of Indicators coded as either red or brown in colour as these indicate targets are not being met and there are problems in those respective areas.			
15	Office of the Municipal Manager	Mr. MA. Nkosi (MM)	Msunduzi Municipality is implementing a new format of the SDBIP & OP templates on which new columns have been included. These columns are for indicator level reporting (low level), whereby there are columns headed reason for deviation, corrective measures and timeframe to implement corrective measures. Where targets are not met or are partially met, the respective manager is required to populate these columns with responses which are interrogated at the Monthly OMC meetings by the MM.	In Progress	N/A	N/A
16	Office of the Municipal Manager	Ms. Madeleine Jackson Plaatjies	The Office of the Municipal Manager, having consulted with the AG, has developed and implemented a Standard Operating Procedure (SOP) for compilation and storage of performance information (portfolios of evidence) on the SDBIP & OP by strategic business units. The template requires sign off by both the incumbent & supervisor having satisfied themselves that the contents thereof is an accurate and true reflection of the recorded actual.	In Progress	N/A	N/A

<b>SECTION 1:      FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT</b>
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## **1.      COMPONENT A: INFRASTRUCTURE SERVICES**

This component includes: Water Services, Sanitation Services, Electricity, Roads, Transportation Planning, Storm Water, Fleet Management and Waste Management – Landfill site.

### **1.1      WATER SERVICES**

Please find below basic terminology used commonly in Water & Sanitation content input.

#### **BASIC TERMINOLOGY**

Some of the standard definitions for international use used in this report have been included below for ease of reference and understanding:

- System Input Volume is the volume of water input to a distribution system.
- Authorized Consumption is the volume of metered and/or unmetered water taken by registered consumers, the water supplier or others who are authorized to do so, for domestic, commercial and industrial purposes (authorized consumption includes items such as firefighting and training, flushing of mains and sewers, street cleaning, watering of municipal gardens, public fountains and building water. These may be billed or unbilled, metered or unmetered according to local practice).
- Water Losses of a system are calculated as:

$\text{Water Losses} = \text{System Input Volume} - \text{Authorized Consumption as per MFMA circular 71 of 2014}$

Water losses can be considered as a total volume for the whole system, or for partial systems such as bulk or reticulation. In each case the components of the calculation would be adjusted accordingly. Water Losses consist of Real and Apparent losses, and are effectively identical to Unaccounted-for Water.

- Real Losses are physical water losses from the distribution system, up to the point of consumer metering. The volume lost through all types of leaks, bursts and overflow depends on frequencies, flow rates and average durations of individual leaks.
- Apparent Losses (or Commercial Losses) consist of unauthorized consumption (theft or illegal use) and all types of inaccuracies associated with bulk and consumer metering. For example, under-registration of bulk meters and over-registration of consumer meters leads to under-estimation of losses. Conversely, over-registration of bulk meters and under-registration of consumer meters leads to over-estimation of real losses. Apparent losses to be included into total water losses as per MFMA circular 71 of 2014.
- Unauthorized Consumption is generally associated with the misuse of fire hydrants and fire service connections, and illegal connections.



- Non-Revenue Water (NRW) is the difference between the System Input Volume and Billed Authorized Consumption.

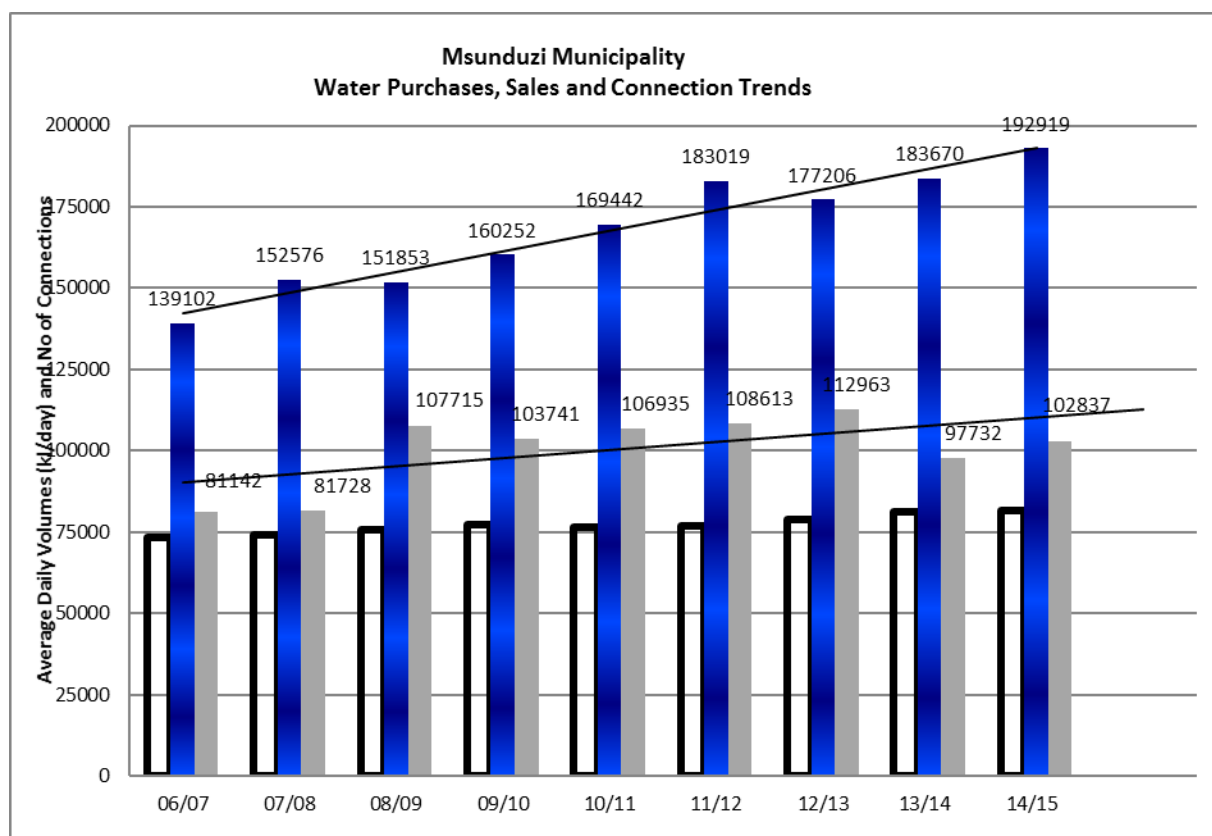
## INTRODUCTION TO WATER SERVICES

A government Gazette dated 13 June 2003 granted the Msunduzi Municipality the status of a Water services Authority whereby this Water Services Authority was empowered to perform the functions and exercise the powers referred to in Section 84(1) (b) of the Municipal Structures Act (117 of 1998) which provides for the provision of potable water supply and sanitation systems. In terms of Section 11 of the Water Services Act (108 of 1997), every Water Services Authority is obligated to ensure the adequate sustainable access to water and sanitation to all consumers within their area of jurisdiction.

In order to ensure that the City adheres to the aforementioned legislation and further ensure our citizens are adequately catered for; the following were the list of core achievements for 2014/15 financial year:-

- 1.) A total of 10.4 km of basic water pipelines was installed within the Vulindlela area of supply in order to improve the water reticulation network with a total of 113 new water connections(rural) undertaken in the area.
- 2.) The 2014/2015 FY represented the 5<sup>th</sup> (fifth) year and 5<sup>th</sup> phase of a five year Non-Revenue Water Reduction Program. A qualified Audit in 2012/2013 necessitated a re alignment in water conservation efforts from Non-Revenue Water reduction initiatives to Audit requirements in the form of meter replacements and repair. This meant that certain crucial targets as set out in the Non-Revenue Water Reduction Program had to realigned for completion in the outer years, however the following is a cumulative summary of Non-Revenue Water interventions completed in the 2014/2015 financial year :-
  - 31 existing PRVs were audited and maintained;
  - 300 Magnetic top valves were installed to ensure PRV zone discretion;
  - 31 existing PRV installations' bulk meters were replaced and/or chambers modified;
  - 4 new District Metered Areas were created and 4 advanced PRV controllers were installed feeding from the bottom part of the CBD;
  - 3,401km of reticulation was leak detected and 3,136 leaks were found and repaired;
  - 67 isolation line valves were cleaned and correctly orientated;
  - Bulk consumers constitute approximately 30% of Municipal billed revenue. At close of 2013/2014 financial year, 198 bulk meters were replaced and upgraded. The new installation adopted allows the following benefits :-
    - Provides more accurate water readings for the consumer and council
    - Easier for meter readers to take readings (up and over installation)
    - Requires less maintenance, due to the treated/galvanized fittings.
    - Improve meter performance due to the silt/dirt trap inserted before the meter.
    - Allow logging of water meter as it is pulse output compatible.
    - Colour coded with red meter covers indicating fire main meter.
  - As of the 30 June 2015 a total of 2578 meters were replaced to ensure that the consumers receive accurate bills. This intervention was required in order to remediate Auditor's finding in relation to estimated water meters readings
  - Telemetry upgrades were completed and handed over to the Msunduzi for Bisley, Oribi, Murray, Hathorns, Belfort and Symons reservoirs;

- Various leaking, large diameter sections of pipeline have been replaced and recommissioned; and
  - Various low pressure pockets of zones have been investigated and either rezoned or corrected to ensure the correct level of service feed to consumers.
  - 2.011 km of defective water pipe was replaced and 2 pump controllers were installed.
3. 3.57 km of pipe water pipe installed in Ezinkhateni which now will fill a series of JoJo tanks instead of the water tank service.
  4. Masons Reservoir construction commenced and by the 30 June 2015 the reservoir was 58% of Masons completed and 67% of pipeline was completed.
  5. The City's bulk water purchase from Umgeni Water has increased from 184 ml /day in 2013/2014 to 193 ml/day in the 2014/2015.

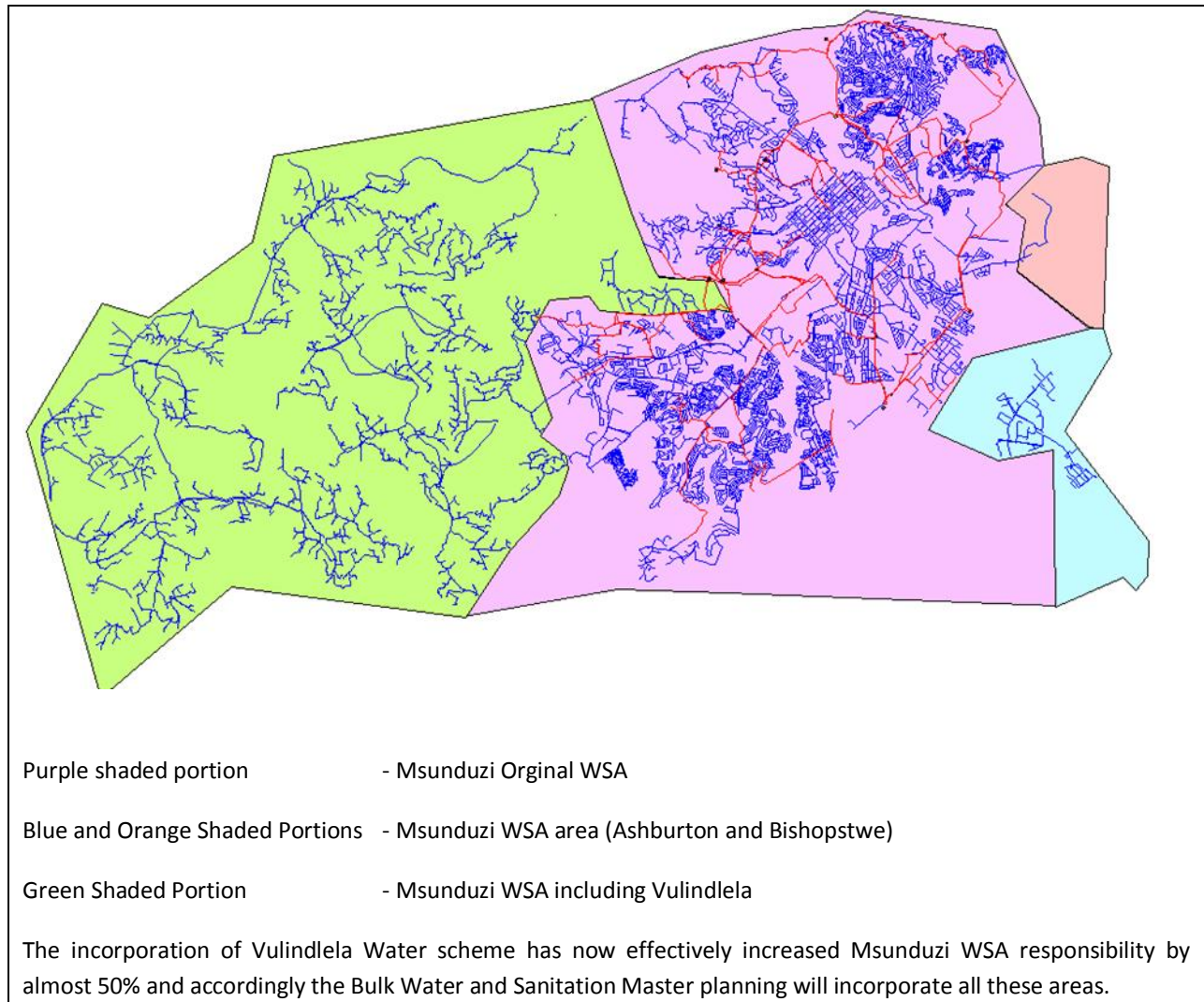


6. Reactively Responded and restored to 1900 mainline water burst mains in the 2014/2015 FY.
7. For the 2014/2015 financial year a total of 570 new water connections where completed inclusive of Vulindlela.

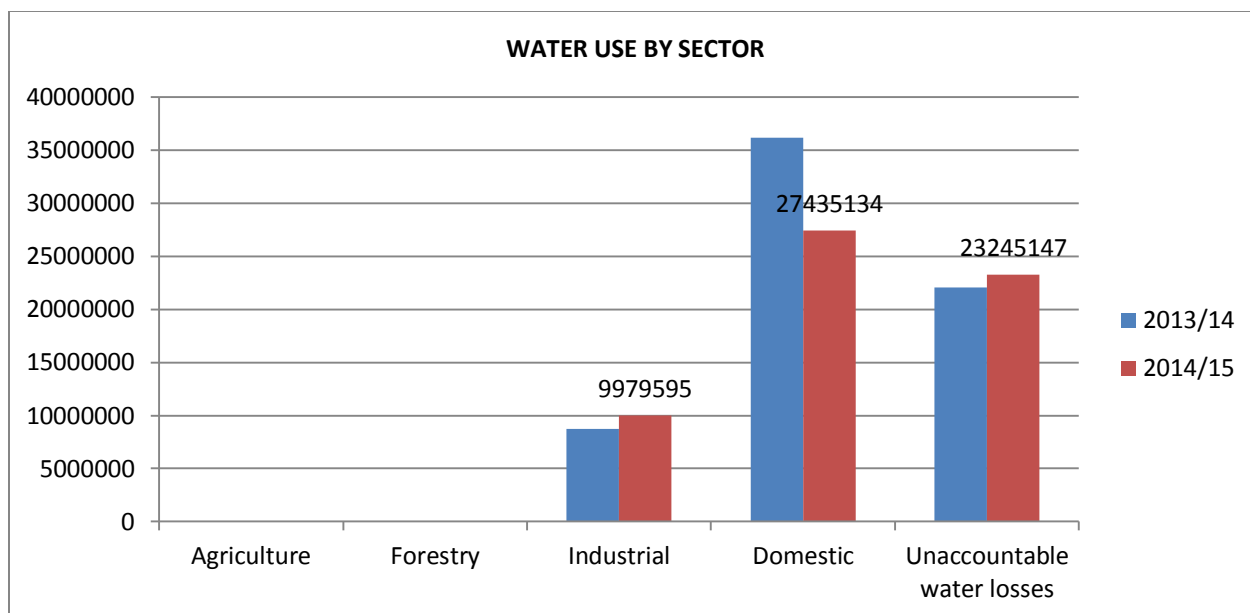
In line with the Water Services Act the Msunduzi Municipality will be updating the Water Services Development Plan(WSDP). The WSDP can only be completed once the Master plans in relation to the Water and Sanitation are completed. The update of both these core master plans continued in the 2014-2015 financial year and will be concluded with the WSDP requirements in 2015-2016 financial year for onward submission to the MEC for approval.

**The top 3 priorities in relation to water for the 2014-2015 financial year where as follows:-**

- Improve Operation and Maintenance of Vulindlela Water Schemes.
- Installation of Basic Water.
- Replacement and repair of defective domestic and bulk water meters.



TOTAL USE OF WATER BY SECTOR (CUBIC METER)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
<b>2013/2014</b>	N/A	N/A	8767786	36175387	22060870
<b>2014/2015</b>	N/A	N/A	9979595	27435134	23245147



**Note:** This description of requirements, for Water statistics, is outdated. The International Water Association balance requirements do NOT use these descriptions anymore due to the ambiguity and misinterpretation of the terminology. It is preferable to align this table to an IWA balance so that information required here is similar to information submitted to other organizations. The table below of Non-Revenue and Water Losses should replace the above. This makes presentations much more accurate and enhances uniform reporting throughout all organisational structures. It should be noted that the above table does not accommodate for inputs for Real Losses which is considered as material losses as disclosed in the Annual Financial Statements. Furthermore consumptions have been estimated for low cost housing and standpipes.

WATER LOSS CALCULATIONS (2014/2015)			
	2012/2013	2013/2014	2014/2015
<b>Bulk Purchase Rate per kl</b>	R 4.355	R 4.682	R 5.070
Units purchased - kl	64,680,158	67,004,044	70,387,564
Units sold - kl	43,461,581	44,943,173	47,142,418
Losses inclusive of Apparent Losses - kl	21,218,577	22,060,871	17,201,409
Apparent losses - kl	-5,516,830	-5,735,826	604,3738
<b>Real Water losses - kl</b>	15,701,747	16,325,045	17,195,999
Real Water loss as a percentage	24.3%	24.4%	24.4%
<b>Total Water Losses - kl</b>	21,218,577	22,060,870	23,237,837
Real Water loss as a percentage	32.8%	32.9%	33.0%
<b>Real Water loss in Rand value</b>	R 68,381,108	R 76,433,861	R 87,188,874
<b>Total Water loss in Rand value</b>	R 92,406,903	R 103,288,993	R 117,822,805

# COMMENT ON WATER USE BY SECTOR:

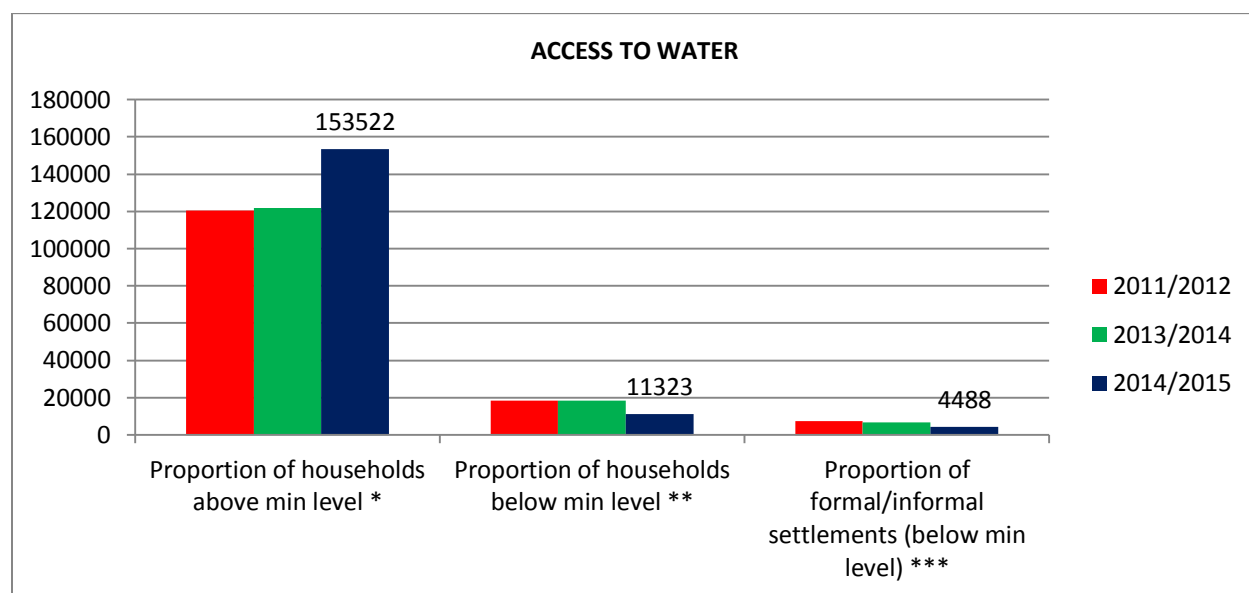
An increase of 13.82% was noted in the industrial sector whilst a growth of 31.86 % reflects the domestic increase in demand. The increase in both these sectors are indications that meter change out and reading initiatives are becoming more effective and accurate, thus increasing water sales (volume) in the 2014-2015 financial year ends which further give credibility to Revenue enhancement.

Water purchases from Umgeni water has increased by approximately 4 % from 2013/2014 and this volumetric “growth” can be directly attributed to sales in both the Industrial and Domestic sector.

WATER SERVICE DELIVERY LEVELS				
Description	2011/2012	2012/2013	2013/2014	Households 2014/2015
	Actual Number	Actual Number	Actual Number	Actual Number
<b>Water: (above min level)</b>				
Piped water inside dwelling	110403	80188	80690	80873
Piped water inside yard (but not in dwelling)	11763	63301	63301	63301
Using public tap (within 200m from dwelling )	568	9348	9348	9348
Other water supply (within 200m)	7000	N/A	N/A	N/A
<i>Minimum Service Level and Above sub-total</i>	129734	152837	153339	153522
<i>Minimum Service Level and Above Percentage</i>	92.48%	93.19%	93.4%	93.6%
<b>Water: (below min level)</b>				
Using public tap (more than 200m from dwelling)	7500	6396	6396	6396
Other water supply (more than 200m from dwelling)	3045	N/A	N/A	N/A
No water supply	N/A	4761	4259	4259
<i>Below Minimum Service Level sub-total</i>	10545	11157	10655	10655
<i>Below Minimum Service Level Percentage</i>	7.52%	6.81%	6.50%	6.5%
<b>Total number of households</b>	140279	163993	163993	163993

HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM						
Description	2011/2012	2012/2013	2013/2014	2014/2015		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
<b>Formal Settlements</b>						
Total Households	1070	4761	4462	4347	4347	3935
Households below minimum service level	N/A	4761	4462	4347	4347	3935
Proportion of households below minimum service level	N/A	2.90%	2.72%	2.65%	2.65%	2.4%
<b>Informal Settlements</b>						
Total Households	1070	6396	4646	4646	4646	4488
Households below minimum service level	N/A	6396	4646	4646	4646	4488
Proportion of households below minimum service level	N/A	3.90%	2.83%	2.83%	2.83%	2.65

**Note:** It should be noted that the connections undertaken in the rural areas of Vulindlela have been considered as those in formal settlements (113 Connections). The connections in Edendale (70) are deemed informal settlements.



(\*) Includes Piped water inside dwelling, piped water inside yard (but not in dwelling), Using public tap (within 200m from dwelling)

(\*\*) Includes using public tap (more than 200m from dwelling, other water supply (more than 200m from dwelling, No water supply

(\*\*\*) Includes Formal and Informal supply

WATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Households without minimum water supply	Additional Households provided with minimum water supply during the year (Number of households (HHs) without supply at year end)	5196	502	4694	183	4511
Improve reliability of water supply	Reduce the number of interruptions (Ints) in supply of one hour or more compared to the baseline of 2011/2012 (interruptions of one hour or more during the year)	1048	1498	1330	1900	1600
Improve water conservation	Reduce unaccountable water levels compared to the baseline of 2011/2012 (19076112 kilolitres (KLs) unaccounted for during the year)	20%	24.4%	30.1%	33%	30.1%
Masons Reservoir and Pipeline	Additional storage for continuous and sustainable supply	To complete	Complete	30% of Masons Reservoir Completed; as per Approved Design and 40% of Pipeline construction completed by the 30 June 2015	58% of Masons reservoir completed and 67% of pipeline completed	100% of Masons Reservoir Completed; and 100% of Pipeline construction completed by the 30th of June 2016.
Edendale proper New Mains and reticulation	To upgrade 6000 households to piped water	6km pipeline to be constructed	1.6 km constructed by June 2014 and 115 households connected	Planning, Design and Tender documentation completed and advertised by the 30 June 2015.	Planning, Design and Tender documentation completed and advertised by the 30 June 2015.	2 km of new water pipe installed by the 30th of June 2016.
Basic Water Supply	To provide a basic water supply source	1km to be installed	4km of water pipeline installed.	11 km of water pipe installed by the 30 June 2015	10.4 km of pipeline installed by the 30 June 2015.	10 km of new water pipe installed by the 30 June 2016

EMPLOYEE: WATER SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	89	204	87	117	57
B1-B4	34	59	32	27	46
C1-CU	28	40	29	11	28
D1 –DU	2	5	3	2	40
E1 – E2	1	1	1	0	0
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>154</b>	<b>309</b>	<b>152</b>	<b>157</b>	<b>51</b>

FINANCIAL PERFORMANCE 2014/2015: WATER SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-719	-1 135	-1 135	-544	-52.07%
Expenditure:					
Employees	34 914	42 289	43 708	39 805	-8.93%
Repairs and Maintenance	17 092	25 793	18 227	17 375	-4.67%
Other	85 266	8 025	28 519	113 507	298%
<b>Total Operational Expenditure</b>	137 272	76 107	90 454	170 687	88.70%
<b>Net operational (Service) Expenditure</b>	136 553	74 972	89 319	170 143	90.49%

CAPITAL EXPENDITURE : WATER SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
MWIG - REDUCTION OF NON REVENUE WATER	1,000	1,757	1,757	0%	1 757
MWIG - BASIC WATER SUPPLY	7,200	0	0	0%	8 270
MIG - EDENDALE PROPER NEW MAINS & RETICULATION	500	438	438	0%	11 138
CNL - REHABILITATION OF WATER INFRASTRUCTURE	2,000	1,165	1,165	0%	1 165
MIG -REDUCTION OF NON REVENUE WATER	11,203	24,162	24,239	0%	204 941
MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER)	300	0	0	0%	0
MIG - JIKA JOE WATER	0	195	195	0%	195
COGTA - MASSIFICATION - BASIC WATER - VULINDLELA	0	4,277	4,374	2%	4 374
MIG - M/PLAN & NETWORK MODEL WATER	0	821	821	0%	821
MIG - COPESVILLE RESERVOIR	300	206	206	0%	55 282
MWIG -MASONS RESERVOIR & PIPELINE	3,189	9,631	9,631	0%	30 473
CNL - MASONS RESERVOIR	0	13,343	13,343	0%	30 473
MIG - NON REVENUE WATER EQUIPMENT	0	416	416	0%	416
CNL - LEAK DETECTION EQUIPMENT	300	395	387	-2%	395
CNL - COMPUTER LAPTOP	0	22	22	0%	22
CNL - FURNITURE AND FITTINGS	0	10	10	0%	10



## **COMMENT ON WATER SERVICES OVERALL**

The water losses for 2014/2015 is 33% an increase of 8.6% (Refer MFMA circular 71 Of 2014 as prescribed by the Auditor General in the revised calculation and methodology of water losses. The Non-Revenue Water as of YTD is now 47% as compared to 46.6 for 2013/2014. The water purchases have increased on average of 4% compared to last year. This can be attributed to an increase in industrial/commercial and domestic usage.

## **1.2 SANITATION SERVICES**

### **INTRODUCTION TO SANITATION PROVISION**

The key initiative is to provide basic sanitation to informal areas and the appropriate sanitation services to low-income communities and thereafter elevating this to water borne sewerage, whilst ensuring that adequate attention and funds are allocated and simultaneously maintaining the sanitation reticulation for continued uninterrupted supply and sustainability. Asset renewal is a key development challenge in the City. Capacity in conjunction with adequate and reliable infrastructure is essential to provide water borne sewage to all households within the Msunduzi Municipality. This priority is developed along the lines of financial availability and other relevant resources aligned to short and long term programs.

It is envisaged that the operations of the current Sewer Treatment Works will reach maximum capacity in the near future. To absorb the initiatives mentioned above; the upgrading of the Sewer Treatment Works (Darvil) to eliminate capacity and stimulate economic growth has commenced (Umgeni Water).

The step up to waterborne sanitation is to first provide basic sanitation in the VIP sector where there is a lack of sewer infrastructure. There has been significant improvement in this sector and the latest statistics indicate a total of 58695 VIP (With and without Ventilation) up until June 2015. Msunduzi Municipality's original basic sanitation backlog was 100% completed, however uncontrolled Geographical migration of people to undefined settlements increases the need to address a further increase in sanitation backlogs. There are, however, long term programs to elevate this type of sanitation to waterborne sanitation.

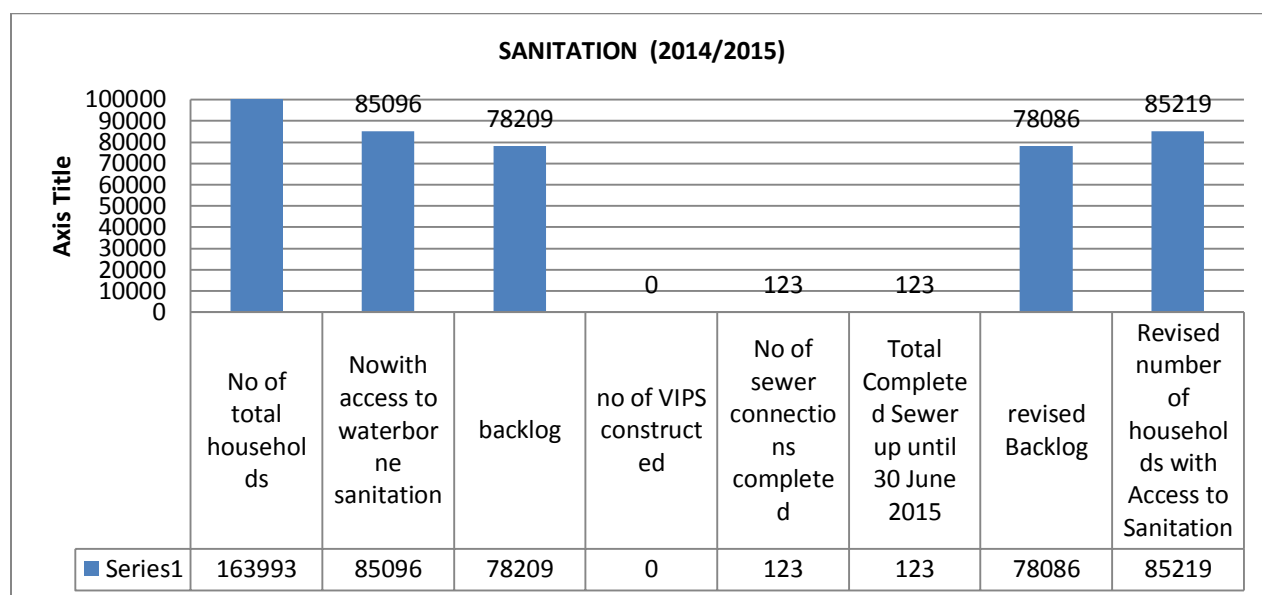
Attention is also directed to provide households that have No basic sanitation. According to recent statistics, 2.85% households are grouped into this category.

As per the Sanitation Service Policy Objectives, plans and programs are being prepared and/or implemented to eventually satisfy all key initiatives relevant to the provision of all forms of Sanitation.

The following is a list of core sanitation achievements in the 2013-2014 financial years:-

- The multi-year waterborne sanitation projects for the Unit H and Azalea commenced which over the next 3 years will provide connect approximately 1500 households. A total of 2.69 km on sewer pipe was installed in Unit H and 3.4 km of sewer piping was installed in Azalea.
- Waste Water Service level Agreements for the operations and maintenance was concluded with Umgeni Water for Darvil and Lynnfield Park Waste water works.
- A total of 5.9 km of defective sanitation piping was replaced / upgraded in order to improve reliability in the form of Asset Replacement.

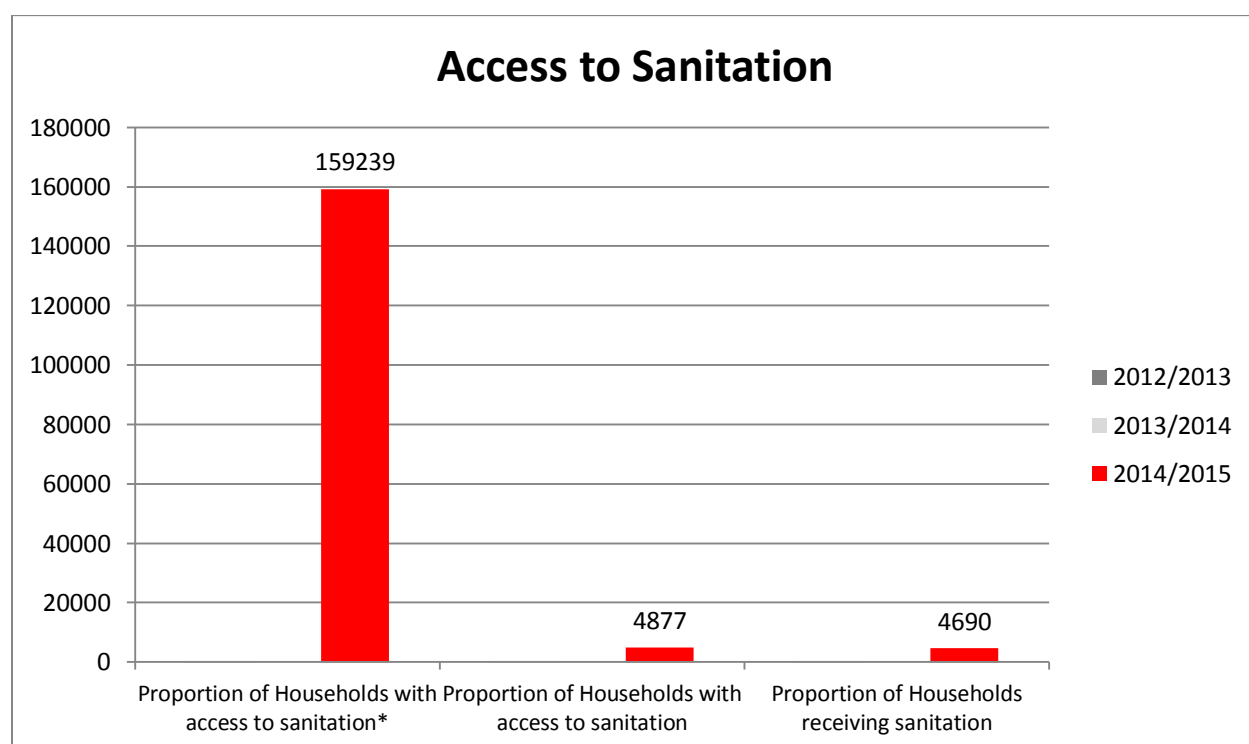
- 1.2 km of sewer pipe was installed which in order to houses to be converted from Septic/Conservancy tank to waterborne sanitation.
- 123 new sewer connections where completed within the 2014-2015 financial year.
- 5 Flow monitoring stations where installed at strategic locations in our sewer system which will used to monitor and reduce infiltration and pollution to streams and rivers.
- Reactively responded and resolved 3660 mainline sewer blockages.



**Note: The revised backlog is have all households on a water borne sewer system.**

SANITATION SERVICE DELIVERY LEVELS				
Description	2011/2012	2012/2013	2013/2014	Households 2014/2015
	Actual Number	Actual Number	Actual Number	Actual Number
<b>Sanitation / Sewage (above min level)</b>				
Flush Toilet (connected to sewerage)	57307	84779	84973	85096
Flush Toilet ((with septic tank)	5015	8541	8372	8372
Chemical Toilet	N/A	5489	7076	7076
Pit Toilet	32434	58047	58695	58602
<i>Other toilet provisions (above min service level)</i>	N/A	N/A	N/A	N/A
<i>Minimum Service Level and Above sub-total</i>	94756	156875	159116	159239
<i>Minimum Service Level and Above Percentage</i>	67.50%	95.60%	97.03%	97.1%
<b>Sanitation / Sewage (below min level)</b>				
Budget toilet	N/A	1585	0	0
Other toilet provisions (above min level)	300	0	187	187
No toilet provisions	N/A	5532	4690	4690
<i>Below Minimum Service Level sub-total</i>	300	7117	4877	4877
<i>Below Minimum Service Level Percentage</i>	0.00%	4.34%	2.97%	2.86%
<b>Total number of households</b>	139567	163993	163993	163993

HOUSEHOLDS - SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM						
Description	2011/2012	2012/2013	2013/2014	2014/2015		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
<b>Formal Settlements</b>						
Total Households	5304	43	187	187	187	187
Households below minimum service level	101	Incl.	0	0	0	0
Proportion of households below minimum service level	1.90%	0.03%	0.11%	0.11%	0.11%	0.11%
<b>Informal Settlements</b>						
Total Households	5304	0	4690	4690	4690	0
Households below minimum service level	695	Incl.	4690	4690	4690	0
Proportion of households below minimum service level	13.10%	0%	2.86%	2.85%	2.85%	0%



WASTE WATER (SANITATION) SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Elimination of Conservancy Tanks	To upgrade to water borne sanitation	1.2km pipe to be installed	1.26km installed	1 .2 km of sewer pipe installed in Ward 21 by the 30 January 2015.	1 .2 km of sewer pipe installed in Ward 21 by the 30 January 2015.	200m of new sewer pipe installed by the 30th of June 2016.
Service Midblock Eradication in Sobantu, Ashdown & Imbali (Sewer)	To install sewer pipelines for Water Borne Sewer	1 km of sewer pipe to be installed	5.9km of sewer pipe installed by 30 June 2014	Submission of EIA to DAEA for approval for Ward 20 completed by 30 June 2015. Preliminary Planning phase completed by 30 June 2015.	EIA submitted. Preliminary phase completed by 30 June 2015.	3500m of new sewer pipe installed by the 30th of June 2016.
Rehabilitation of Sanitation Infrastructure.	Replace and repair infrastructure	Replace 1.2km of Sewer Pipe	4.26km of sewer pipe replaced and 2 sewer pumps upgraded by 30 June 2014	4 km of sewer pipe replaced and by the 30 June 2015.	5.9 km of sewer pipe replaced by 30 June 2015	1.6 km of Sewer pipeline replaced by the 30th of June 2016.
Sanitation Infrastructure Feasibility Study	To monitor and reduce storm water ingress into sewer systems	7 Flow monitoring stations installed and operational by the 30 June 2014	7 Flow monitoring stations installed and operational by the 9 June 2014	8 flow monitoring stations procured, installed and operational by the 30 April 2015	4 flow monitoring stations procured, installed and operational by the 30 May 2015	The 30 highest infiltration zones/areas/catchments are identified with the use of Flow and rainfall monitoring equipment by the 30th of June 2016.
Mig - Sewer Pipes Unit H	To Install sanitation pipes to connect households to waterborne sanitation	N/A	N/A	3 km of sewer pipe installed by the 30 June 2015.	2.69km of pipe installed by the 30 June 2015	3 km of new sewer pipe installed by the 30th of June 2016.
Mig - Sewer Pipes Azalea - Phase 2	To Install sanitation pipes to connect households to waterborne sanitation	N/A	N/A	3 km of sewer pipe installed by the 30 June 2015.	3.5 km of sewer pipe installed by the 30 June 2015.	3.2 km of new sewer pipe installed by the 30th of June 2016.

EMPLOYEE: SANIATION SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	25	40	25	15	38
B1-B4	14	29	13	16	55
C1-CU	4	6	5	1	17
D1 –DU	2	4	1	1	25
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>45</b>	<b>79</b>	<b>46</b>	<b>33</b>	<b>42</b>

FINANCIAL PERFORMANCE 2014/2015: SANITATION SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-25	0	-13	-26	100%
Expenditure:					
Employees	17 060	18 335	18 622	17 369	-6.73%
Repairs and Maintenance	3 038	6 178	6 182	5 936	-3.98%
Other	46 395	4 165	18 607	52 106	180.03%
<b>Total Operational Expenditure</b>	66 493	28 678	43 411	75 411	73.71%
<b>Net operational (Service) Expenditure</b>	66 468	28 678	43 398	75 385	73.71%

CAPITAL EXPENDITURE : SANITATION SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
MIG - M/PLAN & NETWORK MODEL - SANITATION	0	821	821	0%	821
MIG - REHABILITATION OF SANITATION INFRASTRUCTURE	9,168	14,543	14,543	0%	0
MIG - SEWER PIPES UNIT H	7,850	2,363	2,363	0%	33 536
MIG - SEWER PIPES AZALEA - PHASE 2	8,970	6,192	6,192	0%	172 497
MIG - JIKA JOE SEWER	0	560	560	0%	560
MIG - FLOW MONITORING CAPITAL	0	1,005	1,301	29%	1301
MIG - ELIMINATION OF CONSERVANCY TANKS - (SEWER)	1,000	2,584	2,584	0%	221 158
MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)	8,000	3,447	3,519	2%	70 095
MIG - FLOW MONITORING EQUIPMENT	12,000	1,575	1,405	-11%	1 405
CNL - PLANT AND EQUIPMENT	0	21	21	0%	21
CNL - FURNITURE AND FITTINGS	0	4	4	0%	4
CNL - TELEMETRY / INSTRUMENTATION EQUIPMENT	400	397	397	0%	397

## **COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:**

It is essential, by regulation, to provide at least a basic form of sanitation to households that do not have a basic sanitation service. A total of 126 new connections were completed and a business plan for funding for the eradication of the entire basic sanitation backlog was submitted and approved in the 2014-2015 financial year. The rehabilitation of sanitation infrastructure, is critical for asset replacement in order to ensure that our operational cost decreases and further the quality of water in our streams and rivers improves. Resource availability (staffing and financial) is of critical importance to fulfill all targets as set out in the IDP. The Sanitation Service Delivery objectives have been prioritised to effectively fulfill obligations to provide households with, firstly a basic sanitation service and thereafter a move to above minimum service levels of sanitation. There was no funding for further provision for the addition of some form of sanitation. However 30 water borne sewer connections were completed in "formal" areas. 4690 households have NO toilet provision at all. Addressing this should become a priority in the 15/16 financial year. This department needs to adhere to the regulation in the provision of at least a basic form of sanitation.

## **1.3 ELECTRICITY**

### **INTRODUCTION TO ELECTRICITY**

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.

The Msunduzi Electricity Unit is licenced by the National Electricity Regulator of South Africa (NERSA) to supply electricity to 50% of the total customer in the Municipality's area of jurisdiction and the other 50% which is comprised of the Greater Edendale and Vulindlela areas is supplied by Eskom. The Electricity Unit operates under the Electricity Regulator Act (2006).

The Electricity Unit generates approximately 40% of the total revenue of the Municipality 70% of the income for the Electricity Unit comes from our large customers (industrial and commercial) and 30% from our residential customers.

Msunduzi purchases electricity in bulk on the Megaflex tariff from at 132 00 volts and is transformed to lower voltages. There are two Eskom in-feed points (Msunduzi substation and Mersey substation). We have a notified maximum demand of 350MVA (Mersey 160MVA and Msunduzi 190MVA). During 2011/2012 application was made to increase the Mersey notified demand to 180MVA.

The Hilton AND Sweetwaters areas were experiencing continuous outages due to the numerous faults on the existing 33kV overhead lines to Hilton. Work commenced on the upgrade of the 33kV overhead line and it was concluded.

### **CHALLENGES**

There is a high backlog on maintenance of the Primary network, Secondary substations, Overhead lines and Cables.

## **PRIMARY NETWORK**

The Contract for maintenance was advertised and no appointments were made due to various reasons. This Contract was re-advertised and is in the adjudication process.

## **SECONDARY MAINTENANCE**

Maintenance was done on the Secondary substations, but due to the huge backlog and the appointment of only one Contractor, it was not possible to complete the entire network. Currently, three Contractors are appointed to this Contract and better results will be seen.

## **11kV OVERHEAD LINE MAINTENANCE**

This is 40% complete and the Contract has come to an end. The delay in the process to appoint new Contractors will be a setback whilst at the same time poses a risk to our operating staff because of the rotten poles.

## **132 kV OVERHEAD LINE MAINTENANCE**

A Contract to perform patrol and maintenance of the 132 kV and 33 kV lines is in the adjudication process.

## **CABLES**

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

## **STREET LIGHTING**

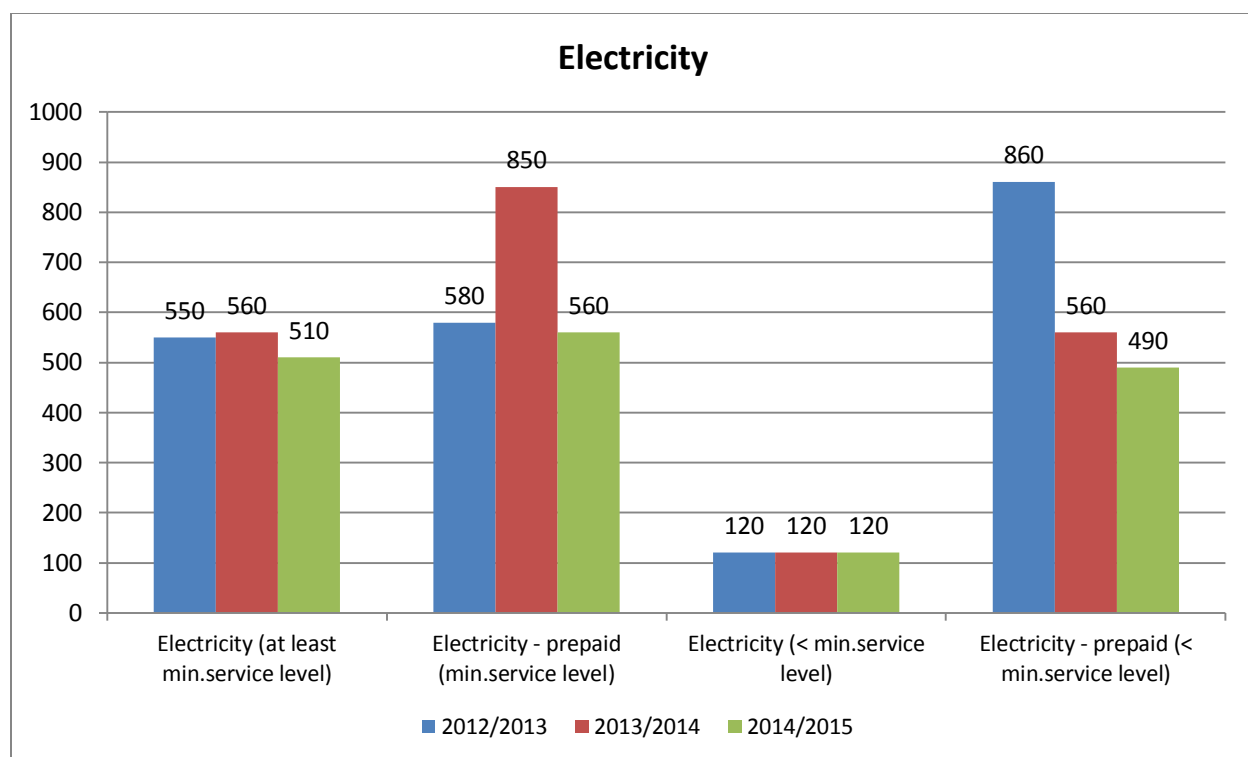
In as much as there is a lot of maintenance work carried out to ensure that the City is well lit, sections of street lights are off due to the continuous excavation by the various Contractors who damage and then cover the cable. Theft of cables and MCB's, steel covers housing the electrical mains are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

## **BLOWN SWITCHGEAR**

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

## **POLE TRANSFORMERS**

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



ELECTRICITY SERVICE DELIVERY LEVELS Households				
Description	2011/2012	2012/2013	2013/2014	2014/2015
	Actual Number	Actual Number	Actual Number	Actual Number
<b>Electricity (above min level)</b>				
Electricity (at least min service level)	47408	48000	48138	*51 558
Electricity – prepaid (at least min service level)	19222	18000	18314	*24 203
<i>Minimum Service Level and Above sub-total</i>	N/A	N/A	N/A	N/A
<i>Minimum Service Level and Above Percentage</i>	N/A	N/A	N/A	N/A
<b>Electricity (below min level)</b>				
Electricity (< min service level)	N/A	463	No data	N/A
Electricity – prepaid (< min service level)	N/A	N/A	N/A	N/A
Other energy sources	No data	12817	12503	N/A
<i>Below Minimum Service Level sub-total</i>	N/A	13280	13280	N/A
<i>Below Minimum Service Level Percentage</i>	N/A	N/A	N/A	N/A
<b>Total number of households</b>	65478	79280	78955	75 761

\*Corrected figures



HOUSEHOLDS - ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM						
Households						
Description	2011/2012	2012/2013	2013/2014	2014/2015		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
<b>Formal Settlements</b>						
Total Households	No data	No data	Nil	Nil	Nil	Nil
Households below minimum service level	No data	No data	Nil	Nil	Nil	Nil
Proportion of households below minimum service level	No data	No data	Nil	Nil	Nil	Nil
<b>Informal Settlements</b>						
Total Households	No data	No data	Nil	*5000	626	2794
Households below minimum service level	No data	No data	Nil	*5000	626	2794
Proportion of households below minimum service level	No data	No data	Nil	N/A	N/A	N/A

**\*5000 is the number of informal settlements without electricity at all.**

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Provision minimum supply of electricity	Proportional reduction in 2014/2015 backlog of households below minimum supply level	600	314	626	2794	950

EMPLOYEE: ELECTRICITY SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	92	161	87	74	46
B1-B4	24	53	23	30	57
C1-CU	68	96	69	27	28
D1 –DU	12	17	14	3	18
E1 – E2	1	1	1	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>197</b>	<b>328</b>	<b>194</b>	<b>134</b>	<b>41</b>

FINANCIAL PERFORMANCE 2014/2015: ELECTRICITY SERVICES					
					R'000
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-5 603	-1 572	-1 572	-1 987	26.40%
Expenditure:					
Employees	65 591	66 126	74 337	71 509	-3.80%
Repairs and Maintenance	51 867	65 431	66 787	65 251	-2.30%
Other	83 965	32 070	69 430	146 495	111%
<b>Total Operational Expenditure</b>	201 423	163 627	210 554	283 255	34.53%
<b>Net operational (Service) Expenditure</b>	195 820	162 055	208 982	281 268	34.59%

CAPITAL EXPENDITURE : ELECTRICITY SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
CNL - PLANT AND EQUIPMENT	0	10	10	0%	10
CNL - SUBSTATION BATTERY CHARGERS	3,000	1,733	1,733	0%	1,733
CNL - SYSTEM REINFORCEMENT	1,000	850	850	0%	850
DBSA - NETWORK REFURBISHMENT	10,000	10,000	5,360	-46%	4,435
INEP - ELECTRIFICATION	3,000	3,000	2,000	-33%	2,000
DBSA - NETWORK 132KV REHABILITATION PLAN	20,000	0	0	0%	0
TREASURY - ELECTRIFICATION - NHLALAKAHLE INFORMAL SETTLEMENT	5,500	4,872	4,211	-14%	4,211
INEP - C/O UPGRADE OF AGEING INFRASTRUCTURE	0	91,881	65,148	-29%	91,881
INEP - C/O SWAPO ELECTRIFICATION	0	15,002	15,002	0%	15,002
CNL - LV PROTECTION RETROFIT	1,500	0	0	0%	0
CNL - QOS SYSTEMS	1,000	0	0	0%	0
DBSA - RE-ROUTING OF OHL IN CLARIDGE	5,000	0	0	0%	0
DBSA - SMART METERS	50,000	50,000	1,374	-97%	
CNL - STREETLIGHTING	6,000	5,566	5,566	0%	5,566
MIG - HIGH MAST LIGHTS IN VULINDLELA & GREATER EDENDALE	10,000	4,441	4,441	0%	3,835
MIG - JIKA JOE COMMUNITY LIGHTING	0	2,059	2,348	14%	2,011
COGTA C/O SOLAR ST & TRAFFIC LIGHTS	0	7,933	7,934	0%	7,934
CNL - CO12/13 H/MAST LIGHTS - VULINDLELA	0	0	712	-100%	712

CAPITAL EXPENDITURE : ELECTRICITY SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
CNL - ELECTRIFICATION - NHLALAKAHLE INFORMAL SETTLEMENT	0	21	21	0%	21
CNL - SWAPO ELECTRIFICATION	0	1,085	1,085	0%	1,085
CNL - ELECTRICITY DEMAND SIDE MANAGEMENT	0	504	504	0%	504
CNL - ELECTRIFICATION EINKETHENI	0	4,364	4,215	-3%	4,215
CNL - ELECTRIFICATION PEACE VALLEY	0	1,441	1,441	0%	1,441
COGTA C/O REPLACEMENT OF TRANSFORMER	0	1,276	1,253	-2%	1,253
DBSA - UPGRADE OF TRANSFORMER	10,000	10,000	9,997	0%	9,618
DEVCONT - TRANSFORMERS / MINI SUBS	0	439	413	-6%	413
TREASURY - TRANSFORMER - NHLALAKAHLE INFORMAL SETTLEMENT	0	627	438	-30%	438
CNL - EQUIPMENT PURCHASES	0	586	586	0%	586
CNL - ELECTRIFICATION - NHLALAKAHLE INFORMAL SETTLEMENT		125	125	0%	125
CNL - MOBILE BULK FILERS FOR RECORDS	0	127	127	0%	127
DBSA - SYSTEM REINFORCEMENT	5,000	0	0	0	0

#### COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL: ACHIEVEMENTS

The Msunduzi Electricity electricity losses has slid from the previous year of 11.38% to 13.51%. The plan in place to further reduce the electricity losses were vigorously implemented during the financial year. The Sobantu Project was finished during the year and areas were started. All Municipal flats has been retrofitted with a new Intelligent Metering System that will assist in curbing electricity losses, the Cinderella Park has also been retrofitted with the Intelligent Prepaid Meter and purchase of electricity has increased even in areas where there was none. The increase in electricity losses is still being investigated if its not related to the mistatement of income/meter reading etc.

