



Msunduzi Annual Report 2016/2017

ANNUAL REPORT 2016/2017 FINANCIAL YEAR

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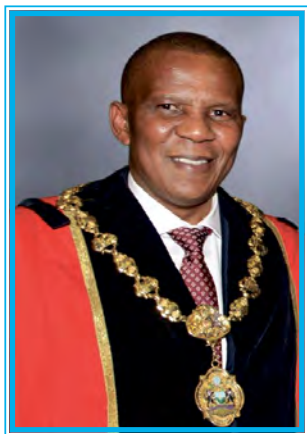
TABLE OF ABBREVIATIONS

| | |
|-----------|--|
| AG | Auditor General |
| AIDS | Acquired Immune deficiency syndrome |
| AIPF | Associated Institution Pension Fund |
| AMP | Ampere |
| APR | Annual Performance Report |
| BBBEE | Broad Based Black Economic Empowerment |
| CBD | Central Business District |
| CCTV | Closed Circuit Television Camera |
| CFO | Chief Financial Officer |
| CLLR | Councillor |
| CoGTA | Cooperative Governance and Tradition Affairs |
| CWP | Community Work Programme |
| DAEARD | Department of Agriculture, Environmental Affairs and Rural Development |
| DBSA | Development Bank South Africa |
| DMAPC | Disaster Management Planning Advisory Committee |
| DMM | Deputy Municipal Manager |
| DPLG | Department of Provincial and Local Government |
| DWAF | Department of Water Affairs and Forestry |
| EAP | Employee Assistance Programme |
| EPWP | Expanded Public Works Programme |
| EXCO | Executive Committee |
| HDI | Historically Disadvantaged Individual |
| HIV | Human immune Virus |
| HNR | Housing Needs Register |
| HRD | Human Resources Development |
| HRM | Human Resource Management |
| IA | Implementing Agent |
| ICT | Information Communication Technology |
| IDP | Integrated Development Plan |
| IDT | Independent Development Trust |
| IMATU | Independent Municipal Allied Trade Union |
| IPMS | Individual Performance Management System |
| KPI | Key Performance Indicators |
| KWANALOGA | KwaZulu-Natal Local Governance Association |
| MCB | Miniature Circuit Breaker |
| MCPF | Municipal Councillors Pension Fund |
| MEC | Member of Executive Committee |
| MFMA | Municipal Finance Management Act |
| MIG | Municipal Infrastructure Grant |
| MM | Municipal Manager |
| MOA | Memorandum of Agreement |

| | |
|---------|---|
| MOU | Memorandum of Understanding |
| MPAC | Municipal Public Accounts Committee |
| MPRA | Municipal Rates Act |
| MUNIMEC | Municipalities and Member of Executive Council Meetings |
| NDPG | Neighbourhood Development Partnership Grant |
| NERSA | National Electricity Regulator of South Africa |
| NPA | National Prosecuting Authority |
| NQF | National Qualification Framework |
| NRW | Non-revenue Water |
| OP | Operational Plan |
| OPMS | Organizational Performance Management System |
| PDOHS | Provincial Department of Housing |
| PHC | Primary Health Care |
| PMB | Pietermaritzburg |
| PMS | Performance Management |
| SALAPF | South African Local Authorities Pension Fund |
| SALGA | South African Local Government Association |
| SAMWU | South African Municipal Workers Union |
| SAPS | South African Police Services |
| SBU | Strategic Business Unit |
| SCM | Supply Chain Management |
| SDBIP | Service Delivery and Budget Implementation Plan |
| SITA | South African State Information Technology Agency |
| SMMES | Small Medium and Micro Enterprises |
| SOP | Standard Operating Procedure |
| STATSSA | Statistics South Africa |
| UNISA | University of South Africa |
| VIP | Ventilated Improved Pit Latrine |
| WSDP | Water Services Development Plan |
| WSP | Workplace Skills Plan |
| WWTP | Waste Water Treatment Plan |

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD



COUNCILLOR MJ NJILO
CURRENT CITY MAYOR

FOREWORD BY THE CITY MAYOR, COUNCILLOR T NJILO 2016/2017

The President of the Republic of South Africa, His Excellency Mr JG Zuma delivered his latest State of the Nation Address 2017 of the current administration on the 9th of February 2017. The State of the Nation Address marked the 23rd year of the country's freedom, which further entrenching the precepts of the National Development Plan namely a free from poverty, inequality and unemployment and prosperous South Africa.

The president highlighted the challenge of the uncertain global economy, but furthermore acknowledging that the country has entered a period of recovery. The President alluded to the challenge that despite improvement, the economy is still not growing fast enough to create required employment. As a response to the above challenge the President elaborated the focus on the Nine Point Plan in order to reignite growth to provide a conducive environment for an inclusive economy. These focus areas for this included industrialisation, mining and beneficiation, Agriculture and agro Processing, energy, SMME's, managing work conflict, attracting investments, and growing the Tourism Industry.

The President also declared the year 2017 as the year of Oliver Reginald Tambo the year of unity among the ANC as governing party and among all South African citizens. In light of this the 2016/17 financial year saw the political and administrative arms of council continuing to work together to ensure better synergy between the two arms of council. In line with the Municipal vision of creating a safe vibrant city the municipality undertook a large road rehabilitation programme around the city this generated great hope among the citizens of the city. The infrastructure maintenance in the City Centre has been left unattended for too long. Although as a city we have achieved a lot in the 2016/17 financial year there has also been a lot of challenges that we have experienced in terms of urban decay. Although the issue of homelessness is a global phenomenon the city experienced a rapid increase with regards to people living on the street. As the city we have tackled the challenge head on and we have engaged numerous government departments to assist with challenge. I commend all the public members and NGO's that have come forward to assist with the challenge.

As the city we are also in the process of exploiting key economic opportunities that we have at our disposal and focus has been given to key catalytic projects. The City's Geographic location is ideal along the National N3 Corridor and this corridor forms part of the national priority projects as a municipality we will deliver on the necessary infrastructure to support the development of this corridor. The Municipality continued with the implementation of a number of key projects like; the Integrated Rapid Public Transport Network (IRPTN), Pietermaritzburg Urban Renewal Programme (PURP), the upgrading of community halls, road construction and maintenance, the upgrading of the water infrastructure and the extension of waste collection services.

The municipality worked tirelessly in trying to deal with matters raised by the Auditor General. An Action plan was prepared and monitored on monthly basis by the structures of Council to deal with all the issues raised by the Auditor General. This assisted a great deal however there were still some key issues that couldn't be resolved for the 2016/17 Financial year.

HIS WORSHIP THE MAYOR
COUNCILLOR MJ NJILO

COMPONENT B: EXECUTIVE SUMMARY

1. OVERVIEW BY THE CITY MANAGER: ANNUAL REPORT 2016/2017



MR SIZWE HADEBE
CITY MANAGER (ACTING)

OVERVIEW BY THE MUNICIPAL MANAGER:

Legislative Requirements for the Preparation of the Annual Report:

The preparation and publication of the Annual Report is a legislative requirement as per Section 46 of the Municipal Systems Act (MSA) 32 of 2000 and Section 121 of the Municipal Finance Management Act (MFMA) 56 of 2003.

Section 46 (1) of the MSA states that: A municipality must prepare for each financial year a performance report reflecting –

- (a) The performance of the municipality and of each external service provider during the financial year;
 - (b) A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
 - (c) Measure taken to improve performance.
- (2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act (MFMA) 56 of 2003.

Section 121 of the MFMA states that:

- (1) Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this chapter. The council of a municipality must, within nine months after the end of a financial year, deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.
- (2) The purpose of an annual report is:
 - (a) To provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
 - (b) To provide a report on performance against the budget of the municipality or municipal entity for that financial year; and
 - (c) To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

Subsections (3) and (4) continue to prescribe the contents of the annual reports for both the municipality and municipal entities. During the oversight process, to which the draft Annual Report will be subjected, compliance with these legislative requirements will be analysed.

Legislative Mandate and Key Performance Areas:

The main accountabilities of the Accounting Officer and the mandate of the municipality are aligned to the five legislated Key Performance Areas

which include the following:

1. Basic Service Delivery and Infrastructure;
2. Local Economic Development;
3. Municipal Financial Viability and Management;
4. Good Governance and Public Participation; and
5. Municipal Transformation and Organisational Development.

The geographic location of Msunduzi municipality allows it the opportunity of becoming well connected in the global economy due to the access it has to the N3 highway leading to major harbours and airports. The surrounding municipalities and towns access various connectivity and growth opportunities through Msunduzi, across various sectors such as Tourism and Agriculture. As such it is essential for physical connectivity to be further improved to stimulate these economic linkages. The expenditure on the IRPTN and numerous road projects are some of the ways that the city is strengthening the physical linkages. Non-physical connectivity has become just as important as physical connectivity in the 21st century as the internet is now seen not just as a business tool but also as a means of accessing a world of education and opportunity.

The Central Area and CBD Extension Node is an Inner City Development and Regeneration Strategy which reinforces and consolidates its character and role as the economic and administrative hub of both the City and Region, including its function as an urban centre ie. a place of exchange (a market place); a place of concentration of power (financial, economic and political); an investment location; a rates revenue generator; and a place for housing, social interaction and integration. A deliberate focus on the City Centre was undertaken in terms of Road rehabilitation and the demolishing of illegal structures, while clamping down on illegal trading. There is a long way to go before we reach the desired outcome.

The introduction of the new financial system (SAP) while the Municipal Standard Chart of Accounts is also being introduced by National Treasury resulted in complex challenges that were faced by the administration. Besides these teething challenges SAP is a great opportunity for the institution to modernize, integrate and streamline process for a more efficient service orientated organisation.

S HADEBE
CITY MANAGER (ACTING)

2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Msunduzi Municipality provides Water, Sanitation, Electricity, Refuse Removal, & Housing as part of the Basic Services. It also provides Roads, Stormwater & Drainage together with Local Economic Development and the approval of local building plans to local communities.

2.1. VISION STATEMENT

A safe, vibrant city in which to live, learn, raise a family, work, play and do business.

2.2. MISSION STATEMENT

To ensure that the Municipality functions effectively and in a sustainable manner in order to deliver services of excellence to the community.

2.3. LOCALITY

The Municipality affectionately known as Pietermaritzburg or the City of Choice is located along the N3 at a junction of an industrial corridor from Durban and Pietermaritzburg and an agro-industrial corridor stretching from Pietermaritzburg to Escourt. Regionally is identified at the cross section of the N3 corridor and Greytown Road corridor to the north, a tourist route to the Drakensberg and Kokstad Road to the South.

2.4. THE POPULATION OF MSUNDUZI

| | Total Population | Share of KZN Population | Share of uMgungundlovu | Population growth rate | Population density |
|---------------|------------------|-------------------------|------------------------|------------------------|--------------------|
| KZN | 10 508 110 | 100.0% | | 0.8% | 112.53 |
| uMgungundlovu | 1 048 876 | 10.0% | 100.0% | 0.9% | 108.63 |
| uMshwathi | 106 667 | 1.0% | 10.2% | 0.1% | 58.60 |
| uMngeni | 98 803 | 0.9% | 9.4% | 1.7% | 62.99 |
| Mpofana | 38 684 | 0.4% | 3.7% | 0.5% | 21.23 |
| Impendle | 33 285 | 0.3% | 3.2% | -0.6% | 20.04 |
| Msunduzi | 639 653 | 6.1% | 61.0% | 1.0% | 1 007.94 |
| Mkhambathini | 64 571 | 0.6% | 6.2% | 0.9% | 71.05 |
| Richmond | 67 212 | 0.6% | 6.4% | 0.6% | 54.19 |

Source: Global Insight, 2015

POPULATION BY GENDER:

| | Male | Female | Total |
|---------------------|--------|--------|--------|
| Pietermaritzburg | 107212 | 116257 | 223469 |
| Copesville | 8505 | 8693 | 17198 |
| Whispers | 2948 | 3290 | 6238 |
| Natal Crushers | 369 | 347 | 715 |
| Panorama Gardens | 1664 | 1939 | 3603 |
| Eastwood | 7678 | 8192 | 15870 |
| Willowton | 2483 | 2659 | 5142 |
| Woodlands | 3288 | 3565 | 6853 |
| Mountain Rise | 1511 | 1681 | 3192 |
| Queen Elizabeth | 19 | 20 | 39 |
| Town Bush Valley | 520 | 593 | 1112 |
| Worlds View | 66 | 70 | 136 |
| Montrose | 1055 | 1180 | 2235 |
| Northern Park | 604 | 699 | 1303 |
| Athlone | 557 | 607 | 1164 |
| Town Hill | 1621 | 1982 | 3602 |
| Wembley | 806 | 952 | 1758 |
| Boughton | 688 | 670 | 1358 |
| Clarendon | 832 | 1228 | 2060 |
| Pietermaritzburg SP | 9291 | 10602 | 19893 |
| Manor | 220 | 278 | 498 |
| Wensleydale | 520 | 552 | 1071 |
| Scottsville | 4749 | 5319 | 10068 |
| Hayfields | 2880 | 3334 | 6215 |
| Glenwood | 1393 | 1668 | 3061 |
| Sobantu | 3584 | 3864 | 7448 |
| Lester Park | 219 | 272 | 491 |
| Blackridge | 583 | 617 | 1200 |
| Prestbury | 2238 | 2219 | 4457 |
| Signal Hill | 584 | 816 | 1399 |
| Lincoln Meade | 2245 | 2462 | 4707 |

| | Male | Female | Total |
|-----------------|------|--------|-------|
| Napierville | 3101 | 1355 | 4456 |
| Masons Mill | 698 | 769 | 1467 |
| Camps Drift | 17 | 10 | 27 |
| Pelham | 2789 | 3097 | 5885 |
| Fillan Park | 737 | 792 | 1529 |
| The Grange | 1409 | 1599 | 3007 |
| Westgate | 4731 | 5627 | 10359 |
| Oribi Village | 1310 | 1486 | 2797 |
| Scottsville Ext | 649 | 732 | 1380 |
| Epworth | 394 | 443 | 836 |
| The Meadows | 260 | 283 | 544 |
| Cleland SP | 613 | 621 | 1234 |
| Oockerts Kraal | 525 | 585 | 1110 |
| Bellevue | 228 | 239 | 467 |
| Ashdown | 4330 | 4975 | 9306 |
| Plessis-Laer | 3906 | 4161 | 8067 |
| Harewood | 1175 | 1374 | 2549 |
| Mkondeni | 31 | 4 | 35 |
| Shorts Retreat | 1334 | 977 | 2311 |
| Claveshay | 382 | 422 | 804 |
| Lynroy | 299 | 282 | 581 |
| Ridgepark | 447 | 571 | 1019 |
| Richmond Crest | 246 | 307 | 553 |
| Hazelmere | 204 | 262 | 465 |
| Oribi Heights | 371 | 388 | 759 |
| Bisley Heights | 93 | 105 | 198 |
| Bisley Crest | 189 | 212 | 401 |
| Slangspruit | 829 | 9068 | 17398 |
| Ambleton | 4695 | 5142 | 9837 |

NB: SOURCE – STATS SA CENSUS 2011

POPULATION BY AGE

| | 0 - 4 | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 - 34 | 35 - 39 | 40 - 44 | 45 - 49 | 50 - 54 | 55 - 59 | 60 - 64 | 65 - 69 | 70 - 74 | 75 - 79 | 80 - 84 | 85+ |
|------------------|-------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|------|
| Pietermaritzburg | 19054 | 16688 | 17227 | 20803 | 27458 | 24801 | 18905 | 17335 | 13897 | 11592 | 9489 | 7745 | 6292 | 4193 | 3121 | 2098 | 1545 | 1224 |
| Copesville | 1922 | 1386 | 1338 | 1546 | 2174 | 2138 | 1515 | 1253 | 975 | 932 | 789 | 503 | 315 | 165 | 106 | 59 | 50 | 30 |
| Whispers | 746 | 570 | 551 | 679 | 850 | 750 | 527 | 460 | 343 | 246 | 158 | 114 | 114 | 45 | 36 | 20 | 13 | 15 |
| Natal Crushers | 85 | 48 | 40 | 53 | 107 | 97 | 70 | 66 | 50 | 30 | 21 | 18 | 16 | 10 | 0 | 0 | 0 | 4 |
| Panorama Gardens | 306 | 338 | 404 | 396 | 394 | 331 | 266 | 267 | 333 | 250 | 134 | 87 | 39 | 26 | 18 | 7 | 5 | 5 |
| Eastwood | 1642 | 1367 | 1345 | 1448 | 2040 | 1961 | 1408 | 1114 | 890 | 727 | 576 | 496 | 370 | 198 | 140 | 66 | 50 | 33 |
| Willowton | 505 | 430 | 520 | 441 | 657 | 699 | 459 | 428 | 316 | 264 | 176 | 117 | 54 | 24 | 25 | 11 | 7 | 11 |
| Woodlands | 535 | 492 | 597 | 761 | 650 | 579 | 433 | 474 | 475 | 396 | 358 | 302 | 293 | 175 | 152 | 101 | 49 | 31 |
| Mountain Rise | 189 | 238 | 262 | 272 | 265 | 239 | 197 | 286 | 237 | 212 | 174 | 185 | 131 | 113 | 95 | 53 | 21 | 24 |
| Queen Elizabeth | 4 | 5 | 1 | 2 | 2 | 6 | 4 | 2 | 4 | 5 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Town Bush Valley | 65 | 61 | 59 | 59 | 52 | 122 | 109 | 76 | 65 | 87 | 76 | 66 | 66 | 67 | 37 | 29 | 9 | 8 |
| Worlds View | 5 | 13 | 9 | 13 | 7 | 7 | 4 | 11 | 11 | 7 | 25 | 9 | 0 | 2 | 2 | 2 | 1 | 4 |
| Montrose | 108 | 123 | 159 | 166 | 114 | 133 | 132 | 171 | 200 | 186 | 151 | 165 | 144 | 116 | 75 | 40 | 35 | 18 |
| Northern Park | 58 | 54 | 45 | 76 | 301 | 86 | 57 | 78 | 72 | 62 | 85 | 59 | 53 | 53 | 50 | 51 | 29 | 32 |
| Athlone | 62 | 58 | 82 | 86 | 86 | 63 | 60 | 65 | 85 | 100 | 108 | 91 | 71 | 36 | 45 | 39 | 20 | 8 |