Msunduzi electricity has connected **75761** Households within the financial year. Most of these connections were from informal areas. These were the areas that were illegally connecting to the infrastructure resulting in loss of life in particular the children who were stepping over live cables laying all over the informal settlements. These connections all went a long way in ensuring that the electricity losses are reduced.

Msunduzi Electricity has continued with the Electricity Revitalisation Plan. The City Grid Project that will ensure that the transmission voltage is increase from 33 000v to 132kV within the Primary Substation within the city. This will increase the transfer capacity of power whilst ensuring that the network is interconnected between the 2 major nodes. The project is anticipated to be completed within the 2015/16 financial year.

The replacement of new Fleet of Circuit Breakers were initiated to equip the primary Substations that were identified as critical in ensuring the reliability of supply. These will be delivered, installed and commissioned during the 2015/16 financial year.

Though the Municipality is still plagued with the challenges faced by all distributors with old Electrical Infrastructure, the work done on maintenance replacement and refurbishments are starting to bear fruits. The number of Major outages has drastically reduced. Though the Municipality has not yet reached the normal levels that would be within the standards but the corner has been turned the level of power interruptions is gradually reducing.

The Municipality has also embarked on a project to automate the meter reading of top 700 customers. This project was initiated and completed in 2014/15. This will remove human error as far as meter reading is concerned. This project is to be progressed to small power users during the 2015/16 financial year.

The Municipality was identified as one of the recipients of R20 000 grant fund for Smart Grid Project. The Municipality have met all the requirements of the first phase of the project and confirmation of funds issued. The Project will be completed during the 2015/16 financial year. This project will assist in automating Maintenance planning and implementation thereof. It will ensure that the Municipality has a well defined Smart Grid Strategy going forward.

The above indicated the great improvement from the previous years. The maintenance plan has been adopted which will show great improvement with regards to network stability and provide high quality of electricity supply to all customers.

## **1.4 ROADS**

### **INTRODUCTION TO ROAD TRANSPORT**

This component of the report falls under the Roads & Transportation (R & T) Sub-unit of Infrastructure Services Business Unit. R & T deals with the following:

- Planning, Development and Maintenance of Municipal roads and stormwater infrastructure;
- Transportation Planning, Traffic Engineering issues, Road Safety and Public Transport issues;
- Planning, Development and Maintenance of Municipal Buildings; and
- Planning, Development and Maintenance of pedestrian and vehicle bridges

### **INTRODUCTION TO ROADS**

The Roads Section continues to address the backlog of gravel roads. An attempt is made every year to upgrade 20 km of gravel roads into "all weather" surfacing in order to render uninterrupted access and safety (i.e. through geometric interventions).

In 2013/2014, the Roads Section commenced with its 5-year road assessment in order to produce a revised Road Asset Management Plan (RAMP) and a Pavement Management System (PMS) to drive the Municipality's Preventative/Proactive Maintenance for the next five years.

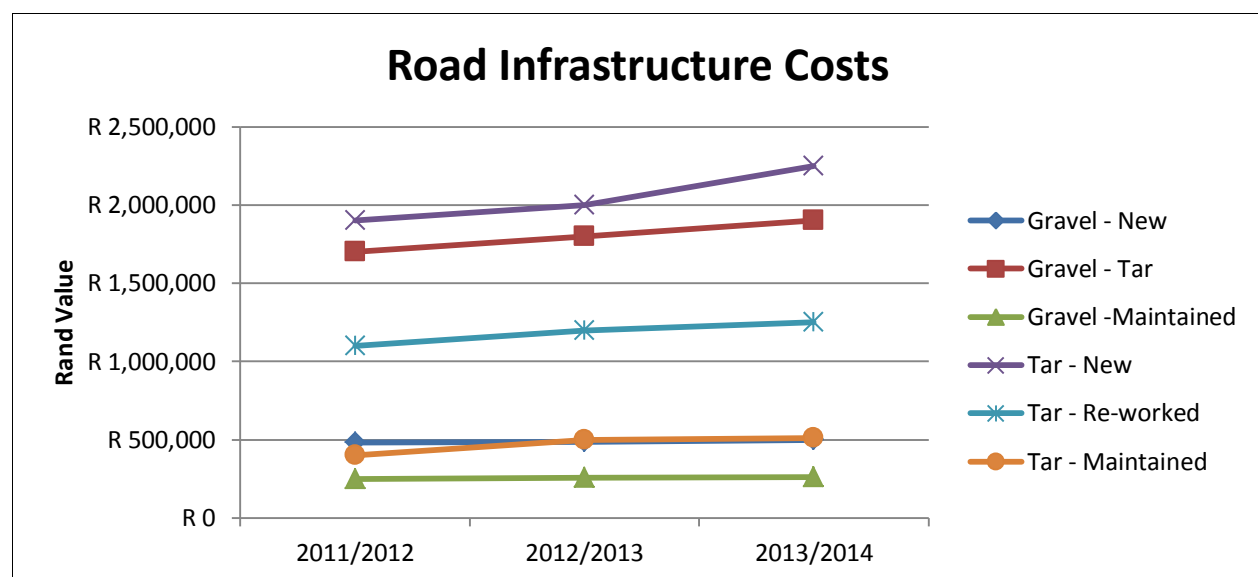
The RAMP is going to inform the Upgrading of Gravel Roads programme, the gravel and backlog will be shown up to Ward level.

Preventative Maintenance Programme commenced in earnest in 2013/14. This programme has not been funded in previous years.

GRAVEL ROAD INFRASTRUCTURE				
	Total gravel Roads	New Gravel Roads constructed	Gravel Roads upgraded to tar	Gravel Roads graded/maintained
2012/2013	890,4	0	29,0	124
2013/2014	865,7	0	24,7	89
2014/2015	850.2	0	15.5	42

TARRED ROAD INFRASTRUCTURE					
	Total Tarred Roads	New Tar Roads	Existing Tar Roads re-tarred	Existing Tar Roads re-sheeted	Tar Roads Maintained
2012/2013	1330,8	29	1,4	0	55
2013/2014	1355,5	24,7	6,12	0	5.6
2014/2015	1840.5	15.5	4.88	0	8

COST OF CONSTRUCTION / MAINTENANCE						
	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Reworked	Maintained
2012/2013	0	66 581 940	10 105 021	23 516 848	6 000 000	968 280
2013/2014	0	91 300 091	21 171 709	-	5 000 000	12 413 217
2014/2015	0	70 773 309	28 033 988	-	7 600 000	18 634 549



ROADS SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Road Designs	Number of completed roads designs	3	1	10	15	5
Elimination of Gravel Roads in townships	Kilometres of Gravel Roads Tarred (Kilometres of gravel roads remaining)	22	24	15	19.1	16
Development of Municipal Roads as required	Kilometers of Roads Developed	0	0	0	0	0
Gravel roads	KMS of maintained gravel roads	120	89	100	42	20
Rehabilitation of Municipal Roads	M <sup>2</sup> of Roads rehabilitation	16 600	36720	38000	30000	30000

EMPLOYEE: ROAD SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	85	262	81	181	69
B1-B4	15	43	13	30	70
C1-CU	7	22	8	14	64
D1 –DU	3	6	5	1	17
E1 – E2	1	1	1	0	
F1 – F2					
<b>Total</b>	<b>111</b>	<b>334</b>	<b>108</b>	<b>226</b>	<b>68</b>

FINANCIAL PERFORMANCE 2014/2015: ROADS SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	-1	-3	-3	0%
Expenditure:					
Employees	21 415	24 749	26 201	23 024	-12.13%
Repairs and Maintenance	31 379	40 319	44 906	44 132	-1.72%
Other	186 933	13 113	83 502	91 143	9.15%
<b>Total Operational Expenditure</b>	239 727	78 181	154 609	158 299	2.39%
<b>Net operational (Service) Expenditure;</b>	239 727	78 180	154 606	158 296	2.39%

CAPITAL EXPENDITURE: ROADS SERVICES					
R'000					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
CNL - COMPUTER LAPTOPS / PRINTER	0	76	76	0%	82
CNL - COMPUTER LAPTOPS / PRINTER	0	76	76	0%	82
CNL - FURNITURE AND FITTINGS	0	64	64	0%	82
CNL - BURGER ST EXTENSION	10,000	1,376	1,376	0%	44,810
MIG - UPGRADE DESIGN OF GRAVEL ROADS - VULINDLELA - D 1128 (Phase 1, 2 and 3)	3,000	3,850	3,786	-2%	29,373
MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS	5,000	3,540	3,540	0%	5,700
MIG - HORSE SHOE ACCESS RD AND PASSAGES IN IMBALI STAGE 1 & 2	1,000	999	999	0%	11,559
MIG - UPGRADING OF GRAVEL RDS - EDN - WARD 12 - MOSCOW AREA RDS	4,500	3,892	3,892	0%	8,892
MIG - UPGRADING OF ROADS IN EDENDALE - KWANYAMAZANE ROADS	2,700	3,187	3,286	3%	44,262
MIG - UPGRADING OF ROADS IN EDENDALE - Route 7B	300	297	297	0%	297
MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16	1,500	1,500	1,499	0%	14,295
MIG - UPGRADING OF ROADS IN EDENDALE - KWANYAMAZANE ROADS	2,700	3,187	3,286	3%	44,262
MIG - UPGRADING OF ROADS IN EDENDALE - Route 7B	300	297	297	0%	297
MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16	1,500	1,500	1,499	0%	14,295
MIG - UPGRADE OF INTERNAL ROADS - HANIVILLE	1,500	2,585	2,585	0%	10,785
MIG - UPGRADE GRAVEL ROADS IN EDENDALE IN ESIGODINI	5,000	6,270	6,270	0%	6270
MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD	9,500	81	81	0%	7,887
MIG - REHABILITATION OF ROADS IN ASHDOWN	2,500	3,200	3,200	0%	16,033
MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design	450	545	500	-8%	10,997
MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - MACHIBISA / DAMBUZA RDS	400	383	383	0%	34,999
CNL - UPGRADING OF ROADS IN ASHBURTON - Design	800	644	644	0%	644
MIG - UPGRADING OF ROADS IN PEACE VALLEY - (Plan & Design in 2014/15) - 10km	250	894	894	0%	20,000
MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13)	1,500	1,500	1,500	0%	82,045
MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - DAMBUZA MAIN ROAD Major SWD Upgrade	300	299	299	0%	5,812

CAPITAL EXPENDITURE: ROADS SERVICES					
R'000					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - GEORGETOWN & SURROUNDING AREA	800	1,400	1,400	0%	15,960
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase2	5,000	7,164	7,164	0%	28,743
MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - CALUZA ROADS	1,500	1,499	1,499	0%	14,250
MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Ward 10 Roads - Stormwater upgrade	1,000	943	943	0%	943
MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds - 5.0km - (Mvubu Rd - 0.3km, Gudlintaba Rd - 0.4km, Gudlintaba 2 Rd - 0.4km, Mpompini Rd - 0.6km, Khoza Rd - 0.8km, Magaba Rd - 0.8km and Hlathini Ext Rd - 2.0km)	800	1,399	1,399	0%	11,400
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS	1,000	1,598	1,598	0%	32,250
MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA	400	398	398	0%	39,901
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS	2,000	2,776	2,776	0%	123,063
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS	350	350	350	0%	350
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 5 ROADS - incl. Henley Dam Area	350	387	387	0%	387
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS	350	637	637	0%	637
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS	350	800	800	0%	800
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS - Masoyi Rd, etc	350	620	620	0%	620
MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS	350	345	345	0%	345
CNL - ROAD REHABILITATION - PMS	12,047	9,454	9,454	0%	9,454
CNL - CONNOR - OTTO'S BLUFF ROADS - LINK	2,000	1,964	1,964	0%	18,414
CNL - LESTER BROWN LINK ROAD	5,000	1,506	1,506	0%	29,129
MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 22 - 8,4km roads - Storm-water drainage provision	300	300	300	0%	17,605
MIG - NEW FOOTPATHS, PASSAGES, KERBING & CHANNELING - SOBANTU	300	206	206	0%	206
CNL - GRIMTHORPE ROAD BRIDGE	0	64	64	0%	25,000



CAPITAL EXPENDITURE: ROADS SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
MIG - UPGRADE OF BRIDGES - Pedestrian Bridge Over River - Smero/Esigodini	300	300	300	0%	3,417
MIG - WOODHOUSE PEDESTRIAN BRIDGE	2,700	317	317	0%	1,151

#### COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The department has continued with its programme of upgrading gravel roads with a vision of reducing the high backlog of gravel roads in the city. 19 km were upgraded in 2014/15 financial year. Funds are slowly being made available by the municipality towards the rehabilitation programme, which makes up the preventative maintenance. In access, 30000m<sup>2</sup> of road surfacing was attended in 2014/15.

### 1.5 TRANSPORTATION PLANNING

#### INTRODUCTION TO TRANSPORTATION PLANNING

Transportation Planning is crucial in planning sustainable developments and ensuring accessibility for all. The Transportation Planning Section is responsible for meeting the directives set out at all spheres of Government. The key principles that we address as a Section are:

- i. Mobility& Land use
- ii. Congestion
- iii. City Efficiency
- iv. Road Safety
- v. Accessibility

#### TRANSPORTATION PLANNING SECTION PERFORMS THE FOLLOWING FUNCTIONS:

- i. Evaluation, assessment, and siting of transport facilities
- ii. Planning, co-ordination, facilitation and provision of efficient and effective transport systems and infrastructure for all private and public transport.
- iii. Planning, co-ordination, facilitation, provision, monitoring and regulation of efficient, effective public transport services and facilities within a balanced market demand and supply framework.

- iv. Provides effective traffic management, control and safety through co-ordinated planning and maintenance programmes.

TRANSPORT SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
To provide safety to road users and community and improve accessibility and also contributing towards economic growth	No. of implemented traffic calming as per plan	60	91	128	128	20
	No. of implemented traffic signals	6	4	4	3	0
	Km of Road Markings	360km	320.6km	360km	391.7km	360km
	No. of road traffic signs replaced	600 signs	652signs	600	352 signs	600
	Number of bus shelters constructed	0	0	40 shelters	40 shelters	35 shelters

EMPLOYEE: TRANSPORT SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	10	20	10	10	50
B1-B4	16	30	16	14	47
C1-CU	7	9	6	3	33
D1 –DU	3	5	2	3	60
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>36</b>	<b>64</b>	<b>34</b>	<b>30</b>	<b>47</b>

FINANCIAL PERFORMANCE 2014/2015: TRANSPORT SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-361	-381	-394	-298	-24.37%
Expenditure:					
Employees	8 062	8 239	9 018	8 665	-3.91%
Repairs and Maintenance	2 071	4 715	4 310	4 134	-4.08%
Other	6 880	1 858	2 163	2 007	-7.21%
<b>Total Operational Expenditure</b>	<b>17 013</b>	<b>14 812</b>	<b>15 491</b>	<b>14 806</b>	<b>-4.42%</b>
<b>Net operational (Service) Expenditure</b>	<b>16 652</b>	<b>14 431</b>	<b>15 097</b>	<b>14 508</b>	<b>-3.90%</b>

CAPITAL EXPENDITURE : TRANSPORTATION SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
CNL - TRAFFIC CALMING MEASURES	1,500	1,500	1,480	-1%	1,500
CNL - CHOTA MOTALA INTERCHANGE	7,121	7,121	7,121	0%	72,789
MIG - BUS STOP SHELTERS	1,000	998	988	-1%	998
CNL - BROOKSIDE TAXI HOLDING AREA	4,500	4,625	4,625	0%	6,700
CNL - NON-MOTORISED TRANSPORT INFRASTRUCTURE	500	372	372	0%	372
CNL - INSTALLATION OF TRAFFIC SIGNALS	1,000	1,250	1,157	-7%	1,250
CNL - PLANT AND EQUIPMENT	0	54	54	0%	54

#### COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

The transportation Section continues to address the backlog of the installation of Traffic Calming measures and Traffic signals in order to improve safety in the municipal road network.

In 2014/15, the Transportation Section installed a total of ninety one (128) Speed humps, two(2) traffic signals, 40 bus shelters and marking of 391.7km of roads & replacement 352 traffic signs at various wards within the municipality.

Transportation Planning could not achieve the installation of 4 traffic signals as the fourth traffic signal is in R103 Road/Pope Ellis Road intersection which falls under the jurisdiction of KZN DOT, then KZN DOT did not approve the installation as it does not meet all the warrants for traffic signals but it was recommended due to high volume of heavy vehicles using the intersection.

Brookside Taxi Holding Area is completed but attenuation ponds and electricity connection need to be attended before it can be utilised, additional budget will be requested for mid-year review.

For Non-Motorised Project, the expenditure that was incurred it is for the NMT designs, the tender preparation and construction will still be budgeted for.

## 1.6 STORM WATER

### INTRODUCTION TO STORM WATER

This component of the report falls under the Roads & Transportation (R & T) Sub-unit of Infrastructure Services Business Unit. R & T deals with the following: The Municipality constructed 3.1km of storm water channel in various roads in the Greater Edendale. This was to prevent or minimise flooding of municipal roads. Other new systems are constructed in association with road network upgrade. However, this service is still under funded in terms of new or upgrade and maintenance of existing system.

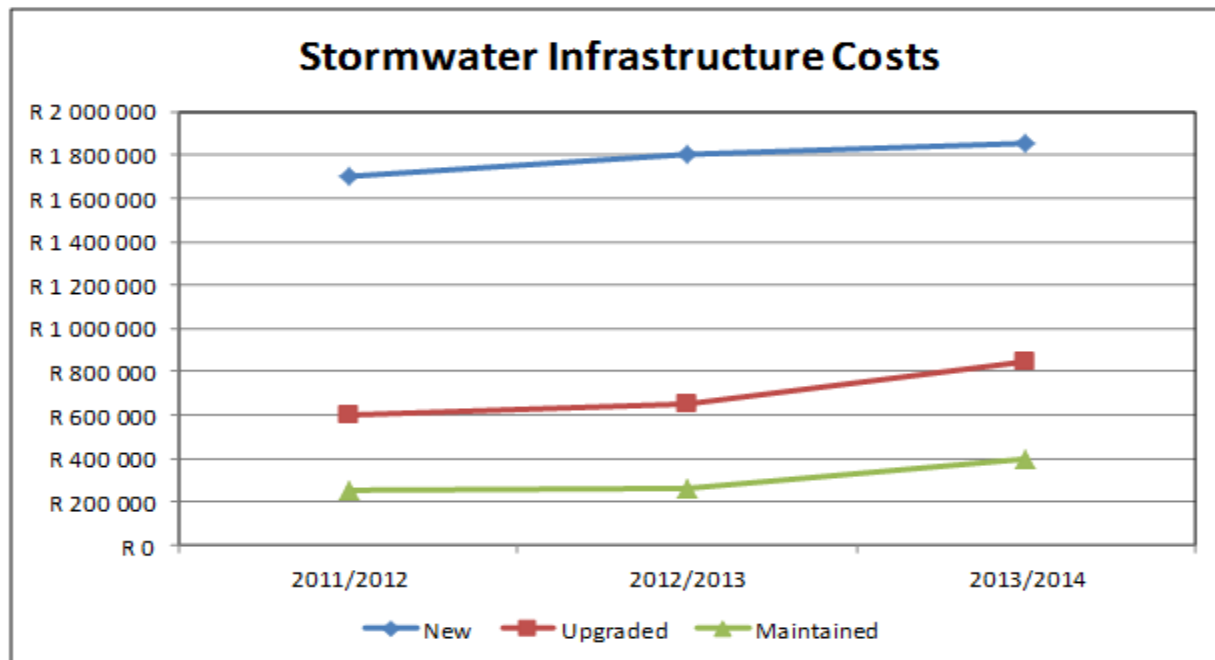
## DRAINAGE STORMWATER

### INTRODUCTION TO STORMWATER DRAINAGE

The Municipality constructed 3.3 km of storm water channel in various roads in the Greater Edendale area and Vulindlela for the 2014/15 financial year. This was to prevent or minimise flooding of municipal roads. Other new systems are constructed in association with road network upgrade. However, this service is still under funded in terms of new or upgrade and maintenance of existing system. Preventative Maintenance programme is still in its infancy stage, however this programme has now been upgraded to ensure that funding is available.

STORMWATER INFRASTRUCTURE Kilometres				
	Total Stormwater measures	New Stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2012/2013	0	0	0	0
2013/2014	0	13.8	0	51
2014/2015	0	3.3	0	65

COST OF CONSTRUCTION / MAINTENANCE R'000			
	Stormwater Measures		
	New	Upgraded	Maintained
2012/2013	6 575	0	272 652
2013/2014	1 37 1089.93	0	354 005
2014/2015	2 31 9000.00	0	4 4538 20



STORMWATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service Indicators		Target	Actual	Target	Actual	Target
Stormwater Upgrades	KM of upgraded stormwater	0	13.8	0	3.3	2

EMPLOYEE: STORMWATER SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	74	386	76	310	80
B1-B4	13	53	12	41	77
C1-CU	5	16	5	11	69
D1 –DU	3	6	4	2	33
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
Total	95	461	97	364	79

FINANCIAL PERFORMANCE 2014/2015: STORMWATER SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	0	0	0	0%
Expenditure:					
Employees	17 047	18 166	19 080	17 629	-7.60%
Repairs and Maintenance	2 205	11 201	2 535	2 535	0%
Other	15 539	2 420	17 149	24 147	40.81%
<b>Total Operational Expenditure</b>	34 791	31 787	38 764	44 311	14.31%
<b>Net operational (Service) Expenditure</b>	34 791	31 787	38 764	44 311	14.31%

CAPITAL EXPENDITURE - STORMWATER SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
MIG - ASHDOWN BANK PROTECTION AGAINST COLLAPSING OF ADJACENT HOUSES - P15	800	204	204	0%	204
CNL - UPGRADE SWD SYSTEM in the Imbali Roads - Lower Sinkwazi Rd flooding, etc	300	299	299	0%	299
CNL - UPGRADE SWD SYSTEM in the CBD Roads - Chapel Street floods, etc	350	349	349	0%	6 730
MIG -UPGRADE SWD IN GREATER EDENDALE - FLOODING HOUSES IN SIYAMU	300	300	300	0%	1,710

## **COMMENTS ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:**

The department has continued with its programme of upgrading storm water drainage. Only 3.3Km of storm water channels were constructed in the 14/15 financial year. Due to financial constraints, the available funding is not enough to deal with storm water issues. 2014/15 seen the design on new storm water drainage and channelling, however this is currently put on hold to deal with Water Usage License processes that have been introduced by the Department of Water and Sanitation.

## **1.7 FLEET MANAGEMENT**

### **INTRODUCTION TO FLEET MANAGEMENT**

Fleet Management is the sub-unit of Infrastructure Business unit and its core function is to purchase manage, maintain and dispose the Council's fleet and heavy plant. Fleet Management is divided into three sub-sections namely: Fleet Administration, Fleet Maintenance and Fleet Control.

### **STRATEGIC OBJECTIVES OF THESE SUB-SECTIONS ARE:**

**Fleet Administration** is responsible for budgeting, request to purchase parts and services, vehicle licencing, service plan, certificate of roadworthiness, job cards, CAMIS (vehicle history information) and auditing of keys and log books.

**Fleet Maintenance** is responsible for preventative maintenance, reaction on breakdowns, diagnose and repair defects.

**Fleet Control** is responsible for Internal and external hiring, contract tenders, purchasing and disposal of vehicles, monitor vehicle tracking system, implementation and compliance of fleet policy and branding of vehicles.

**Fleet Strategy** - In order for Fleet Management to provide optimal support to various business units, the following strategic objectives were implemented.

**Service plan:** Due to inadequate service plan, the vehicles and plant were not serviced properly and that was resulting on high maintenance cost and it was against the general fleet management principle that says in order to optimise and provide high level of vehicle availability, proper preventative maintenance plan must be developed. The service plan was introduced and implemented since 1<sup>st</sup> July 2012. At the beginning of implementation phase, the project was not running well because of non-availability of vehicles and turnaround time for spare parts order numbers. In the financial year 2013/14 the meetings and the awareness sessions of the importance of preventative maintenance were going on with business units and the number of vehicles serviced per month has improved.

**Fitment of vehicle monitoring system:** This was due to abuse of vehicles and the high amount of fuel usage. The implementation phase was at the beginning of 2012/13 financial year which went a bit slowly because of the resistance from staff. It was supposed to be completed by the end of that financial year but due to challenges of breakdowns and accidents it went over two weeks of the new financial year. The fitment is done as the new vehicles are being purchased. The major achievement is the better control and reduction of overtime and detection of vehicle abuse.

**Purchase of new vehicles:** Although the funds were not provided for Fleet management to purchase, few vehicles were purchased for Community Services and Finance Business Unit. That was two mobile libraries, two flat trucks, two grab trucks and four LDVs.

**Fleet policy:** The policy was adopted by the full Council on the 26 September 2012. Implementation started thereof and number of business units were workshopped and the remainder of them were done in 2013/14 financial year. As new staff joining the Municipality the sessions of work shopping and awareness is on-going process. The policy is up for review and that process is in progress.

FLEET MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Vehicle purchasing	246 vehicles to be purchased by 30-06-2015	146 vehicles	146 vehicles	100 vehicles	0 vehicles	37 vehicles purchased by 30-06-2016
Corporate branding of vehicles	146 vehicles to be branded by 30-06-2015	146 vehicles	86 vehicles	100 vehicles	0 vehicles	97 vehicles branded by 30-06-2016
Preventative maintenance	834 vehicles and plant to be serviced by 30-06-2015	724 vehicles and plant to be serviced by 30-06-2015	Vehicles and plant serviced.	864 vehicle and plant serviced by 30-06-2015	736 vehicles and plant were serviced by 30-06-2015	864 vehicles and plant to be serviced by 30-06-2015

EMPLOYEE: FLEET MANAGEMENT					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	27	60	24	36	60
B1-B4	33	112	34	78	70
C1-CU	21	42	18	24	57
D1 –DU	3	4	3	1	25
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>84</b>	<b>218</b>	<b>79</b>	<b>139</b>	<b>64</b>

FINANCIAL PERFORMANCE 2014/2015: FLEET MANAGEMENT					
					R'000
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	0	0	0	
Expenditure:					
Employees	20 862	21 378	23 504	21 635	-7.95%
Repairs and Maintenance	2 705	5 895	4 821	4 484	-6.99%
Other	12 511	1 555	27 075	16 972	-37.31%
<b>Total Operational Expenditure</b>	<b>36 078</b>	<b>28 828</b>	<b>55 400</b>	<b>43 091</b>	<b>-22.22%</b>
<b>Net operational (Service) Expenditure</b>	<b>36 078</b>	<b>28 828</b>	<b>55 400</b>	<b>43 091</b>	<b>-22.22%</b>

CAPITAL EXPENDITURE : FLEET MANAGEMENT					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
CNL - FURNITURE AND FITTINGS	0	13	11	-15%	13
CNL - VEHICLES, PLANT & EQUIPMENT	0	8,289	8,216	-1%	8,286

#### COMMENT ON THE PERFORMANCE OF FLEET MANAGEMENT OVERALL:

The strategic planning for Fleet Management is to replace at least 100 vehicles per annum, but experiencing challenges of capital funds to implement this replacement plan.

## 1.8 WASTE MANAGEMENT – LANDFILL SITE

### INTRODUCTION TO WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE)

The New England Landfill Site is the largest, permitted Site in the KwaZulu-Natal Midlands and is a regional Site serving the disposal needs of not only Msunduzi but local municipalities within the jurisdiction of the District Municipality. The Site receives approximately 500 tons of waste daily which is spread, compacted and covered. Users of the Site are billed for the waste disposed and statistical data is maintained of the waste disposed in categories for the purposes of future planning and other advanced Waste Management initiatives. The Site is managed to strict compliance with relevant environmental legislation and bi-annual monitoring for gas emissions, groundwater and surface water contamination, and leachate emissions is conducted to ensure that the Site does not pose an environmental threat to the environment



WASTE DISPOSAL SERVICES STATISTICS				
DESCRIPTION	2011/2012	2012/2013	2013/2014	2014/2015
	TONS	TONS	TONS	TONS
<b>Waste Disposal per Category</b>				
Builders Rubble	23 997	24 147	33 939	63 777
Bulk Food Waste	518	315	474	417
Garden Refuse	12 342	15 064	20 399	19 839
General Domestic Waste	28 514	28 629	28 281	33 502
Industrial Waste	41 831	34 368	34 404	35 208
Sawdust	73	53	252	148
Cover Material	40 978	37 089	42 630	46 134
Illegal dumping	4 652	8 528	2 646	3 743
<b>TOTAL</b>	<b>152 905</b>	<b>148 193</b>	<b>163 025</b>	<b>202 768</b>

WASTE DISPOSAL SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Future capacity of existing and earmarked (approved use and in councils possession) approved waste disposal sites	Amount of spare capacity available in terms of the number of years of capacity available at the current rate of landfill usage	12	6	12	6	12
Portion of waste recycled	Volume of waste recycled as a % of the total volume of waste disposed of at the landfill	40	20	40	25	40
Proportion of waste disposal sites in compliance with Environmental Conservation Act	% of landfill sites that are being managed in compliance with the Environmental Conservation Act	100	85	100	90	100

EMPLOYEE: LANDFILL SITE - WASTE DISPOSAL SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	14	14	12	2	14
B1-B4	4	11	7	4	36
C1-CU	1	1	1		
D1 –DU	1	1	1		
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>20</b>	<b>27</b>	<b>21</b>	<b>6</b>	<b>22</b>

FINANCIAL PERFORMANCE 2014/2015: LANDFILL SITE - WASTE DISPOSAL SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	0	0	0	
Expenditure:					
Employees	4 262	4 585	4 765	4 625	-2.94%
Repairs and Maintenance	687	1 935	3 003	2 807	-6.53%
Other	3 378	4 053	3 481	14 089	304.74%
<b>Total Operational Expenditure</b>	8 327	10 573	11 249	21 521	91.31%
<b>Net operational (Service) Expenditure</b>	8 327	10 573	11 249	21 521	91.31%

CAPITAL EXPENDITURE : LANDFILL SITE – WASTE DISPOSAL SERVICES					
DETAILS	2014 / 2015				
	ORIGINAL 2014 / 2015 BUDGET	ADJUSTED 2014_2015 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
MIG - LANDFILL UPGRADE	8,163	8,163	8,163	0%	8,163
CNL - COMPUTER	0	11	11	0%	11

#### COMMENT ON WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE) OVERALL

The Site has been extensively upgraded in terms of infrastructure in order to increase the lifespan of the Site. This entailed construction of containment berms, clay-capping of the side slopes, perimeter and access road upgrade, ramp access construction in order to gain entry to the workforce of the Site and upgrade to the leachate management system. The second phase of the installation of heavy-duty palisade fencing was also completed. The Waste Management Division is embarking upon a waste-to-energy program in conjunction with the Department of Economic Development, Tourism and Environmental Affairs which will achieve our target of recycling at least 50% of the waste to Landfill. This project will also provide sustainable jobs for co-operatives that have been established. In conjunction with this project, a waste recycling collection system will be implemented in order to source separate recyclables. A composting facility features as part of the deliverables. We have embarked on the process of establishing a Gas-To-Energy project on Site. The Department of Energy is currently in the process of evaluating proposals submitted by specialist consultants for the generation of gas to energy with the intention of appointing Independent Power Producers. The project will commence on the appointment of the IPP.

## 2. COMPONENT B: ECONOMIC DEVELOPMENT

This component includes: Planning, Local Economic Development, Airport, Building Control & Signage, Market and Housing.

### 2.1 PLANNING

#### INTRODUCTION TO PLANNING AND DEVELOPMENT

The opportunity of town planning is to be able to work hand in hand with the communities in their attempts to achieve service delivery and make their life successful within their environment. Town planning deals with areas that need intervention by making sure that areas change for the betterment of people who are staying within those areas.

The challenge that is facing town planning is an increase of unauthorised land uses as a result of rigid legislation in terms of enforcing unauthorised land uses and a shortage of human capacity to enforce unauthorised land uses.

#### INTRODUCTION TO PLANNING

- (i) A strategy of town planning for 2014/2015 was to be more pro-active in development by working hand-to-hand with developers who wants to invest in the city.
- (ii) A Planning and Development Forum was also formed in house to fast-track applications that have been submitted by means of the Planning and Development Act.
- (iii) The Town Planning Scheme extension over Sobantu and Greater Edendale Areas.
- (iv) During 2014/2015 financial year Town Planning Department will be reviewing the Spatial Development Framework, preparing Local Area Plans for Vulindlela, CBD and SEDIS.

APPLICATIONS FOR LAND USE DEVELOPMENT						
Detail	Formalisation of Townships		Rezoning		Built environment	
	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015
Planning application received	Nil	Nil	22	28	11	17
Determination made in year of receipt	Nil	Nil	18	22	8	12
Determination made in following year	Nil	Nil	0	0	0	0
Applications withdrawn	Nil	Nil	0	0	0	0
Applications outstanding at year end	Nil	Nil	4	8	3	0

PLANNING POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Determine planning applications within a reasonable timescale	Approval or rejection of all built environment applications within 12 weeks	All applications considered within 60 days	100%	All applications considered within 60 days	100%	All applications considered within 60 days
	Reduction in planning decisions overturned	100%	90%	100%	90%	100%

EMPLOYEE: PLANNING SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	-	-	-	-	-
B1-B4	3	3	3	-	-
C1-CU	3	3	3	-	-
D1 –DU	13	13	10	3	38%
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>19</b>	<b>19</b>	<b>16</b>	<b>3</b>	<b>16%</b>

FINANCIAL PERFORMANCE 2014/2015: PLANNING SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-214	-218	-218	-237	8
Expenditure:					
Employees	6,138	6,621	7,934	6,148	-22
Repairs and Maintenance	24	167	7	3	-57
Other	49,112	4,094	2,727	5,165	89
<b>Total Operational Expenditure</b>	55,274	10,882	10,668	11,316	6
<b>Net operational (Service) Expenditure</b>	55,060	10,664	10,450	11,079	6

CAPITAL EXPENDITURE: PLANNING SERVICES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	143	143	129	-9	
CNL-PLOTTER	85	85	85	0	
CNL-CAMERA	5	5	3	-40	
CNL PROJECTOR	5	5	0	-100	
CNL-COMPUTERS	48	48	41	-14	

## COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

With the implementation of the Spatial Planning and Land Use Management Act as from the first of July 2015, there has been a change of deciding on town planning applications as new bodies have to be established to decide on town planning application. The Town Planning Unit has prepared a number of high level documents and these documents are now in the implementation phase.

## 2.2 LOCAL ECONOMIC DEVELOPMENT

### INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

The Local Economic Development is a Sub-Unit of Economic Development Business Unit and has four sections, Business Attraction and Retention, Municipal Enterprises in Airport, Forestry and Market, Property Valuation and Real Estate and Tourism.

The focus of the Unit this year was to review the Municipal Wide Local Economic Development Strategy and align it to the broader Municipal Spatial Development Framework and Integrated Development Plan in order to develop a sustainable City. Coupled with this initiative, was the production of the municipal land and the lease audits that have taken stock of various municipal land parcels and leased properties. This will enhance investment attraction and packaging of properties for disposal and industrial development

ECONOMIC EMPLOYMENT BY SECTOR			
	Jobs		
Sector	2012/2013	2013/2014	2014/15
Agric, forestry and fishing	1,961	2,725	2780
Mining and quarrying	156	215	226
Manufacturing	13,403	14,654	14669
Wholesale and retail trade	10,768	13,399	13520
Finance, property, etc	16,827	16,717	16867
Govt, community and social services	46,407	60,022	60562
Infrastructure services	4,644	3,430	3433
<b>TOTAL:</b>	<b>94,166</b>	<b>111,162</b>	<b>112,057</b>

ECONOMIC ACTIVITY BY SECTOR			
	R'000		
Sector	2012/2013	2013/2014	2014/15
1 Agriculture	1 183 998	1 266 485	1 013 188
2 Mining	83 607	100 067	105 170
3 Manufacturing	2 591 702	2 608 546	2 592 895
4 Electricity	977 150	1 062 851	1 030 965
5 Construction	805 309	806 278	801 440
6 Trade	4 124 141	4 466 117	6 073 919
7 Transport	3 004 902	3 055 025	3 818 781
8 Finance	4 870 798	5 137 738	5 497 380
9 Community services	9 632 230	10 640 961	10 736 730
<b>TOTAL</b>	<b>27 273 838</b>	<b>29 144 067</b>	<b>31 670 497</b>

**COMMENTS ON LOCAL JOB OPPORTUNITIES:**

Two of the three major shopping malls that were under construction last year were opened for trading and when completed will generate a combined 2000 direct employment units, other major development are at various stages of development.

The unit in partnership with the Community Business Unit piloted One Ward One Co-op project for waste and environmental management, a total of 14 co-operatives were established with 70 direct jobs.

The unit staged an investment conference that was held over four days incorporating the SMME and Co-op, and Informal Economy sessions in last two days of the conference. The theme was to create awareness to the local and prospective investors of the readiness of the municipality to do business after administration by showcasing what has been achieved and the future plans.

<b>JOB CREATION THROUGH EPWP* PROJECTS</b>		
<b>Details</b>	<b>EPWP Projects №</b>	<b>Jobs created through EPWP Projects №</b>
2012/2013	109	1000
2013/2014	53	1035
2014/2015	13	1035
Extended Public Works Programme		

<b>LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP</b>						
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>2013/14</b>		<b>2014/2015</b>		<b>2015/2016</b>
<b>Service indicators</b>		<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>
Reduce unemployment	Job Creation	1000 job opportunities created by 31 July 2013	1250 Jobs created	2000 Jobs	2474 jobs created	2000 jobs
Increase Economic Activity	Review of LED strategy	LED Strategy adopted by SMC by June 2014	Strategy Approved by the SMC IN December 2014	Host an investor Conference by June 2015	Invest Conference held in May 2015	Implement conference resolutions
Increase Economic Activity	Business Retention & Expansion programme implementation	N/A	N/A	Development of the incentive policy for the municipality	Draft Incentive policy developed	Incentive Policy adopted
Strengthen LED Capacity	Informal economy database	N/A	N/A	Develop an informal economy strategy	Informal Economy strategy approved by council	N/A

LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/14		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Employment Creation	N/A	Tourism Master Plan Developed and submitted to SMC by the	Tourism Master Plan Developed and submitted	Establishment of a tourism forum	Tourism Forum established	Establishment of an events bureau
Local Economic Development	Job Creation	Market facilities upgraded as per approved plan	75% of Market upgrade completed	Market facilities upgraded as per approved plan	100% Market upgrade	N/A
Local Economic Development	Job Creation	Informal Economy strategy Developed and submitted to SMC by 31 May 2014	Informal Economy Strategy developed and submitted to SMC by 31 May 2014	N/A	N/A	Development of off streets market concept
Local Economic Development	Land Audit	Land Audit completed and submitted to SMC by 3rd March 2014	Land Audit not completed and submitted to SMC by 3rd March 2014	Completed Land and Lease Audits	Land and lease audits completed	Establish Land Release Office
Local Economic Development	General Valuation Roll	General valuation roll GV submitted to SMC by 31 January 2014	GV presented to Municipality on the 21 March 2014	Appointment of the appeals tribunal	Appeals tribunal for the district municipality appointed and appeals heard	Compile supplementary valuation roll

LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/14		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Local Economic Development	Establishment of entities	Establishment of Municipal entities by 30rd June 2014	Business cases had been completed and legislative process have commenced	Re- painting of 637 existing sites for Informal Traders	Existing sites painted	Date when; 1. Board was appointed 2. CEO was appointed 3. when the entity is registered

EMPLOYEE: LOCAL ECONOMIC DEVELOPMENT					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	1	1	1	-	-
B1-B4	2	2	1	1	50%
C1-CU	6	6	4	2	33%
D1 –DU	2	2	1	1	50%
E1 – E2	3	3	2	1	33%
F1 – F2	-	-	-	-	-
Total	14	14	0	5	35%

FINANCIAL PERFORMANCE 2014/2015: LOCAL ECONOMIC DEVELOPMENT SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	-11,917	-14,044	-22,322	59
Expenditure:					
Employees	5,178	4,654	4,654	5,903	27
Repairs and Maintenance	0	0	0	0	0
Other	6,614	16,729	19,824	4,182	8,213
<b>Total Operational Expenditure</b>	12,332	19,911	22,343	9,063	-59
<b>Net operational (Service) Expenditure</b>	12,332	-7,940	-8,299	13,259	60



CAPITAL EXPENDITURE: LOCAL ECONOMIC DEVELOPMENT SERVICES					R'000
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	10,350	26,613	20,202	-24	
NDPG-THWALA RD	10,350	26,600	20,195	-24	
CNL-JIKA JOE ELECTRIFICATION	0	4	4	0	
NDPG-RENOVATION PUBLTY HSE	0	1	1	0	
CNL-TOURISM HUB	0	1	1	0	
CNL-COMPUTERS	0	5	1	-80	

#### COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The key focuses of the unit this year was to review and develop various sector strategies and align these to the broader Municipal Spatial Development Framework and Integrated Development Plan in order develop a sustainable city. Coupled with this initiative was the production of the municipal land audit that has taken stock of various land parcels with appropriate development attributes. This will assist in leveraging investment and channeling resources where they will be best utilized.

## 2.3 AIRPORT

### INTRODUCTION TO AIRPORT SERVICES

An airport master plan was approved by council and this will guide the development of airport precinct and this has allowed the resumption of critical development strategies like the precinct plan, technology Hub and airport extension project

A business case was developed to explore different management models that can enhance the operational efficiency and income of the airport, the study recommended that the airport be run as an entity and the registration process is underway. All relevant registration activities have been done we are still awaiting a response from the unions. The focus of the entity will not only be on the airport boundaries but the entire prescient that has vast hectares of land ideal for industrial development to complement. A precinct plan is being developed

A the funding of the multimillion technology hub at the airport has been approved and a project steering committee has been established to oversee the implementation of the project , the EIA process is underway, The first phase will be the relocation of the water services that traverse the site

AIRPORT SERVICES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/16
Service indicators		Target	Actual	Target	Actual	Target
Airport Development	Develop an Airport Master Plan	Completed airport master plan and submitted to SMC by 31 March 2013	Completed airport master plan and submitted to SMC by 31 March 2013	Review Airport Master Plan	Master Plan to be completed in August 2014	Development of the Airport prescient plan
Airport Development	N/A	N/A	N/A	Establishment of Airport Municipal entity by 30rd June 2014	Business case has been completed and legislative process have commenced	Registration of Airport entity

EMPLOYEE: AIRPORT SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	1	1	1	-	-
B1-B4	-	4	-	4	100%
C1-CU	1	3	1	2	66%
D1 –DU	-	1	-	1	-
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>2</b>	<b>9</b>	<b>2</b>	<b>7</b>	<b>77%</b>

FINANCIAL PERFORMANCE 2014/2015: AIRPORT SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue (excl. tariffs)</b>	-7,390	-5,464	-9,864	-7,625	23
Expenditure:					
Employees	410	284	284	414	46
Repairs and Maintenance	400	726	823	544	-34
Other	14,169	14,919	14,409	17,317	20
<b>Total Operational Expenditure</b>	14,979	15,929	15,516	18,275	18
<b>Net operational (Service) Expenditure</b>	7,589	10,465	5,652	10,650	88

CAPITAL EXPENDITURE: AIRPORT SERVICES					R'000
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	900	900	606	-32	
CNL-RUNWAY & TAXI LIGHTS	210	210	184	-12	
CNL-BUILDINGS	100	100	0	-100	
CNL-CCTV CAMERAS	400	400	321	-20	
CNL-SECURITY ALARM	70	70	0	-100	
CNL-PERIMETER FENCING	120	120	101	-15	

#### COMMENT ON THE PERFORMANCE OF AIRPORT SERVICES OVERALL:

The office space at the market has been fully let and the issues raised by ACSA are currently being attended to and are budgeted for in the 15/16 financial year. The approval of the airport master will unlock the development potential of the airport and its precinct.

## 2.4 BUILDING CONTROL & SIGNAGE

### INTRODUCTION TO BUILDING CONTROL & SIGNAGE

The Building Control and Signage Section controls building construction and outdoor advertising signage in the city. This is done through compliance with the National Building Regulations and Building Standards Act, 1977, the SANS 10400, and the Msunduzi Municipality Advertising Signs Bylaws. This section has seen several changes over the year:

1. On the Building Control side the staff complement was reduced during the year due to resignation of one of the Building Inspectors, and the passing away of the Law Enforcement Officer. These posts have not yet been filled. During the year a vacant Senior Building Inspector post was advertised but not yet filled.
2. During the year the Plan Approval Systems have been further improved:
  - Plan Approval Management software has been operating well and reducing approval times.
  - The Plan Approval Committee has continued to ensure delays are minimised and to address the risk of possible fraud and corruption in the plan approval process.
  - The scanning and digitising of all Building Plan files and documents, and the creation of a legitimate Archival System has continued, and is to be completed during next financial year
3. On the Outdoor Advertising side there has been limited success – there have been no internal appointments made to the posts of Signage Officer or Signs Inspectors, however three inspectors seconded by Tutucomms (the appointed company to manage outdoor advertising signage in the city) have provided some support.
4. Other initiatives which have contributed to the control of signage and promise substantial revenue for the City are:
  - The renewal contract for illuminated street-name pole advertising (Ad-Lites) was concluded, realising a substantial once-off payment to the Municipality covering a three year term.

- The renewal of Billboard contracts for all Billboards in the City is in the process of being finalised.
- The appointment of Co-operatives to address illegal advertising and clean up the City has been a challenge and is being reviewed.

BUILDING CONTROL & SIGNAGE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
100% compliance with legal requirements for approval of building plans by implementation of new plan approval and archival system	Installation of new digital Plan Approval System	Implementation of new Plan Approval System by 31 Dec 2013	System installed on 23 December 2013.	N/A	N/A	To enhance system capabilities for better service.
100% compliance with legal requirements for approval of building plans by implementation of new plan approval and archival system	Establish Archival System for all Building Plans	Scanning of plans and documents 60% completed by 30 June 2014.	53 855 Building Plan files (1 086 835 Documents) scanned (71%)	Finalize scanning of documents (+- 45,000 files)	Only 37,752 files scanned. New Service Provider recruited.	Scanning of remaining +/- 27,000 files.
Enforcement of Building Works in the City	Building Contravention Inspections conducted of Illegal Building Works	N/A	N/A	Total of 500 building inspections conducted of illegal building works	Total of 540 building inspections conducted of illegal building works	Total of 540 building inspections conducted of illegal building works

BUILDING CONTROL INFORMATION -REPORT TO STATISTICS SOUTH AFRICA - NO OF UNITS																
APPROVED BUILDING PLAN INFORMATION FOR THE MSUNDUZI MUNICIPALITY FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015																
NO.	1			3			2	4			5			6		
MONTH	Residential Dwelling Houses Passed			Other Residential- Flats, Hotels, Etc			RDP Passed	Non Residential- Private Sector			Non Residential- Public Sector			Alteration & Additions- All Buildings		
	No.	Area	Cost	No.	Area	Cost	RDP Passed	No.	Area	Cost	No.	Area	Cost	No.	Area	Cost
JULY	21	4190	R 33 735 070,00	0	0	R 0,00	2	5	16615	R 140 017 045,00	0	0	R 0,00	62	7672	R 41 376 277,00
AUGUST	10	2406	R 13 841 495,00	40	4047	R 20 235 500,00	0	0	0	R 0,00	0	0	R 0,00	30	4498	R 21 525 926,00
SEPTEMBER	9	1598	R 9 440 165,00	30	3956	R 25 714 455,00	0	1	512	R 5 124 600,00	0	0	R 0,00	30	2675	R 14 791 715,00
OCTOBER	13	3006	R 17 736 000,00	0	0	R 0,00		0	0	R 0,00	0	0	R 0,00	24	1941	R 10 155 909,00
NOVEMBER	9	1819	R 8 157 965,00	0	0	R 0,00	0	0	0	R 0,00	0	0	R 0,00	39	2929	R 10 683 805,00
DECEMBER	7	1590	R 7 496 910,00	12	1670	R 6 838 560,00	0	1	2424	R 12 122 050,00	0	0	R 0,00	41	10620	R 39 363 769,00
JANUARY	11	2018	R 8 957 145,00	15	1306	R 5 878 845,00	0	1	312	R 1 248 000,00	0	0	R 0,00	31	3521	R 15 282 500,00
FEBRUARY	13	3325	R 15 138 700,00	0	0	R 0,00	0	1	684	R 3 420 700,00	0	0	R 0,00	61	3785	R 15 247 772,00
MARCH	14	4013	R 20 519 225,00	0	0	R 0,00	0	0	0	R 0,00	0	0	R 0,00	42	14430	R 57 624 675,00
APRIL	9	1684	R 8 353 545,00	18	2139	R 9 627 300,00	0	1	13112	R 220 000 000,00	0	0	R 0,00	37	7722	R 26 411 842,00
MAY	22	3484	R 18 142 595,00	12	1863	R 10 000 000,00	0	0	0	R 0,00	0	0	R 0,00	48	6993	R 28 440 145,00
JUNE	21	3594	R 18 387 845,00	15	1209	R 5 440 500,00	0	0	0	R 0,00	0	0	R 0,00	58	6801	R 23 993 732,00
TOTAL	159	32727	R 179 906 660,00	142	16190	R 83 735 160,00	2	10	33659	R 381 932 395,00	0	0	R 0,00	503	73587	R 304 898 067,00

EMPLOYEE: BUILDING CONTROL & SIGNAGE					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	-	-	-	-	-
B1-B4	6	8	8	-	-
C1-CU	8	10	6	4	40%
D1 –DU	2	5	3	2	40%
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>16</b>	<b>21</b>	<b>17</b>	<b>6</b>	<b>28%</b>

FINANCIAL PERFORMANCE 2014/2015: BUILDING CONTROL & SIGNAGE					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-2,384	-2,375	-2,375	-2,775	17
Expenditure:					
Employees	7,820	7,102	7,533	10,179	35
Repairs and Maintenance	0	155	55	54	-2
Other	3,433	2,412	2,454	3,305	34
<b>Total Operational Expenditure</b>	<b>11,253</b>	<b>9,669</b>	<b>10,042</b>	<b>13,538</b>	<b>25</b>
<b>Net operational (Service) Expenditure</b>	<b>8,869</b>	<b>7,294</b>	<b>7,667</b>	<b>10,763</b>	<b>40</b>

CAPITAL EXPENDITURE: BUILDING CONTROL & SIGNAGE					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	0	1.56	1.25	.19	
CNL-COMPUTERS	0	.98	.89	.9	
CNL-DUAL SCREEN COMPUTER	0	.44	.22	.50	
CNL-FURNITURE	0	.14	.14	0	

#### COMMENT ON THE PERFORMANCE OF BUILDING CONTROL & SIGNAGE OVERALL:

The Building Control and Signage section started off well during the first half of the 2014/15 financial year due to the additional staff members recruited during 2013/14. However production started lagging during the second half due to the resignation, death and non-filling of vacant posts. This situation is due to be improved when the newly approved organisational structure is implemented, especially with appointment of an additional Plan Examiner or two. These posts are critical to improving the service of approval of building plans. The new Plan Approval System requires some enhancements to improve the quality and quantity of Building Plans approved and the service delivered. The Archival System is slightly behind target but will improve due to the imminent appointment of the new service provider. The quality of scanned documents continues to exceed initial expectations. The Outdoor Advertising function is still experiencing challenges due to shortage of experienced management and operational staff, but strategies for better control of legal advertising and eradication of illegal advertising are being developed and promise to deliver more control, a cleaner city, and increased revenue to the council during the 2015/16 financial year.