| | 0 - 4 | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 - 34 | 35 - 39 | 40 - 44 | 45 - 49 | 50 - 54 | 55 - 59 | 60 - 64 | 65 - 69 | 70 - 74 | 75 - 79 | 80 - 84 | 85+ |
|---------------------|-------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----|
| Town Hill | 196 | 167 | 197 | 174 | 492 | 485 | 350 | 211 | 185 | 155 | 159 | 142 | 167 | 102 | 127 | 116 | 106 | 72 |
| Wembley | 78 | 89 | 129 | 138 | 82 | 103 | 87 | 105 | 161 | 156 | 138 | 103 | 108 | 89 | 48 | 41 | 45 | 59 |
| Boughton | 56 | 73 | 97 | 149 | 89 | 83 | 95 | 115 | 138 | 89 | 107 | 86 | 59 | 57 | 32 | 20 | 8 | 2 |
| Clarendon | 95 | 106 | 189 | 251 | 139 | 129 | 119 | 138 | 164 | 109 | 144 | 121 | 132 | 92 | 71 | 28 | 22 | 12 |
| Pietermaritzburg SP | 1367 | 1111 | 1106 | 1682 | 3310 | 3110 | 2046 | 1475 | 1006 | 736 | 578 | 485 | 437 | 394 | 324 | 300 | 219 | 208 |
| Manor | 49 | 33 | 31 | 50 | 54 | 46 | 24 | 28 | 30 | 38 | 52 | 17 | 15 | 8 | 14 | 2 | 4 | 2 |
| Wensleydale | 49 | 55 | 65 | 95 | 156 | 125 | 76 | 64 | 89 | 60 | 78 | 55 | 37 | 27 | 15 | 13 | 6 | 6 |
| Scottsville | 413 | 403 | 473 | 1334 | 2631 | 1053 | 650 | 706 | 486 | 352 | 348 | 350 | 262 | 211 | 162 | 106 | 75 | 52 |
| Hayfields | 357 | 358 | 386 | 384 | 416 | 353 | 375 | 482 | 472 | 424 | 444 | 411 | 407 | 305 | 246 | 185 | 133 | 79 |
| Glenwood | 284 | 286 | 339 | 329 | 307 | 289 | 196 | 206 | 200 | 214 | 134 | 126 | 57 | 37 | 26 | 12 | 14 | 4 |
| Sobantu | 630 | 582 | 599 | 708 | 780 | 745 | 614 | 619 | 456 | 384 | 368 | 322 | 246 | 118 | 95 | 73 | 64 | 45 |
| Lester Park | 20 | 25 | 31 | 35 | 24 | 25 | 15 | 45 | 40 | 28 | 17 | 23 | 22 | 30 | 43 | 34 | 23 | 12 |
| Blackridge | 66 | 77 | 96 | 121 | 72 | 78 | 67 | 99 | 95 | 67 | 85 | 75 | 76 | 40 | 40 | 24 | 16 | 6 |
| Prestbury | 314 | 271 | 333 | 276 | 372 | 489 | 456 | 391 | 312 | 284 | 256 | 210 | 181 | 122 | 76 | 54 | 36 | 23 |
| Signal Hill | 156 | 141 | 84 | 82 | 146 | 266 | 208 | 125 | 68 | 42 | 29 | 22 | 13 | 7 | 5 | 0 | 1 | 5 |
| Lincoln Meade | 423 | 373 | 304 | 293 | 349 | 475 | 472 | 535 | 399 | 250 | 203 | 177 | 164 | 117 | 86 | 44 | 30 | 13 |
| Napierville | 174 | 189 | 246 | 340 | 692 | 682 | 549 | 474 | 339 | 234 | 236 | 110 | 66 | 44 | 31 | 9 | 16 | 24 |
| Masons Mill | 147 | 122 | 113 | 159 | 198 | 203 | 159 | 115 | 65 | 53 | 48 | 30 | 28 | 13 | 4 | 4 | 2 | 4 |
| Camps Drift | 2 | 0 | 0 | 3 | 4 | 4 | 1 | 4 | 2 | 3 | 0 | 3 | 1 | 0 | 0 | 0 | 0 | 0 |
| Pelham | 368 | 297 | 289 | 622 | 582 | 627 | 486 | 438 | 363 | 264 | 234 | 250 | 419 | 193 | 149 | 98 | 85 | 121 |
| Fillan Park | 94 | 117 | 121 | 240 | 288 | 102 | 99 | 68 | 99 | 85 | 76 | 58 | 35 | 13 | 14 | 7 | 8 | 6 |
| The Grange | 246 | 277 | 320 | 368 | 356 | 302 | 187 | 167 | 171 | 197 | 161 | 91 | 64 | 31 | 30 | 19 | 15 | 5 |
| Westgate | 768 | 791 | 851 | 1100 | 1177 | 967 | 810 | 787 | 721 | 654 | 515 | 398 | 272 | 211 | 126 | 97 | 60 | 55 |
| Oribi Village | 227 | 197 | 219 | 231 | 271 | 320 | 267 | 211 | 182 | 177 | 156 | 109 | 89 | 56 | 20 | 23 | 35 | 8 |
| Scottsville Ext | 85 | 90 | 110 | 124 | 136 | 108 | 94 | 102 | 129 | 94 | 89 | 66 | 54 | 37 | 25 | 25 | 9 | 2 |
| Epworth | 50 | 57 | 74 | 77 | 83 | 58 | 52 | 68 | 63 | 54 | 67 | 41 | 34 | 20 | 11 | 7 | 10 | 12 |
| The Meadows | 43 | 36 | 49 | 36 | 37 | 42 | 37 | 39 | 46 | 41 | 49 | 32 | 25 | 13 | 7 | 5 | 5 | 1 |
| Cleland SP | 81 | 97 | 91 | 82 | 71 | 97 | 102 | 119 | 107 | 72 | 54 | 59 | 53 | 62 | 39 | 25 | 14 | 8 |
| Ockerts Kraal | 91 | 74 | 81 | 89 | 35 | 69 | 109 | 119 | 93 | 90 | 66 | 44 | 61 | 42 | 22 | 7 | 10 | 9 |
| Bellevue | 21 | 21 | 40 | 37 | 36 | 25 | 22 | 19 | 36 | 43 | 40 | 47 | 27 | 24 | 17 | 6 | 7 | 0 |
| Ashtown | 897 | 825 | 802 | 1018 | 1076 | 1008 | 791 | 678 | 456 | 413 | 341 | 330 | 254 | 171 | 109 | 52 | 50 | 33 |
| Plessis-Laer | 884 | 635 | 705 | 744 | 1102 | 1062 | 720 | 609 | 387 | 383 | 266 | 194 | 129 | 81 | 71 | 35 | 32 | 29 |
| Harewood | 322 | 248 | 227 | 256 | 312 | 249 | 217 | 209 | 137 | 112 | 70 | 53 | 53 | 27 | 31 | 9 | 7 | 9 |
| Mkondeni | 0 | 0 | 0 | 0 | 6 | 5 | 8 | 5 | 2 | 3 | 4 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| Shorts Retreat | 122 | 101 | 82 | 91 | 380 | 480 | 344 | 254 | 166 | 89 | 54 | 58 | 31 | 31 | 14 | 6 | 7 | 0 |
| Claveshay | 75 | 60 | 51 | 60 | 64 | 77 | 77 | 87 | 74 | 57 | 26 | 29 | 28 | 23 | 7 | 6 | 1 | 1 |
| Lynroy | 38 | 42 | 34 | 42 | 61 | 52 | 37 | 50 | 64 | 30 | 22 | 25 | 24 | 26 | 20 | 11 | 4 | 0 |
| Ridgepark | 89 | 83 | 93 | 106 | 109 | 90 | 76 | 75 | 77 | 66 | 47 | 36 | 34 | 14 | 9 | 9 | 5 | 1 |
| Richmond Crest | 28 | 55 | 66 | 65 | 61 | 30 | 29 | 41 | 36 | 51 | 42 | 14 | 16 | 10 | 4 | 1 | 2 | 2 |
| Hazelmere | 29 | 40 | 46 | 42 | 46 | 43 | 30 | 38 | 31 | 35 | 26 | 31 | 11 | 4 | 5 | 5 | 0 | 4 |
| Oribi Heights | 33 | 39 | 68 | 72 | 82 | 49 | 45 | 43 | 66 | 67 | 69 | 55 | 27 | 21 | 14 | 4 | 1 | 2 |
| Bisley Heights | 10 | 14 | 12 | 18 | 19 | 9 | 6 | 20 | 13 | 25 | 19 | 7 | 11 | 6 | 8 | 0 | 0 | 0 |
| Bisley Crest | 27 | 33 | 31 | 37 | 42 | 31 | 22 | 35 | 29 | 28 | 23 | 23 | 17 | 11 | 5 | 4 | 2 | 1 |
| Slangspruit | 2092 | 1741 | 1567 | 1732 | 2023 | 1916 | 1497 | 1422 | 1028 | 829 | 492 | 415 | 245 | 156 | 96 | 62 | 50 | 36 |
| Ambleton | 1226 | 1075 | 970 | 914 | 994 | 1025 | 940 | 948 | 556 | 452 | 221 | 197 | 135 | 66 | 46 | 30 | 18 | 24 |

NB: SOURCE - STATS SA CENSUS 2011
2.5. HOUSEHOLDS, HOUSEHOLD SERVICES AND BACKGROUND DATA

TABLE 2: TOTAL NUMBER OF HOUSEHOLDS

| | |
|--------------------|--------|
| CENSUS REPORT 2011 | 223469 |
|--------------------|--------|

TABLE 3: ACCESS TO WATER

| | No access to piped (tap) water | Piped (tap) water inside the dwelling | Piped (tap) water inside the yard | Piped (tap) water on community stand |
|---------------------|--------------------------------|---------------------------------------|-----------------------------------|--------------------------------------|
| Pietermaritzburg | 4758 | 132501 | 52945 | 19924 |
| Copesville | 2599 | 5323 | 266 | 8703 |
| Whispers | 26 | 595 | 5363 | 60 |
| Natal Crushers | 9 | 19 | 14 | 660 |
| Panorama Gardens | 20 | 3400 | 29 | 135 |
| Eastwood | 5 | 7888 | 6749 | 874 |
| Willowton | 52 | 2683 | 2038 | 248 |
| Woodlands | 110 | 6093 | 93 | 21 |
| Mountain Rise | 79 | 2912 | 56 | 124 |
| Queen Elizabeth | 10 | 19 | 10 | 0 |
| Town Bush Valley | 5 | 1100 | 0 | 0 |
| Worlds View | 1 | 129 | 5 | 0 |
| Montrose | 0 | 2205 | 9 | 5 |
| Northern Park | 4 | 1057 | 15 | 1 |
| Athlone | 0 | 1140 | 4 | 1 |
| Town Hill | 15 | 2403 | 25 | 15 |
| Wembley | 0 | 1505 | 22 | 7 |
| Boughton | 7 | 1131 | 60 | 12 |
| Clarendon | 0 | 1823 | 5 | 10 |
| Pietermaritzburg SP | 95 | 14297 | 1858 | 2086 |
| Manor | 0 | 479 | 6 | 0 |
| Wensleydale | 0 | 1034 | 10 | 15 |
| Scottsville | 20 | 7312 | 110 | 12 |
| Hayfields | 10 | 5903 | 157 | 14 |
| Glenwood | 4 | 2379 | 612 | 26 |
| Sobantu | 13 | 3405 | 3759 | 40 |
| Lester Park | 1 | 410 | 68 | 1 |
| Blackridge | 0 | 1082 | 14 | 4 |
| Prestbury | 13 | 3988 | 96 | 5 |
| Signal Hill | 3 | 1382 | 11 | 0 |
| Lincoln Meade | 2 | 4480 | 66 | 112 |
| Napierville | 0 | 2238 | 69 | 0 |
| Masons Mill | 0 | 81 | 1181 | 192 |
| Camps Drift | 4 | 4 | 1 | 18 |
| Pelham | 24 | 4944 | 63 | 14 |
| Fillan Park | 0 | 1440 | 4 | 2 |
| The Grange | 0 | 2885 | 37 | 1 |
| Westgate | 25 | 9973 | 240 | 32 |
| Oribi Village | 34 | 2616 | 31 | 16 |
| Scottsville Ext | 2 | 1324 | 35 | 10 |
| Epworth | 0 | 826 | 8 | 0 |
| The Meadows | 0 | 511 | 17 | 0 |
| Cleland SP | 0 | 1199 | 33 | 2 |
| Ockerts Kraal | 0 | 1091 | 11 | 2 |
| Bellevue | 8 | 426 | 0 | 0 |
| Ashdown | 65 | 4937 | 3653 | 349 |
| Plessis-Laer | 274 | 955 | 4275 | 2241 |
| Harewood | 26 | 198 | 1454 | 837 |
| Mkondeni | 0 | 34 | 1 | 0 |
| Shortts Retreat | 14 | 735 | 68 | 1489 |
| Claveshay | 4 | 772 | 25 | 4 |
| Lynroy | 0 | 568 | 0 | 0 |
| Ridgepark | 0 | 991 | 21 | 0 |
| Richmond Crest | 0 | 553 | 0 | 0 |
| Hazelmere | 0 | 458 | 0 | 0 |
| Oribi Heights | 0 | 727 | 4 | 0 |
| Bisley Heights | 0 | 195 | 2 | 0 |
| Bisley Crest | 0 | 390 | 0 | 0 |
| Slangspruit | 841 | 2792 | 11950 | 1450 |
| Ambleton | 334 | 1062 | 8234 | 71 |

NB: SOURCE – STATS SA CENSUS 2011

TABLE 4: TOILET FACILITIES BY NUMBER & PERCENTAGE

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11

| | Person adjusted | | | | | | % of Person adjusted | | | | | |
|---------------------|-----------------|--------------|-----------------|-------------|----------------|--------|----------------------|--------------|-----------------|-------------|----------------|-------|
| | None | Flush toilet | Chemical toilet | Pit latrine | Bucket latrine | Total | None | Flush toilet | Chemical toilet | Pit latrine | Bucket latrine | Total |
| Pietermaritzburg | 3802 | 168358 | 4095 | 27303 | 1661 | 205220 | 2 | 82 | 2 | 13 | 1 | 100 |
| Copesville | 648 | 5574 | 1064 | 7928 | 56 | 15269 | 4 | 37 | 7 | 52 | 0 | 100 |
| Whispers | 16 | 5976 | 0 | 37 | 0 | 6029 | 0 | 99 | 0 | 1 | 0 | 100 |
| Natal Crushers | 183 | 23 | 0 | 483 | 3 | 692 | 26 | 3 | 0 | 70 | 0 | 100 |
| Panorama Gardens | 0 | 3448 | 0 | 135 | 0 | 3583 | 0 | 96 | 0 | 4 | 0 | 100 |
| Eastwood | 334 | 14626 | 137 | 341 | 40 | 15478 | 2 | 94 | 1 | 2 | 0 | 100 |
| Willowton | 212 | 4671 | 0 | 43 | 39 | 4966 | 4 | 94 | 0 | 1 | 1 | 100 |
| Woodlands | 57 | 6193 | 6 | 42 | 0 | 6298 | 1 | 98 | 0 | 1 | 0 | 100 |
| Mountain Rise | 34 | 2940 | 11 | 23 | 113 | 3121 | 1 | 94 | 0 | 1 | 4 | 100 |
| Queen Elizabeth | 8 | 23 | 6 | 2 | 0 | 39 | 21 | 59 | 15 | 5 | 0 | 100 |
| Town Bush Valley | 0 | 1105 | 0 | 0 | 0 | 1105 | 0 | 100 | 0 | 0 | 0 | 100 |
| Worlds View | 0 | 136 | 0 | 0 | 0 | 136 | 0 | 100 | 0 | 0 | 0 | 100 |
| Montrose | 0 | 2212 | 6 | 1 | 0 | 2219 | 0 | 100 | 0 | 0 | 0 | 100 |
| Northern Park | 0 | 1072 | 0 | 0 | 0 | 1072 | 0 | 100 | 0 | 0 | 0 | 100 |
| Athlone | 0 | 1141 | 2 | 1 | 0 | 1145 | 0 | 100 | 0 | 0 | 0 | 100 |
| Town Hill | 4 | 2446 | 0 | 2 | 2 | 2455 | 0 | 100 | 0 | 0 | 0 | 100 |
| Wembley | 4 | 1522 | 0 | 7 | 0 | 1533 | 0 | 99 | 0 | 0 | 0 | 100 |
| Boughton | 0 | 1174 | 1 | 30 | 0 | 1205 | 0 | 97 | 0 | 2 | 0 | 100 |
| Clarendon | 7 | 1819 | 0 | 4 | 0 | 1830 | 0 | 99 | 0 | 0 | 0 | 100 |
| Pietermaritzburg SP | 82 | 16500 | 21 | 1608 | 51 | 18262 | 0 | 90 | 0 | 9 | 0 | 100 |
| Manor | 12 | 473 | 0 | 0 | 0 | 485 | 3 | 97 | 0 | 0 | 0 | 100 |
| Wensleydale | 0 | 1054 | 0 | 0 | 0 | 1054 | 0 | 100 | 0 | 0 | 0 | 100 |
| Scottsville | 2 | 7433 | 1 | 9 | 0 | 7445 | 0 | 100 | 0 | 0 | 0 | 100 |
| Hayfields | 0 | 6021 | 7 | 48 | 0 | 6076 | 0 | 99 | 0 | 1 | 0 | 100 |
| Glenwood | 4 | 2977 | 0 | 26 | 9 | 3016 | 0 | 99 | 0 | 1 | 0 | 100 |
| Sobantu | 31 | 7133 | 0 | 47 | 3 | 7214 | 0 | 99 | 0 | 1 | 0 | 100 |
| Lester Park | 6 | 470 | 1 | 1 | 0 | 478 | 1 | 98 | 0 | 0 | 0 | 100 |
| Blackridge | 8 | 1080 | 5 | 1 | 0 | 1094 | 1 | 99 | 0 | 0 | 0 | 100 |
| Prestbury | 4 | 4075 | 5 | 16 | 0 | 4099 | 0 | 99 | 0 | 0 | 0 | 100 |
| Signal Hill | 0 | 1393 | 0 | 0 | 3 | 1395 | 0 | 100 | 0 | 0 | 0 | 100 |
| Lincoln Meade | 9 | 4524 | 11 | 0 | 5 | 4548 | 0 | 99 | 0 | 0 | 0 | 100 |
| Napierville | 0 | 2287 | 0 | 9 | 0 | 2296 | 0 | 100 | 0 | 0 | 0 | 100 |
| Masons Mill | 9 | 126 | 4 | 1150 | 0 | 1289 | 1 | 10 | 0 | 89 | 0 | 100 |
| Camps Drift | 0 | 0 | 0 | 27 | 0 | 27 | 0 | 0 | 0 | 100 | 0 | 100 |
| Pelham | 1 | 5023 | 0 | 11 | 0 | 5035 | 0 | 100 | 0 | 0 | 0 | 100 |
| Fillan Park | 5 | 1424 | 10 | 0 | 0 | 1440 | 0 | 99 | 1 | 0 | 0 | 100 |
| The Grange | 0 | 2907 | 0 | 1 | 0 | 2908 | 0 | 100 | 0 | 0 | 0 | 100 |
| Westgate | 36 | 10174 | 1 | 41 | 9 | 10261 | 0 | 99 | 0 | 0 | 0 | 100 |
| Oribi Village | 24 | 2657 | 0 | 6 | 9 | 2696 | 1 | 99 | 0 | 0 | 0 | 100 |
| Scottsville Ext | 0 | 1353 | 9 | 5 | 5 | 1371 | 0 | 99 | 1 | 0 | 0 | 100 |
| Epworth | 5 | 829 | 0 | 0 | 0 | 834 | 1 | 99 | 0 | 0 | 0 | 100 |
| The Meadows | 0 | 528 | 0 | 0 | 0 | 528 | 0 | 100 | 0 | 0 | 0 | 100 |
| Cleland SP | 0 | 1231 | 0 | 0 | 0 | 1231 | 0 | 100 | 0 | 0 | 0 | 100 |
| Ockerts Kraal | 0 | 1098 | 0 | 6 | 0 | 1104 | 0 | 99 | 0 | 1 | 0 | 100 |
| Bellevue | 0 | 434 | 0 | 0 | 0 | 434 | 0 | 100 | 0 | 0 | 0 | 100 |
| Ashdown | 24 | 8262 | 10 | 627 | 52 | 8974 | 0 | 92 | 0 | 7 | 1 | 100 |
| Plessis-Laer | 164 | 1021 | 144 | 5069 | 453 | 6851 | 2 | 15 | 2 | 74 | 7 | 100 |
| Harewood | 19 | 80 | 699 | 1555 | 135 | 2488 | 1 | 3 | 28 | 63 | 5 | 100 |
| Mkondeni | 0 | 35 | 0 | 0 | 0 | 35 | 0 | 100 | 0 | 0 | 0 | 100 |
| Shortts Retreat | 922 | 826 | 16 | 300 | 18 | 2082 | 44 | 40 | 1 | 14 | 1 | 100 |
| Claveshay | 0 | 803 | 0 | 0 | 0 | 803 | 0 | 100 | 0 | 0 | 0 | 100 |
| Lynroy | 2 | 566 | 0 | 0 | 0 | 568 | 0 | 100 | 0 | 0 | 0 | 100 |
| Ridgepark | 0 | 1012 | 0 | 0 | 0 | 1012 | 0 | 100 | 0 | 0 | 0 | 100 |
| Richmond Crest | 0 | 552 | 0 | 0 | 1 | 553 | 0 | 100 | 0 | 0 | 0 | 100 |
| Hazelmere | 0 | 458 | 0 | 0 | 0 | 458 | 0 | 100 | 0 | 0 | 0 | 100 |
| Oribi Heights | 0 | 730 | 1 | 0 | 0 | 731 | 0 | 100 | 0 | 0 | 0 | 100 |
| Bisley Heights | 0 | 198 | 0 | 0 | 0 | 198 | 0 | 100 | 0 | 0 | 0 | 100 |
| Bisley Crest | 0 | 390 | 0 | 0 | 0 | 390 | 0 | 100 | 0 | 0 | 0 | 100 |
| Slangspruit | 219 | 9829 | 1504 | 4800 | 87 | 16439 | 1 | 60 | 9 | 29 | 1 | 100 |
| Ambleton | 708 | 4291 | 413 | 2860 | 569 | 8842 | 8 | 49 | 5 | 32 | 6 | 100 |

NB: SOURCE – STATS SA CENCUS 2011

TABLE 6: ACCESS TO ELECTRICITY - ENERGY FOR LIGHTING BY TYPE

| | Electricity | Gas | Paraffin | Candles | Solar | None |
|---------------------|-------------|-----|----------|---------|-------|------|
| Pietermaritzburg | 189718 | 499 | 2164 | 16635 | 620 | 492 |
| Copesville | 5444 | 174 | 1356 | 9739 | 47 | 132 |
| Whispers | 5961 | 0 | 7 | 75 | 1 | 0 |
| Natal Crushers | 143 | 0 | 44 | 515 | 0 | 0 |
| Panorama Gardens | 3438 | 9 | 0 | 135 | 0 | 1 |
| Eastwood | 15238 | 28 | 39 | 131 | 53 | 26 |
| Willowton | 4701 | 8 | 28 | 257 | 14 | 15 |
| Woodlands | 6099 | 41 | 9 | 164 | 2 | 0 |
| Mountain Rise | 2932 | 15 | 111 | 105 | 8 | 0 |
| Queen Elizabeth | 31 | 0 | 0 | 8 | 0 | 0 |
| Town Bush Valley | 1099 | 4 | 0 | 0 | 2 | 0 |
| Worlds View | 132 | 0 | 0 | 0 | 4 | 0 |
| Montrose | 2216 | 0 | 0 | 3 | 0 | 0 |
| Northern Park | 1068 | 5 | 1 | 0 | 1 | 1 |
| Athlone | 1143 | 0 | 0 | 1 | 0 | 0 |
| Town Hill | 2453 | 0 | 0 | 0 | 5 | 0 |
| Wembley | 1530 | 0 | 0 | 0 | 4 | 0 |
| Boughton | 1149 | 21 | 1 | 36 | 0 | 5 |
| Clarendon | 1818 | 3 | 4 | 0 | 8 | 5 |
| Pietermaritzburg SP | 16087 | 22 | 189 | 1977 | 32 | 29 |
| Manor | 485 | 0 | 0 | 0 | 0 | 0 |
| Wensleydale | 1055 | 0 | 0 | 4 | 0 | 0 |
| Scottsville | 7417 | 7 | 0 | 4 | 25 | 0 |
| Hayfields | 6022 | 16 | 8 | 0 | 32 | 6 |
| Glenwood | 2927 | 7 | 0 | 69 | 5 | 13 |
| Sobantu | 7084 | 0 | 17 | 78 | 21 | 17 |
| Lester Park | 476 | 1 | 0 | 0 | 0 | 2 |
| Blackridge | 1088 | 0 | 0 | 0 | 7 | 4 |
| Prestbury | 4049 | 21 | 8 | 13 | 9 | 2 |
| Signal Hill | 1386 | 1 | 0 | 0 | 8 | 0 |
| Lincoln Meade | 4569 | 4 | 1 | 81 | 0 | 5 |
| Napierville | 2283 | 10 | 0 | 0 | 13 | 2 |
| Masons Mill | 1394 | 0 | 1 | 60 | 0 | 0 |
| Camps Drift | 14 | 0 | 0 | 13 | 0 | 0 |
| Pelham | 4991 | 9 | 4 | 9 | 28 | 4 |
| Fillan Park | 1425 | 7 | 9 | 5 | 0 | 0 |
| The Grange | 2909 | 0 | 0 | 10 | 0 | 5 |
| Westgate | 10156 | 2 | 7 | 20 | 66 | 18 |
| Oribi Village | 2593 | 0 | 0 | 93 | 6 | 6 |
| Scottsville Ext | 1350 | 14 | 0 | 0 | 2 | 5 |
| Epworth | 834 | 0 | 0 | 0 | 0 | 0 |
| The Meadows | 523 | 0 | 0 | 5 | 0 | 0 |
| Cleland SP | 1234 | 0 | 0 | 0 | 0 | 0 |
| Ockerts Kraal | 1103 | 0 | 0 | 0 | 1 | 0 |
| Bellevue | 431 | 0 | 0 | 0 | 2 | 0 |
| Ashdown | 8861 | 0 | 40 | 28 | 39 | 36 |
| Plessis-Laer | 6454 | 16 | 111 | 1111 | 24 | 28 |
| Harewood | 2218 | 6 | 0 | 221 | 31 | 39 |
| Mkondeni | 34 | 0 | 0 | 0 | 0 | 1 |
| Shortts Retreat | 827 | 21 | 134 | 1303 | 1 | 20 |
| Claveshay | 800 | 0 | 0 | 0 | 0 | 4 |
| Lynroy | 566 | 0 | 0 | 0 | 3 | 0 |
| Ridgepark | 1011 | 0 | 1 | 0 | 0 | 0 |
| Richmond Crest | 553 | 0 | 0 | 0 | 0 | 0 |
| Hazelmere | 452 | 0 | 0 | 0 | 6 | 0 |
| Oribi Heights | 730 | 0 | 0 | 0 | 1 | 0 |
| Bisley Heights | 198 | 0 | 0 | 0 | 0 | 0 |
| Bisley Crest | 390 | 0 | 0 | 0 | 0 | 0 |
| Slangspruit | 16593 | 21 | 11 | 282 | 91 | 35 |
| Ambleton | 9551 | 7 | 24 | 81 | 13 | 26 |