## 2.5 MARKET

### INTRODUCTION TO MARKET SERVICES

The Pietermaritzburg Fresh Produce Market operates through a system of market agencies, market agents acting as the link between sellers and buyers. The main products traded are potatoes, onions, tomatoes, vegetables, bananas and fruit. The crucial variable determining the economic viability of the market is the volume of business, or the tonnage throughput. The market has made a remarkable performance, the turnover increased by 9% in the financial year 2014/15 and we have move from position 8 to 4 out of 18 national markets listing. This can be attributed to the tight financial control system and the market upgrade

The main project at the market for the years 2014 to 2015 has been the implementation of an infrastructure upgrade funded by the Provincial Department of Cooperative Governance and Traditional Affairs (COGTA). This two year project was allocated R15m overall R7.5m for 2012/13 and R7.5m for 2013/14 respectively. New cold rooms were installed, the internal and parameter fencing erected, new waste recycling centre built and new entrance structure.

The market has embarked on the programme to explore the use of renewable energy by converting vegetable waste to energy and organic fertilisers, solar power and water harvesting to mitigate against the rising costs of conventional methods and enhance the market sustainability.

MARKET SERVICES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Market Upgrade	Market Facilities upgrade as per approved plan by the 31 <sup>st</sup> of April 2014	Market Facilities upgraded as per approved plan by the 31 <sup>st</sup> of April 2014	80% Upgraded Market	Market Facilities 100% Upgraded By 31 <sup>st</sup> December 2014	The market was 100% percent upgraded in 2014/15 financial year	Develop a new pallet park
Registration of the Market Entity	Registration of the Entity by 31 December 2014	Business Case Developed	Consultation Process	Registration of the market entity	Business case completed projected cash flows, draft letters to treasuries and CoGTA. presentation unions	Fully functional Market Entity with Board of Directors and CEO.

EMPLOYEE: MARKET SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	12	19	11	8	42%
B1-B4	16	28	18	10	35%
C1-CU	4	8	4	4	50%
D1 –DU	0	1	-	1	100%
E1 – E2	1	1	1	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>33</b>	<b>57</b>	<b>34</b>	<b>23</b>	<b>40%</b>

FINANCIAL PERFORMANCE 2014/2015: MARKET SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-21,517	-19,741	-25,934	-26,673	3
Expenditure:					
Employees	7,301	8,805	8,805	8,104	-8
Repairs and Maintenance	839	1,214	1,068	969	-9
Other	26,139	2,418	9,445	27,005	186
<b>Total Operational Expenditure</b>	34,279	12,437	19,318	36,078	87
<b>Net operational (Service) Expenditure</b>	12,762	7,304	9,405	9,405	42

CAPITAL EXPENDITURE: MARKET SERVICES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	5,545	5,971	5,704	-4	
COGTA-MARKET UPGRADE	5,545	5,545	5,278	-5	
COGTA-MARKET BUILDING	0	426	426	0	

#### COMMENT ON THE PERFORMANCE OF MARKET SERVICES OVERALL:

The budget that was allocated for the market upgrade has been fully expended and all major capital project the cold rooms, the waste recycling centre, the parameter and internal fencing and the entrance structure.

## 2.6 HOUSING

### INTRODUCTION TO HOUSING

The Housing Sector Plan sets out housing delivery goals and targets for the municipality and provides an approach to housing delivery and spatial transformation. The Housing Sector Plan is reviewed annually together with the Integrated Development Plan of the Municipality. Msunduzi Municipality developed its first Housing



Sector Plan in 2011. The Human Settlements Sub-Unit reviewed its 2011 Housing Sector Plan during the 2014/15 financial year.

Like other secondary cities in South Africa, the Municipal spatial character depicts the legacy of apartheid planning and high levels of urbanisation. There are currently seventy identified informal settlements located in different parts of the city with limited basic services.

***SOME FOR THE KEY OBJECTIVES OF THE HOUSING SECTOR PLAN IS TO:***

- Upgrade the existing well located informal settlements to improve land tenure and access to basic services
- Accelerate development and consolidate human settlements development in line with the National Policy directives and the IDP of the Municipality
- Contribute towards spatial transformation and creation of an efficient settlements and spatial pattern.

The Municipality is currently acting as a developer and has delivered several housing projects through funding from the Department of Human Settlements. Since 2004, the Municipality has delivered approximately 11000 housing units with access to basic services (water, electricity, roads, storm water, etc.).

During the year 2014/2015 the Municipality managed to acquire large tracts of vacant and informally settled land for future housing and upgrading of existing informal settlement.

The Human Settlements Sub Unit is made up of four (4) Sections with each focusing on key programmes of human settlements:

***-INFORMAL SETTLEMENT***

This section facilitates the National Upgrading Support Programme which seeks to identify and incrementally upgrade informal settlements. The programme involves the identification, categorisation and prioritisation of informal settlements for upgrading initiatives. With the assistance of the National Department of Human Settlements, the service provider was appointed to produce informal settlement upgrading strategy as a first phase of the programme. Through this project, a total of seventy informal settlements were identified, categorised and prioritised. A service provider has already been appointed for the second phase which involves detailed investigations.

One of the main challenges the Section is facing in dealing with Informal Settlement is massive land invasions and mushrooming of more informal settlements. The Municipality is having a challenge in fighting this phenomenon. What is even more challenging about land invasions is that they are targeting land that has already been identified for human settlements.

***-PROJECT PLANNING***

This Section identifies and facilitates the acquisition of well-located land to implement the relevant national housing subsidy programmes. Ensure the alignment between the Human Settlements Sector Plan, Spatial

Development Framework Plan and Infrastructure Development Sector Plan. Prepare and package human settlements projects business plans to secure funding from relevant sources. Develop strategic policies to enhance the development of integrated human settlement within the Municipal area.

There are currently twelve housing projects that are in various phases of the planning stage. These projects are expected to deliver a combined yield of 13 500 units in different financial years.

During the 2014/2015 financial year, the Municipality acquired several large parcels of private land for human settlements development. The land acquisition programme has resulted in eight new housing projects. The projects in the planning stage include informal settlement upgrading (project-linked subsidy), social/rental housing and gap market.

### ***-PROJECT IMPLEMENTATION***

This Section is responsible for the provision of infrastructural services that are in-line with the municipal acceptable standards and top structures that comply with the National Housing Code, National Building Regulations, the NHBRC standards as well as Municipal requirements. Facilitate the process of acquiring MIG funding to ensure that services delivered are in-line with the municipal acceptable standards. Ensure that quality control is maintained during the construction of both infrastructure services and top structures.

There are currently nine housing projects that are in various phases of the implementation stage. These projects are expected to deliver a combined yield of 27 457 units in different financial years which is inclusive of Operation Sukuma Sakhe (OSS) intervention. During the 2014/15 financial year the municipality was able to deliver 3 206 units to low income qualifying beneficiaries of the Msunduzi Municipality.

One of the challenges the municipality has experienced over the years is the poor workmanship on houses that were delivered from 1994 – 2002. The Municipality is currently undertaking rectification programmes which include the rectification of 2086 Wire-walled houses and other 585 units. The Municipality has also experienced a challenge whereby most of projects that were undertaken post 1994 were never completed and closed out, about 11 000 units have never been transferred to the beneficiaries. In rectifying this situation the Municipality is in a process of appointing a Service Provider who will deal with the beneficiary verification, issuing of title deeds and closeout of these projects.

### ***-HOUSING ADMINISTRATION***

The Section administers all property management activities for Council's Housing Rental Stock, Odd and freestanding properties. The Municipality currently owns 248 rental flats and 40 state funded properties and 58 odd / freestanding properties (houses) that are being leased out to tenants. The unit is also in the process of disposing of the approximately +- 800 ex-state owned pre-1994 properties within the Edendale area by application of the Extended Enhanced Discount Benefit Scheme (EEDBS). The section furthermore supports the National mandate of capturing the need for housing on the National Housing Needs Register (NHNR), a web based program housed at a National level.

Some of the major challenges that the section currently faces under the administration of the Housing Rental stock, has been a long history of poor payment of rentals and services, the lack of information on the status of the

current tenants occupying the units as there has been many cases of sub-letting by previous tenants, deceased tenants (lease holder) which have passed away, leaving family members who can't afford the rentals etc but are still on the billing system. The other challenges is lack of qualified data that both Housing Administration and Finance work from in terms of rental collection and also the systems being used by the sections to perform property management activities. There has also been minimal maintenance of the rental stock due to lack of funding resulting from non-payment of rentals.

One of the successes has been the completion of tenant audit and verification for all Council Housing rental stock and Odd / freestanding properties. This process has assisted in addressing the current challenges within all the tenancy discrepancies. The other achievement has been the formulating and approving of a turnaround strategy and action plans to arrest the escalating arrears within all rental housing stock. The debt has been further categorised into status of tenancies and e.g. Deceased tenants, unemployed tenants, etc. Reports have been submitted to Council recommending the various action plans which included debt write-off and those tenancies that could face eviction. The other achievement has been a committee that has been formed between Housing Administration and Finance to deal with all the issues that are cross-cutting. A new system (software) for the waiting list of potential tenants was also put in place with necessary security features to safeguard against corruption. The matter of maintenance although plagued by challenges, progress has been noted by formulating and approving a turnaround strategy, to achieve a 7 day turnaround time to addressing all maintenance queries. The Section is also in the process of appointing a Service provider who will assess the condition of all the rental stock and compile a 1 year and 5 year maintenance plan. The section is also in the process of appointing a service provider to conduct a valuation of all rental stock to determine market related values. This will help in assessing of whether the rental stock is financially viable for Council.

In regards to the application of the EEDBS, the section is currently appointing a conveyance attorney to handle all the transfers. A report has also been submitted to Council to address all blockages and so that approval can be granted for a smoother application of the EEDBS. The National Housing Needs Register (NHNR) has now been fast tracked by PDoHS by the appointment of service providers to conduct the survey and the section in supporting the process by providing the necessary staff to be trained on the application and capturing on the NHNR.

PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING			
Year End	Total Households (incl. formal and informal Settlements)	Houses in formal settlements	Percentage of HHs in formal settlements
2011/2012	137963	107013	77.5%
2012/2013	*163993	120862	73,7%
2013/2014	*163993	120862	73,7%
2014/2015	*163993	120862	73,7%
* Census 2011 data			

HOUSING SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
NUSP	Informal Settlements assessed and strategic plans produced (NUSP) by March 2014	Informal Settlements assessed and strategic plans produced (NUSP) by March 2014	Assessment completed and reported to Council in May 2014.	Appointment of a Service Provider for Phase 2 of NUSP through the National Department of Human Settlements	Service Provider appointed through National Department of Human Settlements	Complete Settlement Upgrading Plans for 24 Priority settlements
Jika Joe Emergency Housing	Complete 350 temporary housing units	Complete 350 temporary housing units	0 units built. Slabs and services completed.	Complete 350 temporary housing units	271 temporary housing units completed	Complete 79 temporary housing Units
Development of the Informal Settlements Management & Control Plan/ Strategy	This is a strategy to assist with the Management and control of informal settlements with in the Municipality	N/A	N/A	Development & Submission of the Informal Settlements Management & Control Plan/ Strategy to the Strategic Management Committee by the 31st of March 2015	The Informal Settlement Management and Control Strategy was completed and submitted to SMC for the last sitting of the month of January	N/A
Review of the Housing Sector Plan	The housing Sector plan is a strategic document that outlines the targets and achievements and strategies for service delivery.	N/A	N/A	Review of the Housing Sector Plan developed and submitted to the SMC by the 31st of January 2015	Housing Sector Plan developed and submitted to SMC in February 2015	N/A

HOUSING SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Day to day Maintenance queries	Day to day Maintenance queries for rental stock	N/A	N/A	7 day turnaround time taken to resolve all maintenance queries of up to date tenants by the 30th of June 2015	A Council resolution was approved on the 16 February 2015 to help achieve a 7 day turnaround maintenance program	Appointment of an Annual Contractor to conduct all General Building Maintenance.
Tenant Audit and Debt Recovery	Tenant Audit and debt recovery plan for Council Rental Stock	N/A	N/A	Comprehensive tenant audit inclusive of debt recovery plan completed and submitted to SMC by the 30th of June 2015	Tenant Audit and verification 99% completed. Finance to conclude the trans Union Check of all tenants. Turnaround strategy & Debt recovery Plan has been approved by Council- Report date 23 February 2015	Implementation of the Action Plans addressing escalating arrears.
Municipal Housing Rental Stock : Maintenance	Develop a 1 and 5 year Maintenance Plan	N/A	N/A	N/A	N/A	A 1 & 5 year Maintenance Plan with costing developed and submitted to SMC by 31 December 2015.

HOUSING SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Municipal Housing Rental Stock valuations	Valuation of all the Housing Rental stock to determine Market related Rental	N/A	N/A	N/A	N/A	Develop and submit a report on the valuation of all Housing Rental Stock to determine Market related Values by 31 December 2015

EMPLOYEE: HOUSING SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	4	14	4	10	71%
B1-B4	13	23	8	15	65%
C1-CU	11	19	9	10	52%
D1 –DU	5	8	5	3	37%
E1 – E2		1	1	1	0%
F1 – F2		0	-	-	-
<b>Total</b>	<b>33</b>	<b>64</b>	<b>26</b>	<b>38</b>	<b>59%</b>

FINANCIAL PERFORMANCE 2014/2015: HOUSING SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-5,711	-6,055	-12,111	14,077	16
Expenditure:					
Employees	8,891	10,116	10,116	10,406	3
Repairs and Maintenance	135	530	8,708	4,522	-48
Other	23,051	4,458	16,578	33,836	104
<b>Total Operational Expenditure</b>	32,167	15,104	35,402	48,764	37
<b>Net operational (Service) Expenditure</b>	26,456	9,049	23,291	34,687	48

CAPITAL EXPENDITURE: HOUSING SERVICES					R'000
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	0	2,199	2,189	-.45	
CNL-GALLWEY HSE RENOVATIONS	0	2,198	2,188	.45	
DOHS-JIKA JOE WENDY HOUSE	0	.7	.7	0	
DOHS-JIKA JOE SANITATION	0	.3	.3	0	

#### COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The overall housing service for the Municipality has been faced with challenges, three of the six projects that are at the construction stage had problems with two having problems ranging from social challenges and financial challenges. For one of the projects the Implementing Agent pulled out of the project and instituted legal actions against the Municipality. The fifth project was delayed due to lack of funding from Council to top-up in order to comply with the Municipality's service level standards. In the 2014/15 financial year Jika Joe Temporary housing Project was the only project that had an infrastructure component to it. The project had a budget of R10 366 852.96 and approximately 90% of the budget was spent. The project also had challenges that lead the Implementing Agent abandoning site.

A high Level meeting termed Operation Gijima has been established headed by the HOD for KZN Human Settlements Department and the Municipal Manager of Msunduzi Municipality to unlock bottlenecks. This has yielded to an approval for the expenditure of grants within the Municipality which will assist in the improvement of service delivery.

### 3. COMPONENT C: COMMUNITY SERVICES

This component includes: Waste Management, Art Gallery, Theatres & Halls, Cemeteries & Crematoria, Environmental Health, Bio-Diversity & Landscape, Traffic & Public Safety, Fire, Disaster Management, Sport & Recreation and Library.

#### 3.1 WASTE MANAGEMENT

##### INTRODUCTION TO WASTE MANAGEMENT

The refuse collection services were extended by another 35000 householders to now total approximately 120000. This is done via 15 contracted ward based co-operatives in 14 wards. This has boosted service delivery and created jobs for people in the wards. The area to next receive attention in 2015/16 will be Vulindlela where a study will indicate which is the best service delivery method. Four new compactors arrived very late in the year, and will make a difference but the current availability of compactors was again around 50%. The business unit is on a recycling drive to increase and improve recycling in the municipality. The main partner is Wildlands Conservation Trust (WCT) which does kerbside recycling in 5 wards of about 8000 houses at about 5% recycling rate. The programme was not expanded in this current year but will be in the future.

The business unit is short staffed and cannot follow its mandate fully and is currently relying on contract and EPWP staff. Also there are not enough suitably qualified and trained staff to meet the requirements of the MFMA, THE NEMWA and other important legislation. It is envisaged that these shortcomings will be dealt with in the upcoming staff restructuring. Street sweeping is being conducted but in ever decreasing areas. To overcome the deficiency the business unit is using WPWP staff. The garden sites have shown improvements although much needs to be done to improve infrastructure, reliable transport for containers and more bins. It is envisaged that there will be partnerships developed in order to recycle refuse and to pre-treat green waste for composting, thereby removing it from the landfill site.

SOLID WASTE SERVICE DELIVERY LEVELS				
Description	2011/2012	2012/2013	2013/2014	Households 2014/2015
	Actual Number	Actual Number	Actual Number	Actual Number
<b>Solid Waste Removal (above min level)</b>				
Removed at least once a week	89910	89910	84600	120000
<i>Minimum Service Level and Above sub-total</i>	89910	89910	84600	120000
<i>Minimum Service Level and Above Percentage</i>	55.1%	55.1%	51.9%	73.6%
<b>Solid Waste Removal (below min level)</b>				
Removed less frequently than once a week	19000	19000	18400 (600 ex Jika Joe)	43000 Vulindlela
Using communal refuse dump	0	0	0	0
Using own refuse dump	0	0	0	0
Own Rubbish Disposal	0	0	0	0
<i>No Rubbish Disposal</i>	35090	35090	60000	43000
<i>Below Minimum Service Level sub-total</i>	54090	52080	60000	43000
<i>Below Minimum Service Level Percentage</i>	37.57%	37.57%	48.1%	26.38%
<b>Total number of households</b>	163000	163000	163000	163000



HOUSEHOLDS – SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM						
Households						
Description	2011/2012	2012/2013	2013/2014	2014/2015		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
<b>Formal Settlements</b>	43930	52850	109440	120000	120000	120000
Total Households				119600-10160 (informal part of co-ops) 84600+35000 co-ops -10160  084600		
Households below minimum service level	43930	42080	24480	43000	43000	43000
			109440-84600	Vulindlela		
Proportion of households below minimum service level	26.4%	25.81%	15.01%	26.4%	26.4%	26.4%
<b>Informal Settlements</b>						
Total Households	10160	10160	53560	53560	53560	53560
			163000-109440			
Households below minimum service level	10160	10160	53560	43000	43000	43000
Proportion of households below minimum service level	6%	6%	32.8%	26.4%	26.4%	26.4%

WASTE MANAGEMENT SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Provision of weekly collection service per household	Proportional reduction in weekly collection failures year on year (average number of collection failures per week)	120000	84600	120000	120000	120000
Future capacity of existing and earmarked (approved use and in councils possession) approved waste disposal sites	Amount of spare capacity available in terms of the number of years of capacity available at the current rate of landfill usage	12	6	12	6	6
Portion of waste recycled	Volume of waste recycled as a % of the total volume of waste disposed of at the landfill	No target	Not quantified	No target	15%	25%

EMPLOYEE: SOLID WASTE MANAGEMENT SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	323	397	302	95	24
B1-B4	37	56	34	22	39
C1-CU	5	6	4	2	33
D1 –DU	2	3	2	1	33
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>367</b>	<b>462</b>	<b>342</b>	<b>120</b>	<b>26%</b>

FINANCIAL PERFORMANCE 2014/2015: SOLID WASTE MANAGEMENT SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-88,408	-88,904	-93,966	-99,124	5
Expenditure:					
Employees	54,969	66,227	66,227	60,623	-8
Repairs and Maintenance	3,887	6,663	5,733	5,520	-4
Other	7,085	18,902	25,680	56,668	121
<b>Total Operational Expenditure</b>	65,941	91,792	97,640	122,811	26
<b>Net operational (Service) Expenditure</b>	-22,467	2,888	3,674	23,687	545

CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	4,700	4,609	4,577	-7	
CNL - SUPPLY OF 15M3 REFUSE CONTAINERS	200	500	499	0	-
CNL - DEVELOP NEW EDN GARDEN	500	336	336	0	-
CNL - REVAMPING OF RITCHIE, LINK &	1,000	655	623	-5	-
CNL - PURCHASE OF 2 X CLAM GRAB TRUCKS	1,000	1,584	1,583	0	-
CNL - PURCHASE OF 4 X FLAT BED VEHICLES	2,000	1,533	1,533	0	-

#### COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

The main priorities were the purchase of 240 litre bins, and 1.75m<sup>3</sup> steel industrial bins. Work was initiated on the proposed Kwa Pata garden refuse/recycling site and the business unit has taken steps to integrate waste management with recycling, pre-treatment of green refuse, conversion of waste to energy. The Integrated Waste Management Plan was developed internally and approved by council. Waste Management is an integral part of the IDP. Recycling between the three major players and the municipality has resulted in roughly 15%. It is planned that there will be an improvement to 25% by June 2016. The lessons learnt will provide direction for the business unit in the future especially with regards to waste minimization, improving effectiveness and greater integration and participation by all stakeholders.

### 3.2 ART GALLERY

#### INTRODUCTION TO ART GALLERY

The core functions of the Gallery are additions to the permanent collection, preserving (conservation), documenting and displaying of artworks, and also generic education and outreach programmes.

The Gallery hosts a range of Art Exhibitions. These include travelling and researched exhibitions as well as exhibitions initiated by the gallery based on works in the permanent collection.

The display of art works is accomplished through the organising and hosting of temporary exhibitions and on-going changes in the permanent display areas.

#### SERVICE STATISTICS FOR ART GALLERY

**Acquisitions of artworks to permanent collection:** 6 items accessioned into permanent collection.

**Exhibitions:** 12 exhibitions displayed against a target of 12.

**Education and Outreach:** On-going programme of school visits, walkabouts and lectures, art classes for youth, artists-in-residence, artists' forums, concerts, FOTAG functions and fundraising initiatives.

**Visitors to Gallery 1 July 2014 – 30 June 2015:** 20122

ART GALLERY POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Art Exhibitions	24 PER ANNUM	24	24	24	24	24

EMPLOYEE: ART GALLERY					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	2	3	2	1	33%
B1-B4	0	0	-	-	-
C1-CU	4	4	3	1	25%
D1-DU	2	2	2	-	-
E1-E2	0	0	-	-	-
F1-F2	0	0	-	-	-
<b>Total</b>	<b>8</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>29%</b>

FINANCIAL PERFORMANCE 2014/2015: ART GALLERY					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	-282	-282	-988	250
Expenditure:					
Employees	2,627	2,860	2,860	2,944	3
Repairs and Maintenance	350	639	352	324	-8
Other	2,575	2,325	5,134	3,431	-33
<b>Total Operational Expenditure</b>	5,552	5,824	8,346	6,699	-20
<b>Net operational (Service) Expenditure</b>	5,552	5,542	8,064	5,711	-29

CAPITAL EXPENDITURE: ART GALLERY					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	3,100	2,429	2,183	-10	
CNL - STORAGE FOR PERMANENT ART	300	216	214	-0.7	-
CNL - REFURBISHMENT OF AIRCONDITION	300	-100	0	0	-
CNL - ROOF REFURBISHMENT	250	153	134	-12	-
CNL - REFURBISHMENT OF TATHAM GALLERY	1,000	256	256	0	-
TAG - PARTITIONING OF OFFICES	0	44	44	0	-
TAG - REPLACEMENT OF LAMINATED GLASS	0	77	77	0	-
CNL - PARKING AND TATHAM CALLERY	750	18	33	88	-
CCTV SURVEILLANCE CAMERAS	250	250	0	100	-
ARTS & CULTURE PRINTER	0	19	19	0	-
AUDIO - VISUAL EQUIPMENT	0	245	190	-22	-
ARTS & CULTURE COMPUTER	0	35	35	0	-
CNL - CCTV SURVEILLANCE CAMERAS	250	324	317	-2	-
CNL - REFURBISHMENT OF AIRCONDITION	0	745	715	-4	-
ARTS & CULTURE - AUDITORIUM SEATING	0	127	127	0	-
ARTS AND CULTURE - PURPOSE MADE	0	15	14	-2	-

#### COMMENT ON THE PERFORMANCE OF ART GALLERIES

Gallery activities were disrupted due to building renovations and maintenance until June. As a result visitor figures declined during this period. A number of renovation and alteration projects were in process which required temporary closure of certain public gallery areas.

### 3.3 THEATRES & HALLS

#### INTRODUCTION TO COMMUNITY FACILITIES (THEATRES & HALLS)

This unit is responsible for the management and maintenance of Halls and Theatre facilities. Halls and Theatre facilities maintained to an acceptable standard for use by hirers.

#### SERVICE STATISTICS FOR THEATRES & HALLS

FACILITY NAME	NUMBER
Halls	64
Theatre	1

COMMUNITY FACILITIES (THEATRES & HALLS) POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Halls	Develop Maintenance plan for sixty halls	Implementation of business plan	Nil	Approved Maintenance plan Implemented (priority Vulindlela)	17 halls has been repaired and upgraded	20 halls upgraded and repaired
Winston Churchill theatre	Develop and Implement annual operational Plan for Winston Churchill theatre	Implement annual operational Plan for Winston Churchill	Nil	Implement operational Plan for security and maintenance at Winston Churchill	Implemented operational Plan for security and maintenance at Winston Churchill	N/A

EMPLOYEE: COMMUNITY FACILITIES (THEATRES & HALLS)					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	14	41	12	29	71%
B1-B4	9	16	9	7	44%
C1-CU	2	4	2	2	50%
D1 –DU	-	-	-	-	-
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>25</b>	<b>61</b>	<b>23</b>	<b>38</b>	<b>62%</b>

FINANCIAL PERFORMANCE 2014/2015: COMMUNITY FACILITIES (THEATRES & HALLS)					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-1,348	-1,437	-1,437	-1,151	-20
Expenditure:					
Employees	5,039	5,972	5,972	4,765	-20
Repairs and Maintenance	285	375	360	360	0
Other	18,028	1,134	15,775	14,237	-10
<b>Total Operational Expenditure</b>	23,352	7,481	22,107	19,362	-12
<b>Net operational (Service) Expenditure</b>	22,004	6,044	20,670	18,211	-12

CAPITAL EXPENDITURE: COMMUNITY FACILITIES (THEATRES & HALLS)					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	4,921	4,645	4,645	0	
CNL - RENOVATION OF HALLS	4,921	4,645	4,645	0	-

#### COMMENT ON THE PERFORMANCE OF COMMUNITY FACILITIES (THEATRES & HALLS)

17 Halls has been upgraded and renovated. Priority was given to halls in Vulindlela areas.

### 3.4 CEMETERIES & CREMATORIA

#### INTRODUCTION TO CEMETERIES & CREMATORIALS

This unit is responsible for the Management maintenance and development of Cemeteries and Crematoria.

#### SERVICE STATISTICS FOR CEMETERIES & CREMATORIALS

##### CLOSED CEMETERIES

Commercial Road Cemetery, Roberts Road Cemetery, Georgetown Cemetery, Range / Sinathing Cemetery, Slangspruit Cemetery, Moses Mabhida Cemetery (Heroes Acre) & Dambuza Cemetery.

##### OPERATING CEMETERIES

Azalea Cemetery, Mountain Rise Cemetery, Willowfountain Community Cemetery.  
Three cremators are currently operational

CEMETERIES & CREMATORIUMS FACILITIES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Cremators and upgrades around Crematorium	Purchase of two new cremators, fencing, ramps, guard houses and new entrance and exit	Improve the aesthetics Around the crematorium and refurbish Masson and Dawson	Fencing completed, disabled ramp constructed. Masson and Dawson refurbished	Completion of prayer room, revamp of ablutions, construction of guard houses and new entrance and exit gates. Replace the Macro burner	Prayer room, revamp of ablutions, construction of guard houses and new entrance and exit gates Completed	Acquire a new cremator at the Hindu crematorium and resolve the issue regarding litigation on the two cremators
Fencing of Cemeteries Plan	Develop business plan for the fencing of Cemeteries (as per the requirements of the Act)	Complete survey of Cemeteries	Nil	Survey of all existing cemeteries and peg boundaries	Survey has been completed and all cemeteries boundaries pegged	Source funding for the fencing of cemeteries
Cemeteries and Crematoria	Cemeteries & Crematoria Sector Plan	Engage consultants to implement sector plan for Cemeteries and Crematoria	Nil	Implement Sector Plan for Crematoria and Cemeteries	Acquisition of land in progress	Finalize land acquisition and develop new cemeteries
Cemetery Development	Development of Hollingwood Cemetery	Construction of internal roads, fencing, converting existing houses on premises into offices and chapel	Nil	Construction of internal roads, fencing, converting existing houses on premises into offices and chapel	This has been put on hold due to land dispute with Sobantu residents	Resolve issue regarding land dispute

EMPLOYEE: CEMETERIES & CREMATORIUMS					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	10	22	9	13	59%%
B1-B4	11	11	10	1	9%
C1-CU	1	1	1	-	-
D1 –DU	1	1	1	-	-
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>23</b>	<b>32</b>	<b>21</b>	<b>14</b>	<b>44%</b>

FINANCIAL PERFORMANCE 2014/2015: CEMETERIES & CREMATORIUMS					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-2,704	-1,193	-2,774	-2,646	-5
Expenditure:					
Employees	4,225	4,049	4,246	4,043	-5
Repairs and Maintenance	436	640	352	324	-8
Other	3,600	2,401	4,558	4,679	3
<b>Total Operational Expenditure</b>	8,261	7,090	9,156	9,046	-1
<b>Net operational (Service) Expenditure</b>	5,557	5,897	6,382	6,400	0.2

CAPITAL EXPENDITURE: CEMETERIES & CREMATORIUMS					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	9,200	2,041	704	-66	
TRUST REFURBISHMENT OF PUBLIC TOILETS	0	175	165	-5	-
TRUST DISABLED RAMP SEPTIC TANK WASH	0	170	155	-9	-
TRUST GUARD HOUSE AT OFFICES	0	160	149	-7	-
TRUST UPGRADE OFFICES AND TOILETS	0	100	0	100	-
TRUST REPLACE CONCRETE FENCE	0	170	0	100	-
TRUST - NEW RAZOR MESH PERIMETER	0	655	0	100	-
CNL - HOLLINGWOOD CEMETERY	7,000	0	0	0	-
CNL - CEMETERIES & CREMATORIA SECTOR	100	0	0	0	-
CNL - SURVEY - PERIMETER FENCING & GATES	300	358	0	100	-
TRUST - SECURITY LIGHT AROUND	0	100	96	-3	-
TRUST - FURNITURE FOR CREMATORIAM AND	0	50	34	-30	-
MIG - INSTALLING NEW CREMATOR A CREM	1,800	102	102	0	-

#### COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIUMS OVERALL:

Obtain authority from the Department of Housing to utilize 10 hectares of the 30 hectares authorized cemetery at Ethembeni. The acquisition of land needs to be fast tracked in order to alleviate the problems of burial space and identification of new land for new cemeteries is vital to accommodate burials for 50 years.

### 3.5 ENVIRONMENTAL HEALTH

#### INTRODUCTION TO ENVIRONMENTAL HEALTH

Environmental Health encompasses those aspects of human health, including quality of life that is determined by physical, chemical, biological, social and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling and preventing those factors in the environment that can potentially affect adversely the health of present and future generations. Environmental Health Services includes: Water



quality monitoring, Food control, Waste management, Surveillance of premises, Communicable diseases control, Vector control, Environmental pollution control, Disposal of the dead, chemical safety and noise control.

The service delivery priorities focussed on water quality monitoring, food quality and safety, health surveillance of premises and vector control.

#### SERVICE STATISTICS FOR ENVIRONMENTAL HEALTH

DESCRIPTION	TARGET	ACHIEVED
No. of Complaints investigated	747	747
No. of Trade Licence application processed	Dependent on no. received	262
No. of condemnation of foodstuffs and total weight	Dependent on no. received	133 condemnations (26413kg)
No. of Dairies registered in terms of the Dairy Bylaws	8	3
No. of Water samples from reservoirs and consumer points:	1250 samples	1316 samples
Percentage compliance with SANS 241:2011 NB: SANS are national standards that replaced SABS(South African Bureau of Standards) 241: relates to drinking water	100%	98.6%
Food sampling: No of samples analysed	480 samples	508 samples
Percentage compliance with microbial standards :	100%	82%
Swabbing: No of swabs	480 swabs	508 swabs
Percentage compliance with microbiological standards:	100%	45.6%
No. of Inspections and Registrations of Funeral Undertakers in terms of the Funeral Undertakers' Regulations:	60 premises	75 premises
No. of Food premises inspected and registered in terms of R962 ( Food Regulations):  <ul style="list-style-type: none"> <li>Formal:</li> <li>Informal:</li> </ul>	<ul style="list-style-type: none"> <li>1700</li> <li>Dependent on no. received</li> </ul>	<ul style="list-style-type: none"> <li>2622</li> <li>2320</li> </ul>
No. of Communicable Diseases notifications investigated:	Dependent on no. received	20
No. of Vector Control investigations, treatment and baiting	6240 sites	11232 sites
No. of Premises inspected for compliance with Tobacco Legislation:	2000 premises	2867 premises
No. of Places of care inspected:	480 premises	568 premises inspected
No. of Health Care Waste generators inspected:	480 premises	619 premises
No. of Commercial, industrial and residential premises inspected	3200 premises	5500 premises
No. of Schedule processes/listed activities:	120 premises	182 premises
No. of Controlled burning applications processed:	Dependent on no. received	11 applications processed
No. of Notices issued	Dependent on contraventions	605 notices
No. of Prosecutions instituted	Dependent on contraventions	74 prosecutions
Fines received	Dependent on successful prosecutions	R70 050.00

## **AIR QUALITY DATA**

### **NORTHDALE HOSPITAL STATION**

It is the responsibility of the municipality to monitor air quality, in terms of the Air Quality Act, No. 39 of 2004. The Northdale Hospital Station is managed in partnership with the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD). For data to be accredited, the analysers must be calibrated and checked bi-weekly. Data management, analyser maintenance, service and calibration were the responsibility of the DAEARD but this did not occur hence data was not verified and only raw data was available.

### **CENTRAL STATION:**

Station was decommissioned to accommodate construction of the Tourism Hub. A new station was acquired during the financial year and would be commissioned early in the 2015/16 financial year.

### **EDENDALE STATION:**

Data is not available due to vandalism, therefore resulting in theft of the station. The station needed to be relocated and due to budget constraints, this was not possible. This station is subject to an insurance claim and will be replaced early in THE 2015/16 FINANCIAL YEAR.

### **ORIBI AIRPORT STATION:**

The new Oribi Airport station was acquired in June 2015 and will be commissioned early in the 2015/16 financial year.

<b>ENVIRONMENTAL HEALTH POLICY OBJECTIVES TAKEN FROM IDP</b>						
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>2013/2014</b>		<b>2014/2015</b>		<b>2015/2016</b>
<b>Service indicators</b>		<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>
Water Quality	Water: X% of all samples taken throughout the year on at least weekly to be found acceptable by National Standards	100% Acceptable	98.33% Acceptable	100% Acceptable	98.6% Acceptable	100% Acceptable
Food Quality	Food: X% of all samples taken throughout the year on at least weekly to be found acceptable by National Standards	100% Acceptable	88.74% Acceptable	100% Acceptable	82% Acceptable	100% Acceptable

<b>EMPLOYEE: ENVIRONMENTAL HEALTH</b>					
<b>Job Level</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees No.</b>	<b>Posts No.</b>	<b>Employees No.</b>	<b>Vacancies (fulltime equivalents No.</b>	<b>Vacancies (as a % of total posts) %</b>
A1-A4	7	17	7	10	58
B1-B4	9	26	9	17	65
C1-CU	8	28	10	18	64
D1 –DU	6	7	6	1	14
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>30</b>	<b>78</b>	<b>30</b>	<b>37</b>	<b>47%</b>

FINANCIAL PERFORMANCE 2014/2015: ENVIRONMENTAL HEALTH					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-26	-31	-31	-71	129
Expenditure:					
Employees	5,505	6,314	6,314	5,830	-8
Repairs and Maintenance	5	21	3	3	0
Other	1,832	1,923	2,094	1,878	-10
<b>Total Operational Expenditure</b>	7,342	8,258	8,411	7,711	-8
<b>Net operational (Service) Expenditure</b>	7,316	8,227	8,380	7,640	-9

CAPITAL EXPENDITURE: ENVIRONMENTAL HEALTH					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	950	997	997	0	
CNL - AIR POLLUTION MONITORING STATION	200	76	76	0	-
CNL BACTERIAL CONTAMINATION TEST KIT	0	121	121	0	-
CNL - COMPUTERS	0	17	16	-0.6	-
CNL - ANALYSERS FOR AIR POLLUTION	750	783	782	0	-

### PERFORMANCE OF ENVIRONMENTAL HEALTH

Environmental Health Services continued to be provided without funding from National Treasury. With a limited budget and diminishing resources the nine functional areas relating to environmental health services as defined in the National Health Act, No. 61 of 2003 were carried out to ensure effective and efficient service delivery within the areas of Msunduzi. One of the service delivery priorities focussing on water quality monitoring, continued for the purposes of Blue Drop status accreditation. The departmental laboratory was used for the monitoring of water and food quality and also swabbing to determine standards of hygiene at food premises. The Air Quality Monitoring Network was non functional, due to the stations on the network being replaced, and the continued vandalism of one of the Municipality's Air Quality Monitoring Stations. Capital funds were available to purchase a new station for the Oribi Airport. In addition to the current priority service objectives, Air Quality Monitoring will therefore be focused on during the 2015/16 financial year.

### 3.6 BIO-DIVERSITY & LANDSCAPE

#### INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

Management, maintenance and development of Parks, open spaces, play lots, verges and Conservation areas. Horticultural practises which includes, beautifying, landscaping of cities islands, city entrances, maintenance of surrounds and garden at council buildings e.g. halls and libraries. Plans to develop two new Parks in Edendale approved to secure external funding to implement.

## SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

DESCRIPTION	NUMBER	AREA (M2)
PARKS	16	1 913 800
OPEN SPACES	133	4 002 000
TOWNLANDS AREA	-	730 000
PLAYLOTS	14	931 600
TRAFFIC ISLANDS	21	321 780
MAIN ARTERIAL ROUTES	30	4 588 400
VERGES TOTAL	-	12 456 749
CENTRAL	3 424 329 SQUARE METRES	-
NORTH	6 882 420 SQUARE METRES	-
WEST	2 150 000 SQUARE METRES	-

BIO-DIVERSITY AND LANDSCAPE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
City Grass cutting	Cut grass twice per season(Sept-April)	Grass cut in 60 suburbs, three times a season( September 2013 to May 2014	75% achieved using EPWP and temporary staff.	Grass cut in 60 suburbs, three times a season( September 2014 to May 2015	90 % achieved using ward based programme	Grass cut in 60 suburbs, three times a season( September 2014 to May 2015
Two Parks in Greater Edendale	Develop, Design and conduct feasibility study for new parks in Edendale	Source funding	Application for funding unsuccessful	Identify new donor funding and submit applications	Application for funding turned down	Source other funding
Maintenance and rehabilitation of the regional park.	Approved Revitalization business plan for Alexandra Park completed	Source external funding	Funding approved by the Department of Environmental Nil	Commence phase 1 of the revitalization of Alexandra park	Phase 1 of the revitalization of Alexandra park in progress	Source funding for Phase 2
Traffic islands and city entrances beautified	10 traffic islands and main entrances into the city beautified and maintained	Maintenance and landscaping of islands and main entrances	10 traffic islands and main entrances grass cut and maintained	Traffic islands and city entrances beautified	80 % of islands and city entrances has been beautified	Source funding to sustain the beautification project
Fencing of Lotus Park	N/A	N/A	N/A	Fence the entire Lotus Park	Section of the fencing has been completed	Secure funding to fully fence the Lotus park

EMPLOYEE: BIO-DIVERSITY AND LANDSCAPE					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	153	361	120	241	66%
B1-B4	70	135	60	75	55%
C1-CU	6	8	6	2	25%
D1 –DU	6	7	6	1	14%
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>235</b>	<b>511</b>	<b>192</b>	<b>319</b>	<b>61%</b>

FINANCIAL PERFORMANCE 2014/2015: BIO-DIVERSITY AND LANDSCAPE					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue (excl. tariffs)</b>	-27	-26	-896	-10,961	1123
Expenditure:					
Employees	32,240	35,328	35,328	33,542	-5
Repairs and Maintenance	3,773	5,121	4,748	4,349	-8
Other	22,695	16,386	17,468	28,372	62
<b>Total Operational Expenditure</b>	58,708	56,835	57,544	66,263	15
<b>Net operational (Service) Expenditure</b>	58,681	56,809	56,648	55,302	-2

CAPITAL EXPENDITURE: BIO-DIVERSITY AND LANDSCAPE					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	27,203	14,578	14,635	0.4	
CNL - PARKS OFFICES - RESURFACE DRIVEWAY	500	85	78	-8	-
CNL - FENCING OF PARKS LOTUS PARK	1,500	875	875	0	-
CNL - COMPLETION OF MOSES MABHIDA	0	1,807	1,807	0	-
MIG - CALUZA SPORTS FACILITY	6,500	10,811	10,807	0	-
KZNSDR - ESSENTIAL EQUIPMENT GOAL	0	0	61	100	-
CNL - SUSTAINABILITY PLAN - HARRY GWALA	5,000	952	952	0	-
CNL - TRAINING FACILITY - MUFC -	1,000	132	132	0	-
CNL - COMPLETION OF MOSES MABHIDA	2,000	0	0	0	-
MIG - REGIONAL ATHLETIC TRACK SPORT	11,203	0	0	0	-
MIG - R/O MSUNDUZI ATHLETIC TRACK	0	0	0	0	-
CNL - PLANT AND EQUIPMENT	0	0	0	0	-

#### COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE OVERALL:

Beautification projects have been initiated on all council gardens, islands, and city entrance to enhance the aesthetics of the city. Revitalization of Alexandra Park is progress.

### 3.7 TRAFFIC & PUBLIC SAFETY

#### INTRODUCTION TO TRAFFIC, SAFETY & SECURITY

The department of Public Safety helps ensure a safe environment and improve the quality of life through effective Traffic policing combined with efficient use of security officers. Traffic services include:

1. Control and regulate all forms of Traffic, promote education and training on the road and traffic safety.
2. Attend scenes of motor vehicle collisions and assist with traffic control, removal of injured persons and removal of vehicles so that traffic may flow freely again.
3. Eliminate points of congestion, obstruction, hindrance, interference or danger to vehicles and pedestrians.

SERVICE STATISTICS FOR TRAFFIC, SAFETY & SECURITY					
No.	Details	2012/2013	2013/2014		2014/2015
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	682	900	739	682
2	Number of by-law infringements attended	33100	32100	31000	33000
3	Number of police officers in the field on an average day	65	100	62	100
4	Number of police officers on duty on an average day	62	100	36	76

TRAFFIC, SAFETY & SECURITY POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Reduction in Road Accidents	10% reduction over target for the previous year	20% Reduction	20% Reduction	10% Reduction	20% Reduction	30% Reduction

EMPLOYEE: TRAFFIC, SAFETY & SECURITY					
Job Level	2013/2014	2014/2015			
Police/Administrators	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	3	4	3	1	25
B1-B4	52	109	95	14	13
C1-CU	156	199	149	50	25
D1 –DU	2	3	2	1	33
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
Total	213	315	249	66	21

FINANCIAL PERFORMANCE 2014/2015: TRAFFIC, SECURITY & SECURITY					
					R'000
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-105,100	-17,622	-25,089	-111,241	343
Expenditure:					
Police Officers	-	-	-	-	-
Other Employees	87,066	96,138	95,432	92,438	-3
Repairs and Maintenance	2,069	2,357	1,125	1,045	-7
Other	116,992	25,382	43,246	128,968	198
<b>Total Operational Expenditure</b>	206,127	123,877	139,803	222,452	59
<b>Net operational (Service) Expenditure</b>	101,027	106,255	114,714	111,211	-3

CAPITAL EXPENDITURE: TRAFFIC, SAFETY & SECURITY					
					R'000
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	250	986	976	-1	
CNL PLANT & EQUIPMENT - HEAVY DUTY	0	20	19	-0.5	
CNL PLANT & EQUIPMENT - DLCT EQUIPMENT	0	30	29	-2	
CNL OFFICE FURNITURE - PUBLICITY HOUSE	0	25	20	-18	
CNL - ALARM SYSTEM ON COUNCIL PROPERTY	250	150	145	-3	
CNL - UPGRADE ARMORY SECURITY 21 WASHINGTON/RD	0	761	761	0	

#### COMMENT ON THE PERFORMANCE OF TRAFFIC & PUBLIC SAFETY OVERALL:

Performance of Traffic, Safety & Security personnel are on par as per the Service Delivery & Budget Implementation Plan. The lack of Traffic stations servicing the remote areas of the municipality is a cause for concern due to the risks attached to the delayed response times from Traffic stations which are a fair distance from these areas. This is further exacerbated by the time of day response (peak periods etc.), and could have an impact on the ability to respond to Road Accidents.

### 3.8 FIRE

#### INTRODUCTION TO FIRE SERVICES

##### 1. FIGHT OR EXTINGUISH A FIRE AND RESCUE OF LIFE OR PROPERTY FROM A FIRE OR OTHER DANGER:

Early and timeous response to fire and rescue incidents is critical for life and property saving measures to be effective. In order to improve turnout times to incidents the Municipality has started the process which should see two more fire stations opened in the vast Vulindlela area and Northdale suburb of the City, however due to financial constraints these projects have been placed on hold. Whilst staff shortages are a challenge this is combated by a constant attempt to ensure that a minimum manning standard is complied with on a daily basis, even at the expense of overtime costs.

## 2. PREVENT THE OUTBREAK AND SPREAD OF FIRE AND THE PROTECTION OF LIFE OR PROPERTY FROM FIRE OR OTHER THREATENING DANGER:

The dedicated Fire Prevention officers ensure that all new building development applications are in compliance with the City by-laws, National Building Regulations and SANS 0400 codes of practice for fire safety in buildings. Existing infrastructure is also subject of daily scheduled and ad-hoc inspections for fire safety compliance.

## 3. BASIC FIRE AND LIFE SAFETY TRAINING:

The Fire Prevention Officers undertake regular scheduled training with hospitals, commerce and industry in order to impart basic fire safety training in the use of first aid firefighting equipment.

The Public Education Section engages schools and communities in a drive to ensure basic fire and life safety awareness and skills are imparted at a rudimentary scale, mostly by meetings, attendance to community structures and visitations to schools, and, of schools to fire stations. Whilst this basic intervention is still not enough it is imperative that communities are aware of the fire service and services it offers, how to access these services, and what it is that they can do to provide basic first aid fire safety protection to themselves.

FIRE SERVICE DATA					
	Details	2013/2014	2014/2015		2015/2016
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	1603	-	1628	-
2	Total of other incidents attended in the year	489	-	333	-
3	Average turnout time – urban areas	10mins	-	14mins	10
4	Average turnout time – rural areas	25mins	-	25mins	20
5	Fire fighters in post at year end	115	122	109	122
6	Total fire appliances at year end	14	14	14	14
7	Average number fire appliances off the road at year end	5	0	5	0

FIRE SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline service targets	2013/2014		2014/2015		2015/2016
Service Indicators		Target	Actual	Target	Actual	Target
Fire Prevention	800 Fire Prevention Inspections	800	1046	800	938	800
Public Awareness	48 Fire Public Awareness Presentations conducted	48	154	50	154	50
Hazard visitations	24 Major Hazard visitations	24	53	24	50	24



EMPLOYEE: FIRE SERVICES					
Job Level	2013/2014	2014/2015			
Police/Administrators	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	4	7	5	2	28%
B1-B4	70	79	63	16	20%
C1-CU	65	70	70	-	-
D1 –DU	9	9	5	4	44%
E1 – E2	1	1	1	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>149</b>	<b>166</b>	<b>144</b>	<b>22</b>	<b>13%</b>

FINANCIAL PERFORMANCE 2014/2015: FIRE SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-670	-601	-601	-578	-4
Expenditure:					
Fire Officers					
Other Employees	51,941	56,002	56,802	55,052	-3
Repairs and Maintenance	1,011	971	1,770	1,415	-20
Other	19,848	8,837	7,783	21,845	185
<b>Total Operational Expenditure</b>	<b>72,800</b>	<b>65,810</b>	<b>66,355</b>	<b>78,312</b>	<b>18</b>
<b>Net operational (Service) Expenditure</b>	<b>72,130</b>	<b>65,209</b>	<b>65,754</b>	<b>77,734</b>	<b>18</b>

CAPITAL EXPENDITURE: FIRE SERVICES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	1,350	461	459	-0.5	
CNL - COMMUNICATION CENTRE	1,000	0	0	0	
CNL RADIOS - TWO WAY	0	168	167	0	
CNL PLANT & EQUIPMENT - REPEATER	0	40	38	-4	
CNL PLANT & EQUIPMENT - BASE SETS	0	10	9	-2	
CNL PLANT & EQUIPMENT - RADIO	0	50	50	0	
CNL - CRITICAL FIRE FIGHTING EQUIPMENT	350	193	193	0	

#### COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

The lack of fire stations servicing the extreme areas of the municipality is a cause for concern due to the risks attached to the delayed response times from fire stations which are a fair distance from these areas. This is further exacerbated by the time of day response (peak periods etc), and could have an impact on the ability to effectively protect life and property.

### 3.9 DISASTER MANAGEMENT

#### INTRODUCTION TO DISASTER MANAGEMENT

Disaster management (DM) promotes a culture of risk avoidance among communities through education and public awareness.

This plan establishes the arrangements for disaster risk management within the requirements of the Disaster Management Act, 57 of 2002 and section 26(g) of the municipal Systems act, 2000. Planning for disasters leads to organisational preparedness and readiness in anticipation of an emergency or disasters

The Act requires an integrated and effective response to disasters.

D M volunteers are regarded as a metropolitan and district function as per Disaster Management act, Disaster Management and fire will be in collaboration to establish emergency teams in high risk areas.

#### SERVICE STATISTICS FOR DISASTER MANAGEMENT

During financial 2014/2015, 200 incidents responded to affected 12506 community members, cost emergency relief R1467592.00 Community and school Awareness campaigns conducted reached 6000 community members in Msunduzi area.

Disaster Management plan was approved in March 2015 by the full council.

A progressive report was submitted by fire unit regarding the formation of community emergency response teams in high risk areas and a resolution was taken in June 2015 to establish the mentioned team in twelve high risk informal settlements identified.

Events, Marches and gatherings attended to were 172 and consist of 927719 spectators and participants.

DISASTER MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Service Objectives To increase the capacity for Public Safety in the community	Awareness Campaigns	5	7	5	6	5

DISASTER MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Disaster management plan developed and submitted to SMC for approval by Council	Approval of DM Plan	Develop draft DM plan	First draft of Dis. Plan	1 Disaster management plan developed and submitted to SMC by the 31st January 2015 for approval by Council	1 Disaster management plan was approved by the full council in March 2015	Ensure Implementation of DM plan (Risk Reduction/24 hrs. turnaround time strategies)
24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy	Implementation of the Approved Disaster management plan/ strategy	N/A	N/A	24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by 30th June	200 incidents reported and attended to	Ensure development of 24Hours turnaround time to respond to disaster related incidents reported according to the Approved DM
37 Disaster Relief/Response Committees trained by PSDM in 5 municipal zones according to the Approved DM plan/strategy	Implementation of the Approved Disaster management plan/ strategy	N/A	N/A	37 Disaster Relief/Response Committees trained by PSDM in 5 municipal zones according to the Approved DM plan/strategy	N/A	12 Disaster Relief/ response committees trained in high risk areas as per approved council resolution 9 June 2014

EMPLOYEE: DISASTER MANAGEMENT					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	-	-	-	-	-
B1-B4	2	3	2	1	33%
C1-CU	2	2	2	-	-
D1 –DU	-	1	1	-	-
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>16%</b>

FINANCIAL PERFORMANCE 2014/2015: DISASTER MANAGEMENT					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	-10	-10	0	100
Expenditure:					
Employees	1,619	1,417	1,457	1,722	18
Repairs and Maintenance	9	10	10	1	-90
Other	3,491	7,620	8,958	14,446	61
<b>Total Operational Expenditure</b>	5,119	9,047	10,425	16,169	55
<b>Net operational (Service) Expenditure</b>	5,119	9,037	10,415	16,169	55

CAPITAL EXPENDITURE: DISASTER MANAGEMENT					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	500	450	447	-0.7	
CNL PLANT & EQUIPMENT - GENERAL ITEMS	0	400	400	0	
CNL - SAFE CITY CAMERAS	0	0	0	0	
CNL - DEVELOPMENT OF DISASTER	500	0	0	0	
CNL - FURNITURE & FITTINGS DISASTER	0	50	47	-6	

### COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT

Lack of personnel in disaster management component cause a delayed response or to attend to different disaster related event/incidents and other key perform areas.