NB: SOURCE – STATS SA CENSUS 2011

TABLE 7: FUNCTIONAL LITERACY – HIGHEST EDUCATIONAL LEVEL

| | no school- ing | Some primary | Completed primary | Some secondary | Completed secondary | Higher |
|---------------------|-------------------|-----------------|----------------------|-------------------|------------------------|--------|
| Pietermaritzburg | 4606 | 11446 | 4513 | 44739 | 47952 | 28495 |
| Copesville | 1084 | 2222 | 878 | 4265 | 2263 | 257 |
| Whispers | 246 | 571 | 221 | 1642 | 945 | 66 |
| Natal Crushers | 39 | 113 | 38 | 232 | 57 | 9 |
| Panorama Gardens | 19 | 108 | 37 | 416 | 1041 | 532 |
| Eastwood | 652 | 1068 | 442 | 4243 | 3045 | 606 |
| Willowton | 105 | 364 | 138 | 1386 | 1108 | 129 |
| Woodlands | 59 | 299 | 136 | 1645 | 1421 | 662 |
| Mountain Rise | 60 | 174 | 95 | 588 | 812 | 482 |
| Queen Elizabeth | 3 | 3 | 1 | 5 | 6 | 8 |
| Town Bush Valley | 3 | 20 | 2 | 109 | 231 | 500 |
| Worlds View | 0 | 1 | 4 | 15 | 29 | 45 |
| Montrose | 4 | 33 | 18 | 209 | 553 | 841 |
| Northern Park | 4 | 17 | 4 | 250 | 335 | 234 |
| Athlone | 4 | 26 | 5 | 91 | 245 | 479 |
| Town Hill | 9 | 56 | 21 | 317 | 678 | 906 |
| Wembley | 2 | 32 | 6 | 114 | 286 | 680 |
| Boughton | 17 | 40 | 15 | 179 | 321 | 337 |
| Clarendon | 5 | 17 | 6 | 217 | 439 | 711 |
| Pietermaritzburg SP | 279 | 929 | 381 | 4339 | 5429 | 2416 |
| Manor | 5 | 13 | 9 | 129 | 133 | 43 |
| Wensleydale | 5 | 24 | 18 | 151 | 336 | 268 |
| Scottsville | 17 | 100 | 40 | 782 | 2203 | 2342 |
| Hayfields | 28 | 107 | 42 | 1043 | 1678 | 1798 |
| Glenwood | 61 | 153 | 77 | 531 | 608 | 378 |
| Sobantu | 76 | 339 | 149 | 2016 | 1776 | 558 |
| Lester Park | 10 | 13 | 6 | 132 | 89 | 125 |
| Blackridge | 7 | 23 | 7 | 178 | 334 | 257 |
| Prestbury | 18 | 96 | 34 | 728 | 1079 | 1016 |
| Signal Hill | 6 | 25 | 9 | 128 | 310 | 455 |
| Lincoln Meade | 31 | 130 | 55 | 553 | 1109 | 1396 |
| Napierville | 9 | 85 | 22 | 401 | 588 | 403 |
| Masons Mill | 19 | 92 | 46 | 413 | 272 | 82 |
| Camps Drift | 0 | 8 | 1 | 8 | 5 | 0 |
| Pelham | 31 | 84 | 16 | 695 | 1229 | 1697 |
| Fillan Park | 9 | 27 | 4 | 105 | 611 | 202 |
| The Grange | 29 | 75 | 14 | 316 | 911 | 443 |
| Westgate | 162 | 207 | 83 | 1375 | 2606 | 2361 |
| Oribi Village | 52 | 175 | 56 | 752 | 768 | 114 |
| Scottsville Ext | 2 | 15 | 9 | 256 | 360 | 319 |
| Epworth | 3 | 10 | 5 | 102 | 213 | 245 |
| The Meadows | 0 | 3 | 4 | 90 | 159 | 122 |
| Cleland SP | 2 | 16 | 14 | 184 | 384 | 275 |
| Ockerts Kraal | 5 | 14 | 7 | 154 | 199 | 388 |
| Bellevue | 0 | 3 | 1 | 70 | 118 | 156 |
| Ashdown | 114 | 528 | 206 | 2111 | 2094 | 702 |
| Plessis-Laer | 151 | 596 | 213 | 2106 | 1496 | 412 |
| Harewood | 88 | 251 | 90 | 616 | 432 | 20 |
| Mkondeni | 1 | 2 | 1 | 16 | 12 | 3 |
| Shortts Retreat | 89 | 158 | 74 | 775 | 609 | 206 |
| Claveshay | 11 | 12 | 4 | 115 | 234 | 181 |
| Lynroy | 9 | 5 | 6 | 110 | 154 | 135 |
| Ridgepark | 5 | 23 | 2 | 95 | 258 | 258 |
| Richmond Crest | 7 | 10 | 5 | 35 | 137 | 144 |
| Hazelmere | 4 | 14 | 9 | 39 | 114 | 126 |
| Oribi Heights | 4 | 14 | 5 | 101 | 183 | 238 |
| Bisley Heights | 0 | 8 | 0 | 36 | 42 | 57 |
| Bisley Crest | 2 | 2 | 2 | 56 | 78 | 131 |
| Slangspruit | 455 | 1223 | 455 | 4526 | 3223 | 338 |
| Ambleton | 487 | 669 | 265 | 2451 | 1568 | 201 |

NB: SOURCE – STATS SA CENSUS 2011

TABLE 8: HEALTH FACILITIES WITHIN MSUNDUZI MUNICIPALITY

| Name sub-District | Mobiles | Satellites | Clinics | Community Health Centres |
|-------------------|---------|------------|---------|--------------------------|
| Msunduzi | 6 | 7 | 31 | 2 |

TABLE 9: DISTRIBUTION OF CHILD HEADED HOUSEHOLDS – 1996, 2001 AND 2011

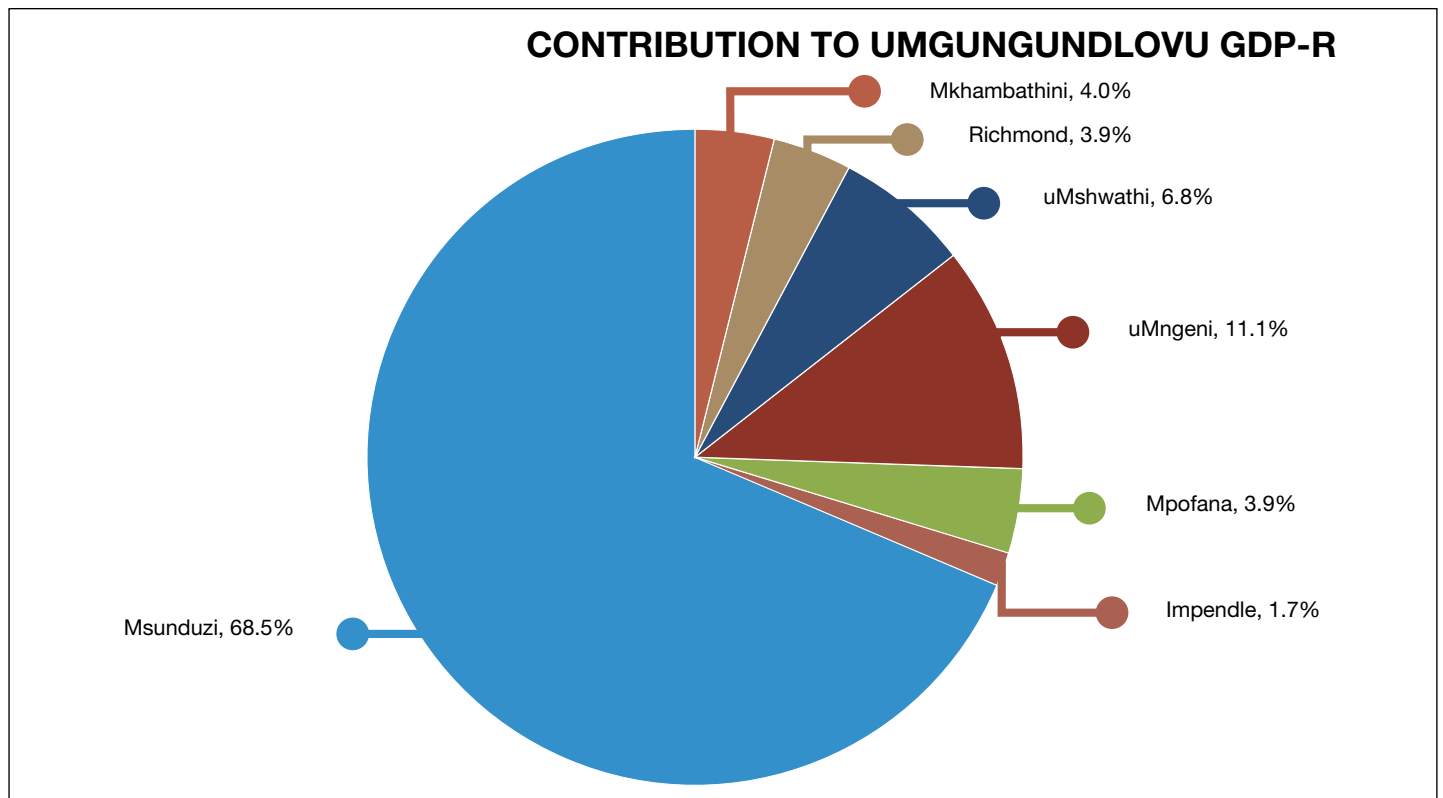
| Municipality | No. of households headed by children (0-17 years) | | | % of households headed by children (0-17 years) | | |
|-----------------------|---|------|------|---|------|------|
| | 1996 | 2001 | 2011 | 1996 | 2001 | 2011 |
| MSUNDUZI MUNICIPALITY | 1,067 | 674 | 920 | 0,9 | 0,3 | 0,6 |

THE ECONOMY

The Municipality possesses a number of economic advantages, including:

- Locational Advantages: the centrality of the Municipality and the fact that the Municipality is bisected by the N3 corridor, which is the primary logistical corridor linking Gauteng and the Durban Harbour;
- Natural/Geographical Advantages: Highly fertile land;
- Human Capital Advantages: Good Schools and Tertiary institutions; and
- Institutional Advantages: Msunduzi enjoys the 'Capital City' Status.

CONTRIBUTION TO UMGUNGUNDLOVU GDP-R



Source: Global Insight, 2015

SECTOR CONTRIBUTION (2014)

| | KZN | uMgungundlovu | uMshwathi | uMngeni | Mpofana | Impendle | Msunduzi | Mkhambathini | Richmond |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Primary sector | 6.8% | 10.6% | 30.8% | 13.3% | 33.7% | 36.5% | 4.9% | 13.1% | 29.7% |
| Agriculture | 4.8% | 10.0% | 28.9% | 12.9% | 33.4% | 36.0% | 4.3% | 12.5% | 29.1% |
| Mining | 1.9% | 0.6% | 1.9% | 0.4% | 0.3% | 0.4% | 0.6% | 0.5% | 0.5% |
| Secondary sector | 25.3% | 23.2% | 26.4% | 25.5% | 18.1% | 15.5% | 23.3% | 24.2% | 17.4% |
| Manufacturing | 18.3% | 15.5% | 21.9% | 16.1% | 11.6% | 7.2% | 15.4% | 16.8% | 11.5% |
| Electricity | 2.4% | 3.9% | 2.2% | 5.3% | 3.3% | 3.2% | 4.0% | 3.5% | 2.6% |
| Construction | 4.6% | 3.8% | 2.2% | 4.1% | 3.1% | 5.1% | 3.9% | 3.8% | 3.3% |
| Tertiary sector | 68.0% | 66.2% | 42.9% | 61.3% | 48.2% | 48.0% | 71.8% | 62.8% | 52.9% |
| Trade | 15.5% | 13.6% | 11.7% | 12.9% | 12.6% | 14.6% | 14.0% | 13.5% | 12.7% |
| Transport | 12.3% | 10.4% | 8.7% | 8.5% | 8.9% | 7.3% | 11.2% | 9.9% | 8.6% |
| Finance | 18.1% | 15.9% | 7.2% | 15.8% | 7.3% | 5.3% | 18.0% | 15.5% | 9.2% |
| Community Services | 22.0% | 26.2% | 15.2% | 24.0% | 19.5% | 20.8% | 28.6% | 23.9% | 22.4% |
| Total Industries | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Source: Global Insight, 2015

EMPLOYMENT BY SECTOR (2014)

| | KZN | uMgungundlovu | uMshwathi | uMngeni | Mpofana | Impendle | Msunduzi | Mkhambathini | Richmond |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Primary sector | 5.0% | 9.4% | 18.2% | 18.1% | 21.9% | 10.0% | 5.4% | 12.0% | 19.5% |
| Agriculture | 4.5% | 9.2% | 18.1% | 18.0% | 20.1% | 9.6% | 5.2% | 11.8% | 19.3% |
| Mining | 0.5% | 0.2% | 0.2% | 0.1% | 1.8% | 0.4% | 0.1% | 0.2% | 0.1% |
| Secondary sector | 21.5% | 20.6% | 20.8% | 17.3% | 19.8% | 15.2% | 21.4% | 21.6% | 18.3% |
| Manufacturing | 14.5% | 13.5% | 14.9% | 11.2% | 7.3% | 4.9% | 14.4% | 14.7% | 11.3% |
| Electricity | 0.5% | 0.6% | 0.5% | 0.5% | 0.3% | 1.4% | 0.6% | 0.6% | 0.3% |
| Construction | 6.5% | 6.6% | 5.4% | 5.6% | 12.2% | 8.9% | 6.5% | 6.3% | 6.3% |
| Tertiary sector | 62.6% | 58.7% | 46.9% | 53.6% | 48.0% | 59.3% | 62.2% | 56.2% | 50.9% |
| Trade | 16.7% | 14.6% | 14.0% | 12.7% | 16.5% | 9.8% | 15.2% | 14.4% | 12.6% |
| Transport | 6.0% | 3.6% | 2.9% | 3.0% | 3.2% | 3.6% | 3.6% | 5.6% | 4.6% |
| Finance | 15.4% | 13.2% | 9.2% | 11.8% | 6.5% | 10.5% | 14.4% | 14.4% | 11.8% |
| Community Services | 24.5% | 27.2% | 20.8% | 26.0% | 21.7% | 35.4% | 29.0% | 21.8% | 21.8% |
| Households | 10.9% | 11.3% | 14.1% | 11.0% | 10.4% | 15.4% | 11.0% | 10.2% | 11.3% |
| Total Industries | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Source: Global Insight, 2015

INTERNATIONAL TRADE: EXPORTS AS PERCENTAGE OF GDP-R, 2014

| | Exports (R 1000) | Imports (R 1000) | Exports (%) | Imports (%) | Exports as % of GDP |
|------------------|------------------|------------------|-------------|-------------|---------------------|
| KZN | 118 006 121 | 118 006 695 | 50.0 | 50.0 | 19.4 |
| uMgungundlovu DM | 12 215 056 | 11 838 576 | 50.8 | 49.2 | 20.7 |
| uMshwathi | 217 623 | 54 838 | 79.9 | 20.1 | 5.4 |
| uMngeni | 334 809 | 251 367 | 57.1 | 42.9 | 5.2 |
| Mpofana | 102 673 | 253 283 | 28.8 | 71.2 | 4.4 |
| Impendle | 979 | 598 | 62.1 | 37.9 | 0.1 |
| Msunduzi | 11 538 473 | 11 230 215 | 50.7 | 49.3 | 28.5 |
| Mkhambathini | 19 735 | 46 195 | 29.9 | 70.1 | 0.8 |
| Richmond | 765 | 2 080 | 26.9 | 73.1 | 0.0 |

Source: Global Insight, 2015

EMPLOYMENT STATUS

| | Employed | Unemployed | Discouraged work-seeker | Other not economically active |
|---------------------|----------|------------|-------------------------|-------------------------------|
| Pietermaritzburg | 72175 | 22761 | 5973 | 49308 |
| Copesville | 4776 | 2028 | 886 | 4450 |
| Whispers | 1594 | 916 | 214 | 1517 |
| Natal Crushers | 312 | 74 | 35 | 107 |
| Panorama Gardens | 1417 | 298 | 37 | 744 |
| Eastwood | 4457 | 2365 | 632 | 3575 |
| Willowton | 1559 | 797 | 266 | 976 |
| Woodlands | 1843 | 625 | 357 | 1566 |
| Mountain Rise | 1033 | 110 | 24 | 1032 |
| Queen Elizabeth | 18 | 8 | 0 | 2 |
| Town Bush Valley | 611 | 13 | 6 | 146 |
| Worlds View | 61 | 3 | 1 | 31 |
| Montrose | 1158 | 35 | 11 | 356 |
| Northern Park | 501 | 60 | 5 | 146 |
| Athlone | 608 | 22 | 0 | 185 |
| Town Hill | 1271 | 40 | 6 | 316 |
| Wembley | 837 | 41 | 4 | 236 |
| Boughton | 677 | 32 | 6 | 180 |
| Clarendon | 973 | 35 | 13 | 278 |
| Pietermaritzburg SP | 7199 | 1973 | 262 | 4671 |
| Manor | 177 | 21 | 53 | 104 |
| Wensleydale | 462 | 44 | 11 | 317 |
| Scottsville | 3175 | 261 | 47 | 2295 |
| Hayfields | 2812 | 176 | 37 | 1142 |
| Glenwood | 638 | 309 | 34 | 1079 |
| Sobantu | 2051 | 1226 | 257 | 1707 |
| Lester Park | 190 | 20 | 29 | 34 |
| Blackridge | 468 | 33 | 13 | 268 |
| Prestbury | 2141 | 176 | 16 | 622 |
| Signal Hill | 748 | 59 | 3 | 192 |
| Lincoln Meade | 2343 | 134 | 100 | 740 |
| Napierville | 948 | 176 | 21 | 539 |
| Masons Mill | 383 | 471 | 5 | 201 |
| Camps Drift | 16 | 5 | 0 | 4 |

| | Employed | Unemployed | Discouraged work-seeker | Other not economically active |
|-----------------|----------|------------|-------------------------|-------------------------------|
| Pelham | 2513 | 145 | 52 | 939 |
| Fillan Park | 452 | 131 | 43 | 506 |
| The Grange | 922 | 384 | 138 | 620 |
| Westgate | 3940 | 1098 | 134 | 2223 |
| Oribi Village | 791 | 442 | 29 | 751 |
| Scottsville Ext | 631 | 44 | 24 | 297 |
| Epworth | 408 | 37 | 1 | 150 |
| The Meadows | 273 | 10 | 4 | 97 |
| Cleland SP | 534 | 43 | 10 | 230 |
| Ockerts Kraal | 579 | 28 | 5 | 162 |
| Bellevue | 251 | 7 | 7 | 66 |
| Ashdown | 2175 | 1693 | 178 | 2320 |
| Plessis-Laer | 1800 | 1554 | 427 | 1725 |
| Harewood | 302 | 593 | 31 | 741 |
| Mkondeni | 33 | 0 | 0 | 0 |
| Shortts Retreat | 896 | 338 | 135 | 580 |
| Claveshay | 377 | 19 | 12 | 172 |
| Lynroy | 279 | 6 | 14 | 107 |
| Ridgepark | 345 | 29 | 105 | 237 |
| Richmond Crest | 204 | 23 | 4 | 155 |
| Hazelmere | 204 | 30 | 0 | 99 |
| Oribi Heights | 379 | 45 | 13 | 140 |
| Bisley Heights | 97 | 10 | 0 | 40 |
| Bisley Crest | 193 | 8 | 13 | 73 |
| Slangspruit | 3780 | 2174 | 883 | 4711 |
| Ambleton | 2359 | 1287 | 323 | 2408 |