## 3.10 SPORT & RECREATION

### INTRODUCTION TO SPORT AND RECREATION

Manage maintenance and development of all municipal sports facilities and swimming pools plus the promotion and development of sports and recreation. Master plan for the maintenance of sports facilities approved.

### SERVICE STATISTICS FOR SPORT AND RECREATION

Total number of Sports Facilities - 65

Total number of pools - 7

SPORT AND RECREATION POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Sport facilities	Develop Maintenance plan for sixty five Sports facilities	Implement approved business plan	Nil	Source funding to implement approved maintenance plan for 65 sports facilities	Operating funds used to renovate and level 5 sports fields	Upgrade and renovated 5 sports facilities in Vulindlela
Sport Development	Msunduzi Sport and Recreation Plan	Implement Msunduzi Sport & Recreation Plan	Nil	Implement approved Msunduzi Sport & Recreation Plan	Msunduzi Sports and Recreation Plan approved	Implement approved business plan. Initiate a sports forum with all stake holders
Athletics track	Fencing and Drainage levels at Alexandra Park athletic track	Commence construction	Construction in progress	Complete construction of athletic track	Construction of athletic track in progress	Completion of Athletic track with a management plan
Harry Gwala (Phase 2)	Harry Gwala sustainability Plan	Implement approved Sustainable Plan for Harry Gwala Stadium	Nil	Construct VOC, Dug outs(team shelter) and design for Phase 2	VOC, Dug outs completed	Source funding to implement Phase 2
MUFC	Training Venue for MUFC	N/A	N/A	Fence of Dare Osborn ground and rehabilitate pitch	Dare Osborn ground leveled and rehabilitating of pitch in progress	Fence ground and source funding for building a high performance centre
Pools	Build new pool in Edendale valley	N/A	N/A	Complete EIAs and design. commence with construction in Vulindlela	EIAs and part of the design phase completed	Commence construction Phase 1
Master plan	Master plan for Grading and Categorization of Venues	N/A	N/A	Engage a service provider to grade and categorize venues	Service Provider engaged and the process of grading and categorizing is ongoing	Rectify all the findings of the consultant's report

EMPLOYEE: SPORT AND RECREATION					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	22	44	22	22	50%
B1-B4	7	14	7	7	50%
C1-CU	7	12	7	5	42%
D1 –DU	1	1	1		
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>37</b>	<b>71</b>	<b>37</b>	<b>22</b>	<b>31%</b>

FINANCIAL PERFORMANCE 2014/2015: SPORT AND RECREATION					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-775	-22,425	-26,807	-13,919	-48
Expenditure:					
Employees	16,808	14,960	24,040	27,994	16
Repairs and Maintenance	1,191	634	10,808	10,698	-1
Other	38,771	29,339	37,667	44,089	17
<b>Total Operational Expenditure</b>	56,770	44,933	72,515	82,781	14
<b>Net operational (Service) Expenditure</b>	55,995	22,508	45,708	68,862	51

CAPITAL EXPENDITURE: SPORT AND RECREATION					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	16,720	32,130	30,903	-4	
CNL - PARKS OFFICES - RESURFACE DRIVEWAY	500	85	78	-8	-
KZNS&R - SPORTS FACILITIES	150	150	0	100	-
CNL - ALEX PARK REVITALISATION MASTER	0	2,658	2,658	0	-
KZNS&R - MSUNDUZI ATHLETICS TRACK DOS	0	19	19	0	-
MIG - REGIONAL ATHLETICS TRACK	0	11,203	11,203	0	-
MIG - R/OVER MSUNDUZI ATHLETIC TRACK	0	748	0	100	-
CNL - PLANT AND EQUIPMENT (ESSENTIAL	0	1,093	1,093	0	-
CNL - BRUSH CUTTERS X 90	540	0	0	0	-
CNL - BRUSH CUTTERS	250	500	500	0	-
CNL - SLASHER MOWERS	320	189	189	0	-
CNL - HYDRO MOWER	0	0	0	0	-
CNL - ALEX PARK REVITALISATION MASTER	500	0	0	0	-
CNL - BRUSH CUTTERS X 90	540	0	0	0	-
CNL - REPLACE SLASHER MOWERS X16	250	0	0	0	-
CNL - REPLACE HYDRO MOWER 3X3	320	0	0	0	-
CNL - FURNITURE	0	53	53	0	-
CNL - QUAD BIKES	0	148	148	0	-
CNL - MSUNDUZI REGIONAL ATHLETICS TRACK	10,200	12,464	12,464	0	-
CNL - GRADING AND CATEGORISATION OF	250	328	0	100	-
CNL - BUILD NEW POOL IN EDENDALE VALLEY	1,000	333	333	0	-
CNL - UPGRADE ELECTRONIC TIMING SYSTM	200	0	0	0	-
MIG - BERG ST POOL REFURBISHMENT	0	1,963	1,963	0	-

CAPITAL EXPENDITURE: SPORT AND RECREATION					
Details	2014/2015				
	R'000				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
MIG - REFUBISH PLANT ROOM AND BUILDING	2,000	0	0	0	-
CNL - RELOCATE PARKING AND ENTRANCE	200	275	275	0	-

#### COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

There as being a lack of maintenance due to the lack of funding. Athletic track is due to be completed in February 2016. Grading and Categorization of Venues are in progress.

### 3.11 LIBRARY

#### INTRODUCTION TO LIBRARIES

There are eleven libraries within the Msunduzi Municipal Library Services, the main Bessie Head Library and ten branch libraries. The Bessie Head Library has a wide range of resources including books, large-print books, newspapers and periodicals, audio-books, DVDs, videos, music CDs and scores, and CD ROMs for all age groups.. Within the banch libraries: there are three large libraries, Northdale, Georgetown and Eastwood and five smaller ones, Ashburton, Woodlands, Sobantu , Ashdown and Alexandra Library. The branch libraries offer a smaller range of materials than is available at the main library but make every effort to meet the needs of the communities they serve. A limited Adult Reference service is available at Northdale, Georgetown and Eastwood libraries. Georgetown provides a study area and a Travelling Library service to schools.

During the last financial year all 11 libraries were maintained and some maintenance is still to be completed by the end of August 2015. A huge number of books were purchased which led to exceeding the expectations. Most of the vacant posts were advertised and filled. The three digitizations machine were bought and installed. The two new Mobile Libraries were also purchased and the new lifts were installed.

The tender processes towards building a new library in Imbali are carried through by SCM of Department of Arts and Culture.

#### SERVICE STATISTICS FOR LIBRARIES

1. Issue Statistics Total: 121 569
2. User Statistics Total: 535 780
3. Cataloguing Statistics Total: 137 648

LIBRARIES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Libraries	Book purchasing	65000	150000	20000	68930	40000
Libraries	Digitization	N/A	N/A	N/A	3 digitizing machines were purchased.	500 articles digitized
Libraries	Renovations	7	9	10	11	5

EMPLOYEE: LIBRARIES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	0	1	-	1	100%
B1-B4	59	86	62	24	28%
C1-CU	14	25	14	11	44%
D1 –DU	3	6	5	1	16%
E1 – E2	-	-	-	-	-
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>76</b>	<b>118</b>	<b>81</b>	<b>37</b>	<b>31%</b>

FINANCIAL PERFORMANCE 2014/2015: LIBRARIES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	-514	-30,948	-38,821	-31,706	-18
Expenditure:					
Employees	21,354	22,523	22,946	30,144	31
Repairs and Maintenance	545	584	509	487	-4
Other	9,026	32,135	45,949	22,992	-50
<b>Total Operational Expenditure</b>	30,925	55,242	69,404	53,623	-23
<b>Net operational (Service) Expenditure</b>	30,411	24,294	30,583	21,917	-28

CAPITAL EXPENDITURE: LIBRARIES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	0	9,823	8,355	-15	
PROV - LIFT INSTALLATION	0	1,500	1,495	-0.3	
PROV - BOOK SECURITY SYSTEM	0	1,367	1,367	0	
PROV - AIR CONDITIONERS	0	950	945	-0.1	
PROV - VACUUM CLEANERS	0	63	23	-63	
PROV - AUDIO VISUAL EQUIPMENT	0	593	193	-67	
PROV - COMPUTERS	0	166	166	0	
KZNPA DIGITISATION	0	2,892	2,314	-20	
PROV - FURNITURE	0	803	667	-17	
KZNPA - PURCHASE VEHICLES	0	1,486	1,180	-21	



#### **COMMENT ON THE PERFORMANCE OF LIBRARIES**

Book buying and renovations are ongoing projects. Preservation and digitization are major project that the library is embarking upon as they are falling within the Legal deposit collection which is prioritize as Generally Recognized Accounting Practice 103 (GRAP 103) that is OF heritagical value of the country. The expectations for 2014/15 were exceeded. Currently the library is focusing on fire protection of the legal deposit material and the process phase one of portioning stack areas has commenced.

#### 4. COMPONENT D: FINANCIAL SERVICES

This component includes: Indigents (Free Basic Services), Financial Services and Supply Chain Management.

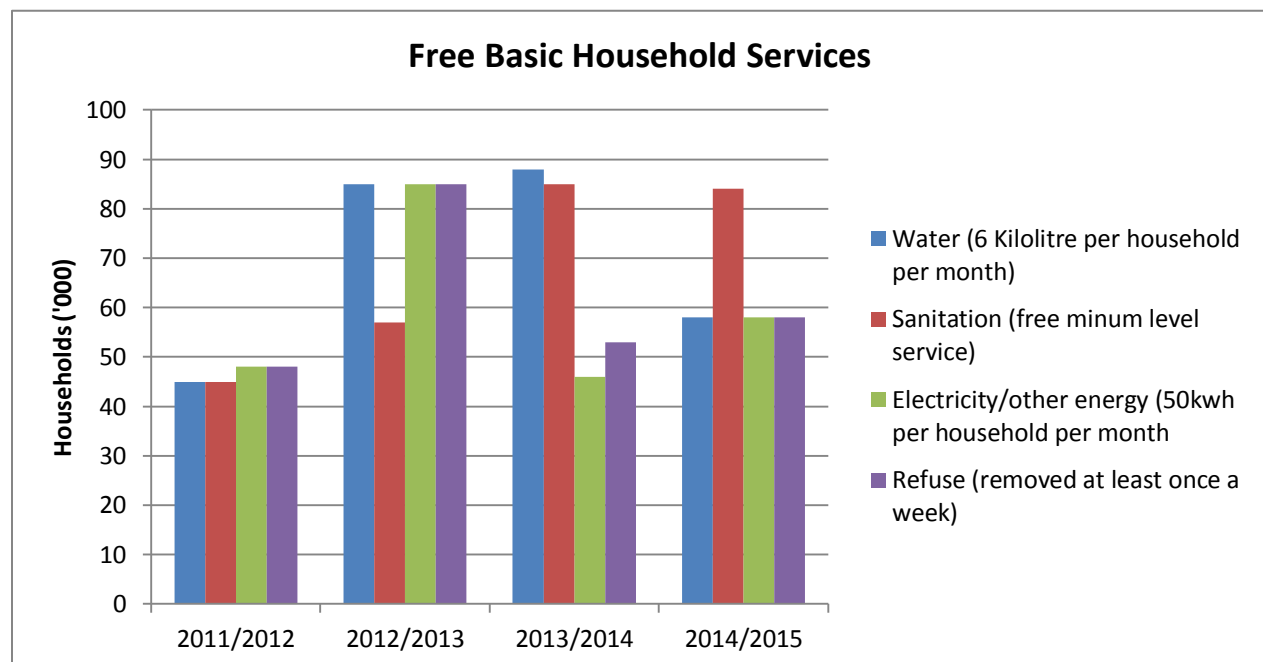
##### 4.1 INDIGENTS (FREE BASIC SERVICES)

###### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Council receives Equitable Share to subsidise those who cannot afford to pay for the minimum needs in life. The objective in calculating the amount to be subsidised, must be to prevent an increasing balance on the account of an indigent as it will be difficult to recover the debt in a humanly way. According to the Municipal Systems Act 2000, Section 74(3) and 75(2) stipulates, "A tariff policy may differentiate between different categories of users/debtors."

###### ***Criteria for Approval:***

1. That the gross household income for qualification as a registered Indigent be determined each year by Council in terms of the tariff register. Currently the threshold income is R3500.00
2. That the prescribed application forms be completed annually.



FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS					
	Number of households				
	Total	Households earning less than R1100.00 per month			
		Free basic water	Free basic sanitation	Free Basic Electricity	Free Basic Refuse
2012/2013	22456	8982	6857	353	6264
2013/2014	10057	3202	2579	1634	2642
2014/2015	12532	3647	3250	2264	3371

FINANCIAL PERFORMANCE 2012/2013: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED					
Services Delivered	2013/2014	2014/2015			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget %
Water	1 911 771	2 496 044	-	2 169 230	326 814
Waste Water (Sanitation)	5 783 802	3 550 000	-	4 844 477	(1 294 477)
Electricity	717 402	0	-	1 776 902	Not a basic service therefore was not budgeted for
Waste Management (Solid Waste)	2 618 214	2 878 449	-	1 857 346	1 569 497
<b>Total:</b>	11 031 189	8 924 493	-	10 647 955	(1 723 462)

FREE BASIC SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service Indicators		Target	Actual	Target	Actual	Target
Indigent Policy	Indigent policy reviewed and adopted by the 30th of June Annually	Indigent policy reviewed and adopted by the 30th of June Annually	Indigent policy reviewed and adopted by the 30th of June 2014	Indigent policy reviewed and adopted by the 30th of June Annually	Indigent policy reviewed and adopted by the 30th of June 2015	Indigent policy reviewed and adopted by the 30th of June Annually
Indigent Register	Indigent register reviewed and adopted by the 30th of June Annually	Indigent register reviewed and adopted by the 30th of June Annually	Indigent register reviewed and adopted by the 30th of June 2014	Indigent register reviewed and adopted by the 30th of June Annually	Indigent register reviewed and adopted by the 30th of June 2015	Indigent register reviewed and adopted by the 30th of June Annually

## **COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:**

The equitable share received is used to fund Free Basic Services that is extended to all our customers who have been declared indigent who are earning below R3500.00 as determined by Council. Further to the free basic services, we are trying to remove the burden from the indigent customers by reducing their amperage on the electricity they use to 20AMPS. We have started a project to replace all indigent customer's meter with smart prepaid

Indigent policy refers to: people who are lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, food and clothing. Spent on electricity for 2014/2015 was R1 776 902, spent on water 2014/2015 R2 169 230, spent on sewerage for 2014/2015 R4 844 477., spent on refuse 2014/2015 R1 857 346 expenditure and grants received in 2014/2015.

## **4.2 FINANCIAL SERVICES**

### **INTRODUCTION TO FINANCIAL SERVICES**

The Financial Services comprises with the following sections, namely:

- Budget & Treasury
- Expenditure
- Revenue Management
- Supply Chain Management

The National Key Performance Area for this business unit is a financial viability & management. Programmes pertaining to the sections are as follows:

- Budget & Treasury-Compliance and Annual Financial Statement
- Expenditure-Trade and Sundry Payments, Payment of all invoices within 30 days, management of general insurance fund, remuneration management
- Revenue Management-Credit Control and billing, policies
- Supply Chain-Supply chain management
- The debt collection rate has improved, however is not ideal at this stage. A debt collection task team has been put together with a sole purpose of addressing collection challenges.

DEBT RECOVERY						
						R'000
Details of the types of account raised and recovered	2012/2013		2013/2014		2014/2015	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %
Property Rates	775 597	77	756 471	79	710 660	82
Electricity - B	334 468	92	361 827	92	301 871	82
Electricity - C	1881578	96	1 911036	96	1454384	96
Water - B	18 558	40	19 924	47	19 924	47
Water - C	745 425	70	864 818	73	490 722	74
Sanitation	187 717	76	202 011	77	144 359	75
Refuse	114 717	79	115 242	81	88 453	75
Other	78 269	64	65 595	52	73 219	57

- Electricity – B Consumption based charge
- Electricity – C Fixed Charge
- \* Water – B Consumption based charge
- \* Water – C Fixed Charge

#### COMMENT ON DEBT RECOVERY

Council has appointed a panel of 7 attorneys & 2 Debt Collectors to collect outstanding arrears from debtors. The MM has formed a Debt Recovery Task Team that meets every Tuesdays to discuss challenges with all relevant departments in terms of debt recovery. Our credit control policy reviewed annual to close the loop holes and any gaps that were identified during the past financial year. We have also improved our indigent registration in order to better manage the accounts of low income earners such that the income threshold was increased to R3500.00 so that the majority of the poorest of the poor are catered for and those who cannot afford to settle their debts in excess of the free basic service, their meters are being changed to prepaid.

GRANT PERFORMANCE					
					R'000
Description	2012/2013	2013/2014	2014/2015 Variance		
	Actual	Actual	Original Budget	Adjustments Budget	Actual
OPERATING TRANSFER & GRANTS					
National Government	486,460,551	545,418,956	384 424 000	387 014 900	387 014 900
Equitable Share	338,903,000	354,313,000	373 541 000	373 541 000	373 541 000
Municipal Systems improvement	857,035	598,287	934 000	934 000	934 000
Department of water Affairs	0	6,249,990	-	-	-
Levy replacement	0	0	-	-	-
Other transfers/grants:	146,700,516	184,257,679	9 949 000	12 539 900	12 539 900
Provincial Government	79,364,393	147,714,135	30 948 000	35 604 750	35 604 750
Health Subsidy	-2,416,750	5,074,000	-	-	-
Housing	0	12,424,094	7 722 000	12 024 750	12 024 750
Ambulance Subsidy	0	0	-	-	-
Sports and Recreation	1,377,671	2,563,479	-	-	-
Other transfers/grants:	80,403,472	127,652,562	23 226 000	23 580 000	23 580 000

District Municipality	-	-	-	-	-
Other grant providers	644,761	1,171,524	-	-	-
TOTAL	566,469,705	694,304,615	415 372 000	422 619 650	422 619 650

#### COMMENT ON GRANTS:

These are operational grants; housing accreditation grant is also classified as operational. Operational grant funding is gradually going down when compared to the two previous financial years.

GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT (DORA)						
Details of Donor	Actual Grant 2012/2013	Actual Grant 2013/2014	2014/2015 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, inc description of any contributions in kind
Parastatals						
Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Government / Development Aid Agencies						
Nil	Nil	Nil	Nil	Nil	Nil	Nil
Private Sector / Organizations						
Cemetery Trust	434,128	Nil	Nil	2013	Nil	This was a trust that was received for the cemetery
Youth Advisory Centre	0	89,580	Nil	2014	Nil	Funds received for the youth advisory centre
Q Dot Pharma	Nil	40,123	Nil	2014	Nil	Funds received for wards 3,5,6

#### COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

No grants received other than DORA related in 2014/15.

FINANCIAL SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2012/2013		2013/2014		2014/2015
Service indicators		Target	Actual	Target	Actual	Target
Remuneration Management.	Random Audit of Staff. All staff on payroll sign registers of verification once a year.	100% Verification	100% Verification	100% Verification	100% Verification	100% Verification
Management of General Insurance Fund.	Management of claims by ensuring that all claims honored are valid.	100% of claims are fully assessed.	100% of claims are fully assessed.	100% of claims are fully assessed.	100% of claims are fully assessed.	100% of claims are fully assessed.
Financial viability and sustainability	Credit Control Policy	Review of Credit Control Policy	Approved Credit Control Policy	Review of Credit Control Policy	Approved Credit Control Policy	Review of Credit Control Policy

FINANCIAL SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2012/2013		2013/2014		2014/2015
Service indicators		Target	Actual	Target	Actual	Target
Financial viability and sustainability	Indigent Policy	Review of Indigent Policy	Approved Indigent Policy	Review of Indigent Policy	Approved Indigent Policy	Review of Indigent Policy
Financial viability and sustainability	Rates Policy	Review of Rates Policy	Approved Rates Policy	Review of Rates Policy	Approved Rates Policy	Review of Rates Policy
Payment of Invoices from Suppliers within 30 days from date of receipt of invoice.	90% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2015	100% of Invoices must be paid within 30 days.	95% of Invoices are paid within 30 days	90% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2015	91% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2015	90% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2016

EMPLOYEE: FINANCE BUSINESS UNIT					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	5	10	5	5	50%
B1-B4	111	208	110	98	47%
C1-CU	23	35	28	7	20%
D1 –DU	16	20	17	3	15%
E1 – E2	4	4	4	0	0%
F1 – F2	1	1	1	0	0%
<b>Total</b>	<b>160</b>	<b>278</b>	<b>165</b>	<b>113</b>	<b>41%</b>

FINANCIAL PERFORMANCE 2014/2015: FINANCIAL SERVICES R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
<b>Total Operational Revenue (excl. tariffs)</b>	5,317	5,964	6,142	8,238	34.13%
Expenditure:					
Employees	74,158	74,934	95,218	85,890	-9.80%
Repairs and Maintenance	990	1,546	3,576	3,173	-11.27%
Other	69,000	75,576	91,631	85,714	-6.46%
<b>Total Operational Expenditure</b>	144,148	152,056	190,425	174,777	-8.22%
<b>Net operational (Service) Expenditure</b>	138,831	146,092	184,283	166,539	-9.63%

CAPITAL EXPENDITURE: FINANCIAL SERVICES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget %	Total Project Value
<b>Total All</b>	850	19,913	19,899	-0.07%	
Financial System	0	14,610	14,606	-0.03%	+90000
Fuel Management System	0	3,238	3,230	-0.25%	3230
Plant and Equipment	850	938	937	-0.11%	937
Furniture	-	384	384	0.00%	384
Stores Roof Replacement	-	743	742	-0.13%	742

#### COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

The process leading to the approval of the budget was in line with the approved budget process plan. Budget was adopted within MFMA timeframe and approved budget was informed by Long-Term Financial Plan (LTFP). All relevant budgets related policies are in place and some of the critical procedure manuals were adopted during the year. Staff shortages/vacancies were also addressed within the financial year.

### 4.3 SUPPLY CHAIN MANAGEMENT

#### INTRODUCTION TO SUPPLY CHAIN MANAGEMENT

The Msunduzi Municipality's Supply Chain Management unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable and cost effective procurement services hence assisting the business units to implement their service delivery priorities.

#### KEY FOCUS AREAS FOR 2014/2015 FINANCIAL YEAR

#### MONITORING AND CONTRACT MANAGEMENT

*In terms of section 116 (2) of the MFMA the accounting officer of a municipality must -*

"Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced; monitor on a monthly basis the performance of the contractor under the contract or agreement; establish capacity in the administration of the municipality to assist the accounting officer in carrying out the duties and to oversee the day-to-day management of the contractor under the contract or agreement;" therefore we have established a Contract management Office(monitors) within the Supply chain management unit in order to adhere to the above act.

#### *These are activities of the contract management Monitoring Section:*

- All contracts are monitored, by having regular sites visits and attending monthly site progress meetings.
- Monitoring of expenditure on supplies and services contract.



- Monitoring and rotating of contracts with panel of contractors to ensure equal distribution amongst the prospective suppliers.
- Verifying variation Orders on projects by Project managers and recommend to the Bid Evolution committee.

### **Challenges**

- There are challenges in Integrating of project management and Contract management.

### **SUPPLIERS DATABASE & INFORMATION MANAGEMENT**

- The database system has been given much needed attention in light of the migration to SAP system.
- Currently the INTENDA files in vendor data was recently analyzed utilizing the TransUnion vetting system to match with our Vendor master file to ensure that duplication and redundant files were cleaned accordingly ensuring that when credit payment information is uploaded it links to authentic vendor information.
- The exercise of data clean-up was also conducted in light of regulation 44.

### **SERVICE STATISTICS FOR SUPPLY CHAIN MANAGEMENT**

12 Monthly reports on tenders awarded were submitted during the year 2014/2015 financial year. Four hundred and eighteen (418) requests (> R30 000 and > 200 000) were received by Supply Chain Management, two hundred and ninety nine (299) requests were finalized and awarded, two hundred and thirty three (233) awards were made to Pietermaritzburg service providers and or Suppliers, eighty (80) tenders and quotations were cancelled for various reasons, thirty nine (39) are still within the tender process, four (4) objections were received and were resolved; and there was no court interdict received.

### **LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS**

<b>LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2014/15)</b>					
<b>R' 000</b>					
<b>Name of Service Provider (Entity or Municipal Department)</b>	<b>Description of Services Rendered by the Service Provider</b>	<b>Start Date of Contract</b>	<b>Expiry date of Contract</b>	<b>Project manager</b>	<b>Contract Value</b>
DEVELOPMENT BANK OF SOUTHERN AFRICA	PROPOSAL CALL FOR A R250 MILLION LONG-TERM DEBT FACILITY PROVISION FOR THE MSUNDUZI MUNICIPALITY FOR ELECTRICAL INFRASTRUCTURE - CAPITAL EXPENDITURE	14/01/2015	13/02/2025	FINANCE BONGANI NGOBESE	RATE BASED
CATERPILLAR TRADING	SUPPLY AND INSTALLATION OF NEW PALISADE FENCING TO VACANT SITES TO BE USED AS A COMMUNITY CENTRE AT WARD 3	01/12/2014	28/02/2015	BUKELANI MBHELE	R 1 269 000.00

LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2014/15) R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
	(ENQABENI AND WARD 28 LOTUS PARK, NORTHDALÉ)				
TUSCAN MOOD 1113 CC T/A MEDIA COM SA	MEDIA HOUSE TO PRODUCE AND DISTRIBUTE NEWSPAPER	2015/01/05	30/04/2018	MARKETING THOBEKA MAFUMBATHA	R 4 618 800.00
MOVE-ON UP 111 CC T/A CONSTRUCTION & PLANT	UPGRADING OF NEW ENGLAND LANDFILL SITE	14/11/2014	30/05/2015	ISF-LANDFILL SITE RAMU RAGHUNANDAN	R 7 692 103.00
SERENITY FINANCIAL SERVICES CC	PROPOSAL CALL FOR THE PROVISION OF SHORT TERM INSURANCE BROKING SERVICES FOR THE MSUNDUZI	13/01/2015	12/01/2018	INSURANCE/ SIPHO NXUMALO	R 1 666 009.13
FYNNS CONSTRUCTION	UPGRADE OF LESTER BROWN & THOMAS WATKINS ROAD	03/06/2015	02/09/2016	ISF_ROADS KIM MEATHER	R20 066 946.54
UGESI CONTRACTORS	UPGRADE OF BERG STREET SWIMMING POOL	02/03/2015	02/07/2015	ISF-MAINTENANCE	R 2 283 790.00
SANDAKAHLE TRADING 01 CC XOLISIZWE TRADING AND PROJECTS TRIPPLE NINETRADING (PTY) LTD EKHWESI BUSINESS SOLUTIONS (PTY) LTD	APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE PROFESSIONAL EVENT MANAGEMENT SERVICES TO THE MSUNDUZI MUNICIPALITY	17/11/2014	16/11/2015	IDP/SIWELILE ZIMU	RATE BASED
BYTES MANAGED SOLUTION	SPECIALISED CONTRACT MAINTANANCE AND SUPPORT FOR ALCATEL OMNI PABX ENTERPRISE	23/03/2015	23/03/2018	ICT / XOLILE NGEBULANA	RATE BASED
	SUPPLY AND DELIVERY OF MOBILE LIBRARY UNITS	17/03/2015	16/03/2018	ISF_FLEET / MTHANDENI NGCOBO	R 1 180 200.00
KONE ELEVATORS	INSTALLATION OF LIFT AND GOOD HOIST AT BESSIE HEAD LIBRARY	02/03/2015	01/08/2015	ISF-BUILDINGS/ EMMANUEL MAKHAYE	R1 400 000.00
JACKSONS CLEANING SERVICES	GENERAL CLEANING OF FREEDOM SQUARE TAXI RANK	23/03/2015	23/03/2018	ISF-BUILDINGS	R2 978 820.00
PARADOX YOUNG AND	PROVISION OF AD-	18/05/2015	17/05/2018	ISF- BUILDING	RATE BASED

LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2014/15) R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
ASSOCIATES AKHA IZWE CONSULTANTS CC NCM QUANTITY SURVEYORS	HOC PROFESSIONAL QUANTITY SURVEYING SERVICES				
EXIGO SUSTAINABILITY (PTY) LTD. SIVEST SA (PTY) LTD GIBB (PTY) LTD LIDWALA CONSULTING ENGINEERS (SA) PTY LTD HESQ CONSULTANTS (PTY) LTD	PROVISION OF AD- HOC PROFESSIONAL ENVIRONMENTAL (EIA) SERVICES	18/05/2015	17/05/2018	ISF- BUILDING	RATE BASED
RUBEN REDDY ARCHITECTS CC	PROVISION OF AD- HOC PROFESSIONAL ARCHITECTURAL SERVICES	18/05/2015	17/05/2018	ISF- BUILDING	RATE BASED
GNS CIVILS	UPRADING OF GRAVEL ROADS- EDENDALE, WARD 12 MOSCOW AREA ROADS: B34	03/08/2015	03/02/2016	ISF-ROADS	R 2 364 975
ZETHEMBE MAINTANANCE AND GENERAL SERVICES	COMPLETION CONTRACT FOR THE CONSTRUCTION OF MOSES MABHIDA MULTI PURPOSE CENTRE	22/04/2015	22/10/2015	ISF-BUILDINGS	R12 736 206.83
DECK, STEEL & CONCRETE CC	UPGRADING OF ESIGODINI ROADS FROM GRAVEL TO SURFACE (NTOMBELA, DR NKOSI & MPUNGOSE), IN WARD 12,	25/05/2015	24/01/2016	ISF-ROADS	R 9 207 162.69
ROYAL HASKONING DHV	PROPOSAL CALL FOR THE PREPARATION OF THE AIRPORT PRECINCT AND MANAGEMENT PLAN FOR THE PIETERMARITZBURG AIRPORT AND SURROUNDS MSUNDUZI MUNICIPALITY	18/05/2015	31/12/2016	ISF-BUILDINGS	R1 207 899.00
CSX CUSTOMER SERVICES (PTY) LTD	SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING AND MAINTENANCE	18/05/2015	17/05/2018	LIBRARY	R2 330 250.00

LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2014/15) R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
	OF THREE PERIODICAL MATERIAL OR BOOK SCANNERS FOR THE BESSIE HEAD LIBRARY, PIETERMARITZBURG.				

PUBLIC PRIVATE PARTNERSHIPS ENTERED INTO 2014/15 R' 000					
Name And Description Of Project	Name Of Partner(S)	Initiation Date	Expiry Date	Project Manager	Value 2014/15
No Public Private Partnerships entered into in 2014/2015.	N/A	N/A	N/A	N/A	N/A

SUPPLY CHAIN MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Annual review of SCM Policy	Submission of reviewed SCM policy to SMC on 28 February 2015 to SMC	Submission of reviewed SCM policy to SMC on 30 October 2013	Policy submitted to SMC on 5 December 2013	Submission of reviewed SCM policy to SMC on 28 February 2015	SCM Policy submitted to SMC on 28 February 2015	Submission of reviewed SCM policy to SMC on 28 February 2016
Submission of the procurement plan	Submission of the annual procurement plan to SMC by 30 June 2015	Submission of the annual procurement plan to SMC by 30 June 2014	Annual procurement plan submission delayed by the late submissions from the end user	Submission of the annual procurement plan to SMC by 30 June 2015	Procurement plan submitted in July due to late submission by the end user	Submission of the annual procurement plan to SMC by 30 June 2016
Quarterly reports on implementation of the procurement plan	Submission of quarterly report on the implementation of the procurement plan to SMC	Submission of quarterly report on implementation of the procurement plan to SMC on quarterly basis	submitted quarterly to SMC	Submission of quarterly report on implementation of the procurement plan to SMC on quarterly basis	Quarterly reports submitted to SMC	Submission of quarterly report on the implementation of the procurement plan to SMC
Monitoring of irregular expenditure quarterly report	Submission of quarterly report of irregular expenditure to SMC	Submission of quarterly report of irregular expenditure to SMC	Report submitted to SMC	Submission of quarterly report of irregular expenditure to SMC	Report submitted to SMC	Submission of quarterly report of irregular expenditure to SMC

SUPPLY CHAIN MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Monthly report on Tenders awarded, deviations and inventory management	Submission of Monthly report on Tenders awarded, deviations and inventory management to OMC	Submission of Monthly report on Tenders awarded, deviations and inventory management to OMC	Reports submitted monthly to OMC	Submission of Monthly report on Tenders awarded, deviations and inventory management to OMC	Report submitted to OMC	Submission of Monthly report on Tenders awarded, deviations and inventory management to OMC
Monthly report on contract management	Submission of monthly contract management report to SMC	Submission of monthly contract management report to SMC	Monthly report submitted to SMC	Submission of monthly contract management report to SMC	Monthly report submitted to SMC	Submission of monthly contract management report to SMC
Annual stock take report	Submission of annual stock take report to SMC on 15 July 2015	Submission of annual stock take report to SMC on 15 July 2015	Report submitted to SMC	Submission of annual stock take report to SMC on 15 July 2014	Report submitted to SMC	Submission of annual stock take report to SMC on 15 July 2016

## SUPPLY CHAIN MANAGEMENT IMPLEMENTATION CHECKLIST

IMPLEMENTATION CHECKLIST	
Supply Chain Management	
Municipality Details	Answers
Name of Municipality	KZ225 Msunduzi
Contact Person (name):	Dudu Gambu
Email address:	<a href="mailto:dudu.ndlovu@msunduzi.gov.za">dudu.ndlovu@msunduzi.gov.za</a>
Phone:	033 392 2472
Name of the Head of the SCM Unit (if different to above):	N/A

Question		Answer	Comment on progress	Date for completion	Official(s) responsible
1	Has the Council adopted a SCM policy in terms of SCM regulation 3?	Yes	N/A	N/A	Head: SCM
2	How many staff is employed by the SCM Unit? (show full time staff equivalent, a person shared with another function or working part-time on SCM is shown as a fraction)	55	34 of the 55 employees are from the stores which includes a majority of general workers and petrol attendants	N/A	N/A
	2.1 How many positions are unfilled, i.e. waiting for an appointment? (full time equivalent)	48	48 post still vacant the effort of filling them is being undertaken by HR	2015/16	DMM:CS
	2.2 Has a job description been developed for each position within the SCM Unit?	Yes	N/A	N/A	N/A
3	Has a detailed implementation plan for SCM been developed?	Yes	N/A	N/A	Head: SCM
	3.1 If "YES", is progress regularly measured against the implementation plan?	Yes	Progress on the Procurement Plan is updated monthly	N/A	Head: SCM
4	Is a report on the implementation of the SCM Policy provided to the mayor (within 10 days of the end of each quarter (reg 6(3)))	Yes	N/A	N/A	Head: SCM
5	SCM Processes:				
	5.1 Is the necessary needs assessment undertaken before each acquisition?	Yes	N/A	N/A	Manager Demand and acquisition
	5.2 Are preferential policy objectives identified to be met through each contract?	Yes	N/A	N/A	Manager: Contract Management

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
	5.3	Is the performance of vendors regularly monitored?	Yes	Monthly assessments are done by the monitoring officer and reported to Council on a quarterly basis	N/A	Monitoring officer
	5.4	Are SCM processes independently monitored to ensure the SCM policy is followed and desired objectives achieved?	Yes	N/A	N/A	IA
6		Are the threshold values contained in the SCM Policy aligned with the values stipulated in regulation 12?	Yes	N/A	N/A	N/A
	6.1	If "NO" are the values contained in the SCM Policy higher than that stipulated in regulation 12?	NO	N/A	N/A	N/A
7		Do municipal bid documents comply with MFMA Circular No 25?	Yes	N/A	N/A	SCM Practitioners
8		Do municipal bid documents include evaluation criteria for use by the bid evaluation and adjudication committees?	Yes	N/A	N/A	Manager: Contract Management
9		Regulation 46 requires the SCM Policy to establish a code of conduct.				
	9.1	Is the Code of Conduct issued by NT in MFMA Circular No 22 utilized?	Yes	N/A	N/A	Head: SCM
	9.2	Are measures in place to ensure all SCM practitioners are aware of the SCM code of conduct?	Yes	All practitioners have signed the code of conduct.	N/A	Head: SCM
10		Are all delegations in terms of SCM roles and responsibilities in writing (other than delegations contained in the SCM Policy)?	Yes	SCM Delegations adopted by Council	31/10/2014	CFO
11		Prior to making an award above R30 000 the municipality or municipal entity must check with SARS whether that persons tax matters are in order (reg 43 and MFMA Circular No 29). Is this being complied with?	Yes	N/A	N/A	SCM Practitioners
12		Please confirm if records are kept of the following:				
	12.1	Petty cash purchases?	Yes	Creditors department are the custodian of these records	N/A	Creditors Manager
	12.2	Written or verbal quotations received and awards made?	Yes	Creditors department are the custodian of these records	N/A	Creditors Manager

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
	12.3	Tenders and all other bids received and awards made?	Yes	Tenders records are kept at SCM offices	N/A	Manager Demand and acquisition
13	Are all invitations for bids above R30 000 advertised for at least 7 days on the website and official notice board? (reg 18(a))		Yes	N/A	N/A	SCM Practitioners
	13.1	In addition, are all invitations for competitive bids publically advertised in newspapers commonly circulating locally? (reg 22(1))	Yes	N/A	N/A	SCM Practitioners
14	Is the "list of accredited prospective providers" required by regulation 14 updated at least quarterly?		Yes	N/A	N/A	Manager: Demand and acquisition
15	Is there a database established to record redundant and obsolete store items?		Yes	N/A	N/A	Logistics Manager
16	Are debriefing sessions held with unsuccessful bidders?		No	Written regret letters are sent and on request meetings are held.	N/A	SCM Practitioners
17	Training SCM practitioners					
	17.1	Has a training strategy for SCM practitioners been developed?	Yes	N/A	N/A	HR
	17.2	What is the 2013/2014 budget for the training of SCM practitioners?		R135 000.00	N/A	N/A
	17.3	Has the municipality or entity used an outsourced training provider for SCM, other than SAMDI?	Yes	SCM35 of 14/15 Bantu Banye Skills	N/A	N/A
	17.4	If "yes" to 17.3 please list below the names of training provider(s) used to date (expand this box if necessary)		University of Pretoria, Wits University		
		.			N/A	N/A
	17.5	Indicate the number of officials who have attended the SCM training conducted by SAMDI?		None	N/A	N/A
	17.6	Indicate the number of officials who have attended SCM training conducted by training providers other than SAMDI?		28	N/A	N/A
18	Has as SCM procedure manual been developed to assist officials implement the SCM policy, consistent with the MFMA, regulations, circulars and the Accounting Officers Guidelines?		Yes	N/A	N/A	N/A



Question			Answer	Comment on progress	Date for completion	Official(s) responsible
19	Bid Committee membership:					
	19.1	Does the Bid Specification Committee membership comply with regulation 27?	Yes	N/A	N/A	N/A
	19.2	Does the Bid Evaluation Committee membership comply with regulation 28?	Yes	N/A	N/A	N/A
	19.3	Does the Bid Adjudication Committee membership comply with regulation 29?	Yes	N/A	N/A	N/A
	19.4	Has regulation 29(4), which stipulates that a member of a bid evaluation committee or an advisor may not be a member of a bid adjudication committee, been breached?	No	N/A	N/A	N/A
20	Procurement of IT related goods and services:					
	20.1	Are you aware that SITA can assist with the procurement of IT related goods and services (regulation 31)	Yes	N/A	N/A	N/A
	20.2	Have you utilized this facility before?	Yes	N/A	N/A	N/A
21	Does the SCM Policy provide for an effective system of risk management for the identification, consideration and avoidance of potential risks in the SCM system? (reg 41(1))		Yes	N/A	N/A	N/A

## PERFORMANCE MANAGEMENT OF CONTRACTS FOR THE PERIOD 1 JULY 2014 – 30 JUNE 2015

In terms of section 116 (2) of the MFMA the accounting officer of a municipality must - “Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced; monitor on a monthly basis the performance of the contractor under the contract or agreement; establish capacity in the administration of the municipality to assist the accounting officer in carrying out the duties and to oversee the day-to-day management of the contractor under the contract or agreement;”

In order to fulfill the requirements of the legislation quoted above the Supply chain Management unit prepares a monthly report on the Performance of all suppliers. This report is tabled at the Strategic Management Committee on a monthly basis thereafter it is forwarded to the other portfolio committees before it is tabled at Council.

The table overleaf indicates a schedule summarizing the performance of all contracts on a monthly basis that the municipality entered into that are over the amount of R200 000. 00. The table also does not include any information pertaining to annual supply contracts.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>JULY 2014 - REPORT</b>			
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The project commenced, the document SCM 08 OF 14/15 has been advertised, tender briefing is on 08 August 2014 and the closing date is 15 August 2014.
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	The contractor is experiencing some difficulties in allocating Telkom and Eskom services. Road clearing is 100% completed. Setting out of stormwater drainage is at 65%. Pipes (200 x 5 diameters) are onsite but due to services, they cannot lay pipes until all services are identified and moved accordingly. From the 14 <sup>th</sup> of August the company will busy with layer works and G2 and G5 will also be delivered. A query / complaint received from the member of the community claiming that the land where the site is erected belongs to him. After intervention of SCM, the issue has been resolved after establishing that the site belongs to Msunduzi Municipality. The project is progressing well and the performance is satisfactory.
SCM Q6 OF 13/14	REPAIRS AND MAINTENANCE TO FOUNTAINS	INGWENYA YAMASHELEMBE	The pumps are repaired and fitted that were affected at the fountains; the fountains are running but only on one stage. The technician is fine tuning the settings to make all the stages play accordingly.
E25 OF 2014	SUPPLY AND SERVICES CONTRACT NO E25 OF 2013 MAINTENANCE AND REPAIRS TO LOW AND MEDIUM VOLTAGE SWITCHGEAR TRANSFORMERS AND ECCESSORIES	UKUKHANYA	The service provided is doing a good job in most items that were bided for, except painting of substations and mini substations. The Electricity department is not happy with job done. The sub stations have been visited by the monitoring office and the meeting with the service provider will scheduled during May to try and resolve all the outstanding issues of painting of substation.
SCM 3 of 13/14	Training on environmental practice NQF level 3	Job Africa	This training started in April and will end in December 2014 and the business Unit HR is happy with the performance of the service provider
SCM 11 of 13/14	Leasing of Tourism Hub	T.Z Dayanand c/o Coconut Groove	Coconut grove -is busy setting up seats for the restaurant
		Gijima Printers	Gijima Printers- there are technical issues regarding the space and but the business unit is busy resolving those issues with Gijima Printers
		Mcunuka Trading	Mcunuka Trading- has cancel their offer
		Xolisizwe trading and Project cc	Xolisizwe- is currently the only tenant

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
		Small Enterprise development Agency (SEDA)	Small enterprise- is busy finalizing the lease
		City of Choice Travel and Tours	SEDA- is currently waiting for their head office to finalize and approve their lease
SCM 19 of 13/14	Manufacture , supply and delivery of traffic signal controllers	Syntell (pty) Ltd	all 18 Traffic signal controllers were received in the first week of July they met the specification from the transportation Unit and they are currently stored at the Municipal Stores
SCM 30 of 13/14	Supply and delivery of Traffic signal within PMB	Zama Traffic Signal	All four (4) traffic signals have been installed but are not yet commissioned, it is anticipated that three (3) of them will be commissioned on 02/08/2014 and the last one will be commissioned on 14/08/2014 however they were delays such as late approval of Wayleaves and the NUMSA strike which caused the delay in the manufacturing and delivery of controllers of traffic signals
SCM 34 of 13/14	Publicity House revamp	Gonal Construction	On this Contract Ablution block is complete they just need to do snags, they have started with the painting of the facade, fascia boards and barge boards, replacement of windows is complete, the bell tower is still under works. Overall the project is 85% complete.
SCM 38 of 13/14	Training service provider- Horticulture NQF2	BC Landscapers	This training started in May 2014 and will finish in March 2015 and the Business Unit HR is happy with the performance of the service provider
SCM 42 of 13/14	Hollingwood Housing Project 1000 units	Mabune Consulting	The consultant is currently finalizing prefeasibility application for submission to Provincial Department of Human Settlement for approval, it should be finalized within 6 months from date of award as per conditions of this contract
SCM 46 of 13/14	Provision of Bus service for the Mayoral special programmes and projects	Soobhug's Bus Service cc	The programme from the Mayor's office has been submitted to SCM- monitoring office. The service provider is happy with outstanding follow-ups that were done by SCM thus far and the performance is going according to the contract. No complaints received after the intervention of SCM, both parties are happy.
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>AUGUST 2014 - REPORT</b>			
SCM 38 of 13/14	TRAINING SERVICE PROVIDER- HORTICULTURE NQF2	BC LANDSCAPERS	This training started in May 2014 and will finish in March 2015 and according to the project manager the performance of the service provider is good.
SCM 41 OF 13/14	AUDIT OF MSUNDUZI REPORTS	SIYAZAMA CONSULTING	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 42 of 13/14	HOLLINGWOOD HOUSING PROJECT 1000 UNITS	MABUNE CONSULTING	The consultant is currently finalizing prefeasibility application for submission to Provincial Department of Human Settlement for approval, it should be finalized within 6 months from date of award as per conditions of this contract
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GERHARDUS MARITHINUS CLOETE	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	COMPUTER SECURITY AND FORENSIC SOLUTIONS	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 46 of 13/14	PROVISION OF BUS SERVICE FOR THE MAYORAL SPECIAL PROGRAMMES AND PROJECTS	SOOBHUG'S BUS SERVICE CC	The project is going well, no queries has been received yet from both Council and the Service provider.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The project commenced and is in the award stage.
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	The project has commenced and is on -going satisfactory. Site establishment is at 100%, road clearance and Top soil stripping are both at 100% completed. Box cut is at 33%. The way leaves from Telkom has been received, however due care must be taken as there exists fibre optic lines with the proposed road widening. The performance is high good quality.
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>SEPTEMBER 2014 - REPORT</b>			
SCM 42 OF 13/14	HOLLINGWOOD HOUSING PROJECT 1000 UNITS	MABUNE CONSULTING	The consultant is currently waiting for approval of prefeasibility application from Provincial Department of Human Settlement. Value, this one is rates based
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GERHARDUS MARITHINUS CLOETE	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	COMPUTER SECURITY AND FORENSIC SOLUTIONS	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 46 OF 13/14	PROVISION OF BUS SERVICE FOR THE MAYORAL SPECIAL PROGRAMMES AND PROJECTS	SOOBHUG'S BUS SERVICE CC	The project is going well, no queries has been received yet from both Council and the Service provider.
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	QULOTEC TRADING CC	Project Manager Mr. Y Ismaila of ISF Buildings informed Monitoring Office with the following information: Project duration 3 months. Site handed over on the 02 July 2014, completion scheduled for 02 October 2014. Six weeks extension of time granted by Structural Engineer. Steel structure manufactured and sent for galvanizing. Steel Structure will be returned from the galvanizing plant at the end of next week at which time it will be erected and the balance of the work can proceed. Steel structure and concrete bases have been constructed in terms of the Engineers design and has been approved by the Engineer. The structure is currently at Phoenix Galvanizing Plant for galvanizing.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The project commenced and is in the award stage.
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	The project has commenced and is on -going satisfactory. Site establishment is at 100%, road clearance and Top soil stripping are both at 100% completed. Box cut is at 59%. Storm water setting out is at 62% and phase widening is ta 100%. They are experiencing challenges with the traffic. The overall work done is at 42.13%. the work is of high good quality(See pictures attached)
SCM 22 OF 13/14	REHABILITATION OF KWANYAMAZANE MAIN ROAD	INKONKA CIVILS CC	This project was supposed to be completed at the end of August 2014 but the contractor has claim the extension of time due to delays and has been granted the extension of time up to the end of October which now becomes the new completion date, the workmanship is satisfactory and the contractor has promised to complete the project on time.
SCM 23 OF 13/14	UPGRADING OF STATION ROADS AND CONSTRUCTION OF NEW STATION ROAD BRIDGE	FYNNS CONSTRUCTION &DEVELOPERS CC	Authorization is still outstanding and Legal Services have not communicated legal implications of suspending works indefinitely or the prolonged delay.
SCM 25 OF 13/14	PROVISION OF DEBRIS NET INCLUDING REMEDIAL WORK TO BRICKWORK AT PROFESSOR NYEMBEZI BUILDING	QULOTEC TRADING CC	Awaiting for the completion certificate from the Project Manager.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWESI BUSINESS SOLUTIONS (PTY) LTD	The contract is on-going successfully and according to the Project Manager they happy with the service rendered by the Service Provider.
SCM 30 OF 13/14	SUPPLY AND DELIVERY OF TRAFFIC SIGNAL WITHIN PMB	ZAMA TRAFFIC SIGNAL	All four (4) traffic signals have been supplied, installed and commission the last one was commissioned on 14/08/2014
SCM 34 OF 13/14	RESTORATION OF PUBLICITY HOUSE BUILDING	GONAL CONSTRUCTION	This project is complete and the site has been handed over to the Municipality.
SCM 38 OF 13/14	TRAINING SERVICE PROVIDER- HORTICULTURE NQF2	BC LANDSCAPERS	This training started in May 2014 and will finish in March 2015 and the Business Unit HR is happy with the performance of the service provider
SCM 41 OF 13/14	AUDIT OF MSUNDUZI REPORTS	SIYAZAMA CONSULTING	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 42 OF 13/14	HOLLINGWOOD HOUSING PROJECT 1000 UNITS	MABUNE CONSULTING	The consultant is currently waiting for approval of prefeasibility application from Provincial Department of Human Settlement. Value, this one is rates based
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GERHARDUS MARITHINUS CLOETE	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	COMPUTER SECURITY AND FORENSIC SOLUTIONS	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 46 OF 13/14	PROVISION OF BUS SERVICE FOR THE MAYORAL SPECIAL PROGRAMMES AND PROJECTS	SOOBHUG'S BUS SERVICE CC	The project is going well, no queries has been received yet from both Council and the Service provider.
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	QULOTEC TRADING CC	Project Manager Mr. Y Ismaila of ISF Buildings informed Monitoring Office with the following information: Project duration 3 months. Site handed over on the 02 July 2014, completion scheduled for 02 October 2014. Six weeks extension of time granted by Structural Engineer. Steel structure manufactured and sent for galvanizing. Steel Structure will be returned from the galvanizing plant at the end of next week at which time it will be erected and the

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
			balance of the work can proceed. Steel structure and concrete bases have been constructed in terms of the Engineers design and has been approved by the Engineer. The structure is currently at Phoenix Galvanizing Plant for galvanizing.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The project commenced and is in the award stage.
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	The project has commenced and is on -going satisfactory. Site establishment is at 100%, road clearance and Top soil stripping are both at 100% completed. Box cut is at 59%. Storm water setting out is at 62% and phase widening is ta 100%. They are experiencing challenges with the traffic. The overall work done is at 42.13%. the work is of high good quality(See pictures attached)
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>OCTOBER 2014 - REPORT</b>			
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWESI BUSINESS SOLUTIONS (PTY) LTD	The contract is on-going successfully and according to the Project Manager they happy with the service rendered by the Service Provider.
SCM 21 OF 13/14	THE APPOINTMENT OF CONSULTING ENGINEERS TO PROVIDE PROFESSIONAL GEOTECHNICAL ENGINEERING SERVICES FOR THE INVESTIGATION OF SOIL MOVEMENTS AND FLOODING OF HOUSES IN CALUZA AREA, WARD 20, EDENDALE.	SRK CONSULTING SOUTH AFRICA PTY LTD	The project is completed and awaiting a completion certificate from the Project Manager.
SCM 25 OF 13/14	PROVISION OF DEBRIS NET INCLUDING REMEDIAL WORK TO BRICKWORK AT PROFESSOR NYEMBEZI BUILDING	QULOTEC TRADING CC	Awaiting for the completion certificate from the Project Manager.
SCM 41 OF 13/14	AUDIT OF MSUNDUZI REPORTS	SIYAZAMA CONSULTING	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS /	GERHARDUS MARITHINUS CLOETE	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
	COMPUTER FORENSIC EXPERTS.		
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	COMPUTER SECURITY AND FORENSIC SOLUTIONS	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The project as SCM 8 OF 14/15 has been awarded to be managed by Envitech.
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	The project has commenced and is on -going satisfactory. Connecting storm water to outfall is at 90%, Construct manholes floors is also at 70%, setting out brick work for the 3 <sup>rd</sup> SW manholes, road bed final level from ch860 to ch680 entire road is at 60 %. Stock piling G5 material started and is 65%. The work is of high good quality.
SCM 3 of 13/14	Training on environmental practice NQF level 3	Job Africa	This training started in April and will end in December 2014 and the business Unit HR is happy with the performance of the service provider
SS 37 of 2014	Hire of portable Toilets	Xolisizwe	Handover was done 30/10/2014 and the service provider has already placed about 30 portable toilets on sites
SCM 38 of 13/14	Training service provider- Horticulture NQF2	BC Landscapers	This training started in May 2014 and will finish in March 2015 and the Business Unit HR is happy with the performance of the service provider
SCM 23 OF 13/14	UPGRADING OF STATION ROADS AND CONSTRUCTION OF NEW STATION ROAD BRIDGE	FYNNS CONSTRUCTION &DEVELOPERS CC	Authorization is still outstanding and Legal Services have not communicated legal implications of suspending works indefinitely or the prolonged delay. The Business Unit has drafted a report to the SMC for review and resolution on the way forward.
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	QULOTEC TRADING CC	Project is ongoing, please see attached pictures. Business Unit has expressed satisfaction with the works.
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
NOVEMBER 2014 - REPORT			



MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	According to the Project Manager, Mr. Mahlaba he is happy with the service of the company. The performance is of high good quality.
SCM 46 of 13/14	PROVISION OF BUS SERVICE FOR THE MAYORAL SPECIAL PROGRAMMES AND PROJECTS	SOOBHUG'S BUS SERVICE CC	The performance of the Service provider is satisfactory and the project is underway.
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	QULOTEC TRADING CC	Project is ongoing. Business Unit has expressed satisfaction with the works.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The new tender is underway and is commenced successfully.
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	Existing Eskom line has been located on site and needs to be lowered. Rock encountered within storm water pipe excavation at CH 706. 44 local labourers have been employed, 37male and 7 female. Road Alignment Phase1: 100%.Phase2: 50%, Clearing and Grubbing. Phase 1 & 2: 100%, Box Cutting to reduce levels Phase 1: 100%, Phase 2: 50% Layer Works: Phase 1: 98% Phase 2: 50%, Existing Services Identifying and protecting services: 80%, To continue with service identification. Removal of top soil Phase 1 & 2: 100% Storm water Phase 1: 92%, Phase 2: 45%, Traffic Control Daily On Going Pipe Sleeves Phase 1: 100% Complete Phase 2: 70% complete, Walk way layer works preparation, Phase 1: 35% Complete, Overall Completion 40% Complete. The work is of high good quality
SCM 8 OF 14/15	UPGRADING OF NEW ENGLAND LANDFILL	MOVE – ON-UP 111 CC T/A CONSTRUCTION & PLANT	The works commenced on 13 November 2014, contract period is 26 weeks and the expected completion is 14 May 2015. C&P to submit contractual programme and cash flow to ES by 21 November 2014. Erection of the palisade fence commenced. Fencing subcontractor to provide cube test results for concrete used in bases. C&P plan to start with the construction of the terrace control berm on 5 January 2014.
SCM44 OF 14/15	REPAIR AND MAINTENANCE TO PALISADE FENCING AT UNIT N HALL	THEMBALETHU CONSTRUCTION	This project is complete and the workmanship is satisfactory

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SS34 OF 2014	MAINTENANCE AND GARDENING SERVICES TO THE NEW ENGLAND LANDFILL SITE, PIETERMARITZBURG	ZIBONGELE MATHUBA TRADING (PTY) LTD	A meeting held on 09 December 2014 with the End user and the Service Provider due to non-performance of the company. Various issues e.g. under quoting, insurance, etc were discussed. The Service provider withdraws the contract stating that he did not understand the terms and conditions of the contract. Letter of withdrawal received on 10/12/2014.
SS 37 OF 13/14	HIRE OF PORTABLE TOILETS	XOLISIZWE	The contractor has not supplied all 120 units as per requirement by the contract, but has promised to comply by the end of December 2014
4/S36 of 14/15	FUEL MANAGEMENT SYSTEM	OTI PETROSMART (PTY) LTD	The services provider has completed five surveys for eight single sites and On the 12 <sup>th</sup> of January the contractor will commence with the installation of the system and they will start with 806 vehicles and eight (8) home based pumps and later on they will install 800 more vehicles.
4/S32 Of 14/15	PARTICIPATION IN THE CONTRACT FOR THE SAP PROFESSIONAL SUPPORT SERVICES	EOH MTHOMBO (PTY) LTD	EOH was appointed through SCM regulation 32 using a contract from City of Johannesburg to implement the FMS. The project is currently at planning stage and it will commence at the beginning of January 2015. The service provider is currently busy with the assessment of our ICT infrastructure and will provide us with a report when the assessment has been finalized. The project Manager also mentioned that they are in a constant communication with the service provider regarding any other information that need to be gathered in order to move forward with the project swiftly.
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>DECEMBER 2014 - REPORT</b>			
SCM 8 OF 14/15	UPGRADING OF NEW ENGLAND LANDFILL	MOVE – ON-UP 111 CC T/A CONSTRUCTION & PLANT	The works commenced on 13 November 2014, contract period is 26 weeks and the expected completion is 14 May 2015. C&P to submit contractual programme and cash flow to ES by 21 November 2014. Erection of the palisade fence commenced. Fencing subcontractor to provide cube test results for concrete used in bases. C&P plan to start with the construction of the terrace control berm on 5 January 2014. The company is closed for Christmas and will resume in January 2015.
SS34 OF 2014	MAINTENANCE AND GARDENING SERVICES TO THE NEW ENGLAND LANDFILL SITE, PIETERMARITZBURG	ZIBONGELE MATHUBA TRADING (PTY) LTD	A meeting held on 09 December 2014 with the End user and the Service Provider due to non-performance of the company. Various issues e.g. under quoting, insurance, etc were discussed. The Service provider withdraws the contract stating that he did not understand the terms and conditions of the contract. Letter of withdrawal received on 10/12/2014. New report to be submitted at the next BAC.
SS 37 OF 13/14	HIRE OF PORTABLE TOILETS	XOLISIZWE	The contractor has not supplied all 120 units as per requirement by the contract, but has promised to comply by the end of December 2014
4/S36 of 14/15	FUEL MANAGEMENT SYSTEM	OTI PETROSMART (PTY) LTD	The services provider has completed five surveys for eight single sites and On the 12 <sup>th</sup> of January the contractor will commence with the installation of the system and they will start with 806 vehicles and eight (8) home based pumps and later on they will install 800 more vehicles. The company is closed for Christmas and will resume in January 2015.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
4/S32 Of 14/15	PARTICIPATION IN THE CONTRACT FOR THE SAP PROFESSIONAL SUPPORT SERCVES	EOH MTHOMBO (PTY) LTD	EOH was appointed through SCM regulation 32 using a contract from City of Johannesburg to implement the FMS. The project is currently at planning stage and it will commence at the beginning of January 2015. The service provider is currently busy with the assessment of our ICT infrastructure and will provide us with a report when the assessment has been finalized. The project Manager also mentioned that they are in a constant communication with the service provider regarding any other information that need to be gathered in order to move forward with the project swiftly. The company is closed for Christmas and will resume in January 2015.
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWESI BUSINESS SOLUTIONS (PTY) LTD	The contract is on-going successfully and according to the Project Manager they happy with the service rendered by the Service Provider.
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	QULOTEC TRADING CC	Miss Bongeka Kulu of ISF Buildings (intern) advised that the project is ongoing and about to reach completion.
SCM 87 OF 13/14	REFURBISHMENT OF MUNICIPAL MARKET	GOLDEN EMPIRE TRADING 58 CC	Miss Bongeka Kulu of ISF Buildings Intern advised that the contractor hasn't submitted a revised plan despite having exceeded the duration of the previous construction plan end date (24 December 2014). The contractor has returned to site and removed the non-specified BASF product and replaced it with the specified ProStruct product where the incorrect product was used, they will continue with ProStruct. The perimeter of the market has still been left vacant as the fencing has not been replaced after removal.
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>JANUARY 2016 - REPORT</b>			
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	The project has commenced and is on –going satisfactory. Connecting storm water to outfall is at 90%, Construct manholes floors is also at 70%, setting out brick work for the 3 <sup>rd</sup> SW manholes, road bed final level from ch860 to ch680 entire road is at 60 %. Stock piling G5 material started and is 65%. The work is of high good quality.
SCM 88 OF 13/14	CONSTRUCTION OF THE BROOKSIDE TAXI HOLDING AREA	HI GLEN CONSTRUCTION	The project commenced. The monthly meeting held on Thursday, 05 February 2015. New revised program is to be submitted on Tuesday, 11 February. Layer works are to be completed in the next 2 weeks. G5 is to be delivered and processed. The company is experiencing lot of problems in material being stolen on several occasions, now they hired a new security company. The standard of quality is acceptable. (See Attached pictures).
SCM 8 OF 14/15	UPGRADING OF THE NEW ENGLAND ROAD LANDFILL SITE	MOVE-ON-UP 1111 T/A CONSTRUCTION AND PLANT (C& P)	Site clearance- cleared and grubbed 2205m of existing fence line for new palisade fence to be installed. The following Works have commenced on Site: - Installation of concrete palisade fence is at 75% complete-1675m - Upgrade to leachate management system is at 20% complete-50m Construction of Leachate drain busy with exposing all the pipes and the works are at 30% -

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			Covering of Waste (extra works) is 100% complete. - Construction of terrace control berm is 30% complete- 1400m The work performance is satisfactory.
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWESI BUSINESS SOLUTIONS (PTY) LTD	The contract is on-going successfully and according to the Project Manager they happy with the service rendered by the Service Provider.
SCM 28 OF 14/15	CONSTRUCTION OF APPROXIMATELY 0.7KM OF THE WILLOWFOUNTAIN MAIN ROAD IN WARD 14, EDENDALE	VIP CONSTRUCTION CC	The contractor is currently busy with the mass earth works e.g. clearing and grabbing, identification of the existing services, and the cleaning of storm water pipes.
SCM 83 OF 13/14	Water pipeline Extension	Makhubu Civils Cc	The site was handed over on the 13/11/2014 and the commencement was the 17/11/2014 but contract only started the works on the 5 <sup>th</sup> of February 2015 due delays that they encountered. Namely the shutdown period According to progress on site the contractor has excavated and laid 1.8km of pipes. The first technical meeting will be held on the 16 of February 2015 at Vulindlela Mafakathini.
SCM 20 OF 12/13	PROVISION OF INTERNAL AUDIT, RISK, MANAGEMENT AND FORENSIC SERVICE PROVIDERS.	MORAR INCOPORATED, BONAKUDE, NGUBANE & CO AND DELOITTE	The internal Audit has met with most of the services providers to discuss their performance based on the assignments that were assigned to them. Morar Incorporated is the only company that has not been given an internal auditing assignment due to their poor performance from previous assignment. Currently the Internal Audit team is arranging to meet with Deloitte to discuss their performance.
SCM 4/S32 Of 14/15	Participation in the contract for the SAP professional support services	EOH Mthombo (Pty) Ltd	The service provider is currently busy with the assessment of our ICT infrastructure and will provide us with a report when the assessment has been finalized. The project Manager also mentioned that they are in a constant communication with the service provider regarding any other information that need to be gathered in order to move forward with the project swiftly.
SCM 52 OF 12/13	PROVISION OF ADHOC QUANTITY SURVEYING SERVICES	1. NCM QUANTITY SURVEYORS	Projects incepted before the end date are ongoing, LTE Consulting was appointed to compile the documents for the foyer renovations and have the documents delivered to SCM for sale. The documents were delivered late, no communication from Ms Thavandree Gounder of ISF Buildings (End User Department), relating to the contractors performance was received despite the shortfall in performance.
		2. GESTION ENGINEERING & PROJECT CONSULTANTS (PTY) LTD	
		3. LTE CONSULTING	
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	QULOTEC TRADING CC	According to Mr. Yusuf Ismail, the practical completion has been met, a cession signed by council to fulfill the works of having the signage installed onto the structure.
SCM 87 OF 13/14	REFURBISHMENT OF MUNICIPAL MARKET	GOLDEN EMPIRE TRADING 58 CC	An extension till the end of February 2015 has been approved by the Municipal Manage, the contractor is about to finalize the flooring works, two cessions for the garage doors and perimeter fencing have been signed between contractor, sub-contractors and council, with Garage Doors for the garage

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			doors and Cochrane for the perimeter fencing.
SS23 of 2013	PROVISION OF SECURITY AT CERTAIN FACILITIES AND PLACES OF WORK	KHUSELANI SECURITY AND RISK MANAGEMENT (PTY) LTD	Section 1: An additional guard was requested for the tourism hub, no mention as to whether this request was fulfilled. In the schedule Tourism Hub is tabled under Section B item B3, where, the tourism hub is listed with the Publicity House having one guard during the day and one guard in the evening, email from Mr. Phumlani Gumede indicated that the tourism hub alone has two guards during the day and two guards in the evening. Documents for this amendment have not been filed. The contractor, KSA has also questioned content of their appointment letter and inception date. A meeting was scheduled to clarify and finalize these matters in the Municipal Managers Boardroom, but did not sit.
SECTION1			
SECTION2			Section 2: The first floor Professor Nyembezi Building is still vacant of guards despite the area being listed and priced for in the document.
SCM 89 OF 13/14	CONSTRUCTION OF CALUZA SPORTSHALL AND ASSOCIATED WORKS	Robertson & Poole	GDB Engineers CC is the consulting engineer for the works conducted by Robertson and Poole .At the meeting held on the 15 <sup>th</sup> of January 2015 it was established that additional demolishing works were conducted and variation orders regarding the additional works to be prepared and submitted to BAC. Scrap Steel that was on site and that which was recovered from the demolishing of the previous defective structure was sold off by the contractor without ensuring due diligence was met in terms of the asset management procedure manual. Clive Plumbing was mentioned as the sub-contractor for the plumbing works. There is a burst pipe identified on site and the engineer verbally instructed the contractor to rectify/fix the pipe, Nomfundo Mbatha of SCM Contract Management advised that all instructions should be issued in written format from the site instruction book, with carbon copies for recording, including that of the additional demolishing works. It is important to note that the additional works were initiated and concluded without the Bid Adjudication Committees' approval despite having financial implications, as additional costs are still to be claimed. Copies of the Bid Document were made by SCM and issued to the engineer for himself and the contractor as there was uncertainty with all the parties on the specified works.
SCM 22 of 13/14	Rehabilitation of Kwanyamazane main road	Nkonka Civils	The rehabilitation of this road was supposed to be completed at the end of August 2014 yet it is still under construction, and the quality of work is poor, the contractor has been asked to rectify and complete the work and they have promised to complete the work at the end of February 2015.
SCM 44 of 14/15	Repair and maintenance to palisade fencing at unit N hall	Thembaletu Construction	This contract has been successfully completed workmanship is good
SCM 77 OF 13/14	Relocation of Bulk water feeder mains	Escor Construction	Site establishment has been completed, The contractor has started clearing the area for pipe laying and the pipes have been procured the contract is waiting for delivery so that it can start laying the pipes.
SCM 78 OF 13/14	Construction of 10ML Reservoir: Masons	Notts Projects	The contractor on the project is one (1) month ahead of schedule the project is about 70% complete and the quality of work is good.

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<b>FEBRUARY 2016 - REPORT</b>			
SCM 1 OF 14/15	SPECIALISED CONTRACT SCM 1 OF 14/15 – DETAIL DESIGN AND CONSTRUCTION OF NON MOTORISED TRANSPORTATION	KAMAWEWE DEVELOPMENT CONSULTANTS	Complaints have been received from the client department, Kamawewe is not performing e.g. they fail to attend scheduled meetings; they don't submit progress report on-time and their report are not good quality.
			SCM has sent a letter of non- performance which currently awaits their response of consultant in question.
SCM 6 OF 14/15	FABRICATION, INSTALLATION AND REPLACEMENT OF STRUCTURAL STEEL PASSENGER SHELTERS AT VARIOUS BUS & MINI-BUS TAXI STOPS WITHIN THE MSUNDUZI MUNICIPALITY	AKEW INVESTMENTS T/A A D SPEC	The project commenced on 21 January 2015 and the contract period is two (2) years.
			It is at the beginning stag, the contractor is currently busy with the replacement of 29 shelters from various areas around Msunduzi jurisdiction.
			No complaints so far from the Project Manager.
SCM 8 OF 14/15	UPGRADING OF NEW ENGLAND LANDFILL	MOVE – ON-UP 111 CC T/A CONSTRUCTION & PLANT	The following works have commenced and/ or are complete on site:
			Installation of concrete palisade fence is 100% completed.
			Upgrade to leachate Management system is at 40%
			leachate return pipe trench has being re-leveled and backfilled
			They currently are using an electric pump to pump out leachate to the sewer mains.
			Construction of Leachate drain is at 100% completed.
			Construction of terrace control berm is at 40% - 1 meter
			Tie-ins to existing gas wells at 100%
			Installation of gas monitoring probes is at 75%
			New terrace control berm currently being constructed is 16370m3. The leachate is leaking and these findings were:
SCM 9 OF 14/15	CONSTRUCTION, RENOVATION ALTERATION TO ASHBURTON LIBRARY	MZA BUILDING CONTRACTORS	The leachate flow is due to this area now being the lowest point on the waste body which has resulted from the past landfill operations. As a long term solution, the Landfill has confirmed that they will commence filling this area with waste to ensure that the leachate is directed back into the waste body.
			As a short term measure, the company on site, Construction & Plant has to divert this leachate flow towards the existing leachate sump where it will be pumped to sewer.
			The progress is satisfactory to-date
SCM 9 OF 14/15	CONSTRUCTION, RENOVATION ALTERATION TO ASHBURTON LIBRARY	MZA BUILDING CONTRACTORS	Contractor is ahead of schedule and the consultant is pleased with the works produced so far. A letter of good standing has been requested by the Health and Safety officer representing Council.

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SCM 10 of 14/15	CONSTRUCTION RENOVATIONS ALTERATIONS TO ASHDOWN LIBRARY	MZA BUILDING CONTRACTORS	The project was scheduled to commence on the 26 <sup>th</sup> January 2015, but the contractor only started works on the 09 <sup>th</sup> of February 2015 since there was a delay in the establishment of site however the process manager requested contractor to submit a revised plan in order to cover for the lost time. No structure has been erected thus far.
SCM 25 of 14/15	MAINTENANCE OF AN ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM (EDRMS)	DATACENTRIX	The contractor is on schedule and the quality of work is satisfactory. Contractor has reached first milestone i.e., installation and configuration has been completed. The Contractor's performance is exceptional; however the contractor is experiencing delays due to illegal water connections and the interference from the local councilor in employing local people.
SCM 28 OF 14/15	CONSTRUCTION OF APPROXIMATELY 0.7KM OF THE WILLOWFOUNTAIN MAIN ROAD IN WARD 14, EDENDALE	VIP CONSTRUCTION CC	On the construction side, the contractor is currently busy with the mass earth works i.e. clearing and grubbing, identification of the existing services, and the cleaning of storm water pipes.
SCM 29 OF 14/15	MAINTENANCE OF GRASS PITCH AT THE HARRY GWALA STADIUM	SERVEST LANDSCAPING AND TURF A DIVISION OF SERVEST (PTY) LTD	The project commenced on 29 November 2014 and according to the Project Manager, the maintenance of the pitch is satisfactory. No complaints thus far.
SCM44 OF 14/15	REPAIR AND MAINTENANCE TO PALISADE FENCING AT UNIT N HALL	THEMBALETHU CONSTRUCTION	This project is complete and the workmanship is satisfactory
SCM 53 OF 14/15	DESIGN, MANUFACTURE, PROGRAMMING, DELIVERY, OFF-LOADING , INSTALLATION AND COMMISSIONING OF STREET FESTIVE LIGHTS AND	DÉCOR ELECTRIX	Contractor delivered on time and disassembled accordingly. Project manager Lungisani Ntuli happy with services rendered by contractor.
SCM 54 OF 14/15	SUPPLY AND DELIVERY OF MSUNDUZI MUNICIPALITY BRANDED DIARIES, WALL CALENDERS AND DESK PLANNERS	HUMAN SCALE PRINTERS	The supplies of wall, desk calendar and diaries were delivered.
SS 37 OF 13/14	HIRE OF PORTABLE TOILETS	XOLISIZWE TRADING AND PROJECT CC	The contractor has supplied all 120 units as per requirement by the contract. The project is underway.
SS 46 OF 14/15	WATER AND LEACHATE MONITORING IN RESPECT OF THE NEW ENGLAND LANDFILL SITE, PIETERMARITZBURG	ENVITECH SOLUTIONS (PTY) LTD	According to the Project Manager, the service of the contractor was satisfactory and the performance was of high quality.

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SS 50 of 2014	REPLACE AND REPAIR DAMAGED PAVING SLABS STORMWATER, KEBS CHANNELS FO THE MSUNDUZI MUNICIPALITY	HI-GLEN CONSTRUCTION	Contractors under this contract are performing very well and the standard of work is satisfactory except Qulotech who sometimes don't collect orders or show up for site meetings Daleka Trading Enterprise (Pty) Ltd- Completed 5 project under the contract for Transportation Planning (4) and Roads (1). Transportation foreman requested that the contractor install bull nose attachments on all sites where guardrails were not installed. Overall work was satisfactory as per Transportation foreman.
		DALEKA TRADING	
		QULOTECH TRADING	
SS 65 OF 14/15	SUPPLY , INSTALLATION AND MAINTENANCE OF GUARDRAILS AND HANDRAILS FOR BRIDGES WITHIN THE MSUNDUZI MUNICIPALITY AREA OF JURISDICTION	DALEKA TRADING ENTERPRISE	Caterpillar Trading- Completed 9 project under the contract for Transportation Planning. Transportation foreman requested that the contractor install bull nose attachments on two (2) sites where guardrails were not installed. Overall work was satisfactory as per Transportation foreman.
		CATERPILLA TRADING	
SS 67 OF 14/15	PROVISION OF X-RAY	DR KAUFFMAN & PARTNERS INC	The project commenced and the meeting held on 05 March 2015 between the Msunduzi municipality and the Service provider to outline the conditions of the contract. The contract period is three (3) years. The company requested to see 10 employees per day from Monday-Friday between 08h00-12h00. Reviews will be done on quarterly basis. All the new employees and annual medicals will be referred to St Anne's hospital where the X-ray will be undertaken.
E6 OF 2014	SUPPLY AND DELIVERY OF ELECTRIC LAMP AND ACCESSORIES	KUSH J TRADERS CC	Contractors are appointed based on their rates and the rotation method however the monitoring team are currently struggling in getting monthly expenditure schedule on each contractor for this contract from the project managers. According to the Project Manager; most of the contractor's performance is satisfactory and is also satisfied with the high service standards they are receiving from the contractors. Contractors have sense of urgency in responding to queries and complaints.
		ARB ELECTRICAL WHOLESALERS	
		ELECTRO VROOMEN	
		MANAVI ELECTRICAL	
		A RANJEETH T/A TDK ELECRICAL AND APPLIANCE SERVICES	
		RICKY ELECTRICAL T/A BRING SPARK ELECTRICAL AND INDUSTRY	
4/S36 of 14/15	FUEL MANAGEMENT SYSTEM	OTI PETROSMART (PTY) LTD	The services provider has completed five surveys for eight single sites and on the 12th of January the contractor will commence with the installation of the system and they will start with 806 vehicles and eight (8) home based pumps and later on they will install 800 more vehicles.
4/S32 of 14/15	PARTICIPATION IN THE CONTRACT FOR THE SAP PROFESSIONAL SUPPORT SERVICES	EOH MTHOMBO (PTY) LTD	EOH was appointed through SCM regulation 32 (a contract secured from City of Johannesburg to implement the FMS). The project is currently at planning stage and the service provider is currently busy with the assessment of the ICT infrastructure.



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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>MARCH 2016 - REPORT</b>			
SCM 6 OF 14/15	FABRICATION, INSTALLATION AND REPLACEMENT OF STRUCTURAL STEEL PASSENGER SHELTERS AT VARIOUS BUS & MINI-BUS TAXI STOPS WITHIN THE MSUNDUZI MUNICIPALITY	AKEW INVESTMENTS T/A A.D SPEC	The project commenced on 21 January 2015 and the contract period is two (2) years Currently the company is busy with the installation of new shelters at Pata area. They prepared the base for 8 shelters and waiting for weather to clear in order to lay the concrete. The work performance is satisfactory.
SCM 8 OF 14/15	UPGRADING OF NEW ENGLAND LANDFILL	MOVE – ON-UP 111 CC T/A CONSTRUCTION & PLANT	The progress has been satisfactory to-date. However the rain has caused delays on the progress on site. The contractor to accelerate progress to catch up with works. The company has diverted the leachate flow towards the existing leachate sump where it is pumped to sewer. · The workmanship is satisfactory
SCM 29 OF 14/15	MAINTENANCE OF GRASS PITCH AT THE HARRY GWALA STADIUM	SERVEST LANDSCAPING AND TURF A DIVISION OF SERVEST (PTY) LTD	The project commenced on 29 November 2014. The maintenance is underway and the performance is satisfactory.
SS34 OF 2014	MAINTENANCE AND GARDENING SERVICES TO THE NEW ENGLAND LANDFILL SITE, PIETERMARITZBURG	ZIBONGELE MATHUBA TRADING (PTY) LTD	The Service provider withdraws the contract stating that he did not understand the terms and conditions of the contract. Letter of withdrawal received on 10/12/2014. The recommendation for the second lowest was submitted to BAC which was then approved in February 2015. · The new service provider is underway.
SS 50 of 2014	REPLACE AND REPAIR DAMAGED PAVING SLABS STORMWATER, KERBS CHANNELS FOR THE MSUNDUZI MUNICIPALITY	HI-GLEN CONSTRUCTION	The contractor has replaced and repaired the damaged paving in/around Church street mall. The work is satisfactory.
SS 67 OF 14/15	PROVISION OF X-RAY	DR KAUFFMAN & PARTNERS INC	The project commenced and the meeting held on 05 March 2015 between the Msunduzi municipality and the Service provider to outline the conditions of the contract. The contract period is three (3) years. The company requested to see 10 employees per day from Monday-Friday between 08h00-12h00.
			Reviews will be done on quarterly basis.
			All the new employees and annual medicals will be referred to St Anne's hospital where the X-ray will be undertaken.
			The project is underway.
4/S36 of 14/15	FUEL MANAGEMENT SYSTEM	OTI PETROSMART (PTY) LTD	The project constituted of three main areas:
			Electrification of all the fuel bowsers
			Installation, fitting and commissioning of the pedestals.
			Installation and fitment of the system on vehicles.

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			<p>Electrification on all eight sites have been completed and commissioned</p> <p>The vehicle installation activities on vehicles commence on the 19 January 2015, and the anticipated completion period is three months thereof</p> <p>Driver tags will be issued to the drivers from the 20th April 2015. All the vehicles that are already fitted with the fuel management can then refuel.</p> <p>As at Monday 30th March 2015 approximately 453 vehicles have been installed with the fuel management system and sent to the petrol bowser for testing and they are working fine. They are currently averaging 9 installations per day. This is as a result of not enough vehicles available daily to the technicians at the beginning of the installation. For the last two weeks the responses have been good. They are able to have approximately 15 vehicles at the fitment center.</p> <p>The completion date is expected to be at the end of May 2015, where all the vehicles should be fitted with the system.</p>
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	BRIGHT HOMES CONSTRUCTION	A revised construction program has been issued by contractor excluding the embankment seating, club house and suits.
		QULOTEC TRADING CC	31.5% of project has been accomplished.
			Cession for the installation of the signage on the advertising structure
SCM 87 OF 13/14	REFURBISHMENT OF MUNICIPAL MARKET	GOLDEN EMPIRE TRADING 58 CC	Contractor still onsite and requested a further extension of time.
			The cessionary (Cochrane) delivered and erected the incorrect fencing despite being sent the specifications by ISF Buildings, rectification of the defective/substandard materials being rectified.
SCM 89 OF 13/14	CONSTRUCTION OF CALUZA SPORTSFIELD AND ASSOCIATED WORKS	ROBERTSON & POOLE	Revised Cash flow projections have been submitted.
			Occupational Health and Safety File has been approved by Msunduzi Municipality and is on site.
			The DB Board is to move closer to the electrical supply.
			External Walls are to remain as specified (Fire Light Satin), internal walls to be erected with common bricks that will be plastered and painted to save cost for the additional demolition costs incurred when execution of the demolishing occurred.
SCM 9 OF 14/15	CONSTRUCTION, RENOVATION ALTERATION TO ASHBURTON LIBRARY	MZA BUILDING CONTRACTORS	Works ahead of program.
			Quantity Surveyor has requested that the contractor submit consolidated variations and stipulate the anticipated time needed to fulfill the varied works.
			Contractor has been allowed to claim payment for works conducted thus far due to substantial progress, the payment schedule has been sent to Msunduzi's Project Manager.
			ISF Buildings is happy with the progress and quality of the works.

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
Q88 of 14/15	PROVISION OF WATER TREATMENT SPECIALIST CONTRACTOR TO PROVIDE MECHANICAL WATER TREATMENT AND CHEMICAL DOSING FOR A PERIOD OF 1 YEAR	CYBERCHEM	An amendment to the capped contract amount was requested as the additional machinery replacement works were concluded and funds to dose the plant monthly for the duration of the contract (November 2015) are to be made available.
SCM 1 of 14/15	SPECIALISED CONTRACT SCM 1 OF 14/15 – DETAIL DESIGN AND CONSTRUCTION OF NON MOTORISED TRANSPORTATION	KAMAWEWE DEVELOPMENT CONSULTANTS	The service provider has improved considerably since the last report
			The service provider has submitted a revised program and new cash flows
			The Transportation Business Unit is happy with the progress
SCM 77 OF 13/14	RELOCATION OF BULK WATER FEEDER MAINS	ESCOR CONSTRUCTION	The contractor is currently trenching for pipe laying And the pipes have been procured
SCM 78 OF 13/14	CONSTRUCTION OF 10ML RESERVOIR: MASONS	NOTTS PROJECTS	The contractor on the project is on schedule the project is progressing very well· The quality of work is satisfactory
SCM82 OF 13/14	MONITORING OF EIGHT DEPTH ONLY MEASURE MOBILE FLOW MONITORING STATION	JOAT SALES & SERVICES	Contractor has supplied the equipment
			Contractor currently busy installing Manhole covers
			The contractor is slightly behind the schedule
SCM43 of 14/15	APPOINTMENT OF A SERVICE PROVIDERS TO PROVIDE PROFESSIONAL EVENT MANAGEMENT SERVICES TO THE MSUNDUZI MUNICIPALITY	SANDAKAHLE TRADING	Sandakahle(will be event managing the Golden Games on 14 April 2015)
			Xolisizwe(will be event managing Disability Games on 21 April 2015)
			Tripple Nine Trading(will be event managing Human Rights Program on 17 April 2015)
			Anzomonde(will be event managing the Investment Conference on 5 & 6 May 2015
SCM 25 OF 14/15	MAINTENANCE OF AN ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM (EDRMS)	DATACENTRIX	Milestone 5 Analysis secretariat stage has been completed.
			Datacentrix waiting for approval to begin work on the proposed rendition server. The implementation of the rendition server would require an additional ten (10) days to the initial program.
SCM 10 OF 14/15	CONSTRUCTION, RENOVATIONS AND ALTERATIONS TO ASHDOWN LIBRARY	SIZIMISELENGOMSEBENZI	Project is behind schedule
			Foundation stage of project is completed.
			There was a further delay as the contractor was instructed to re-measure the trenches before pouring in concrete.
			Foundations are complete and contractor will be commencing on brickwork.
			Contractor will be forwarding an application for a time extension on the project, should the application not be approved user department will be imposing penalties.

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
			Contractor will be submitting a revised program schedule and a revised cash flow projection. Project manager Bukelani Mbhele is concerned on progress versus program of the project.
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWESI BUSINESS SOLUTIONS (PTY) LTD	The contract is going accordingly and the service provider performance meets all the contractual requires.
			ICT Department is pleased with the high service standards received from Ekhwesi.
SCM 63 OF 13/14	APPOINTMENT OF AN IMPLEMENTING AGENT TO PREPARE, PACKAGE AND IMPLEMENT THE KWA 30 HOUSING PROJECT CONSISTING OF 400 UNITS	MOSEGEDI AND ASSOCIATES (PTY) LTD	The implementing agent is currently busy with the preliminary designs/ feasibility study:
			Bulk services Investigations
			Land audit and survey
			Environmental impact Assessment
			Town and regional planning
			Geotechnical investigations.
			Socio-Economic Survey.
SCM 83 OF 13/14	WATER PIPE LINE EXTENSION	MAKHUBU CIVILS	The contractor is busy with all the wards concurrently and they have managed to reach 65% completion in ward8, and less than 25% completion in other wards.
			According to the progress on site the contractor has excavated and laid 3,2km of pipe out of 3.3 k in ward 8. There is 26% of works that is still under construction. The first technical meeting was held on the 16th of March 2015 at Vulindlela / Mafakathini.
			The Contractor's performance is exceptional; however the contractor is experiencing delays due to illegal water connections and the interference from the local councilor in employing local people had been resolve.
SCM 28 OF 14/15	CONSTRUCTION OF APPROXIMATELY 0.7KM OF THE WILLOWFOUNTAIN MAIN ROAD IN WARD 14, EDENDALE	VIP CONSTRUCTION CC	On the construction side, the contractor has finished with all the mass earth works i.e. clearing and grubbing, identification of the existing services, and the cleaning of storm water pipes. And currently busy with the laying of storm water pipes.
4/S32 Of 14/15	PARTICIPATION IN THE CONTRACT FOR THE SAP PROFESSIONAL SUPPORT SERVICES	EOH MTHOMBO (PTY) LTD	EOH was appointed through SCM regulation 32 (a contract secured from City of Johannesburg to implement the FMS). The project is currently at planning stage and the service provider is currently busy with the assessment of the ICT infrastructure.
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
APRIL 2016 - REPORT			
SCM 1 OF 14/15	SPECIALISED CONTRACT SCM 1 OF 14/15 – DETAIL DESIGN AND CONSTRUCTION OF NON MOTORISED TRANSPORTATION	KAMAWEWE DEVELOPMENT CONSULTANTS	The service provider has improved considerably since the last report
			The drawings for NMT phase 3&4 are now complete
			The Transportation Business Unit is happy with the progress

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 2 OF 14/15	PROPOSAL CALL FOR A R 200 MILLION LONG-TERM DEBTS FACILITY PROVISION FOR THE MSUNDUZI MUNICIPALITY FOR ELECTRICAL INFRASTRUCTURE-CAPITAL EXPENDITURE	DEVELOPMENT BANK OF SOUTHERN AFRICA	A first draw down of R 100 000 000 has been received by the Municipality as per agreement
SCM 5 OF 14/15	SUPPLY AND INSTALLATION OF NEW PALISADE FENCING TO VACANT SITES TO BE USED AS A COMMUNITY CENTRE AT WARD 3 (ENQABENI) I AND WARD 28 LOTUS PARK, NORTHDALÉ	CATERPILLA TRADING	The contractor was awarded the contract on the 4th of December 2014. According to the managing director of the company, they could not commence with the works due to festive shutdown. As a result they started a project a month after they have been awarded. However the contractor has managed to complete 99% the works at Enqabeni and Northdale is approximately 65% complete.
			The Contractor's performance is exceptional; however the contractor is experiencing delays in receiving materials from their suppliers
			The monitoring office received a letter from the contractor requesting an extension of time due to delays that they have encountered.
SCM 6 OF 14/15	FABRICATION, INSTALLATION AND REPLACEMENT OF STRUCTURAL STEEL PASSENGER SHELTERS AT VARIOUS BUS & MINI-BUS TAXI STOPS WITHIN THE MSUNDUZI MUNICIPALITY	AKEW INVESTMENTS T/A A D SPEC	<i>The project commenced on 21 January 2015 and the contract period is two (2) years.</i>
			The service provider has completed the installation of the 8 shelters and the outcome is good and according to the specification. The work performance is satisfactory thus far (Picture attached).
SCM 8 OF 14/15	UPGRADING OF NEW ENGLAND LANDFILL	MOVE – ON-UP 111 CC T/A CONSTRUCTION & PLANT	Works have progressed well. The contractor shown signs of commitment and dedication to complete the project.
			Upgrade to leachate management system is to be commissioned by the 29 <sup>th</sup> of May 2015.
			Construction of terrace control berm is at 85% and will be completed by 22 <sup>nd</sup> of May 2015.
			Steel structure to be completed by the 22 <sup>nd</sup> of May 2015
			Ramp 1 & 2 including barriers are to be completed by the 22 <sup>nd</sup> of May 2015.
			Practical completion is on 22 May 2015.
			The handover will done on the 02 of June 2015
SCM 9 OF 14/15	CONSTRUCTION, RENOVATION ALTERATION TO ASHBURTON LIBRARY	MZA BUILDING CONTRACTORS	The performance of both the Engineer and the contractor is of good quality and satisfactory.
			Project has met practical completion.
			Contractor is finalizing the fittings.

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 10 OF 14/15	CONSTRUCTION, RENOVATIONS AND ALTERATIONS TO ASHDOWN LIBRARY.	SIZIMISELENGOMSEBENZI	Earthworks and foundation are complete, currently working on brickwork.
			Contractor behind schedule, putting in an application for extension on contract period.
			Consultant satisfied with quality of work thus far.
			Project manager Bukelani Mbhele requested contractor to submit weekly program; execution of the programs will be monitored by the project manager.
			Project manager taking necessary steps to address progress versus programme issues.
SCM 12 of 14/15	APPOINTMENT OF TRAINING SERVICE PROVIDER IN ADVANCE DRIVING	TRADEFIRST 2035 CC	The 1 <sup>st</sup> and 2 <sup>nd</sup> group have completed the Training and the last group will go in on the 13/05/2015
			The training is going very well
SCM 14 of 14/15	BASIC FIRST AID TRAINING	KDS HEALTH AND SAFETY CONSULTANTS	Project is complete and delivered accordingly
SCM 17/of 14/15	TRAINING IN ADVANCE MICROSOFT OFFICE EXCEL	INDONSA CONSULTING AND TRAINING	Training is complete and it was of to be of satisfactory standard
SCM24 OF 14/15	UPGRADE OF DISTRICT ROAD D1128 IN VULINDLELA PHASE III	SIVA PILLAY CONSTRUCTION	Site establishment is complete
			Contractor is currently busy with Earthworks and layer material
SCM 25 OF 14/15	MAINTENANCE OF AN ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM (EDRMS)	DATACENTRIX	Currently working on Milestone 6- Document Migration.
			Request for rendition server was declined by BAC
			Document Migration from docu-soft to open text will be parked until request for rendition server has been re-presented to council (steering committee) for approval.
			Project Manager (Wayne Schnaar) has confirmed that the project is on course.
SCM 27 OF 14/15	SUPPLY, DELIVERY AND OFF-LOADING OF TEN SLASHER MOWER ATTACHMENTS FOR TRACTORS WITH PTO SHAFTS	OLYMPUS ENTERPRISES (PTY) LTD	According to the Project Manager, Parks made an agreement with the service provider to deliver five (5) slasher mower attachments whilst they are still repairing the other five (5) that was damaged by the storm. The business unit is happy with the workmanship of the Service provider.
			The Contractor's performance is exceptional; however; the contractor is experiencing delays due to illegal water connections
SCM 28 OF 14/15	CONSTRUCTION OF APPROXIMATELY 0.7KM OF THE WILLOWFOUNTAIN MAIN ROAD IN WARD 14, EDENDALE	VIP CONSTRUCTION CC	The interference matter from the local councilor in employing local people had been resolved.
			On the construction side, the contractor has finished with all the mass earth works i.e. clearing and grubbing, identification of the existing services, and the cleaning of storm water pipes. And currently busy with the laying of storm water pipes.
SCM 29 OF 14/15	MAINTENANCE OF GRASS PITCH AT THE HARRY GWALA STADIUM	SERVEST LANDSCAPING AND TURF A DIVISION OF SERVEST (PTY) LTD	The project commenced on 29 November 2014. The service provider is performing well and the pitch is in good condition.
SCM 30 OF 14/15	SUPPLY, INSTALLATION ,	KGT ENTERPRISES	The contractor is busy with the installations. The service provider has installed six (6) fire detections sensors, alarms

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	MAINTENANCE OF FIRE DETECTION AND SUPPRESSION SYSTEM IN DATA CENTRE		and suppression system. (Pictures attached)
			The deliverables are according to the specification. The work performance is satisfactory.
SCM35 OF 14/15	APPOINTMENT OF AN ACCREDITED TRAINING SERVICE PROVIDER TO TRAIN SUPPLY CHAIN EMPLOYEES AND SUPPLY CHAIN COMMITTEES.	BANTU BANYE INVESTMENTS CC T/A BANTU BANYE SKILLS	Training commenced on the 30 <sup>th</sup> of March 2015.
			Training for unit standard 116353 completed successfully with SCM employees.
			Training for unit standard 337061 completed successfully with bid committee members.
			Training will continue in the next financial year.
SCM39 OF 14/15	UPGRADE OF BERG STREET SWIMMING POOL.	UGESI CONTRACTORS	Work on site has commenced.
			Pool has been cleaned and engineering details have been completed.
			Parks department completed removal of trees around the pool.
			All materials for fitment have been ordered and awaiting delivery to commence fitment.
			Addition to the works; contractor will be putting in a Jojo tank to help in storing sifted residues from the pool that may block sewage pipes.
			Project manager requested the contractor to have a full-time security on site.
			The project is on board.
SCM43 OF 14/15	APPOINTMENT OF A SERVICE PROVIDERS TO PROVIDE PROFESSIONAL EVENT MANAGEMENT SERVICES TO THE MSUNDUZI MUNICIPALITY	SANDAKAHLE TRADING	Sandakahle(Golden Games on 14 April 2015)the event went very well
		XOLISISIZWE	Xolisizwe(Disability Games on 21 April 2015) the event went very well
		TRIPPLE NINE TRADING	Tripple Nine Trading( Human Rights Programme on 17 April 2015) the event went very well
		ANZOMONDE JOBE	Anzomonde ( Investment Conference on 5, 6,7 &8 May 2015) the event was a success
SCM75 of 14/15	COMPLETION CONTRACT FOR THE CONSTRUCTION OF MOSES MABHIDA MULTIPURPOSE CENTRE	ZETHEMBE MAINTENANCE AND GENERAL SERVICES	Site handover was done on 8 <sup>th</sup> May 2015.
			The contractor is to commence with site establishment as of the 11 <sup>th</sup> May 2015
SCM 21 OF 13/14	THE APPOINTMENT OF CONSULTING ENGINEERS TO PROVIDE PROFESSIONAL GEOTECHNICAL ENGINEERING SERVICES FOR THE INVESTIGATION OF SOIL MOVEMENTS AND FLOODING OF HOUSES IN CALUZA AREA, WARD 20,	SRK CONSULTING SOUTH AFRICA PTY LTD	The project has been completed and awaiting for the completion certificate from the Project Manager.

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
	EDENDALE.		
SCM 22 OF 13/14	REHABILITATION OF KWANYAMAZANE MAIN ROAD	INKONKA CIVILS	This project has reached practical completion
			The contractor is busy with the snag list
			Quality of work is satisfactory
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWESI BUSINESS SOLUTIONS (PTY) LTD	The contract is going accordingly and the service provider's performance meets all the contractual requires.
			ICT Department is pleased with the high service standards received from Ekhwesi.
SCM 25 OF 13/14	PROVISION OF DEBRIS NET INCLUDING REMEDIAL WORK TO BRICKWORK AT PROFESSOR NYEMBEZI BUILDING	QULOTEC TRADING CC	The project is complete but awaiting the completion certificate from the Business unit i.e. Roads.
SCM 41 OF 13/14	AUDIT OF MSUNDUZI REPORTS	SIYAZAMA CONSULTING	According to the Project Manager, the deliverables were satisfactory and on-time. The project is complete and awaiting a Closeout Report.
SCM 43 OF 13/14	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AUDIT VERIFICATION FOR ALL MSUNDUZI MUNICIPALITY RENTAL HOUSING STOCK	TAHIRI TRADING (PTY) LTD	The project is almost complete; the service provider is ahead of the programme of works. The deliverables are acceptable and the Business unit- Housing is happy with the outcome of the project.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GERHARDUS MARITHINUS CLOETE	The contract is underway and the performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	COMPUTER SECURITY AND FORENSIC SOLUTIONS	The contract is underway and the performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	The contract is underway and the performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS /	GOVERT VETTEN FORENSIC INVESTIGATOR	The contract is underway and the performance is satisfactory.



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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
	COMPUTER FORENSIC EXPERTS.		
SCM 55 OF 13/14	CONSTRUCTION OF ADVERTISING STRUCTURE AT THE MUNICIPAL MARKET, MKHONDENI, PIETERMARITZBURG	QULOTEC TRADING CC	Cession for the installation of the signage on the advertising structure
			Signage has been installed on the structure.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The management of the project SCM 8 of 14/15 is underway and the Engineer's management skills are good and their work performance is acceptable. The practical completion of the project is 01 <sup>st</sup> June 2015.
SCM 63 OF 13/14	APPOINTMENT OF AN IMPLEMENTING AGENT TO PREPARE, PACKAGE AND IMPLEMENT THE KWA 30 HOUSING PROJECT CONSISTING OF 400 UNITS	MOSEGEDI AND ASSOCIATES (PTY) LTD	The feasibility study has been successfully completed.
			The contract was handed back to the Department Human settlement.
SCM 77 OF 13/14	RELOCATION OF BULK WATER FEEDER MAINS	ESCOR CONSTRUCTION	The contractor is currently trenching for pipe laying
			And the pipes have been procured
SCM 78 OF 13/14	CONSTRUCTION OF 10ML RESERVOIR: MASONS	NOTTS PROJECTS	The contractor is 3 weeks ahead of schedule on this project
			The quality of work is satisfactory
SCM82 OF 13/14	MONITORING OF EIGHT DEPTH ONLY MEASURE MOBILE FLOW MONITORING STATION	JOAT SALES & SERVICES	Contractor is currently installing the equipment
			The contractor is still slightly behind project schedule
SCM 83 OF 13/14	WATER PIPE LINE EXTENSION	MAKHUBU CIVILS	The contractor is busy with all the wards concurrently and they have managed to reach 90% completion in ward8, and less than 50% completion in other wards.
			According to the progress on site the contractor has excavated and laid 3,3km of pipe out of 3.3 km in ward 8. There is 10% of works that is still under construction.
SCM 87 OF 13/14	REFURBISHMENT OF MUNICIPAL MARKET	GOLDEN EMPIRE TRADING 58 CC	Contractor still onsite and requested a further extension of time.
			The cessionary (Cochrane) has delivered 600m of the correct material.
			The correct material is to be erected and defective/substandard material replaced.
SCM 88 OF 13/14	CONSTRUCTION OF THE BROOKSIDE TAXI HOLDING AREA	HI-GLEN CONSTRUCTION	The issue of the material in regard with the Engineer (Kamawewe) delays the progress on site.
			The works is progressing slowly until the matter is resolved.
			Ablutions are completed, street lights are installed, fencing around the Ablution blocks is erected and the sub-contractor is busy laying the sewer pipes. (Pictures attached).

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>MAY 2016 - REPORT</b>			
SCM 21 OF 13/14	THE APPOINTMENT OF CONSULTING ENGINEERS TO PROVIDE PROFESSIONAL GEOTECHNICAL ENGINEERING SERVICES FOR THE INVESTIGATION OF SOIL MOVEMENTS AND FLOODING OF HOUSES IN CALUZA AREA, WARD 20, EDENDALE.	SRK CONSULTING SOUTH AFRICA PTY LTD	Waiting for the completion certificate/ closeout report from the Business unit.
SCM 22 OF 13/14	REHABILITATION OF KWANYAMAZANE MAIN ROAD	NKONKA CIVILS	This contract has reached practical completion and the contractor is finishing the snag list. And handing over of the road back to the Municipality.
SCM 25 OF 13/14	PROVISION OF DEBRIS NET INCLUDING REMEDIAL WORK TO BRICKWORK AT PROFESSOR NYEMBEZI BUILDING	QULOTEC TRADING CC	Waiting for the completion certificate/ closeout report from the Business unit.
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWEZI BUSINESS SOLUTIONS (PTY) LTD	The contract is going accordingly and the service provider's performance meets all the contractual requires.
SCM 41 OF 13/14	AUDIT OF MSUNDUZI REPORTS	SIYAZAMA CONSULTING	The project is complete and awaiting for a completion certificate / closeout report.
SCM 43 OF 13/14	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AUDIT VERIFICATION FOR ALL MSUNDUZI MUNICIPALITY RENTAL HOUSING STOCK	TAHIRI TRADING (PTY) LTD	The project is complete and performance acceptable.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GERHARDUS MARITHINUS CLOETE	The contract is underway and the performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	COMPUTER SECURITY AND FORENSIC SOLUTIONS	The contract is underway and the performance is satisfactory.