NB: SOURCE – STATS SA CENCUS 2011

EMPLOYMENT BY INDUSTRY

| | Agricultural; hunting; forestry and fishing | Mining and quarrying | Manufacturing | Electricity; gas and water supply | Construction | Wholesale and retail trade | Transport; storage and communication | Financial intermediation; insurance; real estate and business services | Community; social and personal services | Private households |
|---------------------|---|----------------------|---------------|-----------------------------------|--------------|----------------------------|--------------------------------------|--|---|--------------------|
| Pietermaritzburg | 1841 | 410 | 7914 | 832 | 5357 | 10473 | 3632 | 10383 | 24499 | 6823 |
| Copesville | 201 | 20 | 435 | 15 | 1054 | 811 | 173 | 404 | 505 | 1158 |
| Whispers | 116 | 1 | 233 | 9 | 177 | 300 | 79 | 179 | 226 | 273 |
| Natal Crushers | 7 | 0 | 43 | 1 | 42 | 44 | 7 | 14 | 35 | 119 |
| Panorama Gardens | 20 | 8 | 59 | 11 | 49 | 117 | 57 | 175 | 791 | 130 |
| Eastwood | 102 | 23 | 991 | 28 | 431 | 734 | 268 | 513 | 949 | 419 |
| Willowton | 24 | 8 | 300 | 7 | 150 | 270 | 61 | 156 | 371 | 212 |
| Woodlands | 21 | 13 | 282 | 18 | 167 | 312 | 49 | 192 | 707 | 82 |
| Mountain Rise | 13 | 0 | 113 | 7 | 40 | 267 | 38 | 109 | 302 | 145 |
| Queen Elizabeth | 0 | 0 | 2 | 4 | 0 | 4 | 0 | 0 | 7 | 2 |
| Town Bush Valley | 25 | 1 | 47 | 1 | 43 | 50 | 13 | 116 | 281 | 32 |
| Worlds View | 1 | 0 | 2 | 0 | 6 | 5 | 1 | 16 | 18 | 11 |
| Montrose | 21 | 1 | 120 | 4 | 96 | 98 | 24 | 221 | 471 | 102 |
| Northern Park | 6 | 0 | 64 | 6 | 32 | 47 | 14 | 79 | 189 | 62 |
| Athlone | 13 | 0 | 72 | 4 | 16 | 47 | 20 | 156 | 237 | 43 |
| Town Hill | 37 | 5 | 68 | 12 | 58 | 122 | 43 | 238 | 617 | 72 |
| Wembley | 45 | 1 | 80 | 2 | 36 | 87 | 46 | 198 | 267 | 76 |
| Boughton | 81 | 1 | 65 | 5 | 52 | 59 | 26 | 132 | 206 | 50 |
| Clarendon | 36 | 1 | 64 | 10 | 65 | 167 | 22 | 194 | 331 | 82 |
| Pietermaritzburg SP | 128 | 40 | 668 | 55 | 453 | 1603 | 311 | 1110 | 2360 | 469 |
| Manor | 8 | 1 | 15 | 2 | 11 | 38 | 9 | 23 | 66 | 2 |
| Wensleydale | 2 | 1 | 31 | 17 | 28 | 65 | 19 | 101 | 176 | 23 |
| Scottsville | 82 | 8 | 218 | 38 | 152 | 402 | 111 | 515 | 1453 | 196 |
| Hayfields | 101 | 6 | 254 | 47 | 160 | 331 | 156 | 627 | 984 | 147 |
| Glenwood | 3 | 9 | 110 | 2 | 43 | 76 | 20 | 67 | 283 | 25 |
| Sobantu | 66 | 14 | 334 | 5 | 98 | 297 | 82 | 207 | 661 | 286 |
| Lester Park | 23 | 0 | 24 | 0 | 10 | 22 | 6 | 50 | 49 | 6 |
| Blackridge | 13 | 0 | 41 | 7 | 41 | 80 | 23 | 87 | 141 | 35 |
| Prestbury | 40 | 4 | 153 | 48 | 142 | 221 | 86 | 358 | 975 | 114 |
| Signal Hill | 9 | 1 | 36 | 9 | 27 | 99 | 56 | 143 | 338 | 29 |
| Lincoln Meade | 34 | 21 | 246 | 62 | 144 | 210 | 160 | 383 | 937 | 146 |
| Napierville | 16 | 0 | 50 | 17 | 41 | 70 | 75 | 118 | 519 | 39 |

| | Agricultural; hunting; forestry and fishing | Mining and quarrying | Manufac- turing | Electricity; gas and water supply | Construction | Wholesale and retail trade | Transport; storage and communi- cation | Financial intermediation; insurance; real estate and business services | Community; social and personal services | Private households |
|-----------------|--|----------------------------|--------------------|--|--------------|----------------------------------|--|---|--|-----------------------|
| Masons Mill | 6 | 1 | 69 | 4 | 23 | 90 | 21 | 55 | 52 | 63 |
| Camps Drift | 0 | 0 | 3 | 0 | 0 | 2 | 1 | 2 | 6 | 2 |
| Pelham | 49 | 43 | 195 | 52 | 146 | 204 | 95 | 443 | 1108 | 177 |
| Fillan Park | 4 | 21 | 15 | 7 | 1 | 21 | 86 | 46 | 231 | 20 |
| The Grange | 17 | 8 | 39 | 10 | 4 | 60 | 47 | 77 | 584 | 76 |
| Westgate | 60 | 36 | 348 | 66 | 122 | 309 | 173 | 464 | 2069 | 294 |
| Oribi Village | 12 | 9 | 128 | 23 | 58 | 116 | 50 | 94 | 260 | 40 |
| Scottsville Ext | 13 | 4 | 53 | 15 | 28 | 51 | 26 | 102 | 318 | 21 |
| Epworth | 16 | 0 | 46 | 10 | 20 | 29 | 29 | 66 | 174 | 19 |
| The Meadows | 5 | 1 | 20 | 8 | 48 | 39 | 15 | 38 | 78 | 23 |
| Cleland SP | 24 | 3 | 59 | 16 | 24 | 72 | 41 | 61 | 209 | 26 |
| Ockerts Kraal | 10 | 5 | 48 | 12 | 72 | 56 | 40 | 148 | 173 | 16 |
| Bellevue | 0 | 19 | 26 | 0 | 24 | 16 | 14 | 66 | 79 | 6 |
| Ashdown | 14 | 10 | 197 | 13 | 88 | 350 | 170 | 280 | 937 | 116 |
| Plessis-Laer | 16 | 5 | 240 | 6 | 103 | 350 | 132 | 282 | 439 | 226 |
| Harewood | 23 | 0 | 43 | 1 | 36 | 39 | 11 | 45 | 72 | 32 |
| Mkondeni | 4 | 0 | 9 | 0 | 6 | 7 | 2 | 0 | 5 | 0 |
| Shortts Retreat | 18 | 4 | 183 | 28 | 106 | 198 | 53 | 84 | 177 | 46 |
| Claveshay | 17 | 1 | 43 | 18 | 15 | 36 | 16 | 73 | 150 | 7 |
| Lynroy | 9 | 2 | 35 | 19 | 15 | 22 | 6 | 58 | 104 | 7 |
| Ridgepark | 5 | 0 | 11 | 4 | 3 | 2 | 33 | 29 | 245 | 11 |
| Richmond Crest | 1 | 3 | 5 | 1 | 9 | 30 | 10 | 20 | 121 | 4 |
| Hazelmere | 2 | 4 | 7 | 4 | 11 | 27 | 6 | 24 | 105 | 12 |
| Oribi Heights | 6 | 4 | 27 | 5 | 11 | 62 | 9 | 29 | 192 | 35 |
| Bisley Heights | 0 | 2 | 0 | 0 | 4 | 20 | 6 | 13 | 45 | 6 |
| Bisley Crest | 2 | 3 | 7 | 8 | 4 | 22 | 7 | 22 | 96 | 21 |
| Slangspruit | 87 | 5 | 562 | 36 | 325 | 708 | 303 | 480 | 704 | 568 |
| Ambleton | 126 | 27 | 280 | 14 | 188 | 478 | 174 | 397 | 314 | 359 |

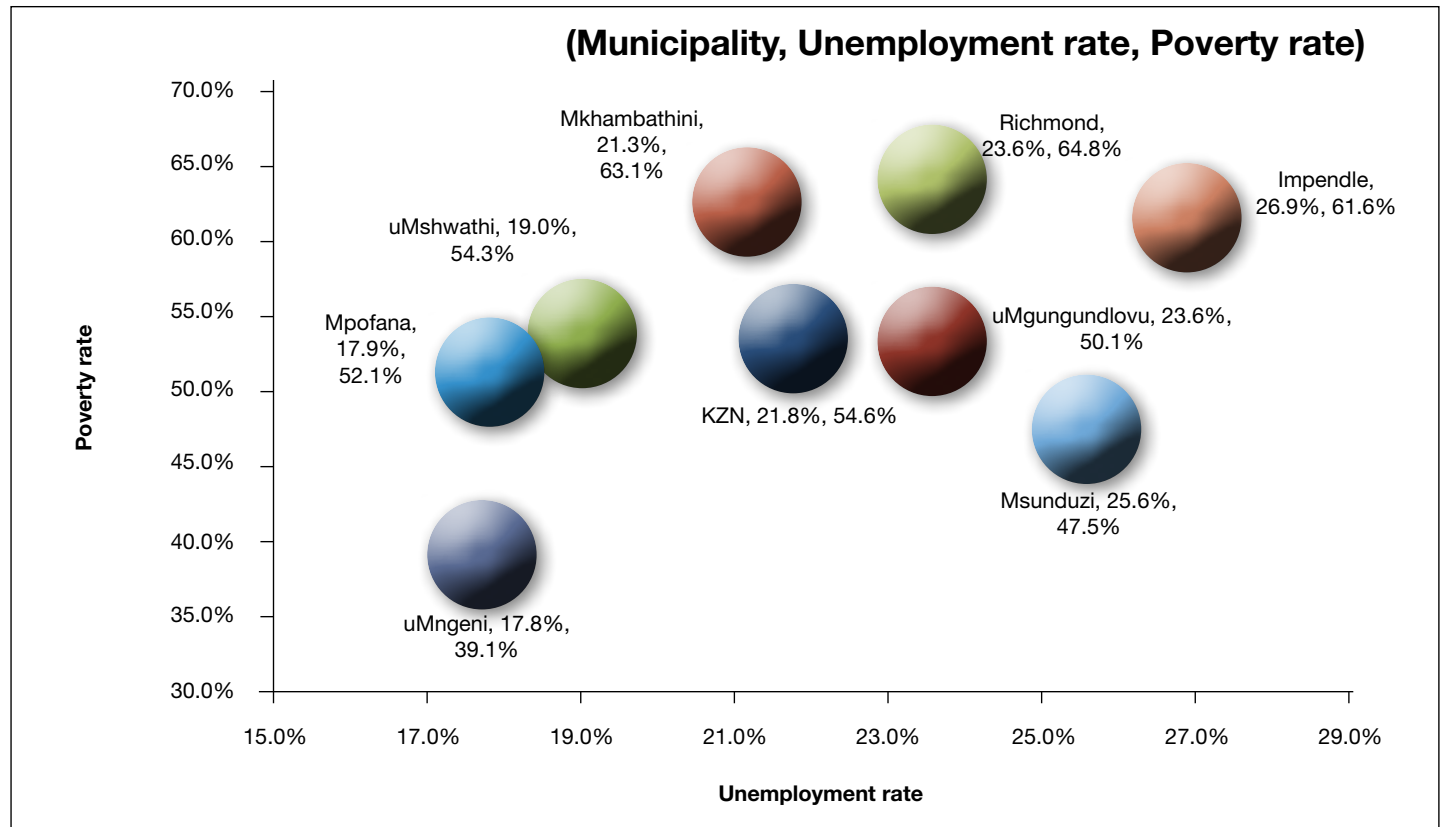
NB: SOURCE – STATS SA CENSUS 2011

DEVELOPMENT INDICATORS (2014)

| | KZN | uMgungundlovu | uMshwathi | uMngeni | Mpofana | Impendle | Msunduzi | Mkhambathini | Richmond |
|--|-------|---------------|-----------|---------|---------|----------|----------|--------------|----------|
| Human Development Index (HDI) | 0.56 | 0.58 | 0.51 | 0.63 | 0.53 | 0.50 | 0.60 | 0.50 | 0.49 |
| Gini coefficient | 0.63 | 0.63 | 0.57 | 0.64 | 0.60 | 0.59 | 0.64 | 0.59 | 0.56 |
| Share below the food poverty line | 30.3% | 26.5% | 25.7% | 18.2% | 25.0% | 33.2% | 26.0% | 33.5% | 35.1% |
| Share below the lower poverty line | 42.5% | 38.1% | 39.5% | 28.0% | 38.0% | 47.4% | 36.6% | 48.6% | 50.4% |
| Share below the upper poverty line | 54.6% | 50.1% | 54.3% | 39.1% | 52.1% | 61.6% | 47.5% | 63.1% | 64.8% |
| Functional literacy: age 15+, completed grade 7 or higher | 80.0% | 81.8% | 70.6% | 84.7% | 74.2% | 71.2% | 86.2% | 69.9% | 70.8% |

Source: Global Insight, 2015

UNEMPLOYMENT AND POVERTY NEXUS



Source: Global Insight, 2015

COMMENT ON BACKGROUND DATA:

The data provided herein is data used from the Census 2011 report conducted by Statistics South Africa and HIS Global Insight, 2015. Msunduzi Municipality strives to ensure the backlogs in the delivery of Basic Services like Water, Electricity and Housing are reduced on an annual basis.

3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

1. Service Delivery

The Msunduzi Municipality basic services as contained in the Municipal Indigent Policy is intended to provide norms and standards for a program to improve the lives of indigents and to improve access to FREE BASIC SERVICES. The policy recognizes the need for inter-government co-operation in the process of dealing with indigents but places a specific emphasis on the local government sphere, recognizing the important role a municipality has in effectively addressing the needs of indigent households. This requires local understanding and local initiative as well as co-ordination and support from national and provincial governments.

The indigent policy seeks to address the problem of institutional exclusion by facilitating the reform of the systems of local government in ways that ensure the inclusion of the poor in ways that will guarantee their access to affordable basic services. The implementation of the indigent policy as the basis of providing Free Basic Services was done in context of socio-economic realities facing our communities such as:

- High level unemployment
- Low income earners that have limited affordability
- High incidents of child-headed households
- Natural attrition of elderly headed households within our society.

Indigent applications are valid from 1 July 2016 – 30 June 2017. The application process began on 1 March 2016 and is open until 30 June 2017.

Applications are available from 333 Church Street, Area Based Management Offices and all Ward Councillors offices.

Currently there are 4 880 applied indigents as at 30 June 2017

2. Indigent Population

“Indigents” – means an owner /occupier of a property as defined in the qualification for concessions. Lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, food and clothing. This is a household which is not financially capable of paying for the delivery of Basic Services – including poor households.

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.”

Qualification for concessions – Indigent policy 2016/2017

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 R3740.00
2. That the prescribed application forms be completed annually.

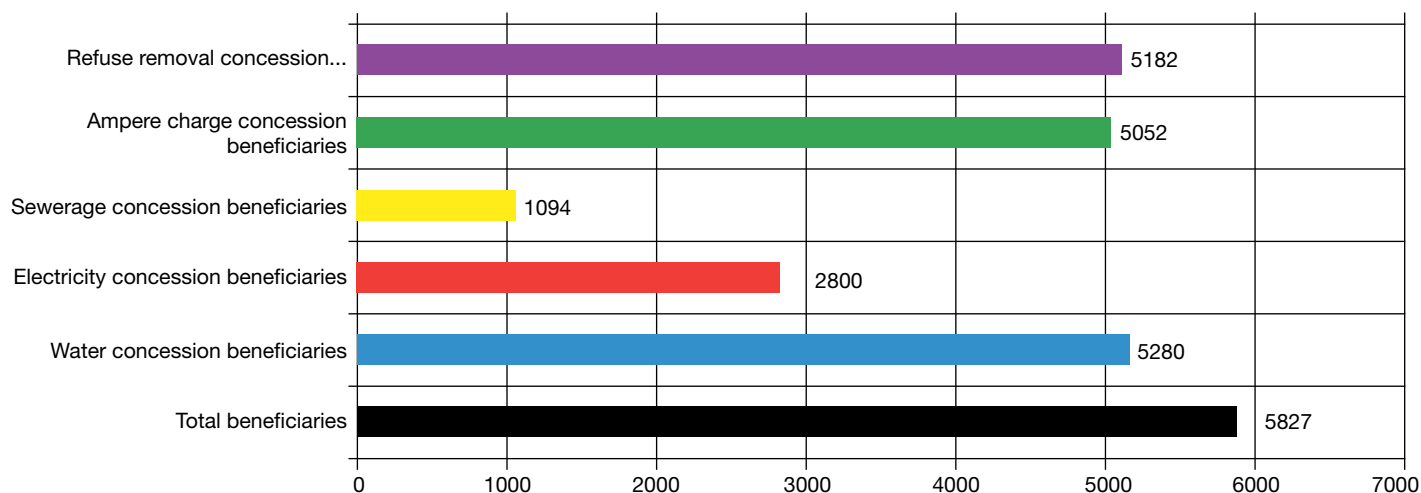
COMMENT ON ACCESS TO BASIC SERVICES:

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 R3 740.00 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 customers 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 2016/2017 was R 2 576 950, spent on water 2016/2017 R 7 012 266, spent on sewerage for 2016/2017 R4 894 449, spent on refuse 2016/2017 R 2 904 229.

| | |
|---|-------|
| Total beneficiaries | 5 827 |
| Water concession beneficiaries | 5 280 |
| Electricity concession beneficiaries | 2 800 |
| Rates concession beneficiaries | 1 094 |
| Sewerage concession beneficiaries | 5 052 |
| Refuse removal concession beneficiaries | 5 182 |

CLASSIFICATION OF BENEFICIARIES FOR 2016/2017 FINANCIAL YEAR – GRAPHICAL REPRESENTATION

CLASSIFICATION OF BENEFICIARIES FOR 2016/2017 FINANCIAL YEAR



| Total beneficiaries | Water concession beneficiaries | Electricity concession beneficiaries | Sewerage concession beneficiaries | Ampere charge concession beneficiaries | Refuse removal concession beneficiaries |
|---------------------|--------------------------------|--------------------------------------|-----------------------------------|--|---|
| 5827 | 5280 | 2800 | 1094 | 5052 | 5182 |

CLASSIFICATION OF BENEFICIARIES FOR 2016/2017 FINANCIAL YEAR

4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The municipality began the financial year with a cash balance of R969.6 million. During the year, a total amount of R4.3 billion accrued to the municipality while expenditure incurred during the same period also amounted to R5 billion. By the end of June 2017, the municipality's cash balance was R677.9 million. This balance is inclusive of unspent conditional grants of R80.3 million. While the collection rate averaged between 95% and 99% during the year, uncollected debtors continued to be a problem for the municipality. While there was a huge improvement in collecting the current debt, arrear debt continued to be a challenge.

| FINANCIAL OVERVIEW – 2016/2017 R'000 | | | |
|---|-----------------|-------------------|---------------|
| Details | Original Budget | Adjustment Budget | Actual |
| Income | | | |
| Grants | 489,491,000 | 547,244,000 | 497,277,040 |
| Taxes, Levies and Tariffs | 3,770,718,000 | 3,770,718,000 | 3,390,564,664 |
| Other | 212,797,000 | 435,348,000 | 465,394,680 |
| Subtotal | 4,473,006,000 | 4,753,310,000 | 4,353,236,384 |
| Less Expenditure | 4,453,569,000 | 4,744,112,000 | 5,019,287,511 |
| Surplus/ (deficit) | 19,437,000 | 9,198,000 | -666,051,127 |
| Surplus/ (deficit) for the year | 466,851,000 | 468,572,000 | -236,399,048 |

| Operating Ratios | |
|----------------------------------|-------|
| Details | % |
| Employee Cost | 23.3% |
| Repairs and Maintenance | 2.4% |
| Finance Charges and Depreciation | 12.8% |

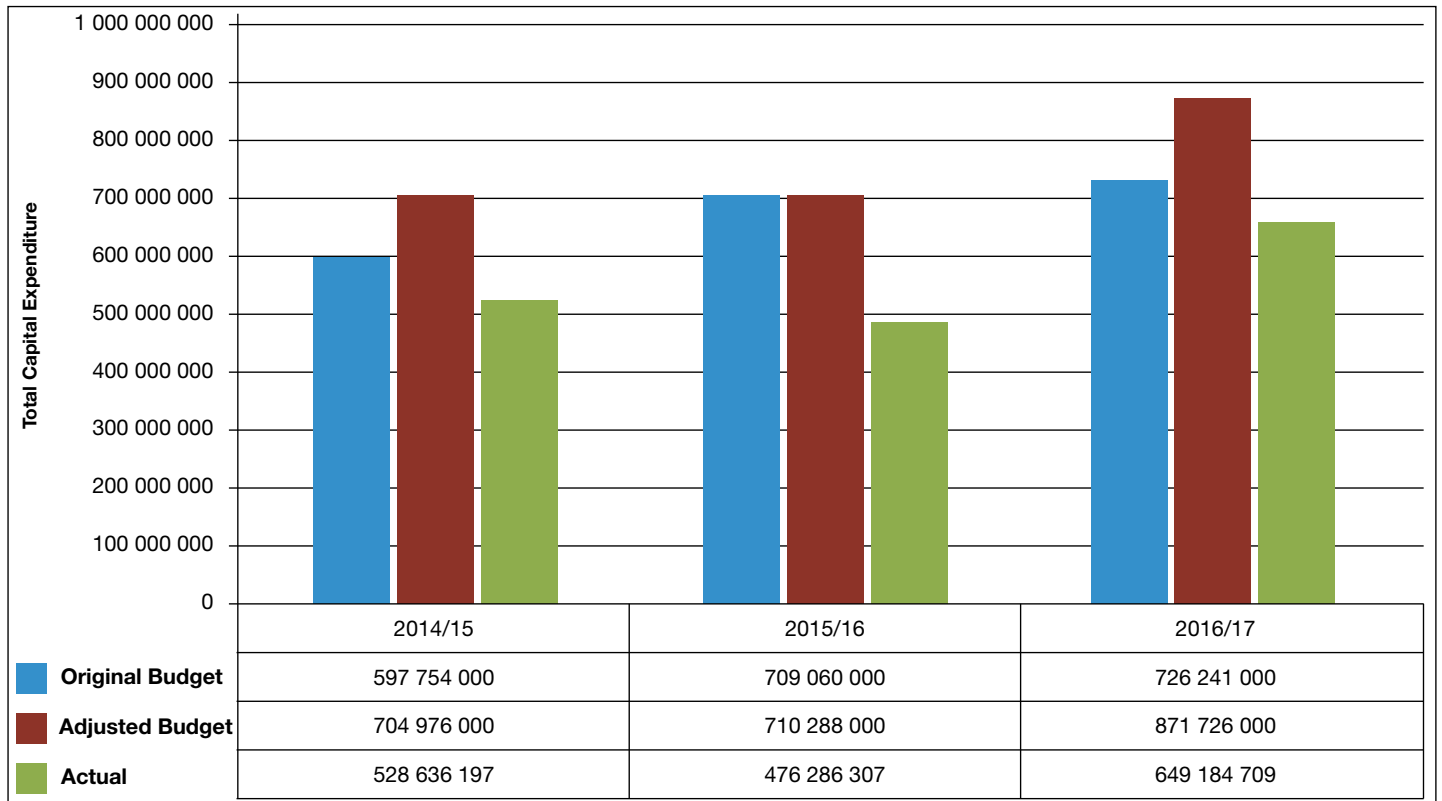
COMMENT ON OPERATING RATIOS:

The municipality's employee related costs is 23.3% of the total operating expenditure and this is below the norm of between 30 and 35%. This is due to vacancies that exists within the municipality as provided for in the municipality's 2013 approved organogram.