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	The contract is underway and the performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	The contract is underway and the performance is satisfactory.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR UPGRADING OF LANDFILL SITE	ENVITECH SOLUTIONS (PTY) LTD	The management of the project SCM 8 of 14/15 is underway and the Engineer's management skills are good and their work performance is acceptable. The practical completion of the project was scheduled for the 01 <sup>st</sup> of June 2015 and extended to 19 <sup>th</sup> of June 2015. The service provider is busy with the snag.
SCM 63 OF 13/14	APPOINTMENT OF AN IMPLEMENTING AGENT TO PREPARE, PACKAGE AND IMPLEMENT THE KWA 30 HOUSING PROJECT CONSISTING OF 400 UNITS	MOSEGEDI AND ASSOCIATES (PTY) LTD	The feasibility study has been successfully completed.
SCM 77 OF 13/14	RELOCATION OF BULK WATER FEEDER MAINS	ESCOR CONSTRUCTION	The contract was handed back to the Department of Human settlement.
			The contractor is nineteen (19) days behind the schedule but has put a claim for extension of time of which the consultant is busy considering
			The project is 70% complete
			Completion date for this project is scheduled for 27/07/2015
SCM 78 OF 13/14	CONSTRUCTION OF 10ML RESERVOIR: MASONS	NOTTS PROJECTS	The Contractor on the project is on schedule and the project is progressing very well
			The quality of works is satisfactory
			This project is expected to reach practical completion on 27/07/2015
SCM82 OF 13/14	MONITORING OF EIGHT DEPTH ONLY MEASURE MOBILE FLOW MONITORING STATION	JOAT SALES & SERVICES	Contractor currently busy installing Manhole covers
			The contractor is slightly behind schedule
			Contractor has supplied the equipment
SCM 83 OF 13/14	WATER PIPE LINE EXTENSION	MAKHUBU CIVILS	The contractor is busy with all the wards concurrently and they have managed to reach 99% completion in ward 8, and less than 60% completion in other wards.
SCM 87 OF 13/14	REFURBISHMENT OF MUNICIPAL MARKET	GOLDEN EMPIRE TRADING 58 CC	Contractor still onsite and requested a further extension of time.
			The cessionary (Cochrane) has delivered 600m of the correct material.
			Cochrane have advised that completion of the perimeter fencing has been met
SCM 89	CONSTRUCTION OF	ROBERTSON & POOLE	Progress onsite is ongoing

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
OF 13/14	CALUZA SPORTSFIELD AND ASSOCIATED WORKS		The appointed Engineer GDB Engineers has made amendments to the structural design to accommodate previously unnoticed mistakes.
			The shutter doors close internally and no provisions were in place to enter the hall, these has been rectified the contractor removed previously laid bricks and fitted a door. One of the walls also went to high without appropriate reinforcements this according to the contractor has been resolved.
SCM 1 OF 14/15	SPECIALISED CONTRACT SCM 1 OF 14/15 – DETAIL DESIGN AND CONSTRUCTION OF NON MOTORISED TRANSPORTATION	KAMAWEWE DEVELOPMENT CONSULTANTS	Progress Reports for April & May are still outstanding the Consultant has been requested to submit the outstanding progress report.
SCM 2 OF 14/15	PROPOSAL CALL FOR A R 200 MILLION LONG-TERM DEBTS FACILITY PROVISION FOR THE MSUNDUZI MUNICIPALITY FOR ELECTRICAL INFRASTRUCTURE-CAPITAL EXPENDITURE	DEVELOPMENT BANK OF SOUTHERN AFRICA	A first draw down of R 100 000 000 has been received by the Municipality as per agreement.
SCM 5 OF 14/15	SUPPLY AND INSTALLATION OF NEW PALISADE FENCING TO VACANT SITES TO BE USED AS A COMMUNITY CENTER AT WARD 3 (ENQABENI) AND WARD 28 LOTUS PARK, NORTHDAL	CATERPILLAR TRADING	The contractor was granted six (6) weeks extension of time
			The Contractor has completed the fencing of Community centre at ward 3 Enqabeni. But the contractor is failing to complete the other works at ward 28 Lotus Park Northdale due to cash flow problems.
			The Contractor's performance is exceptional; however the contractor is experiencing delays in receiving materials from their suppliers.
SCM 8 OF 14/15	UPGRADING OF NEW ENGLAND LANDFILL	MOVE – ON-UP 111 CC T/A CONSTRUCTION & PLANT	Contractor has performed satisfactory towards the latter part of the contractor.
			Standard of work was acceptable and completed the project on-time. The handover is on the 19 <sup>th</sup> of June 2015.
			The company is recommended for future projects.
SCM 10 OF 14/15	CONSTRUCTION, RENOVATIONS AND ALTERATIONS TO ASHDOWN LIBRARY.	SIZIMISELENGOMSEBENZI	The application for 45 day extension on contract period was approved.
			Roof trusses have been erected.
			Awaiting Beam filling after trusses erection.
			Electrical installation is complete.
SCM 24 OF 14/15	UPGRADE OF DISTRICT ROAD D1128 IN VULINDLELA PHASE III	SIVA PILLAY CONSTRUCTION	Site establishment is complete
			Contractor is currently busy with earthworks
			In some sections of the road the Contractor has put some layer works for G5 material which have been laid.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 23 OF 14/15	SUPPLY AND DELIVERY OF 300 BRUSH CUTTERS COMPLETE WITH SAFETY HARNESES	PIETERMARITZBURG POWER PRODUCTS CC	The machines were delivered on the 13th of February 2015 and they are still in a good Condition.
SCM 25 OF 14/15	MAINTENANCE OF AN ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM (EDRMS)	DATACENTRIX	Electronic document and records management system has been completed-contractor is in process of administrating training.
			Rendition server was not approved.
			Complete migration of documents from docu-soft to the new document system has been completed.
			The contractor is currently busy will layer works and the contractors overall progress on site is approximately 52% as at 28 May 2015.
SCM 28 OF 14/15	CONSTRUCTION OF APPROXIMATELY 0.7KM OF THE WILLOWFOUNTAIN MAIN ROAD IN WARD 14, EDENDALE	VIP CONSTRUCTION CC	The Contractor's performance is exceptional; however the contractor is experiencing delays due to illegal water connections.
			On the construction side, the contractor has finished with the G9 land currently laying G7.
SCM 29 OF 14/15	MAINTENANCE OF GRASS PITCH AT THE HARRY GWALA STADIUM	SERVEST LANDSCAPING AND TURF A DIVISION OF SERVEST (PTY) LTD	The project commenced on 29 November 2014. The deliverables are acceptable.
SCM 30 OF 14/15	SUPPLY, INSTALLATION , MAINTENANCE OF FIRE DETECTION AND SUPPRESSION SYSTEM IN DATA CENTRE	KGT ENTERPRISES	The installation and commissioning has been undertaken in accordance with the recommendations of SANS.
			It was recommended that the system is maintained once every 6 months in accordance with the relevant South African standard.
SCM 39 of 14/15	UPGRADE OF BERG STREET SWIMMING POOL	UGESI CONTRACTORS	Final preparations of the pool base for installation of base tiles are complete.
			Installation of paver tiles has commenced.
			Main commissioning complete waiting for water supply.
			Flood Lights have been erected.
			Due to delay in arrival of base tiles contractor will be requesting an extension on contract period, ship with tiles will dock on the 10th June.
			Preparation of change room walls for painting is complete, door frames have been removed for installation of new wooden door frames.
SCM43 OF 14/15	APPOINTMENT OF A SERVICE PROVIDERS TO PROVIDE PROFESSIONAL EVENT MANAGEMENT SERVICES TO THE MSUNDUZI MUNICIPALITY	SANDAKAHLE TRADING	Sandakahle: the event was a success (Golden Games)
		XOLISISIZWE	Xolisizwe: the event was a success ( Moral Regeneration)
		TRIPPLE NINE TRADING	Tripple Nine: (will be coordinating the Mayoral games 26/06/2015)
		ANZOMONDE JOBE	Anzomonde: the event was a success (talent search Program )

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 45 OF 14/15	SUPPLY AND DELIVERY OF FORKLIFT	CRITERION EQUIPMENT	No order has been created for this contract.
			Business unit has no available funds.
			Orders will only be created next financial year.
SCM 47 OF 14/15	SPECIALISED CONTRCAT MAINTENANCE AND SUPPORT FOR ALCATEL OMNI PABX ENTERPRISE	BYTES MANAGEMENT SOLUTION	The project commenced and the performance is acceptable.
SCM 50 OF 14/15	SUPPLY AND DELIVERY OF YELLOW PLANT	ELB EQUIPMENT HOLDINGS, BABCOCK, HIGH POWER EQUIPMENT	No order has been created for this contract.
			Business unit has no available funds.
			Orders will only be created next financial year.
SCM 52 OF 14/15	SUPPLY, DELIVERY AND COMMISSIONING OF NEW LIFT AND GOODS HOIST AT BESSIE HEAD LIBRARY	KONE ELEVATORS PTY LTD	The Lift has been installed but not yet commissioned,
			The Project manager has a challenge regarding the installation and commissioning of Goods Hoist the meeting will be held on 11/06/2015 to resolve the matter.
SCM 55 OF 14/15	MAINTENANCE AND SUPPLY OF FIBRE OPTIC UTP CABLE	PHUTHUMA TECHNOLOGIES (PTY) LTD	Project Manager, Mr. Lumamba Jijana is happy with the service of the company.
SCM 57 OF 14/15	GENERAL CLEANING OF FREEDOM SSQUARE TAXI RANK	JACKSONS CLEANING SERVICES	The contract is underway and the 6 ablutions are not working and that is hindering the maintenance to the cleaners. That matter has been forwarded to the Business unit for repairs. Pictures attached.
SCM 63 OF 14/15	UPGRADING OF INTERNAL ROADS, UNIT P	INKONKA CIVILS	Site handover was on the 25th May 2015.
			Contractor will establish site on the 3rd June 2015.
SCM 75 OF 14/15	COMPLETION OF MOSES MABIDA COMMUNITY CENTER	ZETHEMBE MAINTENANCE AND GENERAL	Site establishment is 98% complete.
			Contract is busy with demolition of walls and erection of new walls inside the community Center.
SCM 78 OF 14/15	UPGRADES TO PROFESSOR NYEMBEZI AND AS CHETTY BUILDING LIFT FOYER AREAS	ZAYEKA TRADING	Contractor has been appointed at the negotiated rate.
			Contractor was also asked to reduce the time period of 8 weeks to 4 weeks
			A program submitted by the contractor indicated works to be scheduled till last week of August 2015
SS34 OF 2014	MAINTENANCE AND GARDENING SERVICES TO THE NEW ENGLAND LANDFILL SITE, PIETERMARITZBURG	DRH TRADING ENTERPRIZE	The project is underway and progressing well.
7/S32 OF 14/15	PARTICIPATION IN THE CONTRACT FOR THE APPOINTMENT OF OUTSOURCED AGENCIES FOR COLLECTION OF OUTSTANDING DEBTORS	MT MTHIMANDZE PROJECT AND CONSULTING (PTY) LTD	The consultant has started work.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
	ACCOUNTS OLDER THAN 60 DAYS		
25/S36 of 14/15	SUPPLY, DELIVERY, OFFLOADING, INSTALLATION OF 132KV GIS SWITCHGEAR FOR PRINCE ALFRED STREET SUBSTATION INCLUDING THE CONSTRUCTION OF SUBSTATION BUILDING AT PRINCE ALFRED AND ALTERATIONS TO ELECTRICAL WORK AT BOTH PRINCE ALFRED AND RETIEF STREET SUBSTATION UP TO COMMISSIONING	CONSOLIDATED POWER PROJECTS (PTY) LTD	Contractor anticipates completing works on the substation on the 31st July 2015 and remainder of work on the 31st of August 2015.
			Revised schedule shows a completion date of December.
			Contractor 2 days behind on civil works.
			Yard alteration and preparation for building has been completed.
			Contractor has begun construction of substation building at Prince Alfred street substation.
			189136 records were received from TransUnion.
5/S32 OF 14/15	DEBTORS DATA CLEANSING; UPDATING AND VERIFICATION	TRANSUNION CREDIT BUREAU	Comparisons between data received from TransUnion and ProMIS revealed differences.
			Lance Stratford experiencing difficulty in changing of data as changes need human verification prior to uploading electronically.
			Project has been parked while project manager arranges a meeting with TransUnion to discuss challenges and quality of data received.
SS 7 OF 2013	SECTION: 4 SUPPLY OF LIQUEFIED GAS (L.P.G), ETHYLENE GAS AND LASAL ALPHAGAZ 1 (N2 2.0)	AIRFLAX	The project manager is satisfied with the service provider
4/S32 Of 14/15	PARTICIPATION IN THE CONTRACT FOR THE SAP PROFESSIONAL SUPPORT SERVICES	EOH MTHOMBO (PTY) LTD	EOH was appointed through SCM regulation 32 (a contract secured from City of Johannesburg to implement the FMS). The project is currently at planning stage and the service provider is currently busy with the assessment of the ICT infrastructure.
SCM 32-R OF 13/14	APPOINTMENT OF CO-OPERATIVES TO PROVIDE DOMESTIC REFUSE COLLECTION IN PREVIOUSLY PHB HOUSING AREAS CURRENT INFORMAL AREAS FOR THE MSUNDUZI MUNICIPALITY	MDAYI AND NKOMOSE TRADING	The project is going on well although there were few political challenges at the beginning of the project. However there were resolved by involving both the mayor and the deputy Mayor.
		PRIMARY COOPERATIVE LTD	
		SAKHUBUNTU CO-OPERATIVE LIMITED	
		CREATORS 223 AGRIC CO-OP LTD	
		FARZAHMOH PROPERTY DEVELOPMENT CO-OPERATIVE LIMITED	
		ZIBAMBELE CO-OP SESIFIKILE C	

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
<b>JUNE 2016 - REPORT</b>			
SCM 1 OF 14/15	DETAIL DESIGN AND CONSTRUCTION OF NON MOTORISED TRANSPORTATION	KAMAWEWE DEVELOPMENT CONSULT-ANTS	The service provider has submitted their drawings and the assessment report to Transportation Department.
			Transportation was not happy with the quality of the submitted report and offered help to the service provider on compilation of the report with emphasis on the expected quality of information.
SCM 52 OF 14/15	SUPPLY, DELIVERY AND COMMISSIONING OF NEW LIFT AND GOODS HOIST AT BESSIE HEAD LIBRARY	KONE ELEVATORS PTY LTD	The passenger lift has been commissioned and handed over to Bessie Head Library for usage.
			The Goods hoist will be handed over at the end of July.
			The project manager and the consultant are happy with the Quality and performance of the Service provider
SCM 77 OF 13/14	RELOCATION OF BULK WATER FEEDER MAINS	ESCOR CONSTRUCTION	Bigen Africa is doing a good job in terms of project management and project monitoring.
			Project is 78% complete.
			The contractor is 19 days behind program.
			Contractor has put in a request for extension of time which the consultant is busy considering.
			Completion date 27/07/2015
SCM 78 OF 13/14	CONSTRUCTION OF 10ML RESERVOIR: MASONS	NOTTS PROJECTS	Contractor is on schedule and project is progressing satisfactorily.
			The quality of work is satisfactory.
			Project is expected to reach practical completion on 27/07/2015.
SCM 75 OF 14/15	COMPLETION OF MOSES MABIDA COMMUNITY CENTER	ZETHEMBE MAINTENANCE AND GENERAL	Site establishment is 100% complete.
			Contractor is busy with partitioning and erection of new walls inside the community Center.
SS 55 OF 2014	MAINTENANCE OF SURFACED ROAD AND RELATED INFRASTRUCTURE	SNOTHANDO	Contract is proving to be hard to monitor since the user department (Roads) does not involve SCM in the rotation of Service providers for works on this contract.
		ELCO	Work is awarded to one contractor.
		HIGH-END	Contract is valued at millions per project and SCM is not able to track and report the expenditure due to users not informing SCM Unit on contract usage.
		KULU CIVILS	
SCM82 OF 13/14	MONITORING OF EIGHT DEPTH ONLY MEASURE MOBILE FLOW MONITORING STATION	JOAT SALES & SERVICES	Contractor has supplied the equipment
			Contractor currently busy installing Manhole covers
			The contractor is back on schedule.
SCM43 OF 14/15	APPOINTMENT OF A SERVICE PROVIDERS TO PROVIDE PROFESSIONAL EVENT MANAGEMENT SERVICES TO THE MSUNDUZI	SANDAKAHLE TRADING	There is desertification by the service providers about not being paid in time and unclear specifications on the contract.
		XOLISISIZWE	Creditors and Internal Audit are not happy about the terms of reference on contract.
		TRIPPLE NINE TRADING	SCM has requested a meeting with the two business units to address raised issues prior to calling in the service provider.
		ANZOMONDE JOBE	



MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
	MUNICIPALITY		
SCM24 OF 14/15	UPGRADE OF DISTRICT ROAD D1128 IN VULINDLELA PHASE III	SIVA PILLAY CONSTRUCTION	Site establishment is complete
			Contractor is currently busy with layer works
			The quality of work and the performance of the contractor are satisfactory.
SCM 2 OF 14/15	PROPOSAL CALL FOR A R 200 MILLION LONG-TERM DEBTS FACILITY PROVISION FOR THE MSUNDUZI MUNICIPALITY FOR ELECTRICAL INFRASTRUCTURE-CAPITAL EXPENDITURE	DEVELOPMENT BANK OF SOUTHERN AFRICA	The first draw down of R100 000 000 has been received by the Municipality as per agreement. The user department (Revenue) is happy with the performance of the service provider.
7/S32 OF 14/15	PARTICIPATION IN THE CONTRACT FOR THE APPOINTMENT OF OUTSOURCED AGENCIES FOR COLLECTION OF OUTSTANDING DEBTORS ACCOUNTS OLDER THAN 60 DAYS	MT MTHIMANDZE PROJECT AND CONSULTING (PTY) LTD	The consultant has started work. Service Level Agreement has been finalized and signed by both parties.
SCM 39 OF 14/15	UPGRADE OF BERG STREET SWIMMING POOL	UGESI CONTRACTORS	Coping tiles and pavers installed. Installation of floor and wall tiles in the pool is 70%.
			Contractor has submitted a claim for extension of time to the business unit.
			Porcelain tiles have arrived on site.
			Terrazzo paving and edge coping tiles have been installed.
			Renovations of change rooms have been completed.
10/S36 OF 14/15	SUPPLY, DELIVERY, OFFLOADING, INSTALLATION JOINTING AND TERMINATION OF 132KV CABLES	AFRICAN CABLES A DIV. OF ATC (PTY) LTD T/A CBI ELECTRIC AFRICAN CABLES	Progress for SS Trading: 54% from target of 60%.
			Section 1: 100% backfilling and Cable laying, reinstatement in progress; man-holes and joint bay outstanding.
			Section 2: 100% backfilling and cable laid; man-holes and joint bay outstanding.
			Section 3: 80% backfilling, 100% cable laid.
			Section 4: 100% cable installed, busy with backfilling- concrete slabs to be filled.
			Section 5: 100% excavated and pumps have been put in up to Boom Street.
			Major road crossings all complete up to but excluding Albert Luthuli.
			Progress for CRE: 54% from target of 60%
			Section 8: 37% trench excavation.
			Section 9: 100% trench excavation, Jabu Ndlovu road crossing excavated but not piped, 75% cable installed.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
			Section 10: complete.
25/S36 OF 14/15	SUPPLY, DELIVERY, OFFLOADING, INSTALLATION OF 132KV GIS SWITCHGEAR FOR PRINCE ALFRED STREET SUBSTATION INCLUDING THE CONSTRUCTION OF SUBSTATION BUILDING AT PRINCE ALFRED AND ALTERATIONS TO ELECTRICAL WORK AT BOTH PRINCE ALFRED AND RETIEF STREET SUBSTATION UP TO COMMISSIONING	CONSOLIDATED POWER PROJECTS (PTY) LTD.	Construction of new building has commenced
			Contractor is a week behind schedule due to first group of workers incorrect erection of steel shutters resulting in the need to bring in new staff to demolish and re-erect the shuttering prior to concrete being poured in.
			100% complete on blinding of foundations
			Re-enforcing, concrete on foundations 100% complete
			Currently working on foam work on walls
			Working on external works (concrete plinths) foam work on walls.
			To appoint a consultant to provide an EMP for Environmental section to monitor compliance against.
			Contractor to send excavated soils to lab for testing. Contractor considering using the excavated soil as a backfill should the lab approve.
5/S32 OF 14/15	DEBTORS DATA CLEANSING: UPDATING AND VERIFICATION	TRANSUNION CREDIT BUREAU	All difficulties regarding data received from TransUnion were tabled in the Strategic Management Committee and resolved.
			The files have already been given to Moses Ngobese (Cons. Billing manager) for review.
SCM 63 OF 14/15	UPGRADING OF INTERNAL ROADS: UNIT 14 /UNIT P	INKONKA CIVILS	Site establishment has been completed
			80% setting out, outstanding road 35
			60% clearing and grubbing
			30% with earthworks
			Contractor experiencing delays with works due to delays in water sections relocation of waterlines, one of the roads has an Eskom pole which has to be relocated as well as stand pipes in various sites.
			Project manager is consulting with water section regarding the water lines.
SCM 10 OF 14/15	CONSTRUCTION, RENOVATIONS AND ALTERATIONS TO ASHDOWN LIBRARY	SIZIMISELENGOMSEBENZI	Roof trusses have been delivered and erected
			Roof sheeting to be installed on the 15 <sup>th</sup> July 2015.
			Electrical work underway.
SCM 89 OF 13/14	CONSTRUCTION OF CALUZA SPORTSFIELD AND ASSOCIATED WORKS	ROBERTSON & POOLE	Progress onsite is ongoing.
			Project has met practical completion contractor awaiting floor material to be delivered.
			Completion expected to be the 31 <sup>st</sup> of July 2015.
SCM 78 OF 14/15	UPGRADES TO PROFESSOR NYEMBEZI AND AS CHETTY BUILDING LIFT FOYER AREAS	ZAYEKA TRADING	Practical completion has been met on the works and the contractor is attending to the snags.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 21 OF 13/14	THE APPOINTMENT OF CONSULTING ENGINEERS TO PROVIDE PROFESSIONAL GEOTECHNICAL ENGINEERING SERVICES FOR THE INVESTIGATION OF SOIL MOVEMENTS AND FLOODING OF HOUSES IN CALUZA AREA, WARD 20, EDENDALE.	SRK CONSULTING SOUTH AFRICA PTY LTD	Awaiting completion certificate/ closeout report from the Business unit.
SCM 25 OF 13/14	PROVISION OF DEBRIS NET INCLUDING REMEDIAL WORK TO BRICKWORK AT PROFESSOR NYEMBEZI BUILDING	QULOTEC TRADING CC	Awaiting completion certificate/ closeout report from the Business unit.
SCM 41 OF 13/14	AUDIT OF MSUNDUZI REPORTS	SIYAZAMA CONSULTING	Awaiting completion certificate / closeout report.
SCM 43 OF 13/14	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AUDIT VERIFICATION FOR ALL MSUNDUZI MUNICIPALITY RENTAL HOUSING STOCK	TAHIRI TRADING (PTY) LTD	Project is complete. Performance was acceptable. Awaiting completion certificate/ closeout report.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GERHARDUS MARITHINUS CLOETE	Contract is underway and performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	COMPUTER SECURITY AND FORENSIC SOLUTIONS	Contract is underway and performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	PHUMLANI MKHIZE AND ASSOCIATES	Contract is underway and performance is satisfactory.
SCM 45 OF 13/14	APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS / COMPUTER FORENSIC EXPERTS.	GOVERT VETTEN FORENSIC INVESTIGATOR	Contract is underway and performance is satisfactory.
SCM 56 OF 13/14	CIVIL ENGINEERING SERVICES FOR	ENVITECH SOLUTIONS (PTY) LTD	The management of the project SCM of 14/15 is complete and the site handover was done on 26 July 2015.

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No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
	UPGRADING OF LANDFILL SITE		The work standard was satisfactory. Awaiting a closeout report which will be submitted before the end of July 2015.
SCM 61 OF 13/14	REALIGNMENT AND WIDENING OF THWALA ROAD	BR TSIMA AND MASIQHAME JV	Project commenced on 06 June 2014 with a projected completion date of 30 June 2015 for all phases. Storm water drainage is 99% on phase 1 and phase 2 is 97% Pipe sleeves are 100% completed on phase 1 and phase 2 is 95%. Walkways layer works preparation is at 90% for phase 1 and 70% for phase 2. Drive way access is at 95% for phase 1 and 35% for phase2. The overall work completion for both phase 1 and phase 2 is 82%.
SCM 88 OF 13/14	CONSTRUCTION OF THE BROOKSIDE TAXI HOLDING AREA	HI-GLEN CONSTRUCTION	The issue of material in regard with the Engineer (Kamawewe) has been slightly resolved. The business unit requested approval of additional funds from the BAC in order to speed-up and complete the project. The contractor is busy laying G5. .
SCM 6 OF 14/15	FABRICATION, INSTALLATION AND REPLACEMENT OF STRUCTURAL STEEL PASSENGER SHELTERS AT VARIOUS BUS & MINI-BUS TAXI STOPS WITHIN THE MSUNDUZI MUNICIPALITY	AKEW INVESTMENTS T/A A D SPEC	The project commenced on 21 January 2015 with contract period being two (2) years. 20 shelters are erected in various wards and the deliverables are good. Project will resume in the next financial year once the new areas are identified.
SCM 8 OF 14/15	UPGRADING OF NEW ENGLAND LANDFILL	MOVE – ON-UP 111 CC T/A CONSTRUCTION & PLANT	Standard of work was acceptable and completed the project on-time. Company is recommended for future projects. Awaiting completion certificate/ closeout report. The project is complete and the handover was done on 26 June 2015.
SCM 27 OF 14/15	SUPPLY, DELIVERY AND OFF-LOADING OF TEN SLASHER MOWER ATTACHMENTS FOR TRACTORS WITH PTO SHAFTS	OLYMPUS ENTERPRISES (PTY) LTD	Awaiting completion certificate/ closeout report.
SCM 29 OF 14/15	MAINTENANCE OF GRASS PITCH AT THE HARRY GWALA STADIUM	SERVEST LANDSCAPING AND TURF A DIVISION OF SERVEST (PTY) LTD	Project commenced on 29 November 2014. The deliverables are acceptable. Project is underway and the performance of the company is satisfactory. No complaints have been received thus far.
SCM 30 OF 14/15	SUPPLY, INSTALLATION ,	KGT ENTERPRISES	The installation and commissioning has been undertaken in accordance with the recommendations of SANS.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
	MAINTENANCE OF FIRE DETECTION AND SUPPRESSION SYSTEM IN DATA CENTRE		It was recommended that the system be maintained once every 6 months in accordance with the relevant South African standard. The company will be back in 6 months for maintenance of the equipment.
SCM 47 OF 14/15	SPECIALISED CONTRACT MAINTENANCE AND SUPPORT FOR ALCATEL OMNI PABX ENTERPRISE	BYTES MANAGEMENT SOLUTION	Project has commenced and performance is acceptable. Project is underway and no problems have been reported thus far.
SCM 57 OF 14/15	GENERAL CLEANING OF FREEDOM SQUARE TAXI RANK	JACKSONS CLEANING SERVICES	Contract is underway and the 6 ablutions are being repaired. The cleaning of the toilets is acceptable and no complaints have been received from the community and the taxi rank is clean.
SCM 77 OF 14/15	UPGRADING OF ESIGODINI ROADS (NTOMBELA, DR NKOSI & MPUNGOSE ROADS)	DECK, STEEL & CONCRETE CC	Project commenced on 25 May 2015 with a contract period of 8 months (27/01/2016). The contractor is busy with the Earthworks, completed site establishment, site clearance, clear and grub and strip of topsoil. The project is underway and the performance is satisfactory.
SS34 OF 2014	MAINTENANCE AND GARDENING SERVICES TO THE NEW ENGLAND LANDFILL SITE, PIETERMARITZBURG	DRH TRADING ENTERPRISE	Project is on-going and the performance is satisfactory.
SS 67 OF 14/15	PROVISION OF X-RAY	DR KAUFFMAN & PARTNERS INC	Project commenced and the meeting was held on 05 March 2015. The project is underway and the performance is satisfactory.
SCM 27 OF 13/14	LEASING OF DESKTOP AND LAPTOP COMPUTERS	EKHWESI BUSINESS SOLUTIONS (PTY) LTD	Contract is going accordingly and the service provider's performance meets all the contractual requires. ICT Department is pleased with the service standards received from Ekhwesi.
SCM 63 OF 13/14	APPOINTMENT OF AN IMPLEMENTING AGENT TO PREPARE, PACKAGE AND IMPLEMENT THE KWA 30 HOUSING PROJECT CONSISTING OF 400 UNITS	MOSEGEDI AND ASSOCIATES (PTY) LTD	The feasibility study has been successfully completed. The contract was handed back to the Department Human settlement.
SCM 83 OF 13/14	WATER PIPE LINE EXTENSION	MAKHUBU CIVILS	Contractor is busy with all the wards concurrently. Contractor has reached 100% completion in ward 8 of 3612 with 160 mm diameter of pipes, ward 9 is 91% complete of 2200M with 75mm diameter of pipes ward 5 is 78% complete of 1700M with 75mm diameter of pipes and ward 6 is 63% complete of 1700M with 75mm diameter of pipes and less than 50% completion in ward 1 and 12 of 1700M with 160mm and 75mm diameter of pipes. The Contractor's performance is exceptional and the overall completion is at 55%.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2013 – 30 JUNE 2014			
No.	DESCRIPTION	CONTRACT 'S NAME	STATUS
SCM 28 OF 14/15	CONSTRUCTION OF APPROXIMATELY 0.7KM OF THE WILLOWFOUNTAIN MAIN ROAD IN WARD 14, EDENDALE	VIP CONSTRUCTION CC	Contractor is currently busy will layer works.
			Contractors overall progress on site is approximately 70% as at 2 July 2015.
			Contractor's performance is exceptional; however the contractor is experiencing delays due to illegal water connections.
			Contractor has finished with G7 and currently laying G2.
4/S32 Of 14/15	PARTICIPATION IN THE CONTRACT FOR THE SAP PROFESSIONAL SUPPORT SERVICES	EOH MTHOMBO (PTY) LTD	Project is currently at planning stage and the service provider is currently busy with the assessment of the ICT infrastructure.
SCM 32-R OF 13/14	APPOINTMENT OF CO-OPERATIVES TO PROVIDE DOMESTIC REFUSE COLLECTION IN PREVIOUSLY PHB HOUSING AREAS CURRENT INFORMAL AREAS FOR THE MSUNDUZI MUNICIPALITY	MDAYI AND NKOMOSE TRADING	The project is going well.
			Few political challenges were resolved involving both the mayor and the deputy Mayor.
			There are 22 wards in total.
SCM 5 OF 14/15	SUPPLY AND INSTALLATION OF NEW PALISADE FENCING TO VACANT SITES TO BE USED AS A COMMUNITY CENTRE AT WARD 3 (ENQABENI) AND WARD 28 LOTUS PARK, NORTHDAL	CATERPILLE TRADING	The contractor was granted 6 weeks of extension of time.
			The extended period lapsed on the 12 <sup>th</sup> of June 2015.
			Contractor has completed the fencing of Community centre at ward 3 Enqabeni.
			Due to community violence the contractor is having difficulty completing works at ward 28 Lotus Park Northdale.
			Contractor has suffered loss and material damages.
			Contractor's performance is exceptional; however the contractor is experiencing delays in receiving materials from their suppliers.

EMPLOYEE: SUPPLY CHAIN MANAGEMENT					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	17	36	17	19	53%
B1-B4	16	31	16	15	48%
C1-CU	15	30	17	13	43%
D1 –DU	1	3	3	0	0%
E1 – E2	1	1	1	0	0%
F1 – F2	0	0	0	0	0%
<b>Total</b>	<b>50</b>	<b>101</b>	<b>54</b>	<b>47</b>	<b>47%</b>

FINANCIAL PERFORMANCE 2014/2015: SUPPLY CHAIN MANAGEMENT					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
Total Operational Revenue (excl. tariffs)	462	455	455	810	78.02%
Expenditure:					
Employees	16,743	13,301	20,067	18,325	-8.68%
Repairs and Maintenance	33	109	250	150	-40.00%
Other	32,775	31,700	35,952	35,139	-2.26%
Total Operational Expenditure	49,551	45,110	6,269	53,614	-4.72%
Net operational (Service) Expenditure	49,089	44,655	55,814	52,804	-5.39%

CAPITAL EXPENDITURE: SUPPLY CHAIN MANAGEMENT					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances from Adjustment Budget %	Total Project Value
<b>Total All</b>	0	4,058	4,049	-0.22%	
Fuel Management System	0	3,238	3,230	-0.25%	3230
Plant and Equipment	-	35	35	0.00%	35
Furniture	-	42	42	0.00%	42
Stores Roof Replacement	-	743	742	-0.13%	-

#### COMMENT ON THE PERFORMANCE OF SUPPLY CHAIN MANAGEMENT OVERALL:

##### LOGISTICS MANAGEMENT

Stores will endeavor to minimize and reduce stock holdings. This can be achieved by working closely with the Business Units in planning and execution of projects that involved procurement activities as well. Part of logistics management is to establish and implement appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased; regular checking of stock; and monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

The stock count for the financial year 2014/2015 proceeded smoothly with every member of the team demonstrating their efforts and energy in achieving a well-run physical count of stock. The purpose of conducting a stock count is to verify and ascertain and benchmark the stock records as reflected by the computer system and that of the physical stock on hand. Any discrepancies or differences on stock are then adjusted on computer system either as losses or surpluses. Further to that the investigation is then conducted and necessary remedies made.

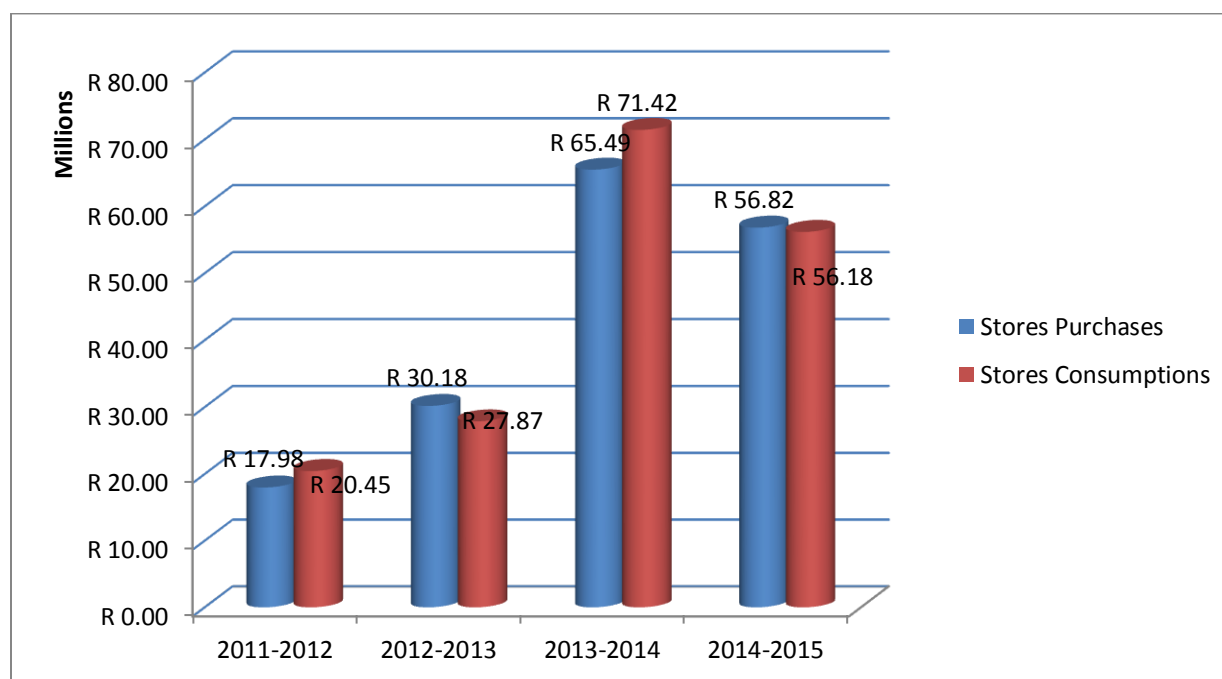
The Central Stores adjustments net write-up of stock of -R1 829 068, 68 was approved.

Obsolete stock of R418 502, 37 calculated at the date of stock count provision made and processed into the ProMIS system as part of the year end process.

Typically obsolete inventory is stock not issued although departments requested central stores to carry those items. If the departments have not requested in a year or more and cannot provide a justification for not requesting the kept items, Central Stores has to recommend that these items be disposed as a surplus. Stores will endeavor to liaise with departments should there be a change in inventory needs.

Both the Stores purchases and consumptions for the financial year 14/15 showed a decreases; purchases down by 15.25% and consumptions by 27.12% comparing to previous year. There is a proper management of inventory and an ongoing liaising with end user sector departments on inventory holdings and have been able to utilize slow moving stock to good advantage

**FIG 1: THE GRAPH INDICATES INVENTORY PURCHASES VS INVENTORY CONSUMPTIONS OVER A 4 YEAR PERIOD.**



FIN YR	2011-2012	2012-2013	2013-2014	2014-2015
Purchases	R17 983,504	R30 175,593	R65 485,516	R56 817 992
Stores Consumptions	R20 448 250	R27 869 348	R71 421 721	R56 181 088

## FUEL

The Council has invested on the electronic fuel management system. All Council vehicles will be installed with a gadget that monitors all fuel transactions. The number of vehicles fitted with the system as at 18 August 2015 stands at 679 and 157 not yet fitted.

The system is now in operation and the reports are generated using the system are as follows:



- Detailed dispense transaction (per site)
- Hourly fuel grade total (per site)
- Monthly fuel grade total (per site)
- Monthly volumes (per site)
- Dispensed transaction total (per site)
- Detailed pump attendee authorization with name
- Vehicle site extract
- Detailed pump authorization (with vehicle information)

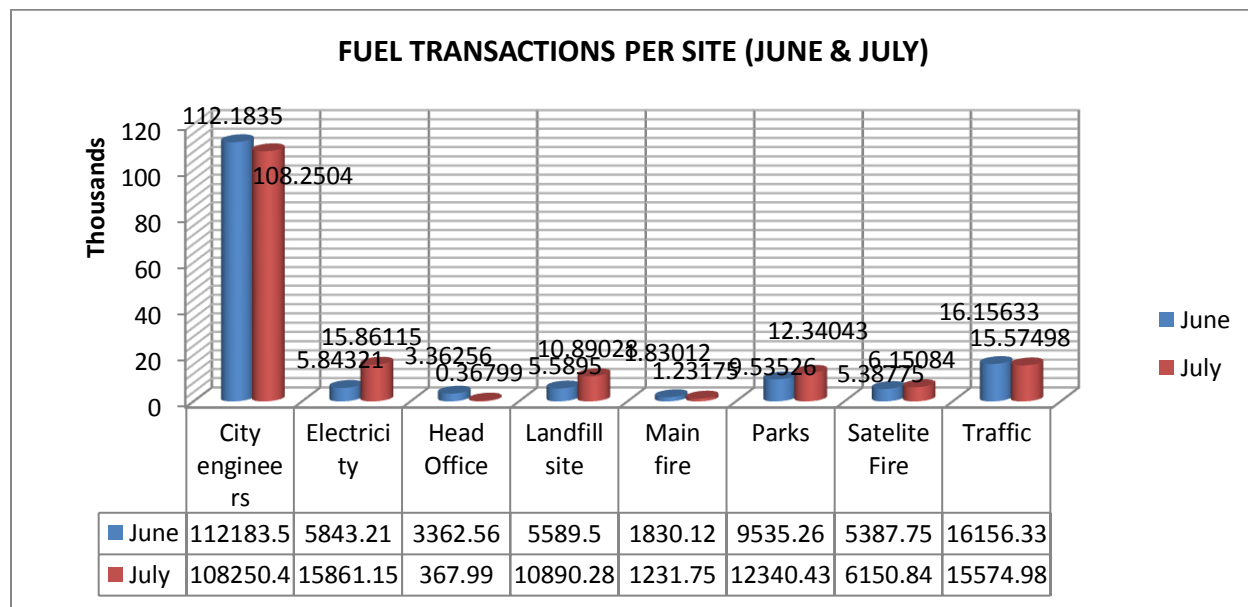
Any suspicious transaction is brought to the attention of Internal Audit for their action.

There has been some recognition of cost reduction potential on fuel issues and fuel purchases as a result of the new fuel management system. The consumption levels have steadily decreased. The investment on the fuel management system will provide more accurate cost controls and reporting. Reduce errors and human intervention when generating reports. Also help by providing real time fuel information as and when required. In the future the departments will be provided and advised on the liters each vehicle is consuming and frequency of refuels.

This computer system will also assist Msunduzi Municipality with the following control measures:

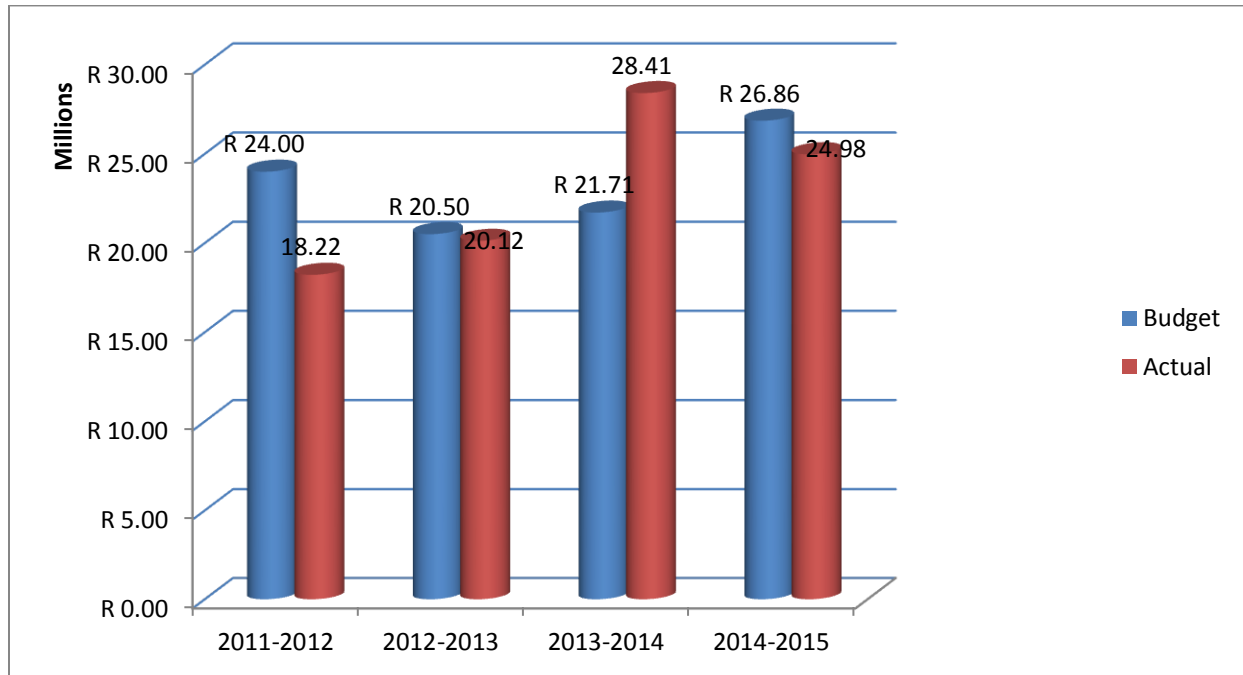
- Secure fuelling environment
- Controls pumps
- Minimum or no human intervention
- Fuel volume reduction
- Maximum accuracy
- Improved fuelling efficiency
- Reduced admin resources
- Accurate transaction information

#### BELOW INFORMATION WAS DRAWN FROM THE NEW FUEL MANAGEMENT SYSTEM



A massive reduction of fuel purchases was achieved in the financial year 14/15. There was a positive savings, of R3, 43 Million and a surplus of R1.88 Million from the budget; See illustration in FIG2 below.

**FIG 2: FUEL BUDGET VS FUEL ACTUAL YEAR ON YEAR**



FUEL MANAGEMENT (BUDGET VS ACTUAL)					
FIN YR	Budget	Actual	DIFF in %	Comments	Ltr Issued
2011-2012	R 24 000 000,00	R18 219 722	31.72%	Tolerable outcomes	Not available
2012-2013	R 20 500 000,00	R20 124 046	1.86%	Moderate outcomes	1 150 676
2013-2014	R 21 709 000,00	R28 410 655	-23.58%	Negative outcomes	2 865 391
2014-2015	R 26 860 000,00	R24 977 496	7.29%	Positive outcomes	

## **5. COMPONENT E: CORPORATE SERVICES**

This component includes: Human Resources Services, Information & Communication Technology Services, and Legal Services & Organizational Development Performance.

### **5.1 HUMAN RESOURCES SERVICES**

#### **INTRODUCTION TO HUMAN RESOURCE SERVICES**

The top service delivery priorities for human resources in 2014/2015 were the finalisation of Job Evaluation, the approval of an HR Strategy, and the review of 18 HR Policies.

#### **FINALISATION OF JOB EVALUATION:**

The process of writing JD's for 2013 was completed just before the beginning of 2014/15. Subsequent to that all measures to have all jobs evaluated were put in place. As part of that process Deloitte was engaged to undertake the evaluation exercise, which began to do so on August 2014. However, the process of evaluation was halted by SALGA, sighting the fact private dealing between Deloitte and Msunduzi Municipality was not in the spirit of national agreement that was signed by SALGA and Deloitte, something that delayed the implementation of the structure.

After a series of talk amongst stakeholders in the project, the process of evaluation under SALGA's guideline resumed on 20 October 2014 and finished on 27 March 2015.

All provisional grade outcomes produced by JEU were submitted to Provincial Audit Committee (PAC) on 16 April 2015 for auditing. The auditing process started on 18 May 2015, and was concluded on 10 July 2015 All preliminary audit outcomes with audit queries were referred to the JEU by PAC on 10 July 2015.

#### **HR STRATEGY:**

The HR Strategy was approved on the 18 July 2014. The HR Strategy was informed by the outcomes of an HR Customer Satisfaction Survey concluded in 13/14 and sets the vision of Human Resources with projected outcomes of 3-5 years. The HR Strategy, allows HR to easily evaluate its activities against the strategy.

HUMAN RESOURCES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
To create a knowledge based organizational in support of efficient and effective monitoring and evaluation, decision making, providing strategic direction and qualify customer service delivery Implementation of HR Strategy	To provide an efficient and effective Human Resources Management Service in order to support the achievement of the organizational objectives	HR Strategy	Draft HR Strategy Developed and consulted	Approved HR Strategy	HR Strategy Approved 18 July 2014	N/A
		Job Evaluation and implementation of structure	Job Writing Concluded. 1377 Jobs Written	Job Evaluation and Implementation of new structure	1377 jobs evaluated and aligned to T.A.S.K by the 30th of June 2015	Implementation of new structure
Improve working conditions, safety and capacity of our workforce	To promote and maintain a healthy employee relations climate and industrial peace in order to achieve organizational and employee effectiveness	HR Policy Manual	HR Policy Manual developed	18 x Human Resources Policies reviewed and submitted to SMC along with Procedure Manuals by the 30th of June 2015	18 x Human Resources Policies reviewed and submitted to SMC along with Procedure Manuals by the 30th of June 2015	4 x Health and Safety Management Framework workshops for all staff facilitated by the 30th of June 2016
	Contribute towards employability & self-employability of youth and community	10 External Bursaries awarded	17 External Bursaries awarded	10 External Bursaries awarded	11 External Bursaries awarded	12 x External Bursaries awarded by the 31st of December 2015
		2 learnership programmes	2 learnership programmes	2 learnership programmes	3 learnership programmes	3 x Learnerships implemented by the 30th of November 2015
		30 Interns Contracted	42 Interns Contracted	65 Interns Contracted	70 Interns Contracted	70 Interns Contracted

EMPLOYEE: HUMAN RESOURCES SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	3	6	3	3	50
B1-B4	17	21	17	4	19
C1-CU	18	30	19	11	37
D1 –DU	11	24	10	4	17
E1 – E2	1	2	1	1	50
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>50</b>	<b>73</b>	<b>50</b>	<b>23</b>	<b>31%</b>

FINANCIAL PERFORMANCE 2014/2015: HUMAN RESOURCES SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	1888	3 698	2 098	2 983	42%
Expenditure:					
Employees	20216	95 029	35 420	43 522	23%
Repairs and Maintenance	57	154	91	112	23%
Other	18769	30 193	43 558	-36 837	-185%
<b>Total Operational Expenditure</b>	39042	125 376	79 068	6 797	-91%
<b>Net operational (Service) Expenditure</b>	37154	121 678	76 970	3 814	-95%

CAPITAL EXPENDITURE: HUMAN RESOURCES SERVICES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	300	1086	1023	-6%	
TIME AND ATTENDANCE SYSTEM	300	281	281	0%	281
REVAMP 6 <sup>TH</sup> FLOOR, PNC	0	257	257	0%	300
OFFICE EQUIPMENT	0	358	304	-15%	304
OFFICE FURNITURE	0	59	49	-17%	50
FURNITURE FOR PERSONNEL – BULK FILERS	0	132	132	0%	132

#### COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The HR unit had 2 priority Capital Projects in 2014/2015 financial year which included the purchasing of Filing Cabinets for Personnel Files and the refurbishment of the HR Customer reception.

## 5.2 INFORMATION & COMMUNICATION TECHNOLOGY SERVICES

### INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

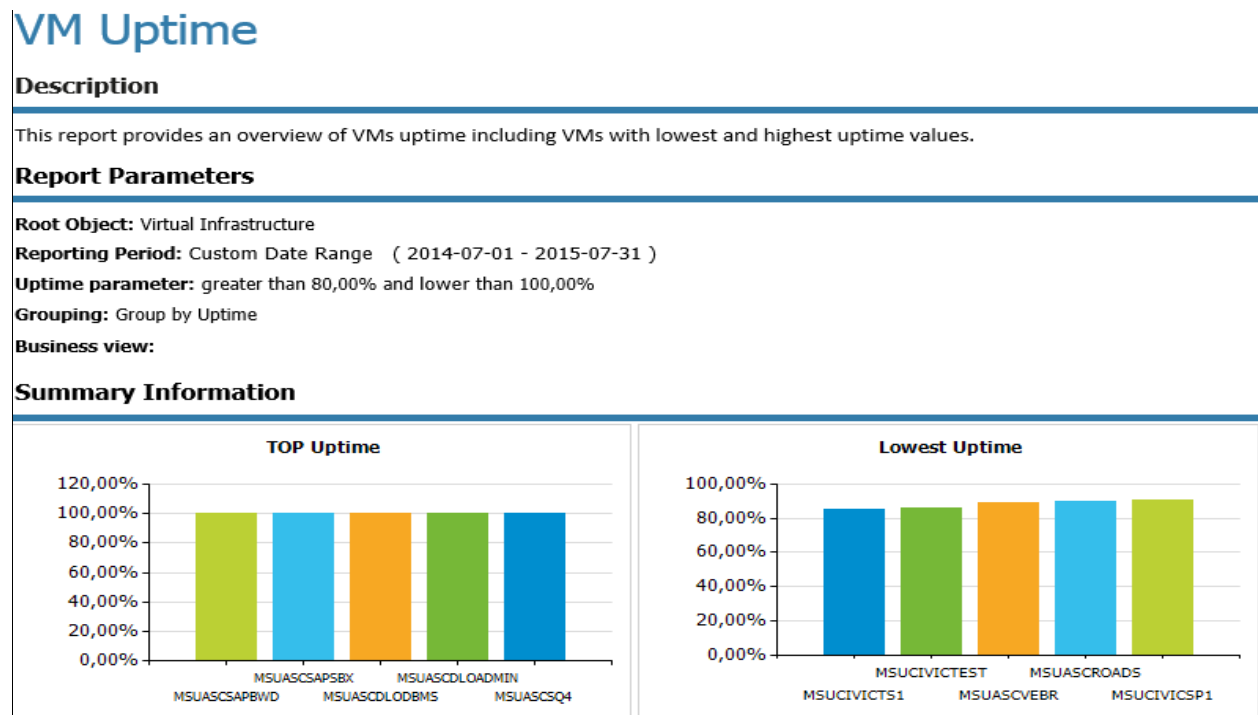
During the 2014/15 financial year, ICT continued to grow in stature as it set out to implement the priority projects as indicated in the current ICT Strategy 2013 – 2018 and ICT Governance Framework. This is evident by the re-introduction of the ICT Steering Committee, the filling of the ICT critical positions (Manager: Technical Services, Project Administrator etc.). As ICT continues to prioritise governance and compliance, ICT Audit findings and Risk appetite have been tremendously improved as results, most risks or findings have been mitigated or resolved.

In a quest to improve efficiency and business process, Msunduzi municipality invested in an Enterprise Resource Planning (ERP) System that is SAP and OpenText for the Electronic Document and Records Management. Once the two systems are fully implemented and operational, much of the current duplications and inefficiencies in our operations will be a thing of the past and the risk of legacy and incompliant systems will be mitigated. The go-live date is expected during the third and fourth quarter of 2015/16 financial year.