Repairs and Maintenance as a % of operating budget is 2.4% and this is below the norm recommended by the National Treasury however, this is only the operating budget part of repairs and maintenance. The bulk of the municipality's capital expenditure for the year is on renewal of existing assets which a capital budget portion of repairs.

The municipality's Finance Charges costs are projected to decrease of the next few years as the municipality continues to honour loan repayments timeously.

| TOTAL CAPITAL EXPENDITURE 2014/15– 2016/17 R'000 | | | |
|---|---------|---------|---------|
| Detail | 2014/15 | 2015/16 | 2016/17 |
| Original Budget | 597 754 | 709 060 | 726 241 |
| Adjustment Budget | 704 976 | 710 288 | 871 726 |
| Actual | 528 636 | 476 286 | 649 185 |



COMMENT ON CAPITAL EXPENDITURE:

The municipality's capital expenditure increased by 36.3% from 2015/16 to 2016/17. It increased from R476,286,307 to R649,184,709. This is due to the municipality's increase in infrastructure investments. The capital expenditure will further increase in 2017/18.

IMPLEMENTATION OF MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA)

The 2016/17 budget was retrofitted into mSCOA format hence Council was able to transact on mSCOA format throughout the financial year on SAP expenditure module. All revenue for the year was on Promis system interface to SAP was done through a journal thereby converting all transactions on legacy into mSCOA format before uploading into SAP. All necessary steps have been taken to ensure compliance with National Treasury directive regarding the official go-live of July 2017.

5. ORGANISATIONAL DEVELOPMENT OVERVIEW

INTRODUCTION TO ORGANIZATIONAL DEVELOPMENT PERFORMANCE

The Human Resources Function of the Msunduzi Municipality consists of a single Process Unit, namely: Human Resources Management, comprising; Personnel, Organisational and Skills Development, Occupational Health and Safety, and HR Management Services.

One of the key achievements in the 2016/2017 financial year was the operationalization of the 2013 approved structure, coupled with this was the release of the grade outcomes and the implementation of the TASK grading system.

The finalization of the allocation of permanent employees to the new structure provided the impetus for the permanent absorption of 1438 contract employees, those earning below the threshold of R172 000 per annum, and contracted within the Municipality for a period greater than three months, in compliance with the Basic Conditions of Employment Bill.

In terms of the provisions of the Staff Allocation Policy, the process of advertising new posts and major changed posts internally was initiated in the 2016/2017 financial year.

The implementation of SAP HCM in March 2017, offers the potential of improved management of the staff establishment, employee benefits and leave management. With employee absenteeism still remaining a concern, during 2016/17, SAP HCM provides improved mechanisms for process control of employee leave, sick leave and overtime. The employee overtime claims, leave, sick leave are being actively surveyed, including the profiling of frequency and trends

The Msunduzi Municipality, during 2016/2017, trained 655 employees, as part of a coordinated career development process, in support of the Skills Development Strategy, IDP & Sector Skills Priorities. Internship, Learnerships, Apprenticeships and community programmes undertaken in 2016/17 provided opportunities for improved employability of the youth and community. Skills programmes conducted for 27 of Msunduzi's Councillors encouraged skills enhancement within the political realm to promote democracy and decision making.

6. AUDITOR GENERAL REPORTS 2015 / 2016 & 2016 / 2017 FINANCIAL YEARS

AUDITOR GENERAL REPORT 2015 / 2016 FINANCIAL YEAR

In the 2015/2016 financial year the Auditor General expressed a Qualified opinion for Msunduzi Municipality.

The basis for the qualified opinion is as follows:

- Receivables
- Payables from exchange transactions
- Revenue – Fines
- Commitments
- Contingent liabilities
- Aggregation of immaterial uncorrected misstatements

Emphasis of matters raised were as follows:

- Restatement of corresponding figures
- Material losses and impairments
- Material underspending of the conditional grants

Predetermined Objectives:

- The Auditor General did not identify any material findings on the usefulness and reliability of the reported performance information for the basic service delivery and public safety objectives.

Report on the audit of compliance with Legislation:

- The Auditor General did identify areas of non-compliance with legislation as follows:
- Annual Financial Statements, Procurement & Contract Management, Expenditure Management, Revenue Management, Liability Management, Internal Control, Leadership, Financial Management and Governance

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG.

Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

AUDITOR GENERAL REPORT 2016 / 2017 FINANCIAL YEAR

In the 2016/2017 financial year the Auditor General expressed a disclaimer of opinion for The Msunduzi Municipality.

The basis for the disclaimer of opinion is as follows:

- Land and buildings – Restatement of corresponding amounts
- Property, plant and equipment – Other assets
- Investment property – Restatement of corresponding amounts
- Revenue from exchange transactions
- Revenue from non-exchange transactions
- Consumer debtors
- Receivables from exchange transactions
- Expenditure – Bad debtors written off
- Commitments
- Inventory

Emphasis of matters raised were as follows:

- Material underspending of the conditional grants
- Material losses - electricity

Report on the audit of the annual performance report:

- The Auditor General did identify material findings on the usefulness and reliability of the selected objectives as follows:
- Various indicators – Performance indicators not specific
- Various indicators – Performance indicators not verifiable and reliable
- Number of HIV/AIDS and social support programmes to be coordinated – Reported achievement not completed

Report on the audit of compliance with Legislation:

- The Auditor General did identify areas of non-compliance with legislation as follows:
- Annual Financial Statements, Procurement & Contract Management, Expenditure Management, Revenue Management, Asset Management, Consequence Management, Internal Control Deficiencies, Leadership, Financial & Performance Management and Governance

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG.

Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

7. ANNUAL REPORT PROCESS 2016/2017

Msunduzi Municipality Operational Plan for the preparation and adoption of the Annual Report 2016/2017:

| TABLE 13: Annual report process | | |
|---------------------------------|---|--|
| No: | Description: | Timeframe: |
| 1. | Data Collection, Preparation and finalization of the annual performance report 2016/2017 (SBU's to supply information. | July 1 – August 14 2017 |
| 2. | Preparation and finalization of the annual financial statements / consolidated financial statements 2016/2017 | July – August 2017 |
| 3. | Submission of the annual financial statements/consolidated financial statements 2016/2017 and the Annual Performance Report 2016/2017 to the Auditor General for auditing | On or before the 31 August 2017 |
| 4. | Safe City (Municipal Entity) to submit to the Municipality and the Auditor General its annual financial statements for auditing | On or before the 31 August 2017 |
| 5. | Data collection commences for the compilation of a first draft of the annual report – an e-mail with a template attached will be forwarded to respective individuals responsible for required information submissions in order to complete the annual report 2016/2017 - Submissions to be received by the end of September 2017. | September 2017 |
| 6. | Finalize 1st draft of the Annual report 2016/2017 and forward to the Municipal Manager for comment | 1st – 9th of November 2017 |
| 7. | Draft completed and forwarded to Auditor General for comments / changes if required | 9th – 16th of November 2017 |
| 8. | 2nd draft of Annual report completed and forwarded to Municipal Manager for comment. | On or before the 30th of November 2017 |
| 9. | Engage appointed service provider – produce drafts of the Annual Report 2016/2017 | December 2017 |
| 10. | Finalized, published and printed annual report by service provider | 1st week of January 2018 |
| 11. | Annual report table by the Mayor at Full Council | On or before the 31st of January 2018 |
| 12. | Tabled annual report 2016/2017 to be made accessible to the public | Within 14 days from the date of tabling the annual report |
| 13. | A copy of the report to be submitted to the MEC for local government in KZN, the Auditor General, Provincial Legislature and National Treasury. | Within 14 days from the date of tabling the annual report |
| 14. | Oversight report on Annual Report 2016/2017 to commence once Annual Report has been tabled at Full Council – Oversight report to be completed within two months of the Tabling of the Annual Report to Full Council. | Start in February 2018 – completed on or before the 30th of March 2018 |
| 15. | Oversight report made available to the public within seven days of being tabled in Council | On or before the 6th of April 2018 |

COMMENT ON THE ANNUAL REPORT PROCESS:

The Municipal Finance Management Act No. 56 of 2003, Chapter 12, prescribes that every municipality must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

The purpose of an annual report is –

1. to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
2. to provide a report on performance against the budget of the municipality or municipal entity for the financial year; and
3. to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

The annual report of municipality must include –

1. the annual financial statements of the municipality, and in addition if section 122 (2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126 (1);
2. the Auditor-General's audit report in terms of section 126 (3) on those financial statements;
3. the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act.

The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit those statements to the Auditor-General for auditing and the accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those statements relate, submit those statements to the parent municipality of the entity and the Auditor-General for auditing. The Auditor-General must audit those financial statements and submit and audit report to the accounting officer of the municipality or entity within three months of the receipt of the statements.

The mayor of a municipality must, within seven months after the end of the a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

The council of a municipality must consider the annual report of the municipality of municipal entity, and by no later than two months from the date on which the annual report was tabled in council, adopt an oversight report containing councils comments on the annual report which must include a statement whether the council-

1. has approved the annual report without reservations;
2. has rejected the annual report; or
3. has referred the annual report back for the revision of those components that can be revised.

In order to give effect to the above legislative requirements, Msunduzi Municipality developed table above in order to ensure the communities of Msunduzi Municipality are able to view the contents of the Annual Report on time; the table serves as a strict guide.

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Governance at Msunduzi Municipality is made up of political and administrative governance, inter-governmental relations, public participation and corporate governance. Political governance comprises of elected Councillors, Council and council committees. It plays oversight over the administration of the municipality to ensure effective and efficient service delivery. Administrative governance takes place through various administrative structures and functionaries under the leadership of the Municipal Manager. Intergovernmental relations refers to the structures and processes by which municipality forges relationships with national and provincial government departments as well as with other municipalities and government structures to ensure unimpeded, coherent and coordinated service delivery. Public participation refers to the manner in which the Municipality engages and involves communities within its area jurisdiction in the running of its affairs. This takes place through community meetings, izimbizo's, as well as ward committee and ward meetings. Corporate governance looks at issues of transparency, compliance with the rule of law, accountability and upholding of the Batho Pele Principles. Together these important aspects intertwine and ensure that the objects of local government as enshrined in section 152 of the Constitution are realized.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political & administrative governance at Msunduzi Municipality comprises of the elected Councillors and Senior Managers, respectively; they work together on a day-to-day basis in order to achieve identified service delivery goals and targets.

2.1. POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Msunduzi municipality has several political structures which include Full Council, Executive Committee, other Council committees and Committees established to support the Executive Committee. The Municipal Public Accounts Committee (MPAC) which is one of the Council Committees oversees the expenditure of public funds on behalf of Council and thereby ensures accountability of both the Executive Committee and administration. It further considers the Annual Report and provides Council with oversight report and its comments on the Annual Report. To ensure effective oversight, the Council has further appointed the Audit Committee, which is a Committee that is made up of private individuals with expertise in the areas of finance, performance management and law to advise Council on the performance of the Executive Committee and administration with regard to financial management, risk management, performance management and legislative compliance.

MSUNDUZI MUNICIPALITY COUNCILLORS CURRENT MSUNDUZI WARD COUNCILLORS LIST



**SAVE
Water**



**STOP Illegal
Electricity
Connections**

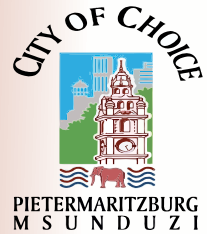


**STOP Land
Invasion**



**Keep Msunduzi
clean**

033 392 3000 Switch board
033 392 2945 Traffic Department
0800 033 911 Fire Brigade
033 392 2554 Meter Reading
0800 001 868 Call Centre
033 392 5359 Waste Department
033 392 3500 Parks Department
033 392 2980 Finance Call Centre



KNOW YOUR COUNCILLOR

Msunduzi City Hall • Chief Albert Luthuli Rd • Pietermaritzburg • 3200

| | | | | | | | | | |
|---|--|---|---|---|--|--|--|--|---|
| MAYOR Cllr Thembu Njilo 082 954 9241 | DEPUTY MAYOR Cllr Thobani Zuma 072 629 9119 | SPEAKER - WARD 1 Cllr Jabulile Joyce Ngubo 071 131 9063 • 071 976 6330 | CHIEF WHIP Cllr Trumen V. Magubane 082 057 5620 | EXCO - WARD 24 Cllr Prudence Nokuthula Msimang • 076 620 1867 | EXCO Cllr Thokalele Ignatia Dlamini 072 212 3375 | EXCO Cllr Phisoiso Sithole 072 398 5852 | EXCO Cllr Sphamandla Dennis Khumalo • 072 203 9018 | EXCO Cllr Eunice Nomagugu Majola • 071 156 7427 | EXCO Cllr Glenn Robert McArthur 076 515 1919 |
| EXCO Cllr Jerome Sibongiseni Majola • 082 887 5716 | EXCO Cllr Dennis T Ntombela 082 432 9396 | PR COUNCILLOR Cllr Gugu Mary-Jane Dladla Ngubo • 073 205 0671 | PR COUNCILLOR Cllr Fucwana Rose Mary Zungu • 083 733 1694 | PR COUNCILLOR Cllr Nuthuko Ntshangase 076 299 5412 | PR COUNCILLOR Cllr Ambrosia Sibongile Dlamini • 072 011 3793 | PR COUNCILLOR Cllr Mary Schalkwyk 072 587 8686 | PR COUNCILLOR Cllr Dorcas Sibongile Mkhize 083 331 3170 | PR COUNCILLOR Cllr Rachel Scobiah 062 239 0613 | |
| PR COUNCILLOR Cllr Manda Indorji 082 367 1810 | PR COUNCILLOR Cllr Dodo Phillip Zondi 082 440 2296 | PR COUNCILLOR Cllr Manizwa Simon Sakhele 079 052 1986 | PR COUNCILLOR Cllr Nelsiwe Janet Gwala 083 366 4847 | PR COUNCILLOR Cllr Najmah B. Ahmed 082 774 6174 | PR COUNCILLOR Cllr William Francis Lambert 082 774 6176 | PR COUNCILLOR Cllr Bongumusa Cyril Ntshabathi • 079 613 1056 | PR COUNCILLOR Cllr Ntshabathi E. Detsa 072 576 6470 | PR COUNCILLOR Cllr Rhenus Niemand 076 238 5982 | PR COUNCILLOR Cllr Mohamed Salim Goga 083 996 8886 |
| PR COUNCILLOR Cllr Dodo Phillip Zondi 082 440 2296 | PR COUNCILLOR Cllr Siso Derrick Nene 083 153 2631 | PR COUNCILLOR Cllr Hamilton Mungai Zondi 083 947 2453 | PR COUNCILLOR Cllr Sandle Cyril Shange 073 379 7137 | PR COUNCILLOR Cllr Ndlovu Siphahle 080 901 5025 | PR COUNCILLOR Cllr Prince Dumiso Duma 078 499 9599 | PR COUNCILLOR Cllr Nomadoda E. Detsa 072 576 6470 | PR COUNCILLOR Cllr Rhenus Niemand 076 238 5982 | PR COUNCILLOR Cllr Mohamed Salim Goga 083 996 8886 | |
| WARD 2 Cllr Blessing Shabalala Mthali 072 740 5306 | WARD 3 Cllr Madida Linda Linford 072 449 5986 | WARD 4 Cllr Hamilton Mungai Zondi 083 947 2453 | WARD 5 Cllr Nkomo Mawell Mbanja • 071 366 0106 | WARD 6 Cllr Sirotho Raphael Mhlongo 072 534 0354 | WARD 7 Cllr Sandle Duncan Ngubane 083 878 9837 | WARD 8 Cllr Makosazane Precious Zondo • 076 261 9450 | WARD 9 Cllr Ngobu Jeffrey Mnyavelane • 072 0210 525 | WARD 10 Cllr Nkomo Innocent Sipho 072 721 5748 | WARD 11 Cllr Nkomo Innocent Sipho 072 721 5748 |
| WARD 12 Cllr Majola Terence Sponso 084 446 6389 | WARD 13 Cllr Gladness Sibongile Mswango • 072 436 5031 | WARD 14 Cllr Thabiso Patrick Molefe 083 691 1400 | WARD 15 Cllr Malika Nene 079 795 1883 | WARD 16 Cllr Zuma Bhakabantu Michael • 078 251 4865 | WARD 17 Cllr Sithole Thamsanga Wonderboy • 078 787 6595 | WARD 18 Cllr Gwala Sindiswa Cyd 082 736 6350 | WARD 19 Cllr Ndawonde Caphes 073 431 4277 | WARD 20 Cllr Nelsiwe Zanele (TU) Ndlovu • 073 230 4802 | WARD 21 Cllr Bhakimbamba Muza Mkhize • 082 656 3028 |
| WARD 22 Cllr Xolani Ellington Ngongoma • 072 962 4857 | WARD 23 Cllr Phungula Bernard Dumiseni • 083 328 8328 | WARD 25 Cllr Malika Singh 072 900 1369 | WARD 26 Cllr Ross Bryn Strachan 076 862 6101 | WARD 27 Cllr Manqoba Ngubo 082 701 0321 | WARD 28 Cllr Claudel Milany Chetty 084 599 8832 | WARD 29 Cllr Spha Sydney Madala 084 019 1397 | WARD 30 Cllr Rensha Jughman 083 486 7932 | WARD 31 Cllr Rossana Ahmed 079 376 6958 | WARD 32 Cllr Shawn Adkins 085 623 3556 |
| WARD 33 Cllr Nkululeko Mkhize 076 794 7999 | WARD 34 Cllr Mike Ismail Amod 082 786 2127 • 079 674 4637 | WARD 35 Cllr Sandle Wellington Dlamini • 072 646 5087 | WARD 36 Cllr Winterbach Ludwig Johann • 084 511 4170 | WARD 37 Cllr Sandra Patricia Lyne 082 896 5264 | WARD 38 Cllr Godman (SOX) Nkosiwelle Dlamini • 079 915 0545 | WARD 39 Cllr Ignatia Thandwe Madondo • 071 426 6902 | | | |

It's important for ALL Msunduzi Local Municipality citizens to know their Councillor as they are the link between the municipality and the community we serve.

What is a Local Councillor?

- A Local Councillor is a person who provides political leadership in a ward of a municipality. It can be a metropolitan municipality, district municipality or local municipality.
- A Local Councillor can be elected as an independent candidate or represent a political party. They occupy an office for a period of five years in line with the local government elections.

What is the role of a Councillor?

- A ward Councillor is expected to make sure that the concerns raised by community in his/her ward are represented in council.
- He/she must also ensure that the ward committee exists and that people in the ward participate in local government.
- The Councillor must report back regularly through ward meetings and help the community in identifying needs and priority areas of development, which will help the municipality's planning processes.

Types of Councillors:

- A Ward Councillor ensures that the interests of people in a specific ward are represented in Council. He/she reports on council activities on a regular basis to the ward to strengthen the relationship with community.
- A Proportional Representative Councillor is a member of a political party and is elected through the party lists. He/she is accountable to the party.
- An Independent Councillor does not belong to a political party and is accountable to the people who have elected him/her to represent their interests.

Issues you can raise with your Councillor:

- Water supply
- Illegal electricity connections
- Housing
- Refuse collection
- Faulty traffic lights
- Dilapidated infrastructure
- Grass that needs cutting
- Any other services offered by the municipality.

Complaints against your Councillor:

When you have a complaint against your Councillor, you can approach the Chief Whip's office of the political party he or she belongs to. If it is an independent Councillor, you can approach or send a petition to the Council's office.

COUNCILLORS

Councillors are elected representatives serving a predetermined term of office on the local council on behalf of their respective constituents. The Msunduzi Municipal Council has a total of 78 seats. Thirty-nine (39) of these seats are allocated to ward Councillors who are elected through the wards they represent. The other 39 seats are allocated to political parties in proportion to the number of votes cast for the respective parties.