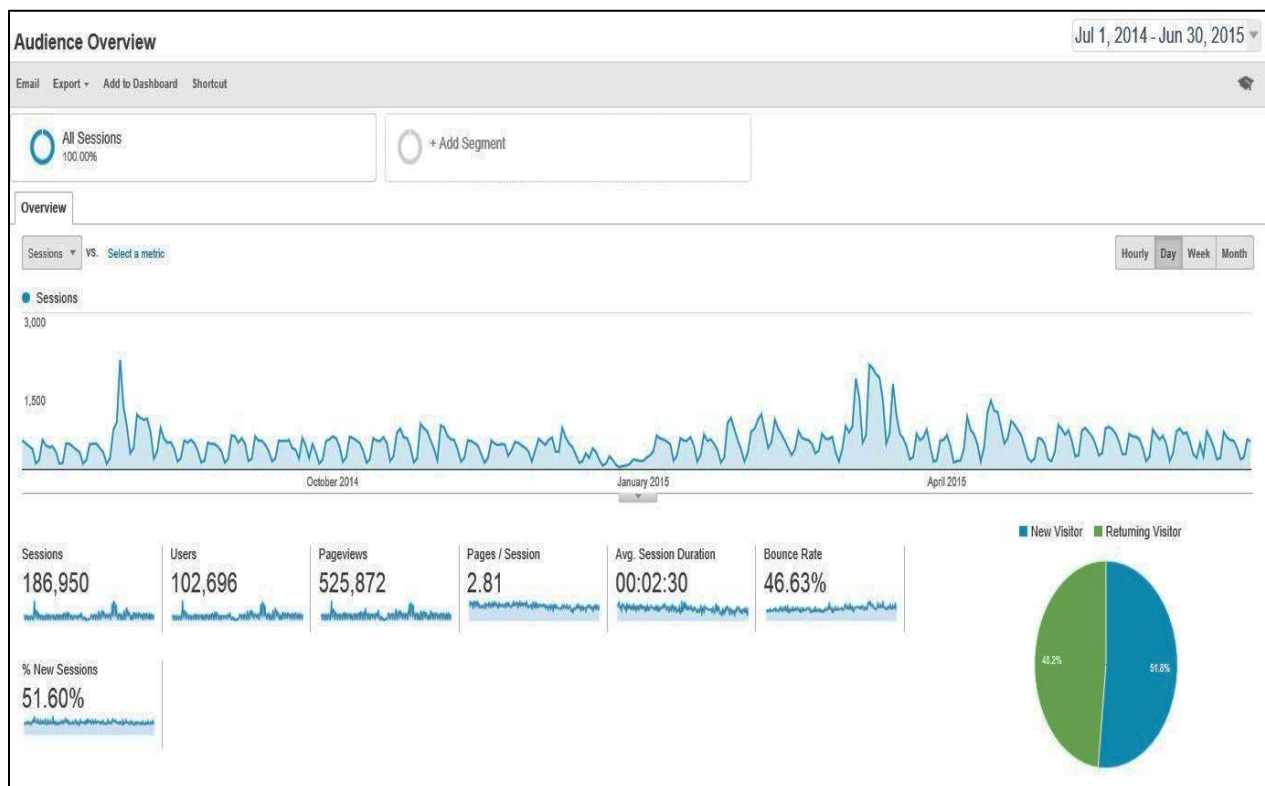
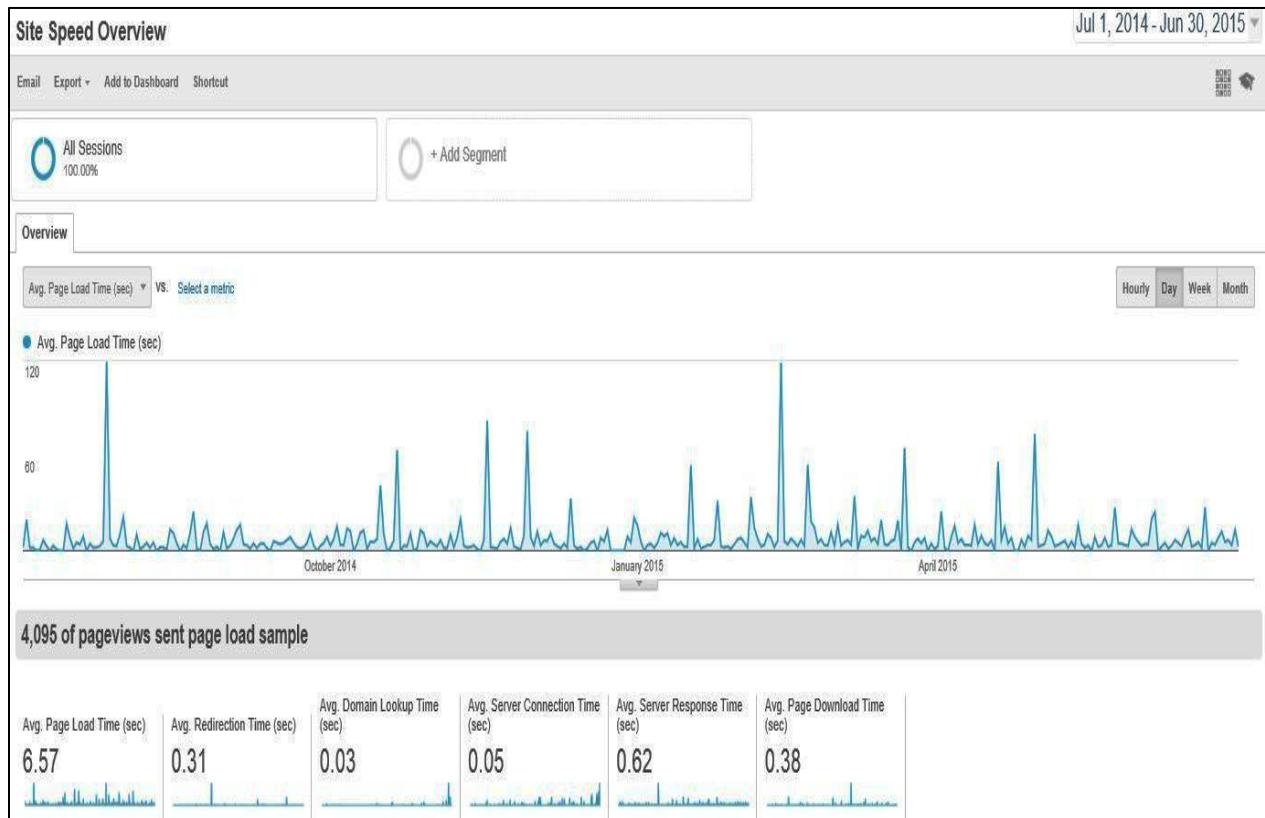
### ICT NETWORKS, SERVERS AND SYSTEMS

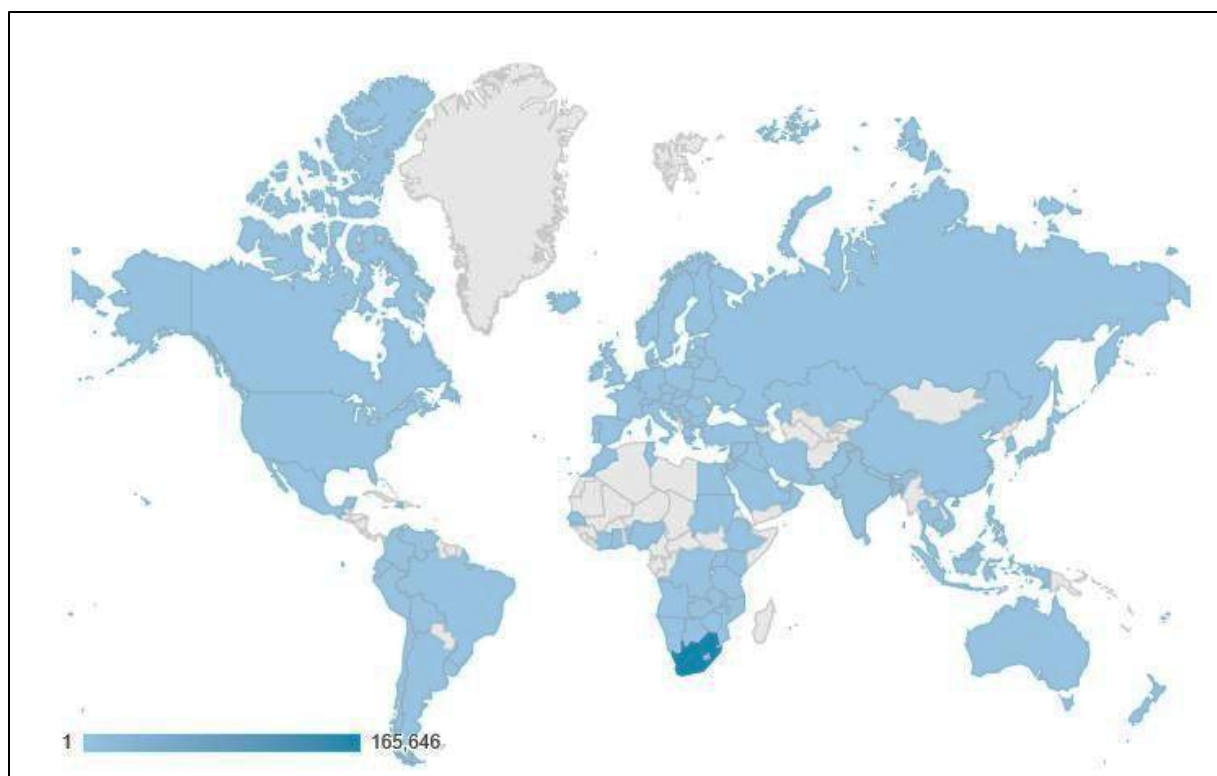
ICT Systems, Networks, Servers and applications have stabilised and performing optimally as results of a major drives in replacing all the obsolete equipment during the 2013/14 financial year. Through acquiring networking monitoring tools and equipment, ICT has managed to keep an uptime of 95% and above on the entire Msunduzi ICT network environment. By keeping to the current technologies and software, ICT has managed to have a complete overview of the network, and ability to pro-actively manage and support it.

### MSUNDUZI SERVERS UP TIME FROM 1 JULY 2014 – 31 JULY 2015



## SERVICE STATISTICS FOR ICT SERVICES



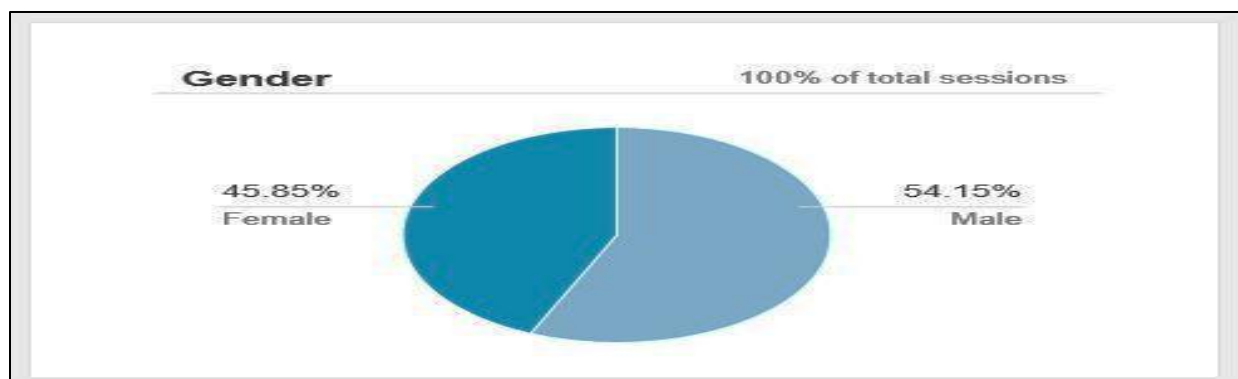
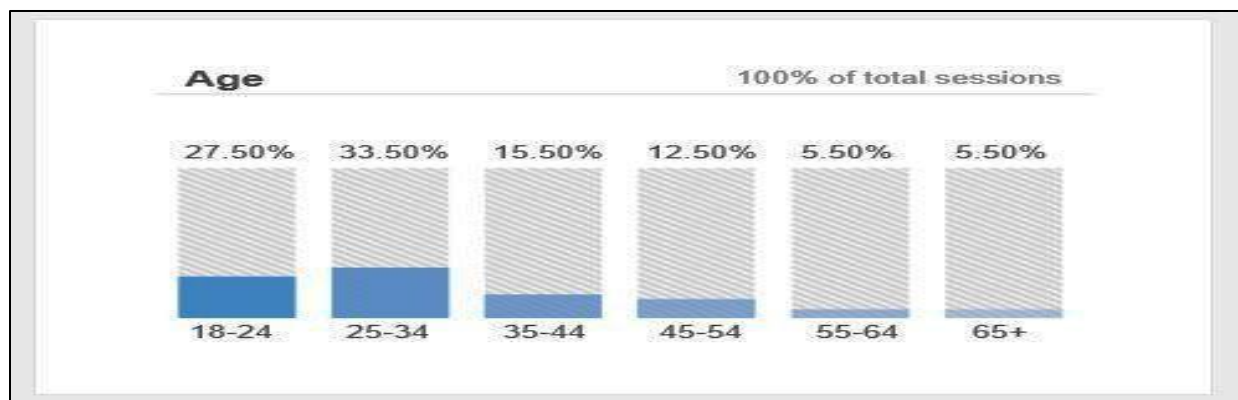


Country	Sessions	% Sessions
1.  South Africa	165,646	88.60%
2.  Kenya	5,669	3.03%
3.  United States	2,972	1.59%
4.  Netherlands	2,962	1.58%
5.  India	2,448	1.31%
6.  Germany	1,761	0.94%
7. (not set)	1,468	0.79%
8.  United Kingdom	1,271	0.68%
9.  Bangladesh	492	0.26%
10.  Indonesia	333	0.18%



Country ?	Acquisition			Behavior			Conversions		
	Sessions ? ↓	% New Sessions ?	New Users ?	Bounce Rate ?	Pages / Session ?	Avg. Session Duration ?	Goal Conversion Rate ?	Goal Completions ?	Goal Value ?
	186,950 % of Total: 100.00% (186,950)	51.78% Avg for View: 51.80% (0.34%)	96,803 % of Total: 100.34% (96,471)	46.63% Avg for View: 46.83% (0.00%)	2.81 Avg for View: 2.81 (0.00%)	00:02:30 Avg for View: 00:02:30 (0.00%)	0.00% Avg for View: 0.00% (0.00%)	0 % of Total: 0.00% (0)	\$0.00 % of Total: 0.00% (\$0.00)
1.  South Africa	165,846 (88.60%)	49.75%	82,413 (85.13%)	44.67%	2.91	00:02:35	0.00%	0 (0.00%)	\$0.00 (0.00%)
2.  Kenya	5,669 (3.02%)	68.28%	3,871 (4.00%)	61.62%	1.87	00:01:31	0.00%	0 (0.00%)	\$0.00 (0.00%)
3.  United States	2,972 (1.59%)	84.93%	2,524 (2.61%)	65.17%	1.93	00:01:27	0.00%	0 (0.00%)	\$0.00 (0.00%)
4.  Netherlands	2,362 (1.58%)	65.67%	1,945 (2.01%)	58.68%	2.11	00:02:01	0.00%	0 (0.00%)	\$0.00 (0.00%)
5.  India	2,448 (1.31%)	44.65%	1,093 (1.13%)	68.38%	1.85	00:02:16	0.00%	0 (0.00%)	\$0.00 (0.00%)
6.  Germany	1,761 (0.94%)	65.81%	1,159 (1.20%)	60.99%	2.09	00:01:50	0.00%	0 (0.00%)	\$0.00 (0.00%)
7. (not set)	1,468 (0.79%)	64.65%	949 (0.98%)	60.49%	1.96	00:01:49	0.00%	0 (0.00%)	\$0.00 (0.00%)
8.  United Kingdom	1,271 (0.68%)	62.39%	793 (0.82%)	60.27%	2.37	00:02:12	0.00%	0 (0.00%)	\$0.00 (0.00%)
9.  Bangladesh	492 (0.26%)	65.65%	323 (0.33%)	62.40%	1.95	00:01:38	0.00%	0 (0.00%)	\$0.00 (0.00%)
10.  Indonesia	333 (0.18%)	59.76%	199 (0.21%)	65.47%	1.70	00:01:30	0.00%	0 (0.00%)	\$0.00 (0.00%)

Landing Page ?	Acquisition			Behavior			Conversions		
	Sessions ? ↓	% New Sessions ?	New Users ?	Bounce Rate ?	Pages / Session ?	Avg. Session Duration ?	Goal Conversion Rate ?	Goal Completions ?	Goal Value ?
	186,950 % of Total: 100.00% (186,950)	51.78% Avg for View: 51.68% (0.34%)	96,803 % of Total: 100.34% (96,471)	46.63% Avg for View: 46.63% (0.00%)	2.81 Avg for View: 2.81 (0.00%)	00:02:30 Avg for View: 00:02:30 (0.00%)	0.00% Avg for View: 0.00% (0.00%)	0 % of Total: 0.00% (0)	\$0.00 % of Total: 0.00% (\$0.00)
1. <a href="#">/site/home</a>	55,359 (29.61%)	52.50%	29,061 (30.02%)	16.53%	4.18	00:03:25	0.00%	0 (0.00%)	\$0.00 (0.00%)
2. <a href="#">/site/employment-opportunities</a>	39,338 (21.04%)	55.38%	21,785 (22.50%)	72.86%	1.73	00:01:22	0.00%	0 (0.00%)	\$0.00 (0.00%)
3. <a href="#">/site/publicnotices</a>	13,793 (7.38%)	53.49%	7,378 (7.62%)	87.95%	1.30	00:00:43	0.00%	0 (0.00%)	\$0.00 (0.00%)
4. <a href="#">/site/contactus</a>	12,859 (6.88%)	58.72%	7,551 (7.80%)	47.13%	2.93	00:02:32	0.00%	0 (0.00%)	\$0.00 (0.00%)
5. <a href="#">/site/meter-reading-submission</a>	11,469 (6.13%)	33.87%	3,884 (4.01%)	17.31%	2.75	00:05:06	0.00%	0 (0.00%)	\$0.00 (0.00%)
6. <a href="#">/site/tenders—2014-2015</a>	9,470 (5.07%)	36.11%	3,420 (3.53%)	74.75%	1.74	00:01:47	0.00%	0 (0.00%)	\$0.00 (0.00%)
7. <a href="#">/site/procurement</a>	5,652 (3.02%)	32.17%	1,818 (1.88%)	35.92%	2.45	00:02:02	0.00%	0 (0.00%)	\$0.00 (0.00%)
8. <a href="#">/site/valuationrates</a>	4,735 (2.53%)	40.87%	1,935 (2.00%)	10.67%	3.49	00:03:02	0.00%	0 (0.00%)	\$0.00 (0.00%)
9. <a href="#">/site/tender-notices-2013-2014</a>	3,636 (1.94%)	45.05%	1,638 (1.69%)	42.30%	2.58	00:02:39	0.00%	0 (0.00%)	\$0.00 (0.00%)
10. <a href="#">/site/emergencynumbers</a>	2,236 (1.20%)	61.76%	1,381 (1.43%)	64.62%	1.99	00:01:28	0.00%	0 (0.00%)	\$0.00 (0.00%)



Browser	Avg. Page Load Time (sec)
1. UC Browser	2.30
2. Safari	3.82
3. Internet Explorer	4.49
4. Iron	4.72
5. Chrome	5.59
6. Firefox	6.38
7. Android Browser	10.87
8. Opera	12.87
9. BlackBerry	29.96

ICT SERVICES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
IT Strategy and Governance framework	Good Governance and Clean Audit	ICT Strategic Plan developed and submitted to SMC by 30 <sup>th</sup> of October 2013 and implemented as per the approved plan	ICT Strategic Plan has been developed and approved by EXCO and Full Council. Implementation underway	10 ICT Master Systems plan projects implemented by the 30th of June 2015	All 10 MSP Projects have been implemented and completed.	Updated Disaster Recovery Plan submitted to the ICT Steering Committee by the 29th of February 2016
				ICT Security Strategy inclusive of all high priority findings developed and submitted to SMC by the 28th of February 2015 for approval by Council high priority findings by the 30th of June 2015	The ICT Security Vulnerability Assessment Strategy was finalised and submitted to SMC	5 x Updated ICT policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Service Desk and Incident Management Policy)
				6 x ICT Steering Committee meetings convened by the 30th of June 2015	4 meetings have convened, from Jan to April.	prepared & submitted to the ICT Steering Committee by the 31st of September 2015
Computer Replacement Project	Build an enabling ICT environment	Replacement of 200 old/obsolete desktop computers by the 31 <sup>st</sup> December 2013	336 Computers were delivered on the 16 Jan 2014 and have been deployed to employees	N/A	N/A	500 x new computers purchased & deployed by the 31st of March 2016

ICT SERVICES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Server Replacement Project	Build Enabling ICT Infrastructure	Obsolete ICT Infrastructure replaced by the 31 December 2013	All IT infrastructure (Backups, Storage and Servers) have been replaced by the 30 November 2013	N/A	N/A	CAT 6 Cabling installed at the Server Room (As Chetty Building) by the 30th of September 2015
Network Replacement Project	Build Enabling ICT Infrastructure	Replacement of ICT network equipment: Switches and Routers by the 31st of December 2013	All Network Switches and Routers were delivered on the 30th Jan 2014. Implementation began in February 2014 and replacement completed by 30 June 2014	5 x Sites (Buildings) with no ICT Communication Networks connected to the ICT network by the 30th of June 2015	This project has been moved to 2015/16 financial year and has an approved budget already.	5 x Council Sites (Boom Street, Orthman Road, Truro Library, Bombay Road & Ashdown Offices) replaced with Fibre lines by the 31st of December 2015
				5 x critical sites without network alternative connectivity data lines to be installed with backup connectivity data lines by the 30th of June 2015	3 Sites have been connected with fibre and completed (City Hall, SITA, Doull Road). Due to shortage of funds, we could not proceed and finalize two more sites.	

EMPLOYEE: ICT SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	0	0	0	-	-
B1-B4	4	10	5	5	50
C1-CU	9	32	12	20	62
D1 –DU	4	15	5	10	66
E1 – E2	1	1	1	0	0
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>18</b>	<b>58</b>	<b>23</b>	<b>35</b>	<b>60</b>

FINANCIAL PERFORMANCE 2014/2015: ICT SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	292	23	23	24	4%
<b>Expenditure:</b>					
Employees	5685	5 640	7 828	7 754	-1%
Repairs and Maintenance	5116	9 142	8 773	7 427	-15%
Other	12678	13 208	18 646	-14 597	-178%
<b>Total Operational Expenditure</b>	23479	27 990	35 247	584	-98%
<b>Net operational (Service) Expenditure</b>	23187	27 967	35 224	560	-98%

CAPITAL EXPENDITURE: ICT SERVICES					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	1500	8841	8762	-1%	
CONNECTIVITY AND CABLING	750	732	732	0%	732
SAP STORAGE AND DISASTER RECOVERY	0	6057	6033	0%	6033
DISASTER RECOVERY PLANNING	750	432	432	0%	750
COMPUTERS	0	1620	1565	-3%	1565

#### COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The ICT department connected 3 critical sites without network alternative connectivity data lines in 2014/2015; Due to budget shortage and unavailability of funds during the mid-term review we could not complete the project as Planned. The completion of this project has been moved to 2015/16 financial year and has an already approved budget.

### 5.3 LEGAL SERVICES

#### INTRODUCTION TO LEGAL SERVICES

Legal Services play a crucial role in the interaction between the municipality as social change agent and individuals, interest groups, the private sector and other organs of state. Its activities include but are not limited to:

- Advising on and developing legally sound and binding policies and legislation in relation to local government's constitutional mandates,
- Interpreting and advising on the application of the Bill of Rights and the Constitution, not only to individuals and juristic persons, but also other organs of state in the national and provincial spheres, including the so-called "Parastatals" such as Telkom, Eskom and Water Boards,
- Negotiating and drafting of contracts and other legal instruments, instituting and defending of claims in various forms, including interdicts, declarators and summonses, prosecuting bylaws and regulations in the criminal courts, and
- Interpreting and advising on the application of a myriad of other statutes relating to municipalities.

In this regard, there are extreme misconceptions about the knowledge, depth and range actually expected from a legal advisor in the local sphere.

In addition to the activities outlined above *and indeed*, the items formally placed on our SDBIP, Legal Services:

- Provide legal comments on all reports whenever required,
- Regularly attend various Council committees and sub-committees, working groups of the Municipality, including portfolio committees, the Executive Committee, the Bid Evaluation and Bid Adjudication Committees. In addition we regularly attend impromptu meetings requested by customer units,
- Frequently coordinate the activities of multidisciplinary municipal teams in relation to a particular legal issue, problem or objective,
- Consider and evaluate an average of 20 new insurance claims against the municipality every month, and new prosecutions a month
- Act, where required, as Prosecutors or Chairpersons of Disciplinary hearings.

For the purpose of this document, emphasis will only be placed on two of the key activities performed by Legal Services, namely delictual claims and prosecutions. These statistics therefore do not reflect the total output by Legal Services.

#### **DELICTUAL COURT CLAIMS AND COURT INTERDICTS:**

Work on these matters involves daily management of court pleadings and extensive legal processes, including but not limited to correspondences with opposition attorneys, pre-trial procedures and court attendances. These procedures are extensively regulated by; inter alia, the Rules of Practice in the High and Magistrate's Courts.

#### **CRIMINAL PROSECUTIONS:**

The work in these matters involve all those processes in prosecuting persons in the criminal courts, including the consideration of evidence presented by Peace Officers, drafting of charge sheets where necessary, liaising with the Court and lawyers representing the accused. Ultimately, Legal Services represent the municipality in court. Procedures are extensively regulated by the Criminal Procedure Act, 51 of 1977.

LEGAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Redrafting of by-laws to meet current situation	Municipal Code	Review and gazetting of 5 bylaws	Gazetting of the 5 specified bylaws on 24 June 2014	10 x specified bylaws published in the Provincial Gazette by 30th of June 2015 - (Credit Control, Debt Collection , Indigent , Rates , Street Trading, Wayleaves, Public Health, Cemeteries, Rules of Order, Electricity and Aerodrome Bylaws)	Following bylaws were published: Credit Control, Debt Collection, Indigent, Rates , Street Trading, Public Health, Cemeteries, Rules of Order, Electricity. Review of Following bylaws finalised: Caravan and Camping Bylaws, Camps drift Bylaws, Solid Waste. Review of following bylaws commenced: Human Settlement bylaws.	10 x specified bylaws submitted to SMC for Approval by Council by the 31st of May 2016 (Wayleaves , Human Settlement, Planning and Land Use Management, Tariff Policy, Environmental Health, Libraries, Problem buildings, Motor Vehicle and Traffic Regulations, Cellular Infrastructure, Events bylaws)
Legal Comments/ Representation	Provision of legal advice, opinions and inputs	N/A	N/A	100% Provision of legal representation on behalf of Council in all instances of Civil and criminal Litigation matters by the 30th of June 2015	100% Provision of legal representation on behalf of Council in all instances of Civil and criminal Litigation matters	100% legal advice provided within 7 working days of receipt of the request/notification by Legal Services subject to all relevant information having been made available to legal services by the 30th of June 2016
Legal Comments/ Representation	Provision of legal advice, opinions and inputs	N/A	N/A	100% Provision of legal representation on behalf of Council in all instances of Civil and criminal Litigation matters by the 30th of June 2015	100% Provision of legal representation on behalf of Council in all instances of Civil and criminal Litigation matters	100% completion of all requests for drafting and/or provision of legal input into contracts within 10 working days of receipt of the request/notification by Legal Services subject to all relevant information having been made available to legal services by the 30th of June 2016

LEGAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
Legal Comments/ Representation	Provision of legal advice, opinions and inputs	N/A	N/A	100% Provision of legal representation on behalf of Council in all instances of Civil and criminal Litigation matters by the 30th of June 2015	100% Provision of legal representation on behalf of Council in all instances of Civil and criminal Litigation matters	100% completion of all requests for the provision of legal input into policies and procedures within 10 working days of receipt of the request/notification by Legal Services subject to all relevant information having been made available to legal services by the 30th of June 2016

EMPLOYEE: LEGAL SERVICES					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	0	0	0	0	
B1-B4	3	3	3	0	
C1-CU	0	0	0	0	
D1 –DU	3	3	3	0	
E1 – E2	2	3	2	1	33
F1 – F2	0	0	0	0	
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>1</b>	<b>12</b>

FINANCIAL PERFORMANCE 2014/2015: LEGAL SERVICES					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	14	19	36	34	-6%
Expenditure:					
Employees	3699	4 268	4 512	5 317	18%
Repairs and Maintenance	8	45	10	10	0%
Other	16098	4 048	6 147	-4 937	-180%
<b>Total Operational Expenditure</b>	19806	8 361	10 669	390	-96%
<b>Net operational (Service) Expenditure</b>	19792	8 342	10 633	356	-97%



CAPITAL EXPENDITURE: LEGAL SERVICES					R'000
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>					
No Capital Projects in the 2014/2015 Financial Year	N/A	N/A	N/A	N/A	N/A

#### COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL:

Legal Services find that demands on staff have increased dramatically. Less time is available for core functions as a result of other demands. Capacity constraints in some other units have also increased demands on Legal Services, sometimes in respect of non-legal issues.

#### 5.4. ORGANIZATIONAL DEVELOPMENT PERFORMANCE

##### INTRODUCTION TO ORGANIZATIONAL DEVELOPMENT PERFORMANCE

During the 14/15 financial year the HR function quantified certain needs that must be met in order to unlock the organization's human capacity towards achievement of these strategic priority outcomes.

##### CURRENT INTERNAL CLIENT CHALLENGES:

Municipality departments currently face challenges of low staff morale and poor state of employee well-being. The HR team understands the causes to this state of affairs to include:

- Lack of will and ability to manage by supervisors and managers,
- Lack of performance management systems and lack of accountability by managers to drive performance
- Ways to improve service delivery are not discussed elaborately,
- Poor communication is experienced across the board,
- Failure to implement – many plans are already in place, but little reflects in execution.

##### HR SERVICES REQUIRED BY LINE MANAGEMENT:

The HR Leadership Team listed the items below as HR needs commonly stated by internal clients:

- Competent staff
- Accurate statistics from HR: staff attendance data, overtime data, vacancy data
- Motivation of staff
- Skill gaps bridged where they exist in order to improve employee performance
- Correct remuneration - correct grading and salary bands
- Harmonization of the work environment
- Information to be available – more communication expected
- Recognition of high performers

- Policy compliance and consistent policy application
- Incentives to perform
- Benchmarking of information

Based on the feedback drawn from the HR Survey, a gap is obvious between what the clients expect and what the HR team presently delivers, and this mismatch appears to be the primary cause for the lack of confidence in HR.

The items above indicate a need for HR to address not only administrative needs, but also to facilitate the means for attainment of meaningful organizational solutions. In response, during the 2014/2015 Financial year, the HR Strategy and HR Service charter were developed and approved for implementation.

In 2014/15 the Organization conducted an HR and Qualifications Audit of all permanent employees in response to the 2013 Audit Action plan that cited, as an Internal Control Deficiency, that the “HR Department does not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting”.

The HR and Skills Audit process commenced in March 2014 and to date 95% of staff have been audited and the employee personnel records updated as per the Msunduzi Municipality’s legal obligation in terms of the Conditions of Service Collective Agreement (11 June 2011).

#### EMPLOYEE TOTALS, TURNOVERS & VACANCIES

Description	2013/2014	2014/2015			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	154	309	152	157	51%
Waste Water (Sanitation)	45	79	46	33	42%
Electricity	197	328	194	134	41%
Waste management	367	462	342	120	26%
Housing	33	64	26	38	59%
Waste Water (Stormwater Drainage)	95	461	97	364	79%
Roads	111	334	108	226	68%
Transport	36	64	34	30	47%
Local Economic Development	14	14	0	5	35%
Planning (Strategic & Regulatory)	19	19	16	3	16%
Community & Social Services	20	27	17	10	37%
Environmental Protection	1	8	1 (contract)	7	86%
Health	30	78	30	37	47%
Security & Safety	213	315	249	66	21%
Sport & Recreation	37	71	37	22	31%
Corporate Policy Offices & other	1217	2266	1215	1051	43%
<b>Totals:</b>	<b>2589</b>	<b>4899</b>	<b>2563</b>	<b>2303</b>	<b>47%</b>

VACANCY RATE 2014/2015			
Designations	*Total approved posts No.	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (Excl. Finance Posts)	4	0	0
Other S57 Managers ( Finance Posts)	0	0	0
Traffic Officers	315	66	21%
Fire Fighters	166	22	13%
Senior Managers: Levels DU (excl. Finance Posts)	58	13	23%
Senior Managers: Levels DU (Finance Posts)	9	0	0%
Highly skilled supervision: Levels D1 – D3 (excl. Finance)	96	11	11%
Highly skilled supervision: Levels D1 – D3 (Finance Posts)	11	3	27%
<b>TOTAL:</b>	<b>655</b>	<b>115</b>	<b>18%</b>

TURN-OVER RATE			
Details	Total appointments as of the beginning of financial year No.	Terminations during the financial year No.	Turn-over rate*
2012/2013	68	270	10.5%
2013/2014	131	160	6%
2014/2015	115	158	6%

#### COMMENT ON VACANCIES AND TURNOVER:

During the financial year the remaining 1 Section 57/56 posts that were vacant or occupied in an acting capacity were filled. The Deputy Municipal Manager Infrastructure Services was appointed on the 17 June 2015.

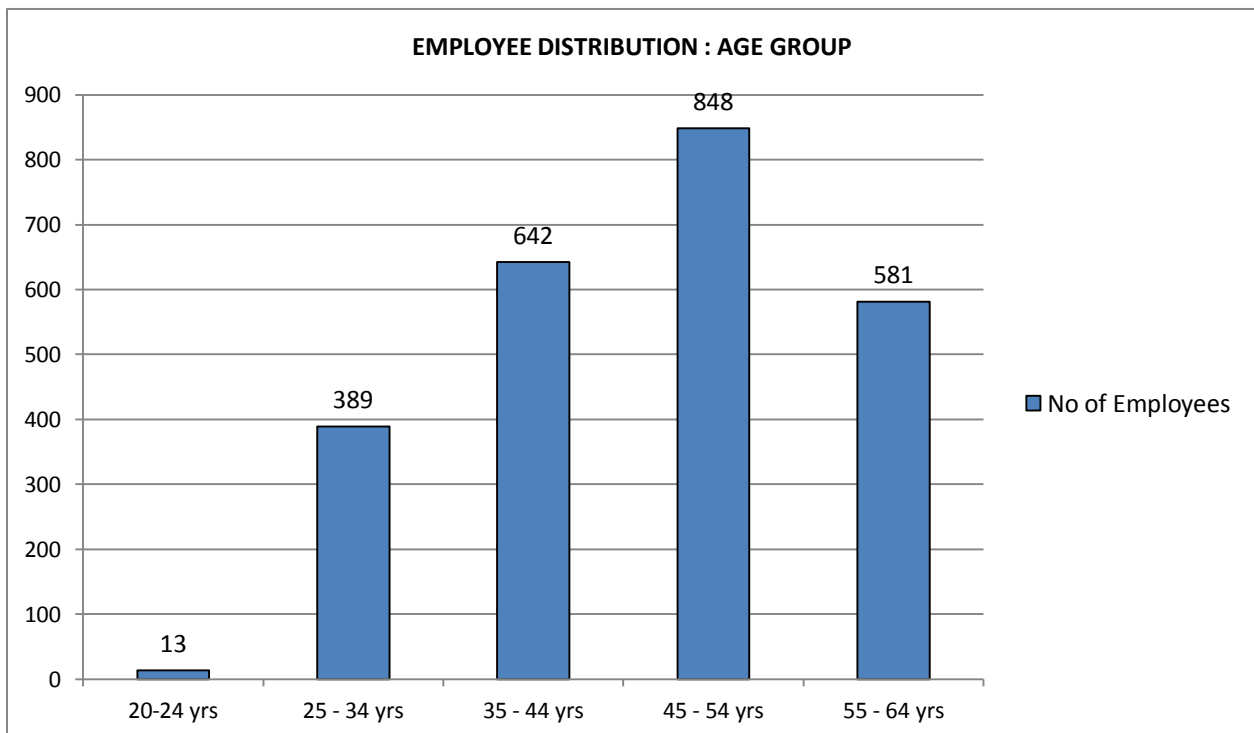
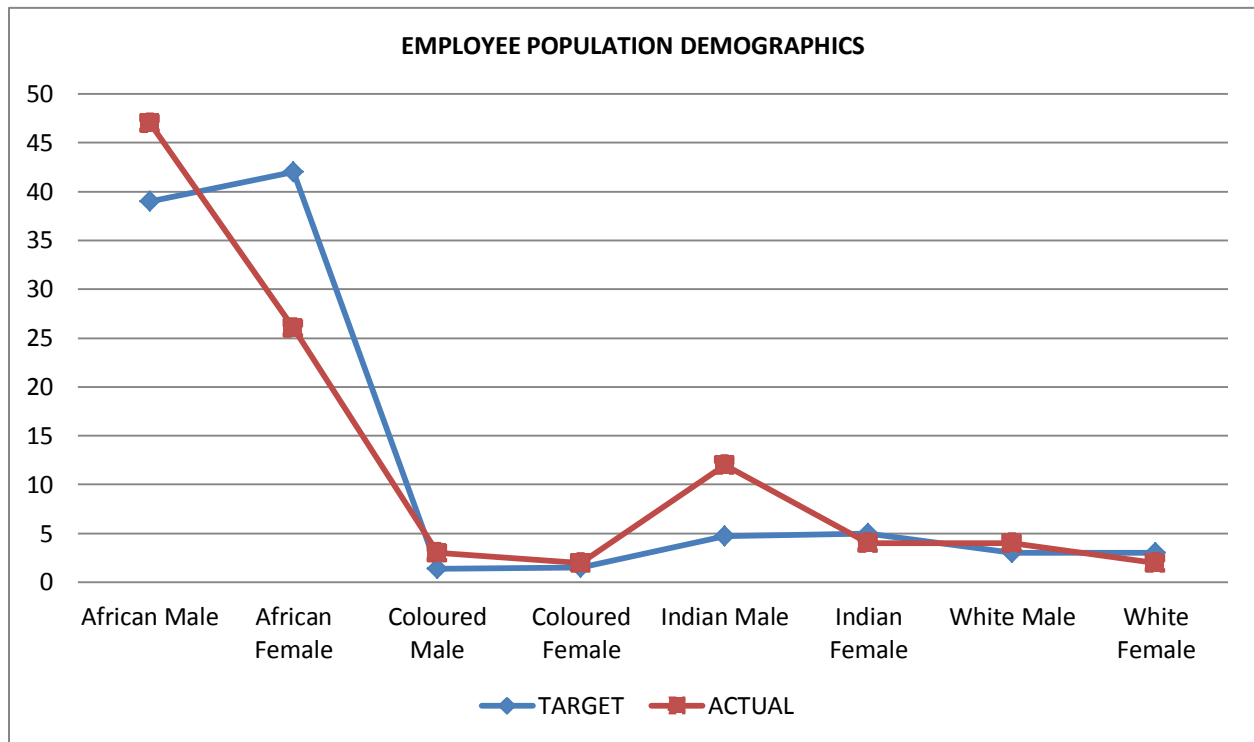
## MANAGING THE MUNICIPAL WORKFORCE

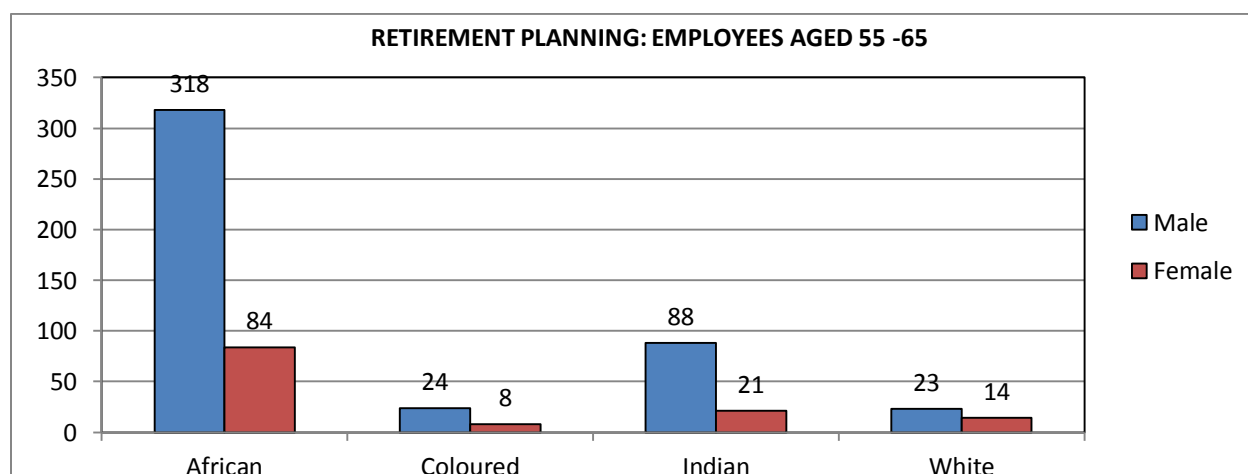
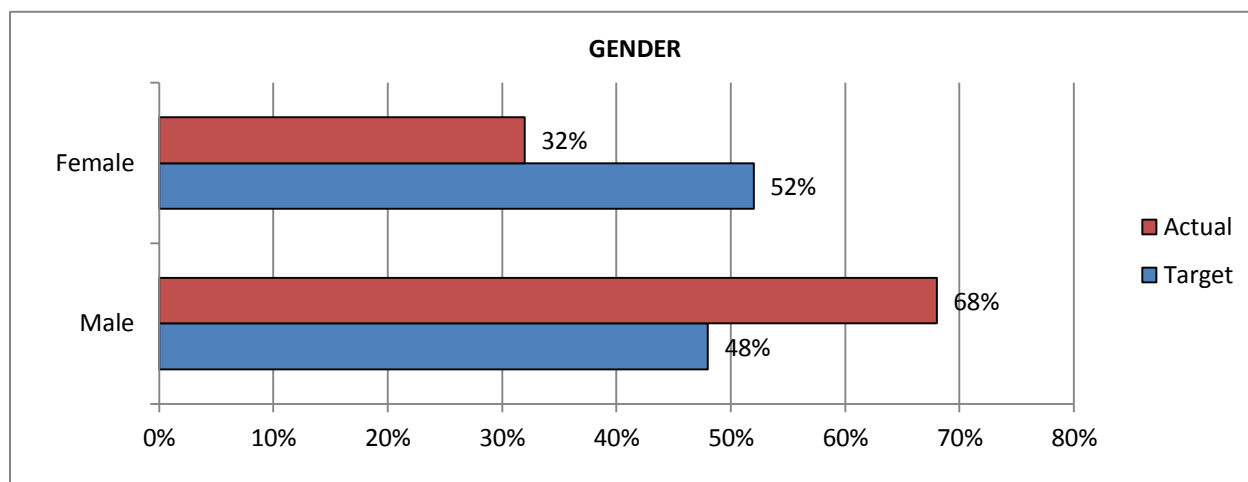
### INTRODUCTION TO MANAGING THE MUNICIPAL WORKFORCE

The Municipality pursues the equitable representation of designated groups in all occupational categories and levels in the workforce and actively supports an organizational culture and climate based on diversity, equality, mutual respect and dignity for all.

Currently in the organization, African males are over represented at lower Occupational levels (A Grade) while other demographic groups are minimally or not represented at all.

As the occupational levels advance, especially within the top four occupational levels, females are far less represented, especially African Females who are up to 50% behind the EAP target. People with disabilities are critically under-represented. Of a workforce of 2.563 permanent employees, only 43 are people with disabilities (1.6%). Most organizations aim for 3% in this category.





#### HUMAN RESOURCES POLICIES 14/15 FINANCIAL YEAR

MUNICIPAL POLICY	DATE ADOPTED BY COUNCIL	COMPLETED %	CURRENT STATUS	PROGRESS 2014/15
Employment Equity Policy	28/08/2013	100%	Approved	Approved By SMC 14/01/15
Allocation Policy	24/04/2013	100%	Approved	Submitted to SMC
Access to Personal Files Policy	Draft	100%	Approved	Approved by SMC on 4/05/2015
Disciplinary Code Procedure Manual	N/A	100%	Approved	Approved by SMC 18/02/15
Induction Guide	28/08/2013	100%	Approved	Approved by SMC 18/02/15
Employee Wellness Policy	28/08/2013	100%	Approved	Submitted to SMC 1/06/15
Transfer Policy	25/6/2014	100%	Approved	Submitted to SMC 29/05/15
Grievance Procedures	N/A	100%	Approved	Approved by SMC 23/09/14
HIV/AIDS Policy	N/A	100%	Local Labour Forum	Submitted to SMC 30/04/15

MUNICIPAL POLICY	DATE ADOPTED BY COUNCIL	COMPLETED %	CURRENT STATUS	PROGRESS 2014/15
Leave Policy	28/08/2013	100%	Approved	Submitted to SMC 01/06/15
Secondment Policy	30/02/2004	100%	Approved	Submitted to SMC 30/04/15
Acting Policy	28/08/2013	100%	Approved	Submitted to SMC 01/06/15
Official Transport to Attend Funerals	N/A	100%	Approved	Submitted to SMC 11/06/15
Overtime Policy	N/A	100%	Approved	Approved by SMC 27/05/14
Selection and Recruitment Policy	N/A	100%	Reviewed & Approved	Approved by SMC 21/10/14
Sexual Harassment Policy	11/10/2006	100%	To be reviewed	Submitted to SMC 01/06/15
Training and Development Policy	28/08/2013	100%	Reviewed and Approved	Submitted to SMC 01/06/15
Smoking Policy	16/01/06	100%	To be reviewed	Submitted to SMC 30/04/15
Staff Attraction and Retention Policy	31/07/08	100%	To be developed	Submitted to SMC 1 June 2015
Internship Policy	28/08/2013	100%	Reviewed & Approved	Currently at LLF
Learnership Policy	28/08/2013	100%	Reviewed & Approved	To be submitted to SMC by 1 June 2015
External Bursary Policy	28/08/2013	100%	Reviewed & Approved	Currently at LLF
Study Assistance Policy	28/08/2013	100%	Reviewed & Approved	Currently at LLF
Career Pathing Policy	N/A	100%	To Review and link to succession planning policy	To Review
Recognition of Prior Learning Policy	N/A	100%	Approved	Currently at LLF
Adult Basic Education and Training Policy	28/08/2013	100%	Reviewed and Approved	Currently at LLF
Safety Health and Environment Policy	30/03/2006	100%	Approved	Approved by SMC on 4/05/2015
Personal Protective Equipment Policy	10/02/2014	100%	Approved	Approved
Work Exposure Policy	28/08/2013	100%	To be reviewed	Approved by SMC on 4/05/2015
Subsistence and Travel	01/05/06	60%	Reviewed To be submitted to LLF	Submitted to SMC 28 04/2015
Secondment and Procedure	15/03/2011	100%	Approved	Approved by SMC October 2014
Alcohol and Drug Abuse Policy	25/03/2011	100%	To be Reviewed	To Review 30/04/15
Bee and Wasp Stings Policy	21/02/2006	100%	To be Reviewed	To Review 30/04/15
Management of Heat Stress Policy	18/03/2011	100%	To be reviewed	To Review 30/04/15
Post Exposure Protocol	26/03/2007	100%	To be Reviewed	To Review 30/04/15
Procedure for Injury on Duty	16/02/2006	100%	To be reviewed	To Review 30/04/15
Locomotion policy	N/A	100%	Approved	To be submitted to SMC 28/04/2015

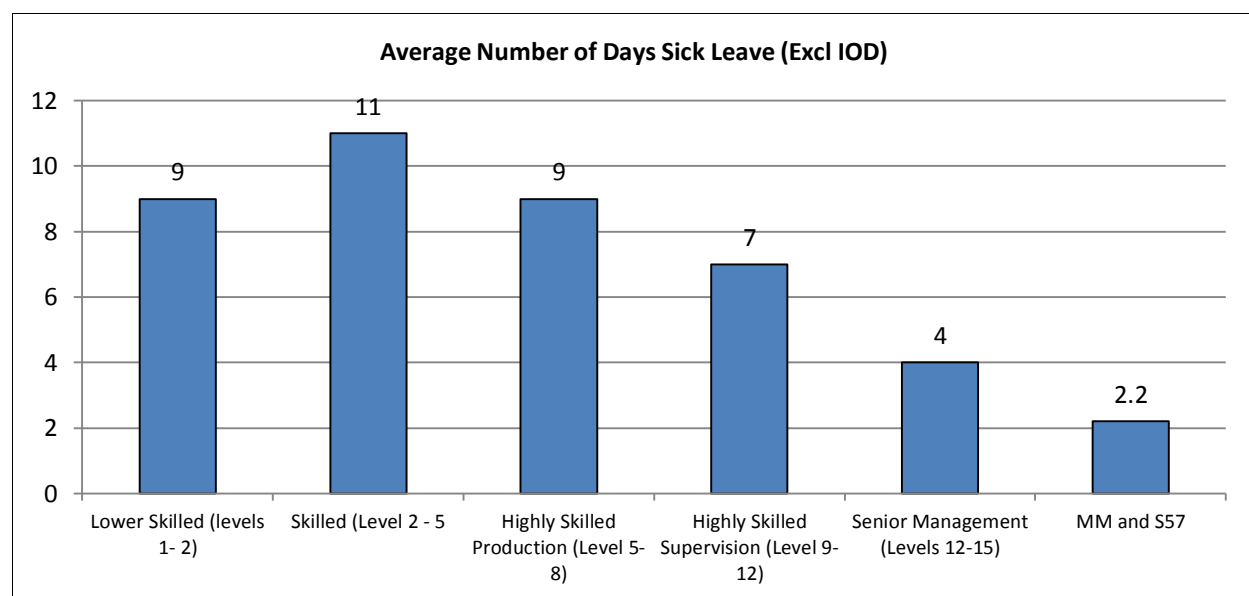
## COMMENT ON WORKFORCE POLICY DEVELOPMENT:

34 HR Policies were developed or reviewed and extensively consulted at Portfolio Committees and Local labour forum. 1 Policy was approved in the 2014/15 financial year.

## INJURIES, SICKNESS AND SUSPENSIONS

NUMBER AND COST OF INJURIES ON DUTY					
Type of Injury	Injury Leave taken Days	Employees using injury leave No.	Employees using sick leave No.	*Average sick leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	83	7	0	12	R 3400
Temporary total disablement	552	45	11	12	R 664 066
Permanent Disablement	103	2	2	51	R1 716 066
Fatal	0	0	0	0	0
<b>TOTAL</b>	<b>738</b>	<b>52</b>	<b>11</b>	<b>75</b>	<b>R2 383 532</b>

NUMBER OF DAYS AND COST OF SICK LEAVE (EXCL. INJURIES ON DUTY)					
Occupational Category	Days Lost	Employees Claiming	No. of employees per category	Average sick leave per employee / Category	Cost*
F1 – F2	13	4	6	2.2	35594
E1 – E2	114	15	27	4	285912
D1 – D4	952	72	141	7	1567944
C1 – C4	5091	445	592	9	5518644
B1 – B5	7938	535	748	11	4437342
A1 – A4	8931	795	1018	9	3527745
	<b>23039</b>	<b>1865</b>	<b>2562</b>	<b>9</b>	<b>15373181</b>



## COMMENT ON INJURY AND SICK LEAVE:

There was a total of 100 reported injuries and between July 2014 and June 2015. The injury rate has decreased by 24% from the previous years

Safety performance with regards to injuries on duty is calculated by using a statistic measurement on a month to month period. The statistical measurement used is the Disabling Injury Frequency Rate (DIFR) and Disabling Injury Severity Rate (DISR). The DIFR indicates the frequency of an injury and the DISR indicates the severity as a result of the days lost from a particular injury. Between July 2014 and June 2015 the DIFR and the DISR was 1.04 and 6.60 respectively.

The Municipality is closely monitoring all health and safety procedures so that accidents can be prevented and injuries can further be reduced.