COMMITTEE ALLOCATIONS – 1 JULY 2016 – 30 JUNE 2017

| COMMITTEE ALLOCATIONS – JULY 2016 – JUNE 2017 | | |
|---|---------------------------------|---|
| PORTFOLIO COMMITTEE | CHAIRPERSON | MEMBERS |
| Sustainable Development and City Enterprises | Cllr EN Majola | Cllr R Ahmed, Cllr CM Chetty, Cllr TI Dlamini, Cllr AS Dlamini, Cllr WF Lambert, Cllr SS Madlala, Cllr EZ Ntombela, Cllr KM Ngcobo, Cllr MH Oumar, Cllr NM Mbanjwa, Cllr SR Mhlongo, Cllr DS Mkhize, Cllr NZ Ndlovu, Cllr SD Nene |
| Corporate Services | Cllr P Sithole | Cllr GMJ Dladla-Ngubo, Cllr NJ Gwala, Cllr CO Lots(RESIGNED), Cllr TV Magubane, Cllr TS Majola, Cllr TP Molefe, Cllr N Ntshangase, Cllr TD Ntombela, Cllr M Singh, Cllr R Soobiah, Cllr P Sivinath, Cllr MB Zuma, Cllr M Zungu, Cllr S Adkins |
| Infrastructure Services | Cllr TR Zuma (Deputy Mayor) | Cllr TI Dlamini, Cllr LL Madlala, Cllr IT Madondo, Cllr G McArthur, Cllr N Naidoo, Cllr EZ Ntobela, Cllr DB Phungula, Cllr S Shange, Cllr MS Sokhela, Cllr DP Zondi, Cllr MP Zondo, Cllr TRM Zungu |
| Community Services | Cllr SD Khumalo | Cllr MI Amod, Cllr NE Dlela, Cllr GN Dlamini, Cllr U Haswell, Cllr SP Lyne, Cllr SS Madlala, Cllr GS Mncwango, Cllr BS Mtshali, Cllr PN Msimang, Cllr J Nene, Cllr JM Ngcobo, Cllr RZ Ngubo, Cllr BC Sokhela |
| Financial Services | The Mayor Councillor T Njilo | Cllr SW Dlamini, Cllr MS Goga, Cllr TW Gwala, Cllr M Inderjit, Cllr JS Majola, Cllr PN Msimang, Cllr SC Ndawonde, Cllr BC Nhlabathi, Cllr TD Ntombela, Cllr MH Oumar, Cllr TW Sithole, Cllr RB Strachan, Cllr HM Zondi |
| Municipal Public Accounts | Cllr M Schalkwyk | Cllr M Ngubo, Cllr NC Gambu, Cllr XE Ngongoma, Cllr NB Ahmed, Cllr SI Madonda, Cllr MB Mkhize, Cllr LJ Winterbach, Cllr R Jugmohan, Cllr P Duma, Cllr BE Zuma, Cllr R Niemand, Cllr SD Ngubane |

Table 15.1: Ward Councillors By Political Party (2016 – 2017)

| WARD COUNCILLORS LIST | | |
|-----------------------|--|-----------------|
| WARD | NAME | POLITICAL PARTY |
| 1 | Jabu Ngubo (The Speaker) | (ANC) |
| 2 | Blessing Sbusiso Mtshali | (ANC) |
| 3 | Madlala Linda Linford | (ANC) |
| 4 | Hamilton Mlungisi Zondi | (ANC) |
| 5 | Nkosinathi Maxwell Mbanjwa | (ANC) |
| 6 | Snothi Raphael Mhlongo | (ANC) |
| 7 | Sandile Duncan Ngubane | (ANC) |
| 8 | Makhosazane Precious Zondo | (ANC) |
| 9 | Ngcobo Jeffrey Mbuyiselwa | (ANC) |
| 10 | Nkosinathi Chasewell Nhlakanipho Gambu | (ANC) |
| 11 | Madonda Innocent Siphos | (ANC) |
| 12 | Majola Terence Sboniso | (ANC) |
| 13 | Gladness Sibongile Mncwango | (ANC) |
| 14 | Thabiso Patrick Molefe | (ANC) |
| 15 | Jabulani Nene | (ANC) |
| 16 | Zuma Bhokabantu Michael | (ANC) |
| 17 | Sithole Thamsanqa Wonderboy | (ANC) |
| 18 | Gwala Sindisiwe Cydy | (ANC) |
| 19 | Ndawonde Caiphas | (ANC) |
| 20 | Nelisiwe Zanele (TU) Ndlovu | (ANC) |
| 21 | Bhekithemba Mtuza Mkhize | (ANC) |
| 22 | Xolani Ellington Ngongoma | (ANC) |
| 23 | Phungula Bernard Dumisani | (ANC) |
| 24 | Prudence Nokuthula Msimang (EXCO) | (ANC) |
| 25 | Melika Singh | (DA) |
| 26 | Ross Bryn Strachan | (DA) |
| 27 | Manqoba Ngubo | (ANC) |
| 28 | Claudell Milany Chetty | (DA) |
| 29 | Spha Sydney Madlala | (ANC) |
| 30 | Renesha Jugmohan | (DA) |
| 31 | Roosana Ahmed | (DA) |
| 32 | Shawn Adkins | (DA) |
| 33 | Nkululeko Mkhize | (DA) |
| 34 | Mike Ismail Amod | (ANC) |
| 35 | Sandile Wellington Dlamini | (ANC) |
| 36 | Winterbach Ludwig Johann | (DA) |
| 37 | Sandra Patricia Lyne | (DA) |
| 38 | Godman (SOX) Nkosivelile Dlamini | (ANC) |
| 39 | Ignatia Thandiwe Madondo | (ANC) |

Table 15.2: Proportional Representation Councillors By Political Party (2016 – 2017)

| MSUNDUZI MUNICIPALITY PR COUNCILLORS LIST | | |
|---|-------------------------------------|-----------------|
| | NAME | POLITICAL PARTY |
| 1 | The Mayor: Themba Njilo | (ANC) |
| 2 | The Deputy Mayor: Thobani Zuma | (ANC) |
| 3 | Prudence Nokuthula Msimang | (ANC) |
| 4 | Tholakele Ignatia Dlamini | (ANC) |
| 5 | Philisiwe Sithole | (ANC) |
| 6 | Sphamandla Dennis Khumalo | (ANC) |
| 7 | Eunice Nomagugu Majola | (ANC) |
| 8 | Glenn Robert McArthur | (DA) |
| 9 | Jerome Sibongiseni Majola | (DA) |
| 10 | Dennis T Ntombela | (IFP) |
| 11 | The Speaker: Jabulisile Joyce Ngubo | (ANC) |
| 12 | The Chief Whip: Truman V. Magubane | (ANC) |
| 13 | Gugu Mary-Jane | (ANC) |
| 14 | Dladla/Ngubo | (ANC) |
| 15 | Fucwana Rose Marry Zungu | (ANC) |
| 16 | Ntuthuko Ntshangase | (ANC) |
| 17 | Ambrosia Sibongile Dlamini | (ANC) |
| 18 | Mary Schalkwyk | (ANC) |
| 19 | Ethel Zodwa Ntombela | (ANC) |
| 20 | Dorcas Sibongile Mkhize | (ANC) |
| 21 | Rachel Soobiah | (ANC) |
| 22 | Manilal Inderjit | (ANC) |
| 23 | Mehmood-UL-Hassan Oumar | (ANC) |
| 24 | Mansizwa Simon Sokhela | (ANC) |
| 25 | Nelisiwe Jannet Gwala | (ANC) |
| 26 | Najmah B. Ahmed | (ANC) |
| 27 | Ningi J Zungu | (ANC) |
| 28 | Kathrine Malindi Ngcobo | (ANC) |
| 29 | William Francis Lambert | (DA) |
| 30 | Bongumusa Cyril Nhlabathi | (DA) |
| 31 | Naleni Naidoo | (DA) |
| 32 | Regina Zinhle Ngubo | (DA) |
| 33 | Zuma Bukelani E | (IFP) |
| 34 | Dolo Phillip Zondi | (IFP) |
| 35 | S'fiso Derrick Nene | (IFP) |
| 36 | Sokhela Balozile C | (IFP) |
| 37 | Sandile Cyril Shange | (EFF) |
| 38 | Rajdave Sivnath | (EFF) |
| 39 | Prince Dumisa Duma | (EFF) |
| 40 | Nomalady E. Dlela | (AIC) |
| 41 | Rienus Niemand | (ACDP) |
| 42 | Mohamed Salim Goga | (AL JAMA-AH) |

COUNCILLOR ATTENDANCE AT MEETINGS 2016/2017 FINANCIAL YEAR

Councillor attendance is monitored by the Office of the Speaker based on the attendance registers that are recorded by the Secretariat during meetings and forwarded to the Office of the Speaker at the end of each meeting. The table below indicates the number of meetings attended by each Councillor during the period 1 July 2016 – 30 June 2017. In certain instances, though very few, Councillors attended meetings but did not sign the attendance registers and this omission may slightly compromise the accuracy of the number of meetings actually attended by some Councillors.

NUMBER OF MEETINGS ATTENDED BY COUNCILLORS FROM 01 JULY 2016 TO 30 JUNE 2017

| | Councillor's Name | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | March | April | May | June | Total |
|----|---------------------------------|------|-----|------|-----|-----|-----|-----|-----|-------|-------|-----|------|-------|
| 1 | The Speaker: Clr JJ Ngubo | N/A | 1 | 4 | 5 | 4 | 4 | 2 | 3 | 3 | 2 | 2 | 3 | 33 |
| 2 | The Mayor: Clr T Njilo | N/A | 1 | 4 | 6 | 4 | 2 | 4 | 4 | 4 | 4 | 2 | 5 | 40 |
| 3 | Deputy Mayor: Clr TR. Zuma | N/A | 1 | 5 | 6 | 4 | 4 | 4 | 5 | 5 | 2 | 4 | 3 | 43 |
| 4 | The Chief Whip: Clr TV Magubane | N/A | 1 | 6 | 4 | 4 | 3 | 3 | 2 | 3 | 2 | -- | 3 | 31 |
| 5 | Adkins S | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 1 | 2 | 2 | 5 |
| 6 | Ahmed NB | N/A | 1 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 13 |
| 7 | Ahmed R | N/A | 1 | 2 | 3 | 3 | 1 | 1 | 6 | 8 | 2 | 3 | 2 | 32 |
| 8 | Amod MI | N/A | 1 | 2 | 3 | 3 | -- | 1 | 2 | 2 | 2 | -- | 1 | 17 |
| 9 | Chetty CM | N/A | 1 | 2 | 2 | 2 | 1 | 1 | 3 | 2 | 2 | 3 | 3 | 22 |
| 10 | Dlamini AS | N/A | 1 | 2 | 3 | 1 | -- | 1 | 3 | 2 | 2 | 1 | 2 | 18 |
| 11 | Dlamini GN | N/A | 1 | 1 | 2 | 3 | -- | -- | 2 | 2 | 2 | 1 | 1 | 16 |
| 12 | Dlamini SW | N/A | 1 | 2 | 4 | 1 | | 2 | 3 | 3 | 3 | 1 | 1 | 21 |
| 13 | Dlamini TI | N/A | 1 | 5 | 7 | 5 | 4 | 4 | 5 | 5 | 3 | 3 | 5 | 47 |

| | Councillor's Name | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | March | April | May | June | Total |
|----|-------------------|------|-----|------|-----|----------|-----|-----|-----|-------|-------|-----|------|-------|
| 14 | Dlela NE | N/A | 1 | 2 | 1 | 1 | 1 | 1 | -- | 1 | 1 | 1 | 1 | 11 |
| 15 | Duma PD | N/A | 1 | 1 | 2 | 1 | 1 | 1 | 2 | 2 | 1 | 2 | -- | 14 |
| 16 | Gambu NCN | N/A | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 7 | 1 | 2 | 2 | 23 |
| 17 | Goga MS | N/A | 1 | 2 | 2 | | 1 | 2 | 3 | 2 | 3 | 2 | 1 | 19 |
| 18 | Gwala NJ | N/A | 1 | 2 | 3 | 2 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 20 |
| 19 | Gwala SC | N/A | 1 | 2 | 2 | 1 | 1 | 2 | 3 | 2 | 2 | 1 | 3 | 20 |
| 20 | Haswell UJ | N/A | 1 | 2 | 2 | 2 | -- | 1 | 1 | -- | -- | -- | -- | 9 |
| 21 | Inderjit M | N/A | 1 | 2 | 4 | | 1 | 1 | 2 | 3 | 3 | 2 | 3 | 22 |
| 22 | Jugmohan R | N/A | 1 | 1 | 3 | 1 | 1 | 1 | 4 | 6 | 1 | 2 | 2 | 23 |
| 23 | Khumalo SD | N/A | 1 | 5 | 6 | 6 | 3 | 2 | 5 | 4 | 4 | 4 | 3 | 43 |
| 24 | Lambert WF- JP | N/A | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 2 | 1 | 17 |
| -- | Lotz CO | N/A | 1 | 2 | 2 | Resigned | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 5 |
| 25 | Lyne SP | N/A | 1 | 2 | 3 | 3 | -- | 1 | 2 | 2 | 1 | 1 | 1 | 17 |
| 26 | Madlala LL | N/A | 1 | 2 | 3 | 1 | 1 | 2 | 2 | 1 | 2 | 1 | 1 | 18 |
| 27 | Madlala SS | N/A | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 1 | 2 | 18 |
| 28 | Madonda SI | N/A | 1 | 2 | 3 | 2 | 1 | 1 | 4 | 6 | -- | 2 | 2 | 24 |
| 29 | Madondo IT | N/A | 1 | 2 | 3 | | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 18 |
| 30 | Majola NE | N/A | 1 | 6 | 6 | 5 | 2 | 3 | 6 | 5 | 4 | 5 | 4 | 47 |
| 31 | Majola JS | N/A | 1 | 6 | 7 | 4 | 4 | 3 | 7 | 7 | 6 | 5 | 4 | 54 |
| 32 | Majola ST | N/A | 1 | 2 | 2 | 1 | -- | -- | 1 | 1 | 1 | -- | 1 | 10 |
| 33 | Mbanjwa NM | N/A | 1 | 2 | 3 | 2 | 1 | 1 | 3 | 2 | 2 | 2 | 2 | 21 |
| 34 | McArthur GR | N/A | 1 | 3 | 4 | 4 | 4 | 4 | 5 | 5 | 3 | 4 | 4 | 41 |
| 35 | Mkhize DS | N/A | 1 | 2 | 2 | -- | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 13 |
| 36 | Mkhize MB | N/A | 1 | 2 | 2 | 2 | 1 | 1 | 2 | 5 | 1 | 2 | -- | 19 |
| 37 | Mhlongo SR | N/A | 1 | 2 | 3 | 1 | 1 | -- | -- | 2 | 2 | 2 | 1 | 15 |
| 38 | Mncwango GS | N/A | 1 | 2 | 3 | 3 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 20 |
| 39 | Mtshali BS | N/A | 1 | 1 | 3 | 3 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 18 |
| 40 | Molefe TP | N/A | 1 | 2 | 3 | 2 | 2 | 1 | 2 | 2 | 2 | 1 | 1 | 19 |
| 41 | Msimang PN | N/A | 1 | 5 | 6 | 1 | 3 | 4 | 6 | 5 | 5 | 3 | 4 | 43 |
| 42 | Naidoo N | N/A | 1 | 3 | 3 | 1 | 2 | 2 | 2 | 1 | 2 | 1 | 2 | 20 |
| 43 | Ndawonde SC | N/A | 1 | 2 | 3 | 1 | 1 | 2 | 3 | 3 | 2 | 2 | 2 | 22 |
| 44 | Ndlovu NZ | N/A | 1 | 1 | 3 | 1 | 1 | 1 | 3 | 1 | 2 | 2 | 2 | 18 |
| 45 | Nene J | N/A | 1 | 1 | 3 | 3 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 18 |
| 46 | Nene SD | N/A | 1 | 2 | 3 | 2 | 1 | 1 | 3 | 1 | 2 | 1 | 2 | 19 |
| 47 | Ngcobo KM | N/A | | 2 | 1 | 1 | 1 | 1 | 3 | 1 | 2 | 2 | 3 | 17 |
| 48 | Ngcobo JM | N/A | 1 | 2 | 2 | -- | | 1 | 2 | 1 | -- | -- | -- | 9 |
| 49 | Ngongoma XE | N/A | 1 | 2 | 1 | 2 | 1 | 1 | 4 | 7 | 2 | 1 | 2 | 24 |
| 50 | Ngubane SD | N/A | 1 | 2 | 3 | 2 | 1 | -- | 2 | 7 | 1 | 1 | 2 | 22 |
| 51 | Ngube GM | N/A | 1 | 2 | 3 | 1 | 1 | -- | 2 | 1 | 2 | 1 | -- | 14 |
| 52 | Ngubo M | N/A | 1 | 2 | 3 | 2 | 1 | 1 | 3 | 7 | 1 | 2 | 2 | 25 |
| 53 | Ngubo RZ | N/A | 1 | 2 | 3 | 3 | 1 | -- | 2 | 2 | 1 | 1 | 1 | 17 |
| 54 | Nhlabathi BC | N/A | 1 | 2 | 3 | 1 | 1 | 2 | 2 | 2 | 3 | 2 | 2 | 20 |
| 55 | Niemand R | N/A | 1 | -- | 2 | 2 | -- | 1 | 2 | 5 | 1 | 2 | 2 | 18 |
| 56 | Ntombela EZ | N/A | 1 | 2 | 3 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 15 |
| 57 | Ntombela TD | N/A | 1 | 6 | 9 | 5 | 7 | 5 | 6 | 8 | 7 | 4 | 6 | 64 |
| 58 | Ntshangase N | N/A | 1 | 2 | 5 | 2 | 1 | 3 | 3 | 1 | 2 | 3 | 4 | 27 |
| 59 | Oumar MH | N/A | 1 | 2 | 2 | 2 | 1 | 1 | 3 | 2 | 1 | 3 | 3 | 21 |
| 60 | Phungula DB | N/A | 1 | 2 | 4 | | 1 | 2 | 1 | 1 | 2 | 1 | 1 | 16 |
| 61 | Schalkwyk M | N/A | 1 | 2 | 3 | 2 | 1 | 1 | 4 | 6 | 1 | 2 | 2 | 25 |
| 62 | Shange SC | N/A | 1 | 2 | 2 | -- | 1 | -- | 1 | 1 | 1 | -- | -- | 9 |
| 63 | Singh M | N/A | 1 | 2 | 3 | 2 | 2 | 1 | 2 | 2 | 2 | 2 | 2 | 21 |
| 64 | Sithole P | N/A | 1 | 4 | 6 | 5 | 3 | 3 | 3 | 5 | 4 | 3 | 5 | 42 |
| 65 | Sithole TW | N/A | 1 | 2 | 4 | 1 | 1 | 2 | 1 | 3 | 3 | 2 | 3 | 23 |
| 66 | Sivnath R | N/A | 1 | 2 | 2 | 1 | 2 | 1 | 2 | 2 | 1 | 2 | 2 | 18 |
| 67 | Sokhela BC | N/A | 1 | 2 | 1 | 2 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 14 |
| 68 | Sokhela MS | N/A | 1 | 2 | 3 | 1 | 2 | 2 | 1 | 2 | 2 | 1 | 2 | 19 |
| 69 | Soobiah R | N/A | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 | 1 | 2 | 2 | 17 |
| 70 | Strachan RB | N/A | 1 | 2 | 4 | 1 | 1 | 2 | 3 | 3 | 2 | 1 | 3 | 23 |
| 71 | Winterbach LJ | N/A | -- | -- | 2 | 2 | 1 | -- | -- | -- | 1 | 2 | 2 | 10 |
| 72 | Zondi DP | N/A | 1 | 2 | 2 | -- | -- | 1 | 1 | 1 | 2 | 1 | 1 | 12 |
| 73 | Zondi HM | N/A | 1 | 2 | 2 | 1 | -- | 1 | 1 | -- | 1 | 1 | 1 | 11 |
| 74 | Zondo MP | N/A | 1 | 2 | 5 | 1 | 2 | 3 | 1 | 4 | 4 | 2 | 3 | 28 |
| 75 | Zuma BE | N/A | 1 | 2 | 3 | 1 | 1 | 1 | 1 | 5 | -- | 1 | -- | 16 |
| 76 | Zuma MB | N/A | 1 | 2 | 3 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 2 | 20 |
| 77 | Zungu NJ | N/A | N/A | N/A | 1 | 1 | 2 | -- | 1 | 2 | 1 | 1 | 2 | 11 |
| 78 | Zungu TRM | N/A | 1 | 2 | 1 | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 1 | 15 |

MSUNDUZI MUNICIPALITY PORTFOLIO COMMITTEES BY NAME & PURPOSE

The following are the Committees that were established to assist the Council to efficiently and effectively perform its functions and exercise of its powers:

MSUNDUZI MUNICIPALITY COUNCIL COMMITTEES, PORTFOLIO COMMITTEES AND OTHER COMMITTEES BY NAME & PURPOSE

At its meeting which was held on 29 June 2016, Council took a resolution adopting the Terms of Reference and the establishment of the following committees:

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

Municipal Public Accounts Committee (MPAC) is established in terms of section 79 of the Structures Act, 1998 and is made up of ordinary Councillors to oversee the expenditure of public funds in order to ensure the efficient and effective utilization of council resources and to enhance the political accountability of Council. It exercises an oversight role over the Executive and the Administration on behalf of the Council, with regard to matters falling within its area of competence and reports directly to Council. The primary purpose of the MPAC is to assist Council to hold the executive and the municipal administration to account. To this end, it reviews and examines annual report as well as audit reports on the financial and administrative affairs of the municipality and may initiate, direct and supervise investigations into any matter falling within its terms of reference, including projects requested by Council and Executive Committee.

APPEALS COMMITTEE

The Appeals Committee is constituted in terms of section 62 (4) (c) (ii) of the Local Government: Municipal Systems Act, 2000 to hear appeals against decisions taken by a political structure, political office bearer or a Councillor of the Municipality in terms of a power or duty delegated or sub-delegated to it by a delegating authority. The Committee has the power to decide all appeals against decisions taken by a political structure, political office bearer or a Councillor of the municipality.

SECURITY COMMITTEE

The Security Committee is constituted in terms of section 79 of the Structures Act to consider and deal with cases of threats directed to Councillors and senior officials and are associated with or linked to the performance of their duties as municipal councillors and senior officials. The Committee is empowered to make emergency decisions where it deems necessary and incur concomitant expenditure or make recommendations to Council.

RECESS COMMITTEE

The recess Committee is established in terms of section 79 of the Structures Act to deal with any emergency or urgent matters which may emerge and require urgent attention when the Council is in recess and those matters that could not be finalized before the Council went to recess and have been designated as such to the Recess Committee to finalize them.

EXECUTIVE COMMITTEE

The Executive Committee established in terms of section 42 of the Local Government: Municipal Structures Act No. 117 of 1998 (the Structures Act) and is the principal committee of the Municipal Council which guides the Council in performing its role of political oversight of the municipality's functions, programmes and the management of the administration. The Committee presents its resolutions and recommendations to Council.

COMMITTEES TO ASSIST THE EXECUTIVE COMMITTEE

The following Committees have been established in terms of section 80 of the Structures Act to assist the Executive Committee:

The Corporate Services Portfolio Committee

This Portfolio Committee is charged with the responsibility for efficient and effective Council and Committee support services, legally compliant human resources management, information management and legal services.

The Financial Services Portfolio Committee

This Portfolio Committee is responsible for the matters relating to the transparent, efficient and effective management of municipal finances which includes in the main treasury and budget management, supply chain management, revenue and expenditure management, as well as financial control and cash management.

The Infrastructure Services Portfolio Committee

This Portfolio Committee is responsible for municipal infrastructure planning, financing, development and maintenance landfill site management as well as water, sanitation, electricity, roads and storm water provisioning and management.

The Community Services Portfolio Committee

This Portfolio Committee is responsible for waste management, libraries, cemeteries and crematoria services, public safety and disaster management as well as traffic law enforcement services.

The Economic Development and Planning Portfolio Committee

This Portfolio Committee deals with integrated development planning matters, municipal markets, forestry and tourism, local economic development, environmental health as well as human settlements development and management.

POLITICAL DECISION-MAKING

The Rules and Procedures of Council and its Committees provide inter alia for the powers and functions that the Council may delegate and those it may not delegate, as well as the votes that are required when certain matters are decided.

In making decisions on the following matters, a supporting vote of a majority of the number of Councillors is required:-

- the passing of by-laws;
- the approval of budgets;
- the imposition of rates and taxes, levies and duties;
- the raising of loans;
- the rescission of a council resolution; and any other matter prescribed by legislation.

All other questions before the Council are decided by a majority of the votes cast and in the case of an equality of votes, the Councillor presiding (the Speaker) exercises a casting vote in addition to a vote he or she has as a Councillor.

Before the Council takes a decision on any of the following matters it first has to obtain the recommendations of the Executive Committee: -

- the passing of by-laws;
- the approval of budgets;
- the imposition of rates;
- the raising of loans;
- the approval of an integrated development plan for the Municipality and any amendment to that plan;
- the approval of a performance management system
- the appointment and conditions of service of the Municipal Manager and a head of department of the Council."

NUMBER OF MEETINGS HELD FOR EACH PORTFOLIO COMMITTEE FOR THE 2016/2017 FINANCIAL YEAR

| NUMBER AND TYPE OF COUNCIL COMMITTEE MEETING: | |
|---|--------|
| ITEM | NUMBER |
| Full Council | 12 |
| Executive Committee | 26 |
| Corporate Services | 8 |
| Financial Services | 13 |
| Infrastructure Services | 7 |
| Community Services | 7 |
| Sustainable Development & City Entities | 10 |
| Municipal Public Accounts Committee | 11 |

Note: Minutes of all meetings as well as attendance registers can be obtained from the Archives, Records and Information Unit.

2.2. ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The 2016/2017 financial year saw the operationalisation of the new 2013 Organizational Structure. Coupled with this was the release of the grade outcomes and the implementation of the TASK grading system.

The finalization of the allocation of permanent employees to the new structure provided the impetus for the permanent absorption of 1438 contract employees, those earning below the threshold of R172 000 per annum, and contracted within the Municipality for a period greater than three months, in compliance with the Basic Conditions of Employment Bill.

The City Manager is the head of the municipal administration. Subject to the policy directions of the municipal council, the City Manager is responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. The City Manager must make sure the administration is equipped to implement the municipality's integrated development plan, that it operates in accordance with the municipality's performance management system, and that it is responsive to the needs of the local community.

The roles and responsibilities of the City Manager are comprehensively set out in Section 55 of the Municipal Systems Act and responsibilities of the City Manager as Accounting Officer is set out in Chapter 8 of the Municipal Finance Management Act, 56 of 2003.

The City Manager's office has assumed direct responsibility for Communications and Corporate Strategy as well as the drafting, management and implementation of Council's Integrated Development Plan [IDP]. The Internal Audit unit is also located in the Municipal Manager's office and ensures compliance with municipal legislation.

In addition, the five Business Units that mirror the committee portfolios also report to the Municipal Manager. These Business Units, each headed by a Deputy Municipal Manager, ensure that services are delivered to the people of the Msunduzi Municipality. They are:

- Infrastructure services;
- Community services;
- Economic Development;
- Financial Services; and
- Corporate services.

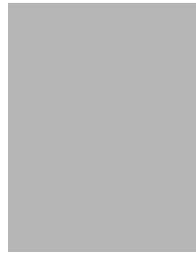
The City Manager and his team of executive managers hold weekly meetings to discuss key strategic service deliverables, and to offer guidance on achieving IDP goals. The administrative component is aligned with the five National Key Performance Areas; **Financial Viability and management, Local economic Development, Basic service delivery and Infrastructure development, Good Governance and Public Participation, Institutional Development and Transformation, Environmental Planning and Social Services**

TOP ADMINISTRATIVE STRUCTURE

| | | | | | |
|---|---|--|---|---|--|
| <div> <div>TIER 1</div> <div>CITY MANAGER Sizwe Hadebe (A)</div> </div> | | | | | |
| <div> <div>FUNCTIONS</div> <div> Communications Integrated Development Plan Internal Audit and Risk Monitoring & Evaluation Policy, Strategy and Research </div> </div> | | | | | |
| <div>TIER 2</div> <div>GENERAL MANAGER: Budget and Treasury Office N Ngcobo</div> | <div>TIER 2</div> <div>GENERAL MANAGER: Corporate Services M Molapo</div> | <div>TIER 2</div> <div>GENERAL MANAGER: Community Services B Zulu</div> | <div>TIER 2</div> <div>GENERAL MANAGER: Infrastructure Services SE Nomnganga</div> | <div>TIER 2</div> <div>GENERAL MANAGER: Sustainable Development Dr R Ngcobo</div> | CITY MANAGERS OFFICE |
| <div>TIER 3</div> <div> Senior Manager: Expenditure Management S Nxumalo Senior Manager: evenue B Ngobese Process Manager: Budget S Khoza Senior Manager: Supply Chain D Ndlovu Senior Manager: Asset Management Vacant Senior Manager: Financial Performance Vacant </div> | <div>TIER 3</div> <div> Senior Manager: Human Resources Management F Ndlovu Senior Manager: Legal Services (Vacant) Senior Manager: Secretariate and Auxiliary Services S Dubazana Senior Manager: ICT X Ngebulana </div> | <div>TIER 3</div> <div> Senior Manager: Waste Management R Raghunandan Senior Manager: Community Development M Zuma Senior Manager: Public Safety K Khumalo Senior Manager: ABM L Kunene </div> | <div>TIER 3</div> <div> Senior Manager: Roads and Transportation Vacant Senior Manager: Electricity Management Vacant Senior Manager: Water and Sanitation B Sivparsad Programme Manager: PMU S Kunene </div> | <div>TIER 3</div> <div> Senior Manager: Development Services Vacant Senior Manager: Planning & Environment T Cowie Senior Manager: Human Settlements E Nombungu Senior Manager: Municipal Entities S Zimu </div> | <div>TIER 3</div> <div> Senior Manager: City Managers Office M Jackson Senior Manager: PURP Vacant Senior Manager: Political Support Vacant Senior Manager: Strategic Planning Vacant Manager: Internal Audit PJ Mahlaba </div> |
| <div>FUNCTIONS</div> <div> Budget & Financial Control Expenditure Management and Financial Control Revenue Management & Customer Care Supply Chain Management Treasury and Financial Support </div> | <div>FUNCTIONS</div> <div> Recruitment and Selection Staff establishment HR Support Services Benefits Administration Employee Relations Occupational Health, Safety and Wellness Skills Development Organisational Development Performance Management Secretariat and Auxiliary ICT Registry Legal services </div> | <div>FUNCTIONS</div> <div> HIV and AIDS Parks Sports and Recreation Facilities Libraries Disaster Management Fire and Emergency Services Traffic and Security Services Waste Management Area Based Management </div> | <div>FUNCTIONS</div> <div> Electricity Distribution, Technical Services, Roads, Storm-water and Transportation Public Works Infrastructure Design & Implementation Project Management Water and Sanitation </div> | <div>FUNCTIONS</div> <div> Development Services Town Planning Real Estate and Housing. Environmental Management and Land Survey, Building Inspectorate and Licensing. Human Settlements Entities Environmental Health </div> | <div>FUNCTIONS</div> <div> IDP Communication OPMS PMB Urban Renewal Political Offices MPAC Chair Strategic Planning Internal Audit </div> |

FUNCTIONAL ORGANOGRAM:

SENIOR MANAGEMENT STRUCTURE



**CITY
MANAGER**
VACANT



**DMM: COMMUNITY
SERVICES**

MS. BONIWE ZULU

- PUBLIC SAFETY
- COMMUNITY DEVELOPMENT
- AREA BASED MANAGEMENT
- WASTE MANAGEMENT



**DMM: ECONOMIC
DEVELOPMENT**

DR. RAY NGCOBO

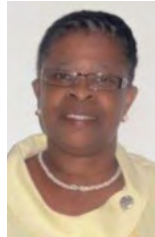
- DEVELOPMENT SERVICES
- PLANNING AND ENVIRONMENT
- HUMAN SETTLEMENTS
- MUNICIPAL ENTITIES



**DMM: FINANCIAL
SERVICES**

**MRS. NELISIWE
NGCOBO**

- EXPENDITURE MANAGEMENT
- REVENUE MANAGEMENT
- BUDGET IMPLEMENTATION AND MONITORING
- SUPPLY CHAIN MANAGEMENT
- ASSET MANAGEMENT
- FINANCIAL PERFORMANCE



**DMM: CORPORATE
SERVICES**

**MS. MOSA
MOLAPO**

- HUMAN RESOURCES MANAGEMENT
- SECRETARIAT AND AUXILIARY SERVICES
- ICT
- LEGAL SERVICES



**DMM:
INFRASTRUCTURE
SERVICES**

**MR SABATHA
NOMNGANGA**

- ROADS AND TRANSPORTATION
- ELECTRICITY MANAGEMENT
- WATER AND SANITATION
- PMU



**MANAGER: OFFICE
OF MUNICIPAL
MANAGER**

**MS. MADELEINE
JACKSON**



**MANGER:
INTERNAL AUDIT**

**MR. PETROS
MAHLABA**

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The municipality continues to receive full support from the Office of the MEC for Cooperative Governance and Traditional Affairs. Substantial support in the development of a financial recovery plan has also been obtained from National Treasury. The Provincial Treasury has also assisted in terms of developing both the strategic and operational risk registers of the municipality. Whilst the Municipal Infrastructure Grant (MIG) was the primary source of funding for capital projects related to infrastructure development and basic services, the following basic services are delivered to the community using mechanisms of intergovernmental relations with National/ Provincial Departments and/or parastatals:

Water & Sanitation - Department of Water Affairs and Umgeni Water;
Housing - Department of Human Settlements;
Electricity - Department of Minerals & Energy and Eskom

Various other grants, such as the Neighbourhood Partnership Development Grant, have been received for the implementation of projects. All information related to grants received is disclosed as required in the Annual Financial Statements.

2.3. INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURE

The Municipality is a participant in a number of national forums. On an administrative level, the Chief Financial Officer (CFO) participates in the CFO's Forum which is convened by the National Treasury and the office of the Auditor General. The Municipal Manager participates in the National Municipal Managers Forum convened by the South African Local Government Association (SALGA). Both Councillors and management also participate in the SALGA National Members Assembly. The Corporates Services Unit is a member of the National Municipal Capacity Coordinating and Monitoring Committee. In light of the grant funding assistance received, the municipality participates in the National Treasury Forum of the National Development Partnership Grant (NDPG). Participation in these national forums is key to be able to network, benchmark and expose the municipality to a variety of developmental and funding opportunities.

The municipality remains a member of the South African Cities Network at a national level. The Mayor sits on the Board of Directors of the SACN and the Municipal Manager is an alternate.

The municipality continues to enjoy favourable relations with the following National Departments who have provided conditional grants to the municipality:

| Project Description | Funder | RECEIVED |
|--|-------------------|--------------------|
| Energy Efficiency Demand Side Management Grant | National Treasury | 8 000 000 |
| Expanded Public Works Programme | National Treasury | 6 809 000 |
| Finance Management Grant | National Treasury | 1 625 000 |
| Integrated National Electrification Programme | National Treasury | 8 000 000 |
| Municipal Infrastructure Grant | National Treasury | 190 617 000 |
| Neighbourhood Dev Partnership Grant | National Treasury | 22 110 000 |
| Public Transport Network Grant | National Treasury | 200 031 000 |
| Water Services Infrastructure Grant | National Treasury | 36 721 000 |
| Equitable Share | National Treasury | 432 307 000 |
| | | 906 220 000 |
| Housing Accreditation | Human Settlements | 10 189 200 |
| Library | Arts and Culture | 19 896 000 |
| | | 30 085 200 |
| | | 936 305 200 |
| NOT IN GAZETTE | | |
| Youth Enterprise Park | COGTA | 9 415 000 |
| Manaye Area Precinct Upgrade | COGTA | 5 000 000 |
| PMB Airport | KZN Treasury | 1 124 444 |
| Development of Single Scheme | COGTA | 1 000 000 |
| | | 16 539 444 |
| | | 952 844 644 |

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The City Manager and the Mayor participate in the technical and provincial MUNIMEC respectively. They also participate in the Premier's Coordinating Forum. The provincial SALGA convene the provincial MM's Forum of which the Municipal Manager does attend. The Mayor is the chairperson of the provincial SALGA Human Resources Working Group.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipality has one municipal entity called Safe City. Safe City is dedicated to making the City of Pietermaritzburg a better place in which to live, work and play. The project has a number of elements, including:

1. The monitoring of crime through 70 CCTV cameras in the City;
2. An SMS programme which encourages citizens to report suspicious behaviour and activities;
3. c-SAFE, a panic alert system accessible from your cell phone.

During the 2016 / 2017 financial year, the municipality continued to investigate the establishment of municipal entities for the following functions:

- Municipal Market;
- Forestry; and
- Airport

The studies in this regard have been concluded and the implementation of the same is being explored in the 2017 / 2018 financial year.

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Municipal Manager and the Mayor are members of the Technical District and Mayoral District Technical Forum respectively. The Municipal Manager is also the Chairperson of the District Corporate Services Forum.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

During the 2016/2017 financial year, the municipality had 39 functional ward committees which serve as a conduit between the municipality and the committee. In addition, a public participation policy and guideline was developed and approved by Council. In addition to ward committees, the Service Delivery and Budget Implementation Plan (SDBIP) is made public and published on the municipal website. This contains projected financial and service delivery Indicators and deliverables. Members of the public are also invited to participate in the Oversight process related to the Annual Report.

In the promotion of public accountability and participation members of the public are invited to attend all meetings of the Council and its committees. Another mechanism of public participation is conducted through Mayoral Budget and Integrated Development Plan (IDP) Izimbizo's. These are held prior to developing the draft budget in order to provide feedback to the community the implementation of projects in the current financial year and to illicit the needs of the community in order to provide input for the new financial year. A second Izimbizo is held once the draft budget has been developed in order to inform the public of key elements in the proposed budget and illicit responses thereto.

Section 2.4 below provides an outline of further mechanisms which the municipality utilizes as a mean of public participation.

2.4. PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Process Plan was approved by Full Council and published for public comment. The process plan was placed on the municipal website and around municipal buildings for public viewing. The Process Plan indicates different activities and milestones which are reflected in terms of the IDP review and PMS and Budget implementation and monitoring. The Msunduzi Municipality has a structured program of public participation. This program is reflected in the Process Plan and forms the basis for citizenry engagement framework which is currently mooted in a form of a public participation policy.

The following are forms of citizenry participation that are utilized by the Municipality to ensure the citizen and stakeholders voice are accommodated in the planning, execution and review of the IDP, Budget and PMS processes:

- Ward Committee Monthly Meetings
- Stakeholders Quarterly Meeting (Reporting on PMS Progress/SDBIP and IDP)
- Monthly Community Meetings by Councillors (due to financial constraints-are held once in two months /6 meetings per annum per ward)
- Project Based Meetings
- Sector Plan Based Engagements
- Executive Committee – Public Gallery
- Full Council Meeting – Public Gallery
- Integrated Development Planning Meetings
- Izimbizo: Public Meetings for Budget, IDP etc.
- Municipal Property Rates Act (MPRA)
- Service Standard or Charter
- Community Based Planning
- Complaints Register: Customer Care and Batho Pele Engagements
- Sukuma Sakhe – Premier's Flagship Tool for Accelerated Service Delivery at a Ward Base Level
- Attendance to invitations by Interest groups
- Partnerships and MOUs: MIDI, etc.

During the 2016/17 Financial Year the IDP Representatives Forum was revived and met four times with the primary objective of aligning municipal programmes with those of sector departments. The forum will meet on a quarterly basis's and will assist in driving the implementation of the IDP. Msunduzi Municipality has a developed communication strategy which embraces the need for responsiveness towards members of public complaints and ensuring the implementation of Batho Pele Principles.

The above various forms of public participation engagements are conducted throughout the year specifically at an operational level and then some of them are organized on a fortnightly, monthly, quarterly and annually as reflected in our Process Plan. Due to the magnitude of the events the municipality hosts an events management policy has been developed and adopted. The municipality takes public participation with the utmost dignity and complies with all the relevant legislation.

WARD COMMITTEES

Section 74 of the Municipal Structures Act, and regulation 5 of the Government Gazette No. 27699 Ward Committee, state that Ward Committees may have powers and functions delegated to them (which are essentially advisory in nature) in terms of S59 of the Municipal Systems Act, these are:

- 1) To serve as an official specialized participatory structure in the Msunduzi Municipality.
- 2) To create formal unbiased communication channels as well as a co-operative partnership between the community and the Council.
- 3) Advise and make recommendations to the Ward Councillor on matters of policy affecting the Ward.
- 4) Assisting the Ward Councillors in identifying the challenges and needs of residents.
- 5) Dissemination of information in the Ward concerning municipal affairs such as the budget, integrated development planning, performance management systems, service delivery options and municipal properties.
- 6) Receive queries and complaints from residents concerning municipal service delivery, communication with Council and provide feedback to the community on Council's response.
- 7) Ensure constructive and harmonious interaction between the municipality and community through the use and co-ordination of ward residents meetings and other community development forums,
- 8) and Interact with other organizations and forums on matters affecting the ward. A ward committee may also make recommendations on any matter affecting its ward to the ward councillor or through the ward councillor to the local council.