NUMBER AND PERIOD OF SUSPENSIONS				
POSITION	NATURE OF ALLEGED MISCONDUCT	DATE OF SUSPENSION	DETAILS OF DISCIPLINARY ACTION TAKEN OR STATUS OF CASE AND REASONS WHY IT IS NOT FINALIZED	DATE FINALIZED
Credit Controller	Fraud	14/03/2011	Disciplinary Hearing Ongoing	Pending
Bowser Attendant	Fraud	15/07/2014	Suspension uplifted April 2015, Disciplinary hearing Ongoing	Pending
Bowser Attendant	Fraud	15/07/2014		Pending
Bowser Attendant	Fraud	15/07/2014		Pending
Bowser Attendant	Fraud	15/07/2014		Pending
Bowser Attendant	Fraud	15/07/2014		Pending
Traffic Officer	Illegal Strike	03/12/2012	Suspension uplifted February 2015	Finalised
Traffic Officer	Illegal Strike	03/12/2012		Finalised
Traffic Officer	Illegal Strike	03/12/2012		Finalised
Traffic Officer	Illegal Strike	03/12/2012		Finalised
Traffic Officer	Illegal Strike	03/12/2012		Finalised
Traffic Officer	Illegal Strike	03/12/2012		Finalised
Cleaner	Theft	23/05/2013	Suspension uplifted March 2015, Disciplinary hearing Ongoing	Pending
Snr Groundsman	Gross Misconduct	21/10/2014	Internal Audit Investigation I have no knowledge of this case	Pending
Admin Officer: Waste	Gross Misconduct	08/01/2015	Internal Audit Investigation	Pending
Manager: Electricity Tariffs and Design	Gross Misconduct	16/01/2015	Internal Audit Investigation	Pending
Manager: Housing	Gross Misconduct	08/06/2013	Early Retirement April 2015	Pending



NUMBER AND PERIOD OF SUSPENSIONS				
POSITION	NATURE OF ALLEGED MISCONDUCT	DATE OF SUSPENSION	DETAILS OF DISCIPLINARY ACTION TAKEN OR STATUS OF CASE AND REASONS WHY IT IS NOT FINALIZED	DATE FINALIZED
Road Signs Superintendent	Gross Dishonesty/ Criminality	05/02/2014	Suspension uplifted April 2015. Internal Audit Investigation completed in March 2015	Pending
Principal Clerk: Revenue	Gross Dishonesty	07/02/2014	Disciplinary Hearing Ongoing	Pending
Supervisor: Meter Reading	Gross Dishonesty	11/03/2014	Suspension uplifted April 2015. Internal Audit Investigation completed in March 2015	Pending
Electrician	Gross Dishonesty	09/06/2014	Suspension uplifted May 2015. Internal Audit Investigation	Pending
Senior Security Supt	Gross Misconduct	23/01/2015	Early Retirement	Pending
Personal Assistant: SCM	Gross Misconduct / Dishonesty	30/01/2015	Suspension uplifted March 2015	Pending
Security Officer	Gross Dishonesty	19/02/2015	Finalised	04/08/2015 Finalised
Admin Officer: SCM	Gross Dishonesty	04/02/2015	Suspension uplifted April 2015. Internal Audit Investigation	Pending
Cleaner: Market	Gross Dishonesty	12/02/2015	Suspension uplifted April 2015. Internal Audit Investigation	Pending
Ward AIDS Facilitator	Gross Dishonesty	09/03/2015	Suspension uplifted April 2015. Internal Audit Investigation completed in November 2013	Pending
Driver	Gross Dishonesty	09/03/2015	Investigation	Pending
Manager: Marketing and Communication	Gross Dishonesty	12/03/2015	Official is on maternity leave	Pending
Traffic Officer	Gross Dishonesty	12/05/2015	Disciplinary Hearing Ongoing	Pending

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT			
POSITION	NATURE OF ALLEGED MISCONDUCT AND RAND VALUE OF ANY LOSS TO THE MUNICIPALITY	DISCIPLINARY ACTION TAKEN	DATE FINALISED
Driver	Dishonesty	15/06/2014	07/10/2014
Internal Auditor	Gross Misconduct	22/08/2013	27/05/2015

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT			
POSITION	NATURE OF ALLEGED MISCONDUCT AND RAND VALUE OF ANY LOSS TO THE MUNICIPALITY	DISCIPLINARY ACTION TAKEN	DATE FINALISED
Scholar Patrol	Dishonesty	02/10/2014	Pending
Credit Controller	Dishonesty	26/11/2012	Pending
Driver	Fraud	27/05/2014	27/11/2014
Electrician	Dishonesty	11/11/2014	06/07/2015
Scholar Patrol	Gross Misconduct	12/11/2014	01/12/2014
General Worker: Water	Gross Misconduct	15/04/2014	21/10/2014
General Worker	Gross Dishonesty	18/11/2014	03/06/2015
Manager: Housing	Gross Dishonesty	12/12/2014	April 2015
Committee Officer	Gross Misconduct	17/12/2014	Pending
Cashier Superintendent	Gross Dishonesty	18/12/2014	18/12/14
Traffic Officer	Gross Dishonesty	18/12/2014	Pending
Electrician	SCM Misconduct	18/12/2014	18/12/2014
Technician: Electricity	Gross Dishonesty	18/12/2014	18/12/2014
Cashier	SCM Misconduct	19/12/2014	31/01/2015
Cashier	Misconduct	19/12/2014	27/02/2015
Waste Foreman	Dishonesty	19/12/2014	28/01/2015
Meter Reader	Gross Misconduct	26/02/2014	30/06/2015
Finance Supervisor	Gross Dishonesty	04/06/2016	Pending
Traffic Officer	Gross Dishonesty	05/06/2015	Pending
Electrician	Gross Dishonesty	29/06/2015	29/07/2015
General Worker	Gross Dishonesty	29/06/2015	Pending
DMM: Economic Development	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Housing Coordinator;	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Housing Administration Clerk	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Employee Relations Officer	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
General Assistant at Community Services	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Chief Cashier - Finance	Gross Negligence	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Electrician	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
General Worker	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Storeman	Theft	Investigations Completed – Awaiting charges to be drafted against the official	Pending

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT			
POSITION	NATURE OF ALLEGED MISCONDUCT AND RAND VALUE OF ANY LOSS TO THE MUNICIPALITY	DISCIPLINARY ACTION TAKEN	DATE FINALISED
Acting PA Office of the Mayor	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Manager: Marketing & Communication	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Messenger at Information Centre	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending
Manager: Office of the Mayor	Gross Dishonesty	Investigations Completed – Awaiting charges to be drafted against the official	Pending

#### COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

Only one suspension emanating from the period of Administration remains in process, and has extended beyond four months. The Msunduzi Municipality has established a Fraud and Corruption Hotline in an attempt to ensure that Employees who disregard policies and procedures be identified and held accountable. Training interventions for prosecutors and presiding officers at disciplinary hearings were facilitated, with managers being capacitated to act as prosecutors and/or presiding officers and a Disciplinary Hearing Procedure Manual has been developed and approved.

Discipline is acknowledged to not yet being at the required level to support optimal functioning of the workforce. Absenteeism in general, is reaching worrying proportions and requires in priority intervention. Regular Local Labour Forum meetings are being facilitated and the management of Industrial Action formalized with the development of the Industrial Action Strategy. Workshops were held with all business units to communicate the collective agreements, including disciplinary and grievance procedures.

#### PERFORMANCE REWARDS

The Municipality has implemented Performance Management to level 3 within the organization it is not currently linked to reward. The Individual Performance Management performance Policy was developed and approved during the 2012/13 financial year. Performance management is currently not being cascaded to the employees beyond the third level of management. 2014/2015 saw no performance reward beneficiaries, including Section 57 employees.

PERFORMANCE REWARD BY GENDER					
DESIGNATION	GENDER	TOTAL NUMBER OF EMPLOYEES IN GROUP	NUMBER OF BENEFICIARIES	EXPENDITURE ON REWARDS 20011/12 R'000S	PROPORTION OF BENEFICIARIES WITHIN GROUP %
Lower Skilled (Levels 1-2)	Female	-	0	-	0
	Male	-	0	-	0
Skilled (Levels 3-5)	Female	-	0	-	0
	Male	-	0	-	0
Highly skilled production (Levels 6-8)	Female	-	0	-	0
	Male	-	0	-	0
Highly skilled supervision (Levels 9-12)	Female	-	0	-	0
	Male	-	0	-	0
Senior Management (Levels 13-15)	Female	2	0	-	0
	Male	14	0	-	0
MM and S57	Female	3	0	-	0
	Male	3	0	-	0
<b>Total:</b>		<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>

## THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

During the 2014/2015 financial year the following Skills Development policies were reviewed;

- The Training and Development Policy
- The Study Assistance Policy
- The External Bursary Policy
- The Internship Policy
- The Adult Education Training and Development Policy
- The Work Exposure Policy

The Skills Development Unit has developed the Recognition of Prior Learning Policy in order to create a framework for the assessing employees' prior learning and the Professional Membership Policy to establish a process to pay for membership to professional bodies.

The Skills Development Unit has developed a new skills audit tool to assess training gaps of employees which is based on the required competencies for the job. This is currently being implemented. A Total of 1049 employees were trained during the 2014/2015 Financial Year.

## SKILLS DEVELOPMENT & TRAINING

SKILLS MATRIX											
Management Level	Gender	Employees in post as at 30 June 2014	Number of skilled employees required and actual as at 30 June 2015								
			Learnerships			Skills programmes and other short courses			Other forms of training		
		No.	Actual 30 June	Actual 30 June	Target 2016	Actual 30 June	Actual 30 June	Target 2016	Actual 30 June	Actual 30 June	Target 2016
MM and S57	Female	3	-	-	-	2	2	-	-	1	-
	Male	3	-	-	-	1	1	-	-	1	-
Councillors, Senior Officials & managers	Female	64	-	-	-	52	44	58	-	1	-
	Male	88	-	-	-	54	63	75	-	6	-
Technicians and associate professionals	Female	82	-	-	-	41	19	6	5	3	5
	Male	383	-	-	-	156	120	47	7	5	5
Professionals	Female	86	16	17	5	28	13	22	3	5	5
	Male	121	9	3	10	44	25	24	3	8	5
Sub-totals	Female	235	16	17	5	123	78	86	8	10	10
	Male	595	9	3	10	255	209	146	10	20	10
<b>Totals</b>		<b>830</b>	<b>25</b>	<b>20</b>	<b>15</b>	<b>378</b>	<b>287</b>	<b>232</b>	<b>18</b>	<b>30</b>	<b>20</b>

FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT*						
Description	A Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total A and B	Consolidated; Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: total number of officials whose performance agreements comply with regulation 16 (Regulation 14(4)(f))	Consolidated: Total Number of officials that meet the prescribed competency levels (Regulation 14(4)(e))
Financial Officials	-	-	-	-	-	-
Accounting Officer	1	0	1	0	0	1
Chief Financial Officer	1	0	1	0	0	0
Senior Managers	5	0	5	0	?	1
Any other financial officials	235	0	235	0	0	13
Supply Chain Management Officials	-	-	-	-	-	-
Heads of supply chain management units	3	0	3	0	0	0
Supply chain management senior managers	1	0	1	0	0	0
<b>TOTAL</b>	<b>246</b>	<b>0</b>	<b>246</b>	<b>0</b>	<b>0</b>	<b>15</b>

This is a statutory report under the national treasury: LG MFMA Regulations

SKILLS DEVELOPMENT EXPENDITURE										
										'000
Management Level	Gender	Employees as at the beginning of the year	Number of skilled employees required and actual as at 30 June 2015							
			Learnerships		Skills programmes and other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	3	-	-	35 031	35 000	22 728	22 728	57759	57728
	Male	3	-	-	35 031	35 000	22 728	22 728	57759	57728
legislators, Senior Officials & managers	Female	206	-	-	395 031	395 000	22 728	22 728	417759	417728
	Male	340	-	-	525 031	525 000	136 370	136 370	661401	661370
Professionals	Female	159	356 660	340 000	295 031	290 000	113 642	113 642	765333	743642
	Male	164	62 940	60 000	295 031	290 000	181 824	181 824	539795	531824
Technicians and associate professionals	Female	43	-	-	195 031	195 000	68 184	68 184	263215	263184
	Male	246	-	-	395 031	395 000	113 642	113 642	508673	508642
Clerks	Female	333	209 800	200 000	395 031	395 000	-	-	604831	395 000
	Male	232	104 900	100 000	395 031	395 000	-	-	499931	495 000
Service and sales workers	Female	120	-	-	195 031	195 000	-	-	195031	195 000
	Male	384	-	-	295 031	290 000	-	-	295031	290 000
Plant and machine operators & assemblers	Female	14	-	-	45 031	45 000	-	-	45031	45 000
	Male	110	-	-	95 031	95 000	-	-	95031	95 000
Elementary occupations	Female	1149	104 900	100 000	535 031	535 000	-	-	639931	635000
	Male	1243	209 800	200 000	535 031	535 000	-	-	844831	735000
Sub-totals	Female	2027	671 360	640 000	2360248	2360000	227 282	227 282	3258890	3227282
	Male	2722	377 640	360 000	2360248	2360000	454 564	454 564	3192452	3174564
<b>Totals</b>		<b>4749</b>	<b>1 049 000</b>	<b>1 000 000</b>	<b>4 720 496</b>	<b>4 720 000</b>	<b>681 846</b>	<b>681 846</b>	<b>6451342</b>	<b>11013692</b>

## **COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:**

The Budget allocated for the implementation of Skills Development interventions has been increased substantially and is in line with the Skills Development Levies Act as the Municipality has budgeted 1% of the salary bill for Skills Development. All mandatory funding received from the LGSETA is used to supplement the budget for the implementation of skills development interventions for employees.

The Msunduzi Municipality acknowledges the value of development of its employees and is cooperating fully with the LGSETA and ensures that the Unit participates in all relevant grants and training opportunities offered. The Skills Development Unit makes use of the Discretionary Grants from the LGSETA to cover the costs of learnerships and also partners with various training providers who have SETA funded learnerships on offer for Municipal employees.

Funding that was made available from National Treasury during the 2014 / 2015 financial year has been utilised to develop Senior Managers and MFMA Interns on the MFMA Competency Regulations. The Msunduzi Municipality has rolled out its third programme targeting Senior Managers and Finance Officials who require these competencies as per the National Treasury Regulations. In total the Msunduzi Municipality has 15 employees who meet these minimum competency levels and is awaiting confirmation for another 20 learners.

## **INTRODUCTION TO WORKFORCE EXPENDITURE**

The municipality has made a concerted effort to manage workforce expenditure by improving the management and control of overtime.

This included the centralisation of the processing of leave and overtime to ensure conformity, and the introduction of standardised pre-approval and overtime claim forms to address such issues as the necessity for work to be carried out after hours, verification that the time claimed was justified in relation to the work done, location of work, vehicle usage, compliance with policy and availability of funding amongst others.

The overtime policy and procedures are also being reviewed to improve the management and control of overtime. Planning for a bio-metric time and attendance system is currently underway to improve control over staff attendance.

## EMPLOYEE EXPENDITURE

NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED		
BENEFICIARIES	GENDER	TOTAL
Lower skilled (Levels 1-2)	Female	Posts are not yet graded
	Male	Posts are not yet graded
Skilled (Levels 3-5)	Female	Posts are not yet graded
	Male	Posts are not yet graded
Highly skilled production (Levels 6-8)	Female	Posts are not yet graded
	Male	Posts are not yet graded
Highly skilled production (Levels 9-12)	Female	Posts are not yet graded
	Male	Posts are not yet graded
Senior management (Levels 13-16)	Female	Posts are not yet graded
	Male	Posts are not yet graded
MM and S57	Female	Posts are not yet graded
	Male	Posts are not yet graded
Total	N/A	N/A

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Posts are not yet graded				

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS		
BUSINESS UNIT	POST TITLE	COMMENTS
ISF	Beverage Executive	On placement structure not on approved structure
ISF	Technicians Assistant	On placement structure not on approved structure
ISF	Storeman x 4	On placement structure not on approved structure
ISF	Assistant Storeman	On placement structure not on approved structure
ISF	Executive Secretary	On placement structure not on approved structure
ISF	Engineering Senior Eng. x4	Approved structure shows 2 x Senior Engineering Surveyors and 3 x Senior Engineering Surveyors The Engineering Surveyor progresses to Senior Engineering Surveyor
ISF	Driver x 3	On placement structure not on approved structure
ISF	Artisan Bricklayer x2	On placement structure not on approved structure
ISF	Handyman x 4	On placement structure not on approved structure
ISF	Artisans Assistant x 27	On placement structure not on approved structure
ISF	Beverage Executive	On placement structure not on approved structure
ISF	Manger Revenue Enmt	On placement structure not on approved structure
ISF	Supervisor Domestic	On placement structure not on approved structure
ISF	Supervisor Industrial	On placement structure not on approved structure
ISF	Control Technician	On placement structure not on approved structure
CBU	IDP Manager	On placement structure not on approved structure
CBU	ID Co-coordinators x6	On placement structure not on approved structure
CBU	Executive Secretary	On placement structure not on approved structure
CBU	Special Projects Manger	Structure never submitted to PJEC
CBU	Election Co-coordinator	Structure never submitted to PJEC
CBU	Principal Clerk x 4	Structure never submitted to PJEC
ED&G	HR Clerk	Placed but not on placement or approved structure
SG&HR	Clerk III x3	On placement structure not on approved structure



EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS		
BUSINESS UNIT	POST TITLE	COMMENTS
SG&HR	Clerk I	Appointed in Employee Relations not on placement or approved structure
SG&HR	Admin Officer x 2	Appointed reporting to Systems Manager not on placement or approved structure
CS&SE	Clerk II x 4	Posts added to structure that was submitted late
CS&SE	Admin Training Officer	Posts added to structure that was submitted late
CS&SE	HR Clerk x 9	Posts added to structure that was submitted late
CS&SE	Human Resource Officer	Posts added to structure that was submitted late
CS&SE	Office Assistant x 4	Posts added to structure that was submitted late
CS&SE	Admin Officer	Post to be removed from original structure
CS&SE	Clerk I now x 1 not 3	Amount of posts to be adjusted
CS&SE	Messenger /Office Asst	Post to be removed from original structure
CS&SE	Senior Clerk	Post to be removed from original structure
CS&SE	Disaster Management Officer	Post left off structure
CS&SE	Conservation Officer	Post left off structure
CS&SE	Arborist x 7	Post left off structure
CS&SE	Driver	Post left off structure
CS&SE	Project Manager	Post left off structure
CS&SE	Manager Special Projects	Post left off structure
CS&SE	Manager Planning & Matters	Post left off structure
CS&SE	Town Planning Technician x2	Post left off structure
CS&SE	GIS Technician	Post left off structure
CS&SE	Manager Community Development	Post left off structure
CS&SE	Community Development Officer x3	Post left off structure
CS&SE	Manager Development Services	Post left off structure
CS&SE	Principal Admin Officer	Post left off structure
CS&SE	Secretary	Post left off structure
CS&SE	Messenger/ Driver	Post left off structure
CS&SE	Receptionist	Post left off structure

#### COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

The process of Job Evaluation was prioritized in the 2014/2015 financial year. All provisional grade outcomes produced by JEU were submitted to Provincial Audit Committee (PAC) on the 16<sup>th</sup> of April 2015 for auditing. The auditing process started on the 18<sup>th</sup> of May 2015, and was concluded on the 10<sup>th</sup> of July 2015. All preliminary audit outcomes with audit queries were referred to the JEU by PAC on the 10<sup>th</sup> of July 2015. Once concluded the organization will move towards the implementation of the new organizational structure.

## 6. COMPONENT F: CORPORATE BUSINESS UNIT

This component includes: council and executive & internal audit.

### 6.1 COUNCIL AND EXECUTIVE

#### INTRODUCTION TO EXECUTIVE AND COUNCIL

The Executive and Council include all administrative support that is provided to the offices of the Mayor, Speaker and Municipal Manager. This includes, inter alia, meetings of Council and its committees and support related to the functioning of ward committees.

The Executive and Council Support Unit is headed by the Process Manager: Sound Governance. The main purpose for the existence of this Unit is to give administrative support, primarily to Council and its committees and to ensure smoothness of Council's decision making process.

The Unit in turn comprises three sub-units, namely Secretariat, Information and Printing.

The Unit commits itself to providing efficient printing service to Council & business units; quality minutes and efficient record keeping of all minutes of Council and its committees.

In an attempt to improve its performance in so far as it concerns the quality management of minutes the Unit introduced various levels of accountability to check agendas and minutes so as to minimize errors and material amendments respectively. In addition, the decisions of Executive and Management Committees are electronically captured at meetings and confirmed at the end of each meeting so as to speed up the implementation of thereof.

COUNCILLORS AND COMMITTEE MEETING DATA 2014 / 2015 FY	
ITEM	NUMBER
Total number of Councillors	73
Total number of Executive Committee Members	10
Total number of wards	37
Total number of ward committee meetings	273
Total number of community meetings	224
<b>Number and Type of Council Committee Meetings:</b>	
Full Council	17
Executive Committee	34
Corporate Services	20
Financial Services	16
Infrastructure Services	17
Community Services	9
Economic Development	24
Municipal Public Accounts Committee	17

COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service Indicators		Target	Actual	Target	Actual	Target
Sound Governance & Public Participation	Functioning Ward Committee System: Develop Annual Schedule of Meetings	Develop Annual Schedule of Meetings	Annual Schedule of Meetings developed	Develop Annual Schedule of Meetings	Annual Schedule of Meetings developed	Develop Annual Schedule of Meetings
Institutional Development & Transformation	Develop & Submit Annual Report as per legislative timeframe	By 31 January Annually	29 January 2014	By 31 January Annually	28 January 2015	By 31 January Annually
Institutional Development & Transformation	Develop & Submit Oversight Report as per legislative timeframe	By 31 March Annually	26 March 2014	By 31 March Annually	31 March 2015	By 31 March Annually
Good Governance/To ensure participation of all stakeholders in the decision making of the municipality and efficient functioning of ward committees, complying at all times with the provisions of the System Act	Minutes of ward and community meetings from each Ward assistant submitted to the Office of the Speaker within 5 days after date of meeting	Minutes of ward and community meetings from each Ward assistant submitted to the Office of the Speaker within 5 days after date of meeting	Minutes of ward and community meetings received within 5 days after date of meeting	Minutes of ward and community meetings from each Ward assistant submitted to the Office of the Speaker within 5 days after date of meeting	Minutes of ward and community meetings received within 5 days after date of meeting	Minutes of ward and community meetings from each Ward assistant submitted to the Office of the Speaker within 5 days after date of meeting
	Forwarding of service delivery challenges per ward to customer care / relevant business units within 8 hours of receipt of the challenges	Forwarding of service delivery challenges per ward to customer care / relevant business units within 8 hours of receipt of the challenges	100% service delivery challenges per ward forwarded to Customer Care/relevant business unit within 8 hours of receipt	Forwarding of service delivery challenges per ward to customer care / relevant business units within 8 hours of receipt of the challenges	100% service delivery challenges per ward forwarded to Customer Care/relevant business unit within 8 hours of receipt	Forwarding of service delivery challenges per ward to customer care / relevant business units within 8 hours of receipt of the challenges

COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service Indicators		Target	Actual	Target	Actual	Target
	Portfolio Committee meetings Minutes finalized within 7 working days after the meetings are held	Portfolio Committee meetings Minutes finalized within 7 working days after the meetings are held	Portfolio Committee meetings Minutes finalized within 7 working days after the meetings are held	Portfolio Committee meetings Minutes finalized within 7 working days after the meetings are held	Portfolio Committee meetings Minutes finalized within 7 working days after the meetings are held	Portfolio Committee meetings Minutes finalized within 7 working days after the meetings are held

EMPLOYEE: CORPORATE BUSINESS UNIT					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	15	15	10	5	33
B1-B4	9	21	9	12	57
C1-CU	11	48	10	38	79
D1 –DU	10	12	10	2	16
E1 – E2	3	4	3	1	25
F1 – F2	5	6	6	0	0
<b>Total</b>	<b>53</b>	<b>106</b>	<b>48</b>	<b>58</b>	<b>55</b>

FINANCIAL PERFORMANCE 2014/2015: COUNCIL & EXECUTIVE					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	58	0	0	67	
<b>Expenditure:</b>					
Employees	25890	26667	27092	25793	-5
Repairs and Maintenance	1259	2909	2040	1647	-19
Other	73765	75082	96204	87407	-9
<b>Total Operational Expenditure</b>	100914	104658	125336	114847	-8
<b>Net operational (Service) Expenditure</b>	-	-	-	114780	-

CAPITAL EXPENDITURE: COUNCIL & EXECUTIVE					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>					
010 658 1504 Vehicles	0	7	7	0	7
011 601 1502 Road Constr PURP	0	3251	3218	-1	3218
011 654 1501 Plant & Equip	0	103	61	-40	61
011 656 1501 Furniture & Fittings	0	16	14	-12	14
504 630 1501 Refurb of City Hall	250	82	82	0	82

FINANCIAL PERFORMANCE 2014/2015: SOUND GOVERNANCE					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	806	1 024	1 024	0	-100%
Expenditure:					
Employees	12906	13 621	16 411	16 315	-1%
Repairs and Maintenance	14	96	24	10	-58%
Other	2293	1905	2367	-17242	-828%
<b>Total Operational Expenditure</b>	15213	15622	18802	-917	-105%
<b>Net operational (Service) Expenditure</b>	14407	14598	17778	-917	-105%

CAPITAL EXPENDITURE: SOUND GOVERNANCE					
R'000					
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>	3200	2873	2674	-7%	3217
PRINTING – LITHOGRAPHIC MACHINE	1000	734	569	-22%	1000
PRINTING - DOCUMENT MANAGEMENT	2 000	1922	1888	-2%	2000
PRINTING – NUMBERING AND PERFORATING	200	217	217	0	217

#### COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

In the 2014/2015 financial year portfolio committees held meetings on a regular basis and this can be seen in the summary provided above. Msunduzi Municipality was also able to meet the legislative deadlines in the development and submission of the Annual Performance Report for 2013/2014, Annual Report 2013/2014, Oversight Report 2013/2014 and also the Section 72 Mid-Year Budget & Performance review.

## **6.2 INTERNAL AUDIT**

### **INTRODUCTION TO INTERNAL AUDIT**

Internal Audit is an independent, objective, assurance and consulting activity designed to add value and improve the municipality's operations. The unit assists the municipality in accomplishing its objectives through a systematic, disciplined approach to evaluate and improving the effectiveness of risk management, system of the internal control and governance processes. By its nature, Internal Audit Unit is a governance structure which facilitates improvement on service delivery vehicle by reviewing the design and effectiveness of the system of internal controls around the core mandate and support functions of the municipality. Its role is critical in promoting and enhancing control environment through auditing and recommending solutions to management.

The unit was composed of the Executive Manager: Internal Audit and two (2) Internal Auditors in 2012/13 and has grown in 2013/14 with the appointment of the Manager: Internal Audit (Assurance), two (2) Internal Auditors and two (2) Interns. Our capacity is limited and to achieve our audit coverage we have a co-sourced arrangement with four firms. Two (2) Internal Auditors were appointed in 2014/ 2015 financial year but resigned within 3 months of their appointment.

The internal audit institutional framework has been solidified by having a fully-fledged Audit Committee with a diverse set off skills and competencies, namely Chartered Accountants with vast experience in both corporate and public sectors, including water industry and municipal environment, an Economist with vast experience in the Public Sector Budgeting and Strategy, an Information Technology Specialist with vast experience in the Public and Private Sector environments and a recent appointment of an Advocate to assist in areas dealing with labour and legal issues. The unit has implemented the Combined Assurance approach in ensuring effective oversight role by the Audit Committee because its composition of mixed expertise. The Combined Assurance has been taken a step further in the relevant structures of the municipal councils, i.e. Operational Management committee, Strategic Management Committee, Respective Portfolio Committees', Audit Committee and the Executive Committee.

The King III report on Cooperative Governance accepts the need for the Audit Committee in the pursuit of good governance. It aligns the function of internal and external audit directly with the oversight by the Audit Committee. There are other oversight committees of Council who are role-players in the assurance space to advocate for the combined assurance model. The Audit Committee is located to financial reporting, risk management, governance, performance information and system of internal control space which the universal organization space.

A stronger mechanism between the Audit Committee and the various Council Oversight Committee structures which are responsible to ensure effective governance. If, for instance, an audit was undertaken on the quality of infrastructure provision and maintenance, the results of the audit is communicated to the Infrastructure Services Committee to enable it to play its oversight role. This makes the Portfolio Committee to play an oversight role on the system of internal control, risk management and governance in their respective Portfolios and enable them to monitor implementation of corrective measures rather than to rely on the reports by management which sometime select only to report positive rather than negative feedback.

A positive change has been realized through internal audit effort by changing the approach of auditing. The planning for the year under review included focus on risks within the municipality, compliance with regularity framework, performance information and core mandate of the municipality. Focus has been placed on municipal entities as they were previously neglected and this has indicated that minimal oversight has been played by the responsible municipal officials and Council in ensuring that they adhere to the relevant legislation, policies and procedures and deliver on the mandate they were established for.

Positive working relationships have been fostered by the unit, thus in turn gaining trust of the business process owners and understanding that we are all working towards the broader vision and mission of the municipality, this is evidence by the reduction of the backlog of consumer refunds and improvement in the system of internal control. Strategic relationships are also forged by the unit to ensure adequate coverage when auditing technical processes, i.e. King Shaka International Airport and South African Aviation Authority were approached and consulted when auditing the Municipal Airport.

Using a joint recommendation approach has been adopted between Internal Audit Unit and management, where management they are taking full charge of findings and recommendations in order to derive the agreed action plan which reduces the risk exposure. Supply Chain Management is an area that has high risk exposure due to nature of its business; however, the relationship between its Head and Internal Audit Unit has minimized the risk exposure.

Audit Committee has been very vigorous in its oversight role and the Deputy Municipal Managers are required to report on the progress in implementing internal audit recommendations and agreed action plan and this was aimed at improving performance and effectiveness of the system of internal control, risk management and governance.

#### **SERVICE STATISTICS FOR INTERNAL AUDIT**

In 2013/14 forty six (46) internal audit assignments were planned & forty four (44) completed which is 95% performance. Twenty four (24) Trade Payables audits planned & twenty three (23) completed as in one month only one run of payment was done and therefore resulting to 95% performance. We had planned twelve (12) Consumer Refunds audits & completed sixteen (16) which is 133%. We also received thirteen (13) requests for adhoc audit assignments from management which were not planned and were completed over & above planned. Thus meaning the true reflection of the audit assignments performed in 2013/14 financial year was ninety six (96) (117%) of the eighty two (82) planned

In 2014/15 eighty-two (82) internal audit assignments were planned & ninety (90) completed which is 109.75% performance. Eight (8) audits were removed from the Annual Audit Plan with the permission of the Audit Committee due to lack of satisfactory follow up audit results and a Consulting arm of Internal Audit considered and approved to provide guidance and assistance. We also received five (5) requests for adhoc audit assignments from management which were not planned and were completed over & above planned audit assignments.

INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
To ensure effective reporting on Systems of Internal Control, Governance & Risk Management to the Accounting Officer, Management, Executive, Audit Committee & Council	Date of approval of the Annual Audit Plan & resolution of the Audit Committee	Three Year Rolling Audit Plan & Annual Plan developed and submitted to the Audit Committee for approval by 30th of June 2014	Three Year Rolling Audit Plan & Annual Plan developed and submitted to the Audit Committee & approved on 24 June 2014	Annual plan for 2015/2016 approved by the Audit Committee by 30 June 2015	Annual plan for 2015/2016 approved by the Audit Committee on 29 June 2015	Three Year Rolling Audit Plan for 2015/16-2017/18 & Annual Audit plan for 2016/17 developed & submitted to the Audit Committee for approval by the 30th of June 2016
To ensure effective reporting on the system of Internal controls, Governance & Risk Management to the Accounting Officer, Management, Executive, Audit Committee & Council	Number of internal audit assignments completed against the date in the Approved Annual Audit plan as approved by the Audit Committee	Internal Audit assignments done as per Annual Audit Plan	Annual Audit Plan accomplished & in additional 14 adhoc audits as well as 6 audit from the previous plan were performed during the year	Internal audit assignments completed against the date in the Approved Annual Audit plan as approved by the Audit Committee	Of the 82 audits planned for the 2014/2015 financial year, 90 completed. 11 audits included in the 90 not planned equivalent to 109.75 %	Completion of internal audit assignments as per approved Annual Audit Plan for 2015/16 by the 30th of June 2016
To ensure effective Anti-fraud & Corruption Awareness within the municipality	Number of Anti-Fraud & Corruption Awareness presentation conducted	Revised Anti-Fraud & Corruption Strategy submitted to SMC by 31 January 2013	Revised Anti-Fraud & Corruption Strategy submitted to SMC on 15 January 2014 per report dated 03/01/2013	26 Anti- fraud & Corruption awareness presentations conducted by 30 June 2015	26 Anti- fraud & Corruption awareness presentations conducted by 31 May 2015	N/A



INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
To ensure that the members of the public, councilors, employees, stakeholders & service providers have a facility to report fraud, corruption, theft & other irregularities anonymously	Number of quarterly reports on cases reported through the whistle- blowing hotline prepared and submitted to SMC within 15 working days after the end of the quarter.	N/A	N/A	3X quarterly reports on cases reported through the whistle- blowing hotline prepared and submitted to SMC within 15 working days after the end of the quarter by 30 June 2015	3X quarterly reports on cases reported through the whistle- blowing hotline prepared and submitted to SMC within 15 working days after the end of the quarter by 30 June 2015	4 x quarterly reports on cases reported through the whistle blowing hotline prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2016
To ensure adequacy of the risk register	Updated risk register	N/A	N/A	Updated risk register for effective risk based annual audit plan submitted to RMC by 30 April 2015	The updated risk register for the entire municipality was submitted to RMC meeting held on 29 June 2015	1 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC by the 20th of May 2016 for the 2015/16 financial year
To ensure that the Risk Management Committee members are properly appointed & constituted	Letters of appointment for the DMM's	N/A	N/A	All DMM's are members of the Risk Management Committee by 31 January 2015	All DMM's were appointed and they are members of the Risk Management Committee	Risk Management methodology developed & submitted to RMC by the 31st of January 2016
To ensure that the Risk Management Committee has a charter/ Terms of Reference	Date Risk Management Committee charter/ Terms of Reference submitted to SMC for approval	N/A	N/A	Risk Management Committee charter/ Terms of Reference submitted to the SMC for approval by 31 January 2015	RMC charter was submitted to the Audit Committee and approved by Council in March 2015	Risk assessment workshop for OMC members conducted by the 31st of October 2015

INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
To ensure adequacy of the risk management strategy	Updated risk management strategy	N/A	N/A	Updated risk management strategy submitted to the SMC by 30 April 2015	Risk management strategy reports for all Business Units were submitted to the RMC meeting held on 13 April 2015 (Community Services & Corporate Services) and CBU, Economic Development, Financial Services & Infrastructure Services Business Unit	4 x Risk Management reports produced and submitted to RMC by the 20th of every 2nd month in 2015/16 financial year [20/08/15; 20/10/15; 20/01/16 & 20/03/16]
To ensure that the Risk Management Committee is properly constituted & meets on bi-monthly basis.	Number of reports submitted to RMC	N/A	N/A	Three (3) Risk Register and Risk management Strategy reports produced and submitted to RMC	Risk register & Risk Management Strategy reports for all business units were submitted to RMC meeting held on 13 April 2015 and 29 June 2015	N/A
To ensure that the top ten (10) risks are prioritized & brought to the attention of the SMC & that there are effective strategies to mitigate them	Two (2) quarterly reports submitted to the SMC within 15 working days after the end of each quarter	N/A	N/A	Two (2) quarterly reports submitted to the SMC within 15 working days after the end of each quarter	Top ten (10) reports were submitted to SMC in February and May 2015	N/A

INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016
Service indicators		Target	Actual	Target	Actual	Target
To ensure effective Audit Committee that has a work plan	Audit Committee work plan developed & resolution taken by the Audit Committee by	N/A	N/A	Draft Audit Committee work plan developed & submitted to the Audit Committee for consideration by 30 June 2015	Draft Audit Committee work plan developed & submitted to the Audit Committee for consideration on 23 April 2015	N/A
To ensure that co-sourced partners performance is monitored & that poor performance is dealt with as per the SCM prescripts	Number of performance assessments done on the four (4) co-sourced partners	N/A	N/A	Conduct two (2) performance assessments on the four (4) co-sourced partners by 30 June 2015	Conducted two (2) performance assessments on the four (4) co-sourced partners by 30 June 2015	N/A

EMPLOYEE: INTERNAL AUDIT					
Job Level	2013/2014	2014/2015			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	-	-	-	-	-
B1-B4	1	1	1	0	0
C1-CU	2	6	1	5	83
D1 –DU	3	4	3	1	25
E1 – E2	1	1	1	0	0
F1 – F2	-	-	-	-	-
<b>Total</b>	<b>7</b>	<b>12</b>	<b>6</b>	<b>6</b>	<b>50</b>

FINANCIAL PERFORMANCE 2014/2015: INTERNAL AUDIT					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
<b>Total Operational Revenue</b> (excl. tariffs)	0	0	0	0	0
<b>Expenditure:</b>					
Employees	4408	3858	4241	5199	23
Repairs and Maintenance	0	0	0	0	0
Other	6246	9492	15101	11654	-23
<b>Total Operational Expenditure</b>	10654	13350	19342	16853	-13
<b>Net operational (Service) Expenditure</b>	-	-	-	16853	-

CAPITAL EXPENDITURE: INTERNAL AUDIT					R'000
Details	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
<b>Total All</b>					
No Capital Projects in the 2014/2015 Financial Year	N/A	N/A	N/A	N/A	

#### COMMENT ON THE PERFORMANCE OF INTERNAL AUDIT OVERALL

Overall performance indicates a solid foundation, independence and significantly improved maturity level of the Internal Audit Unit during the 2014/ 2015 financial year. Internal Audit plan had an increased balanced coverage despite limited resources. The stringent quality control mechanism and performance management on the outputs from the co-sourced partners resulted in allocation of internal audit assignments being allocated to three (3) co-sourced partners as one could not keep up with the high standard set by the unit.

A new concept of Project Risk Assurance on high impact projects or project of high values which are susceptible to fail or completed on ballooned budgets was introduced and will improve project management within the municipality and it sets forth the precise expectation of the desired output.

Whistle- blowing hotline was introduced to the Municipality in July 2014 and formally launched to the public and external stakeholders in August 2014. The Whistle- blowing hotline is managed independently by Deloitte and has increased the reporting of fraud and corruption anonymously and made it possible to introduce stringent mechanisms to reduce the risk of losses to the municipality in particular fuel usage.

The unit intends automating its methodology by acquiring an internal audit software in 2016/17 financial year and as such is undertaking a process of visiting various metropolitan municipalities, State owned Enterprises and Corporate Business to establish what system are using in the internal audit arena.

## **7. COMPONENT G: FINANCIAL PERFORMANCE**

All relevant information relating to Financial Performance will be dealt with in terms of the Annual Financial Statements.

## SECTION 2: ANNUAL REPORT ON THE SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

The Service Delivery and Budget Implementation Plan (SDBIP) is a legislative requirement as per the Municipal Finance Management Act (MFMA). The SDBIP gives effect to the Municipality's Integrated Development Plan (IDP) and annual budget. The SDBIP facilitates the accountable role that managers hold to the Council and that Councillors hold to the community. It also fosters the management, implementation and monitoring of the budget, the performance of senior management and the achievement of the strategic objectives as laid out in the IDP.

Chapter 1 of the MFMA describes the SDBIP as:

*A detailed plan approved by the mayor of a municipality in terms of section 53 (1) (c)(ii) for implementing the Municipality's delivery of services and the execution of its annual budget and which must include the following:*

- (a) projections for each month of –*
  - (i) Revenue to be collected by source; and*
  - (ii) Operational and capital expenditure, by vote;*
- (b) service delivery targets and performance indicators for each quarter”.*

In terms of the provisions above, IN-YEAR monitoring on service delivery indicators was conducted according to the attached SDBIP on a monthly & quarterly basis and reports thereof submitted to the Operational Management Committee (OMC), EXCO, the Full Council, Portfolio Committees, Municipal Public Accounts Committee and the Audit Committee. Monitoring through the SDBIP enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager and for the community to monitor the performance of the municipality as each activity contains outputs, outcomes and timeframes. The SDBIP is compiled on an annual basis.

As the SDBIP is a management and implementation tool, and not a policy proposal, it is not required to be approved by Council - it is however tabled before Council and made public for information and monitoring purposes. However, the top layer of the SDBIP cannot be revised without the approval of the Council. During the 2011/2012 financial year, the municipality developed a quarterly dashboard reporting process. In 2014/15 the municipality continued to implement the dashboard process of reporting. The dashboard is colour-coded in order to serve as an early indicator warning system in order to identify areas that require intervention in areas of non/under performance. Monthly & Quarterly reports on the SDBIP 2014/2015 were submitted to Council and are available on request.

During the Strategic Planning Process for the 2014/2015 financial year a management resolution was taken to differentiate between service delivery indicators that have a direct impact on the community and those that are operational, support and auxiliary services. In this regard for the 2014/2015 financial year the SDBIP has been developed to focus on the service delivery indicators and the Operational Plan 2014/2015 has been developed to focus on operational, support and auxiliary services.

The SDBIP 2014/2015 contains Public Participation Units (Office of the Speaker, Office of the Mayor), Community Services Units (Area Based Management, Health and Social Services, Community Development (Parks, Waste Management, Halls, Libraries and Art Gallery) and Public Safety Enforcement and Disaster Management), Infrastructure Services Units (Water and Sanitation, Roads and Stormwater, Electricity, Fleet Management and the Landfill Site) and Economic Development Units (Local Economic Development, Town Planning and Environmental Management and Human Settlements). Also included are the Legislated Performance Indicators as regulated by the National and Provincial Departments of Cooperative Governance and Traditional Affairs (CoGTA).

All other units provide operational, support and auxiliary services to the Municipality and have been placed on the Operational Plan 2013/2014. The Operational Plan 2013/2014 contains the Corporate Business Units (Internal Audit, Marketing and Communication, Integrated Development Plan and Performance Management System), Finance Business Units (Budget and Treasury, Revenue Management, Expenditure Management and Supply Chain Management), Infrastructure Services Units (Fleet Management and Project Management Unit), Corporate Services Units (Legal Services, Information Communication Technology, Sound Governance and Human Resources) and Economic Development Unit (Infrastructure Planning and Survey)

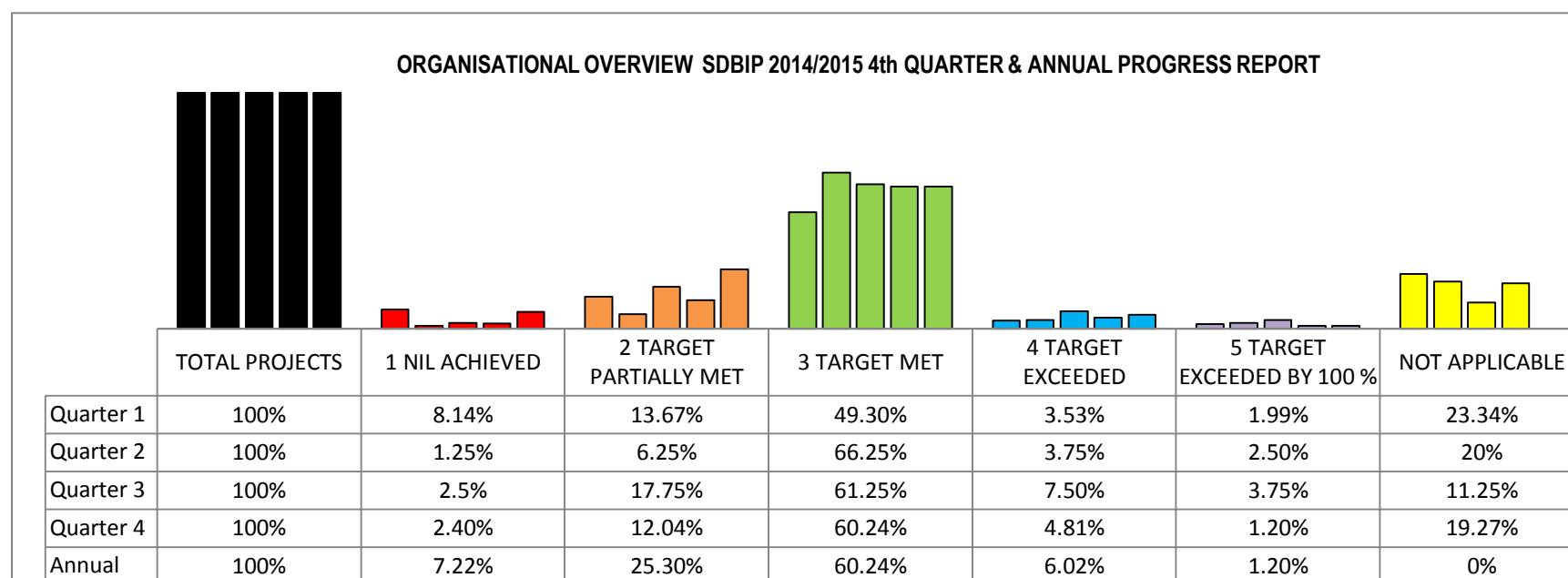
The graphical representations below illustrate the performance of the municipality, over the four (4) quarters of the 2014/2015 financial year, as per the colour-coded dashboard.

	<b>TOTAL PROJECTS</b>	<b>KEY</b>
	<b>1 NIL ACHIEVED</b>	
	<b>2 TARGET PARTIALLY MET</b>	
	<b>3 TARGET MET</b>	
	<b>4 TARGET EXCEEDED</b>	
	<b>5 TARGET EXCEEDED BY 100 %</b>	
	<b>NOT APPLICABLE</b>	

**SDBIP 2014/2015 ANNUAL PROGRESS REPORT  
ORGANISATIONAL OVERVIEW**

- 1. TOTAL PROJECTS: 180**
- 1.1 OPERATING PROJECTS: 97**
- 1.2 CAPITAL PROJECTS: 83**

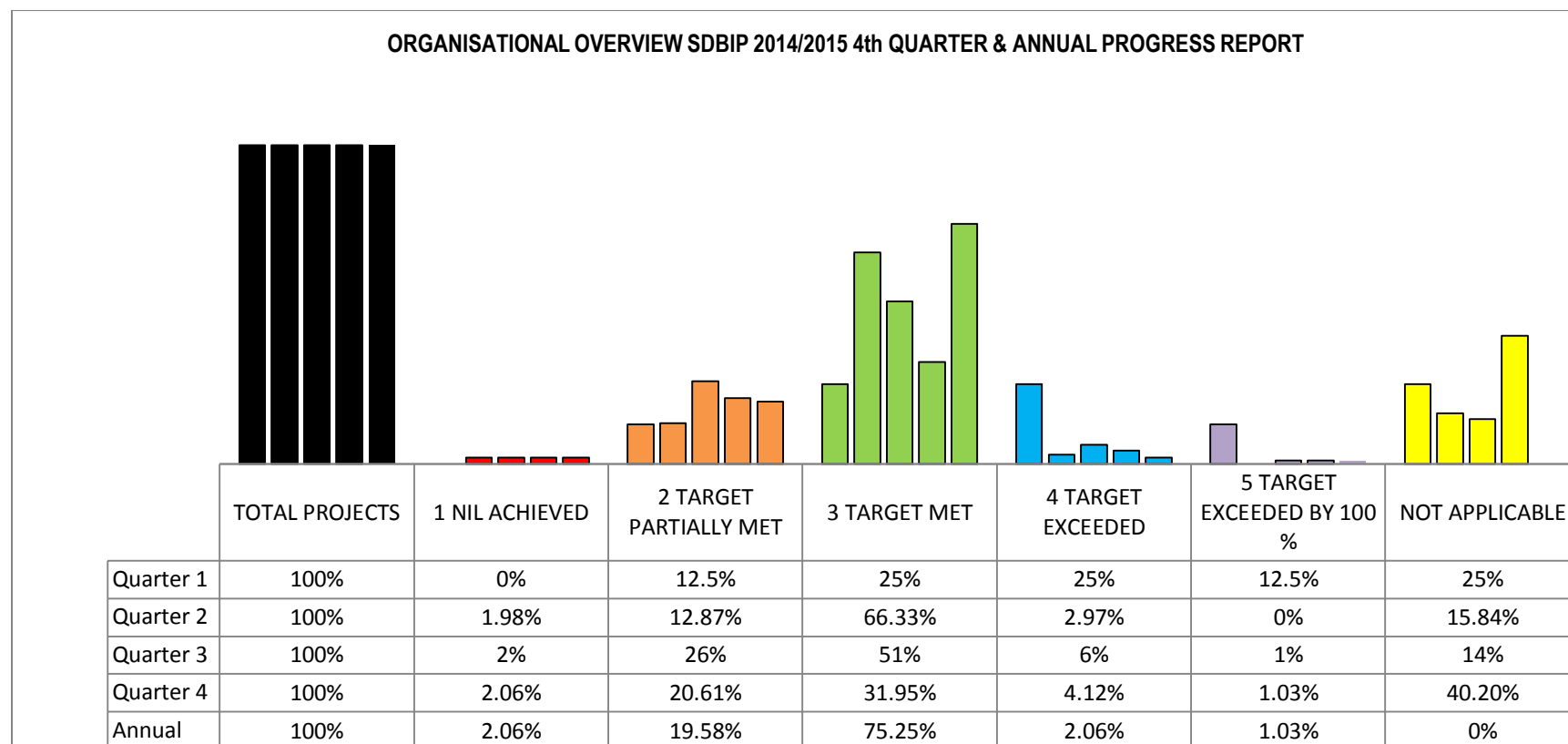
**2. GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



- A total of 97Capital Projects were reported on the SDBIP for the 2014/2015 financial year.
- 2.06% of the projects were reported as having Nil Achievements for the 2014/2015 financial year.
- 19.58% of the projects were reported as having been partially met for the 2014/2015 financial year.
- 75.25%of the projects were reported as having been met for the 2014/2015 financial year.
- 2.06% of the projects were reported as having exceeded the target for 2014/2015 financial year.
- 1.03% of the projects were reported as having exceeded the target by 100% for 2014/2015 financial year.
- 0% of the projects were reported as not applicable due to not having any targets set for the 2014/2015 financial year.



### 3. GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

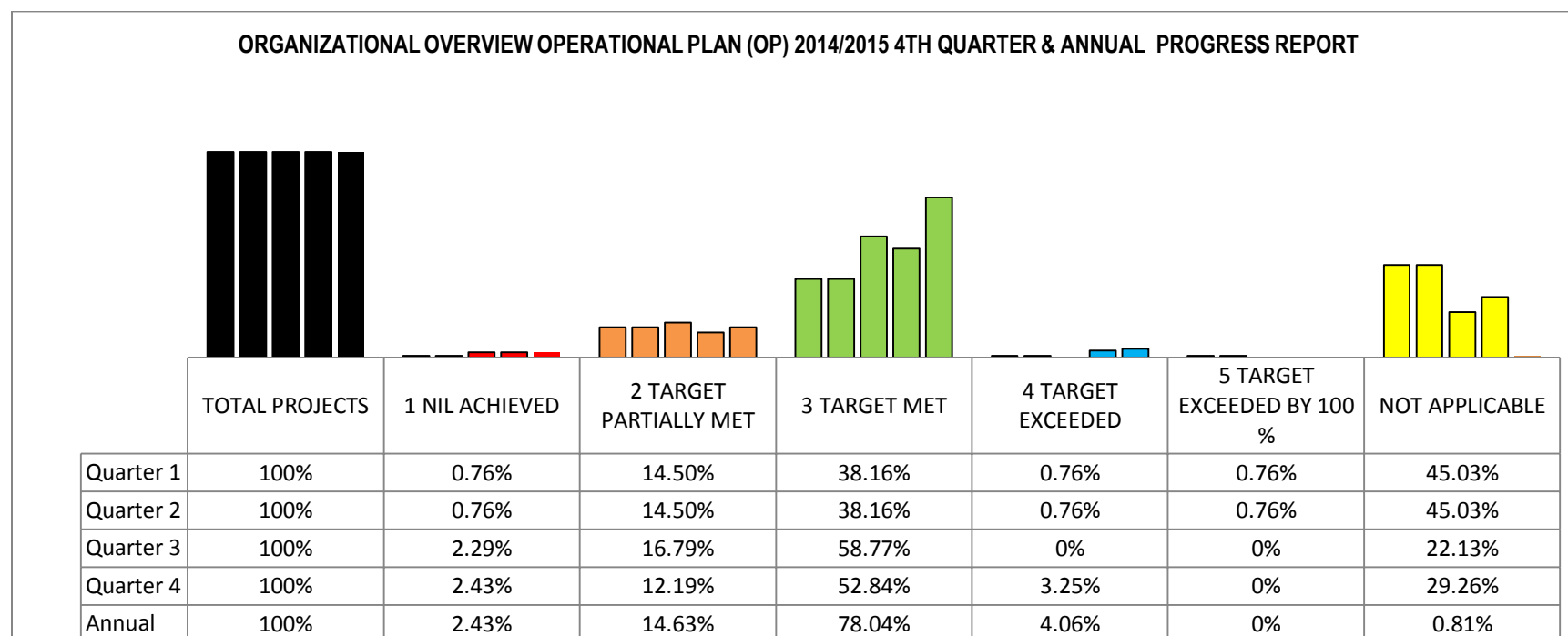


- A total of 97Capital Projects were reported on the SDBIP for the 2014/2015 financial year.
- 2.06% of the projects were reported as having Nil Achievements for the 2014/2015 financial year.
- 19.58% of the projects were reported as having been partially met for the 2014/2015 financial year.
- 75.25% of the projects were reported as having been met for the 2014/2015 financial year.
- 2.06% of the projects were reported as having exceeded the target for 2014/2015 financial year.
- 1.03% of the projects were reported as having exceeded the target by 100% for 2014/2015 financial year.
- 0% of the projects were reported as not applicable due to not having any targets set for the 2014/2015 financial year.

**OPERATIONAL PLAN (OP) 2014/2015 ANNUAL PROGRESS REPORT**  
**ORGANISATIONAL OVERVIEW**

1. **TOTAL PROJECTS:** 131  
1.1 **OPERATING PROJECTS:** 131

2. **GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



- A total of 131 Projects were reported on the Operational Plan for the 2014/2015 financial year.
- 2.43% of the projects were reported as having Nil Achievements 2014/2015 financial year.
- 14.63% of the projects were reported as having been partially met for the 2014/2015 financial year.
- 78.04% of the projects were reported as having been met for the 2014/2015 financial year.
- 4.06% of the projects were reported as having exceeded the target for the 2014/2015 financial year.
- 0% of the projects were reported as having exceeded the target by 100% for the 2014/2015 financial year.
- 0% of the projects were reported as not applicable due to not having any targets set for 2014/2015 financial year.

**CONCLUSION:**

This Annual Performance report reflects the performance of Business Units during the financial year 2014/2015.

During the 2014/2015 financial year Msunduzi Municipality made great strides in trying to ensure a clean audit on performance. A number of systems, procedures and interventions were implemented during this period to assist with ensuring the alignment of the Integrated Development Plan, Budget & Service Delivery & Budget Implementation Plan (SDBIP) in order for the communities to receive quality services. The municipality also undertook several interventions to ensure that the communities it serves were continuously informed of matters pertaining to service delivery.