In total 146 ward committee meetings were held and 87 community meetings were held, broken down as follows:

WARD COMMITTEE MEETINGS 2016 /2017 FY

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|--|---|---|---|---|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 1 | 27.01.2017 | 1 | N/A | 8 | All portfolios must report annual programmes | Nil | Nil | None | None | |
| | 24.02.2017 | 1 | N/A | 8 | Ward Committees were invited to attend War Room | Nil | Nil | None | None | |
| | 11.03.2017 | 1 | N/A | 8 | Housing project, monthly meeting of stakeholders, upcoming project in the Ward | | | | | |
| 2 | 20.07.2017 | 1 | N/A | 9 | Water leak problem at Zayeka area at Mandakazi area, name list of people who have problem of falling houses | Nil | Nil | None | None | |
| | 20.06.2017 | 1 | N/A | 7 | Request for ramps crime and deaths happening at unregistered taverns, RDP housing. | | | | | |
| | 17.05.2017 | 1 | N/A | 9 | D2069 road at Mbutshane, EPWP programme, Zayeka Hall renovation, VDA housing project, Rehabilitating of Gcebeni Hall, Stadium rehabilitation programme to start, Mabane bridge, Zayeka road to be extended | Nil | Nil | None | None | |
| 3 | 20.04.2017 | 1 | N/A | 9 | Renovation of clinic, Khwezi project installing new globes which are electricity saving, Building of 50 new toilets at Soul city area, | Nil | Nil | None | None | |
| | 21.03.2017 | 1 | N/A | 10 | Water, Roads, and RDP houses issue and a need of high master lights at Insika area, new water reservoir to be made by uMgeni Water at Mbutshane area | Nil | Nil | None | None | |
| | 27.06.2017 | 1 | N/A | 10 | Buildin of new Huge Hall similar to Caluza area | Nil | Nil | None | None | |
| 3 | 23.05.2017 | 1 | 3 | 10 | Building of Nqabeni Multipurpose centre, | Nil | Nil | None | None | |
| | 23.04.2017 | 1 | N/A | 10 | Introduction of Community care project, Upgrading of Mpanza Road, Installation of Master lights at Mvelweni area, Request for the road at Mpande new sites is in IDP, Mpande community hall needs maintenance, Potholes at Maqube road, Darky road has been newly constructed. | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|---|---|---|---|---|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 4 | 05.03.2017 | 1 | Nil | 10 | Roads, shortage of water, Recreational parks, hall maintenance | Nil | Nil | None | None | |
| | 03.06.2017 | 1 | Nil | 5 | RDP Houses, EPWP contracts, school fencing (Mthlangqondo) | Nil | Nil | None | None | |
| | 08.04.2017 | 1 | Nil | 6 | Construction of Ndeleshane Road, Cllrs commitment to meet with community in every 3 months | Nil | Nil | None | None | |
| | 07.05.2017 | 1 | Nil | 8 | Construction of Church Road, child headed family issue, sports and business revival at Henley Village, Waste disposal issue, Water crisis, Toilets, Transport problem at Mgodini area | Nil | Nil | None | None | |
| 5 | 24.03.2017 | 1 | Nil | 8 | Housing | Nil | Nil | None | None | |
| 6 | 25.04.2017 | 1 | Nil | 7 | Introduction of Ward Committees | Nil | Nil | None | None | |
| | 07.05.2017 | 1 | Nil | 7 | Road, electricity | Nil | Nil | None | None | |
| 7 | 05.03.2017 | 1 | Nil | 10 | Access road, Water, Electricity, skills development, Renovation of community halls | Nil | Nil | None | None | |
| | 28.05.2017 | 1 | Nil | 10 | Crime, People living with disability | Nil | Nil | None | None | |
| | 06.06.2017 | 1 | Nil | 10 | Community safety and security, RDP houses, unemployment, HIV&AIDS, | Nil | Nil | None | None | |
| 8 | 24.03.2017 | 1 | Nil | 9 | Election of War room chairperson | Nil | Nil | None | None | |
| | 24.04.2017 | 1 | Nil | 10 | Reporting of sectors | | | | | |
| | 27.07.2017 | 1 | Nil | 10 | shortage of grazing land and dip in the area, illegal electricity connection, toilets and RDP houses | Nil | Nil | None | None | |
| 9 | 20.01.2017 | 1 | Nil | 7 | Water, transport, housing | Nil | Nil | None | None | |
| | 20.02.2017 | 1 | Nil | 5 | Water, transport, housing | Nil | Nil | None | None | |
| | 02.04.2017 | 1 | Nil | 8 | Transport, water, electricity | Nil | Nil | None | None | |
| | 05.06.2017 | 1 | Nil | 8 | Crime, | Nil | Nil | None | None | |
| 10 | 05.01.2017 | 1 | Nil | | Introduction of Ward committees | Nil | Nil | None | None | |
| | 26.02.2017 | 1 | Nil | 10 | Inauguration of Ward Committees | Nil | Nil | None | None | |
| | 15.03.2017 | 1 | Nil | 10 | Introduction of portfolios | Nil | Nil | None | None | |
| | 30.04.2017 | 1 | Nil | 10 | minute writing | Nil | Nil | None | None | |
| | 26.06.2017 | Not chaired by Cllr. | Nil | 10 | Retrenchment of construction workers, | Nil | Nil | None | None | |
| 11 | 18.01.2017 | 1 | Nil | 6 | Introduction of Ward committees, introduction of government departments | Nil | Nil | None | None | |
| | 07.02.2017 | 1 | Nil | 6 | Introduction of ward room | Nil | Nil | None | None | |
| | 07.03.2017 | 1 | Nil | 8 | Illegal connection of Electricity, | Nil | Nil | None | None | |
| | 06.06.2017 | 1 | Nil | | Replacement of foot bridge at Pakeni area | Nil | Nil | None | None | |
| 12 | 26.03.2017 | 1 | Nil | 10 | Introduction of Ward committee and importance of War room | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY | | | | | | | | | | |
|---|-----------------|---|--|--|---|---|---|---|---|--|
| Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 13 | 02.02.2017 | 1 | Nil | 8 | Unemployment, Payment of Housing project | Nil | Nil | None | None | |
| | 18.02.2017 | 1 | Nil | 7 | Back to school program | Nil | Nil | None | None | |
| | 26.02.2017 | 1 | Nil | 5 | Water, Selling of RDP houses, Food parcels | Nil | Nil | None | None | |
| | 11.03.2017 | 1 | Nil | 9 | Vegetable gardens programs, Poultry farming program, | Nil | Nil | None | None | |
| 14 | 30.04.2017 | 1 | Nil | 7 | A request for port field has been sent to the Municipality, Reports from different portfolios | Nil | Nil | None | None | |
| | 07.03.2017 | 1 | Nil | 8 | Planning meeting | Nil | Nil | None | None | |
| | 03.04.2017 | 1 | Nil | 10 | Phupha Raod, water and construction of Creche | Nil | Nil | None | None | |
| | 04.05.2017 | 1 | Nil | 10 | Water, Roads, Streetlights | Nil | Nil | None | None | |
| 15 | 22.05.2017 | 1 | Nil | 9 | Water, Roads, Streetlights | Nil | Nil | None | None | |
| | 03.02.2017 | 1 | Nil | 10 | construction of Tomu creche, Road construction, water | Nil | Nil | None | None | |
| | 25.02.17 | 1 | Nil | 10 | Crime, Housing, water | Nil | Nil | None | None | |
| | 25.04.2017 | 1 | Nil | 10 | Schedule of meeting dates and portfolios, blockages, Giving of title deeds by Dept of Housing | Nil | Nil | None | None | |
| 16 | 22.05.2017 | 1 | Nil | 10 | Distribution of wheelchairs, Project of a shopping centre, | Nil | Nil | None | None | |
| | 26.06.2017 | 1 | Nil | 10 | Distribution of wheelchairs, Project of a shopping centre, | Nil | Nil | None | None | |
| | 02.04.2017 | 1 | Nil | 10 | Rates, sewage project, fencing of grave yard | Nil | Nil | None | None | |
| | 02.05.2017 | 1 | Nil | 8 | land invasion. Indigent policy, postbox issue, housing | Nil | Nil | None | None | |
| 17 | 26.01.2017 | 1 | Nil | 10 | Rectification of wire walls, side walkways, water shortages, land invasion, road | Nil | Nil | None | None | |
| | 12.03.2017 | 1 | Nil | 7 | Theft, land invasion, | Nil | Nil | None | None | |
| | 14.05.2017 | 1 | Nil | 9 | Housing project willow EE phase1, EPWP, vegetation along the road | Nil | Nil | None | None | |
| | 08.06.2017 | 1 | Nil | 10 | Housing project, Rectification of wire walls illegal dumping and indigent forms | Nil | Nil | None | None | |
| 18 | 18.06.2017 | 1 | Nil | 5 | RDP houses, | Nil | Nil | None | None | |
| | 03.03.2017 | 1 | Nil | 6 | Introduction of construction company, boreholes, water | Nil | Nil | None | None | |
| | 01.05.2017 | 1 | Nil | 6 | land invasion | Nil | Nil | None | None | |
| | 05.05.2017 | 1 | Nil | 8 | Housing, land invasion | Nil | Nil | None | None | |
| 19 | 12.05.2017 | 1 | Nil | 6 | skills development, location of the hall at stodon site | Nil | Nil | None | None | |
| | 06.03.2017 | 1 | Nil | 10 | Water project, | Nil | Nil | None | None | |
| | 16.05.17 | 1 | Nil | 7 | DUT project, pipe project | Nil | Nil | None | None | |
| | 08.06.2017 | 1 | Nil | 10 | crime, promotion of arts and culture | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|---|---|---|---|---|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 20 | 16.03.2017 | 1 | Nil | 10 | SALGA games, indigent forms housing project, IDP report | Nil | Nil | None | None | |
| | 30.04.2017 | 1 | Nil | 7 | idp roads land owners, bridges | Nil | Nil | None | None | |
| | 18.05.17 | 1 | Nil | 6 | housing, completion of hall | Nil | Nil | None | None | |
| | 08.06.2017 | 1 | Nil | 9 | electricity, road and the bridge, CPF | Nil | Nil | None | None | |
| | 21.05.2017 | 1 | Nil | 8 | Purchasing of land from owners, conversion of pit toilets into flush system, crime, installation of water standpipes | Nil | Nil | None | None | |
| 22 | 16.01.2017 | 1 | Nil | 10 | Development, rape, housebreaking and crime, housing | Nil | Nil | None | None | |
| | 13.02.2017 | 1 | Nil | 10 | Proposal of garage construction, construction of sportsfield and library construction | Nil | Nil | None | None | |
| | 20.03.2017 | 1 | Nil | 10 | RDP housing, speedhumps, buying of land, robot in cnr of Mt Patridge | Nil | Nil | None | None | |
| 23 | 10.03.2017 | 1 | Nil | 8 | Toilets, VIP projects toilets, Eskom project-installation of electricity | Nil | Nil | None | None | |
| | 26.02.2017 | 1 | Nil | No attendance register | Rates, Land invasion in Masons Mill, housing project at peaceville, indigent policy, potholes, streetlights | Nil | Nil | None | None | |
| | 11.01.2017 | 1 | Nil | 6 | School visit- stationery, rates, CPF launch | Nil | Nil | None | None | |
| 24 | 22.01.2017 | 1 | Nil | 10 | Visiting of child headed families, speedhumps, Fencing of Southland area | Nil | Nil | None | None | |
| | 15.02.2017 | 1 | Nil | 10 | Launch of Waser room and CBPs | Nil | Nil | None | None | |
| | 18.03.2017 | 1 | Nil | 10 | Illegal dumping, grass cutting, | Nil | Nil | None | None | |
| | 06.04.2017 | 1 | Nil | 8 | Crime | Nil | Nil | None | None | |
| | 19.05.2017 | 1 | Nil | 8 | Electricity, crime, Establishment of Cooperatives, housing | Nil | Nil | None | None | |
| 25 | 09.06.2017 | 1 | Nil | 10 | Vacancie, housing, distribution of school shoes, celebration of youth month, Looking after physically challenged | Nil | Nil | None | None | |
| | 13.06.2017 | 1 | Nil | 6 | Application for a boarding house | Nil | Nil | None | None | |
| | 14.03.2017 | 1 | Nil | 10 | Livestock at Otterbluff Road in Woodlands, Electricity outage, Road constructed is too narrow, refuse dump in Old Howick dump | Nil | Nil | None | None | |
| 26 | 11.04.2017 | 1 | Nil | 8 | Housing at Woodlands extension, refuse collection tennis club has no toilets, streetlights left on all day | Nil | Nil | None | None | |
| | 24.05.2017 | 1 | Nil | 7 | Parks maintenance schedule for veres and vacant land, Peacevalley waste removal, Fields maintenance required, Peaceville 3 toilets, Housing, Appointment of caregivers and faulty streetlights, | Nil | Nil | None | None | |
| | 22.03.2017 | 1 | Nil | 10 | Signal hill housing new project, faulty streetlights, maintenance of Transnet railway reserve | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY | | | | | | | | | | |
|---|-----------------|---|--|--|---|---|---|---|---|--|
| Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 27 | 03.04.2017 | 1 | Nil | 8 | Visitation to a rehabilitation centre, rates, introduction of plan for Safety \$ Security | Nil | Nil | None | None | |
| 28 | 23.02.2017 | 1 | Nil | 7 | Illegal connection of electricity, water shortage, grasscutting, streetlights, crime, illegal dumping | Nil | Nil | None | None | |
| | 14.03.2017 | 1 | Nil | 10 | Leaking taps, illegal dumping, schedule of cutting grass. | Nil | Nil | None | None | |
| | 20.04.2017 | 1 | Nil | 7 | Indigent application forms, illegal structures at Nkululeko settlement, water shortage, Cleaning of dump site, | Nil | Nil | None | None | |
| | 22.03.2017 | 1 | Nil | 8 | Crime, | Nil | Nil | None | None | |
| | 05.05.2017 | 1 | Nil | 6 | Rates, prepaid meter for electricity, illegal connection of electricity | Nil | Nil | None | None | |
| | 31.05.2017 | 1 | Nil | 6 | rates water, lights | Nil | Nil | None | None | |
| | 31.04.2017 | 1 | Nil | 6 | toilets required, electricity, water taps required, pathway for school children, SAPS required as there is high level of selling of drugs in the area, removal of dirt and waste, | Nil | Nil | None | None | |
| 29 | 22.03.2017 | 1 | Nil | 9 | ID and Birth certificate problem at Copeville | Nil | Nil | None | None | |
| | 24.02.2017 | 1 | Nil | 9 | RDP houses, installation of new electricity meters, potholes at SWAPO, construction of Road at Homnville | Nil | Nil | None | None | |
| | 27.03.2017 | 1 | Nil | 8 | Handing over of houses, mobile clinic issue, | Nil | Nil | None | None | |
| | 05.04.2017 | 1 | Nil | 9 | RDP houses, upgrade of Copeville stadium, library to be built, Community park required. | Nil | Nil | None | None | |
| | 09.04.2017 | 1 | Nil | 7 | Transport problem in Hannville | Nil | Nil | None | None | |
| | 13.05.2017 | 1 | Nil | 8 | Employment, | Nil | Nil | None | None | |
| | 06.06.2017 | 1 | Nil | 7 | Refuse bin bags to be supplied, transport problem, housing | Nil | Nil | None | None | |
| 30 | 12.04.2017 | 1 | Nil | 4 | Introduction of Ward Committees and their training | Nil | Nil | None | None | |
| | 17.05.2017 | 1 | Nil | 9 | Water shortage, electricity | Nil | Nil | None | None | |
| | 14.06.2017 | 1 | Nil | 6 | Illegal dumping, Road's resurfacing | Nil | Nil | None | None | |
| 31 | 09.03.2017 | 1 | Nil | 10 | speed humps, housing, street lights, illegal dumping, potholes, water leaks | Nil | Nil | None | None | |
| | 25.05.2017 | 1 | Nil | 9 | Illegal dumping, installation of network cable, indigent, crime | Nil | Nil | None | None | |
| 32 | 09.05.2017 | 1 | Nil | 10 | housing, unemployment rates, introduction of Ward Committees and Newly elected Councillor Shawn Atkins, School project in Boom street | Nil | Nil | None | None | |
| 33 | 22.06.2017 | 1 | Nil | 7 | Electricity/housing, recycling in Garfield | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|--|---|---|---|---|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 34 | 15.12.2016 | 1 | Nil | 8 | Agricultural issues, Programmes in youth development, school visits to fight with drugs, Need to launch CPF, Revival of swimming pool | Nil | Nil | None | None | |
| | 30.01.2017 | 1 | Nil | 10 | Street renaming, bus stop shelters required, sponsorship of learners, Transport problem | Nil | Nil | None | None | |
| | 27.03.2017 | 1 | Nil | 9 | Informal traders, electricity, crime | Nil | Nil | None | None | |
| | 24.04.2017 | 1 | Nil | 10 | Youth tournament, grasscutting, improvement at Eastwood clinic, Informal trading audit | Nil | Nil | None | None | |
| | 29.05.2017 | 1 | Nil | 8 | Cleaning up campaign, street lights problem at Cindarella, cutting of grass, Monitoring of students at Eastwood High school, blockade of manhole at Cindarella | Nil | Nil | None | None | |
| | 26.06.2017 | 1 | Nil | 8 | Report back about electricity, Revamping of Eastwood library, Crime at Cindarella, Blockade of sewer | Nil | Nil | None | None | |
| 35 | 15.05.2017 | 1 | Nil | 10 | Crime, illegal dumping, housing development, CPF launch | Nil | Nil | None | None | |
| | 23.03.2017 | 1 | Nil | 8 | Crime, landfill site rehabilitation, EPWP project, Community projects, skills development projects | Nil | Nil | None | None | |
| | 09.02.2017 | 1 | Nil | 8 | 40% deduction from electricity, profiling forms, identification of land for housing development, water crisis, streetlights faulty | Nil | Nil | None | None | |
| | 09.01.2017 | 1 | Nil | 7 | Developing working, communication strategy, back to school campaign, ward profiling, cleaning campaign | Nil | Nil | None | None | |
| 36 | 09.02.2017 | 1 | Nil | 8 | Ward profiling, identification of land for housing, energy saving initiative | Nil | Nil | None | None | |
| | 08.05.2017 | 1 | Nil | 8 | Planning and zoning control, illegal posters, garden waste sites, Electricity issue, roads and storm water drain | Nil | Nil | None | None | |
| | 05.06.2017 | 1 | Nil | 6 | Consolidation of 18 & 20 Bromhead road. Disturbance in Gower Road, Increase of 1,2% of electricity, ward profiling | Nil | Nil | None | None | |
| 37 | 20.04.2017 | 1 | Nil | 7 | CBP workshop, IDP workshop, recycling, ward news letter, informal settlement at SACCA | Nil | Nil | None | None | |
| | 18.05.2017 | 1 | Nil | 7 | Building operations at Isabell beardmore Drive, Ashburton Bottle store complain, Temporal units converted to permanent structures, poor service delivery by Parks department | Nil | Nil | None | None | |
| | 21.06.2017 | 1 | Nil | 6 | Speeding of motorbikes in the residential area, restaurants at Wally Hayward Drive,, access road damaged by water at SaCCA, Poverty stricken families at SACCA | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY | | | | | | | | | | |
|--|-----------------|---|--|--|---|---|---|---|---|--|
| Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act | | | | | | | | | | |
| 2016/2017 Financial Year | | | | | | | | | | |
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 38 | 22.01.2017 | 1 | Nil | 8 | Programmes of the ward, Tamboville creche issue, CPF launch | Nil | Nil | None | None | |
| | 19.04.2017 | 1 | Nil | 10 | Land invasion, duties of ward committees, introduction of war room | Nil | Nil | None | None | |
| | 22.02.2017 | 1 | Nil | 8 | Blocked drain at Thembalihle, child headed family, promotion of Arts and culture to Youth | Nil | Nil | None | None | |
| | 30.03.2017 | 1 | Nil | 7 | Transport, housing, workshop for agriculture, CCGs planning, Title deeds issue, | Nil | Nil | None | None | |
| | 25.05.2017 | 1 | Nil | 7 | Development of ward, land invasion issue, door to door campaign about one garden, one home,Promotion of Art & Culturea ctivities | Nil | Nil | None | None | |
| | 13.05.2017 | 1 | Nil | No register | Housing project at Mvuzo, Housing for MKVA | Nil | Nil | None | None | |
| | 29.06.2017 | 1 | Nil | 7 | Door to door campaign,Dept of Health visit, Housing and infrastructure, illegal invading from North East area, transport issue. | Nil | Nil | None | None | |
| 39 | 28.01.2017 | 1 | Nil | 7 | Drawing up of year plan, Schedule of meetings and War room, youth programme | Nil | Nil | None | None | |
| | 25.02.2017 | 1 | Nil | 6 | school visit at Gudlintaba Primary School, Drug problem, ID issue, agriculture | Nil | Nil | None | None | |
| | 31.03.2017 | 1 | Nil | 7 | Housing programme, Id issue, sportfield at Mbumbane, Development of Faith Base programme, Zibambelebe transport project, Registration of \cooperatives | Nil | Nil | None | None | |
| | 28.04.2017 | 1 | Nil | 8 | Lack of road signs, livestock on the road, fallen electricity poles | Nil | Nil | None | None | |
| | 27.05.2017 | 1 | Nil | 7 | Career guidance at St John Paul school, Food voucher for needy family, agriculture ie shortage of grazing land for livestock, illegal connection of electricity | Nil | Nil | None | None | |

COMMUNITY MEETINGS 2016 /2017 FY

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY | | | | | | | | | | |
|--|-----------------|---|--|--|--|---|---|---|---|--|
| Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act | | | | | | | | | | |
| 2016/2017 Financial Year | | | | | | | | | | |
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
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| 1 | 27.01.2017 | 1 | N/A | 8 | All portfolios must report annual programmes | Nil | Nil | None | None | |
| | 24.02.2017 | 1 | N/A | 8 | Ward Committees were invited to attend War Room | Nil | Nil | None | None | |
| | 11.03.2017 | 1 | N/A | 8 | Housing project, monthly meeting of stakeholders, upcoming project in the Ward | | | | | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
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| WARD COMMITTEE MEETINGS | | | | | | | | | | |
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| 2 | 20.07.2017 | 1 | N/A | 9 | Water leak problem at Zayeka area at Mandlakazi area, name list of people who have problem of falling houses | Nil | Nil | None | None | |
| | 20.06.2017 | 1 | N/A | 7 | Request for ramps, crime and deaths happening at unregistered taverns, RDP housing. | | | | | |
| | 17.05.2017 | 1 | N/A | 9 | D2069 road at Mbutshane, EPWP programme, Zayeka Hall renovation, VDA housing project, Rehabilitating of Gcebeni Hall, Stadium rehabilitation programme to start, Mabane bridge, Zayeka road to be extended | Nil | Nil | None | None | |
| | 20.04.2017 | 1 | N/A | 9 | Renovation of clinic, Khwezi project installing new globes which are electricity saving, Building of 50 new toilets at Soul city area, | Nil | Nil | None | None | |
| 3 | 21.03.2017 | 1 | N/A | 10 | Water, Roads, and RDP houses issue and a need of high master lights at Insika area, new water reservoir to be made by uMgeni Water at Mbutshane area | Nil | Nil | None | None | |
| | 27.06.2017 | 1 | N/A | 10 | Buildin of new Huge Hall similar to Caluza area | Nil | Nil | None | None | |
| | 23.05.2017 | 1 | 3 | 10 | Building of Nqabeni Multipurpose centre, | Nil | Nil | None | None | |
| | 23.04.2017 | 1 | N/A | 10 | Introduction of Community care project, Upgrading of Mpanza Road, Installation of Master lights at Mvelweni area, Request for the road at Mpande new sites is in IDP, Mpande community hall needs maintenance, Potholes at Maqube road, Darky raod has been newly constructed. | Nil | Nil | None | None | |
| 4 | 05.03.2017 | 1 | N/A | 10 | Roads, shortage of water, Recreational parks, hall maintenance | Nil | Nil | None | None | |
| | 03.06.2017 | 1 | N/A | 5 | RDP Houses, EPWP contracts, school fencing (Mthlangqondo) | Nil | Nil | None | None | |
| | 08.04.2017 | 1 | N/A | 6 | Construction of Ndeleshane Road, Cllrs commitment to meet with community in every 3 months | Nil | Nil | None | None | |
| | 07.05.2017 | 1 | N/A | 8 | Construction of Church Road, child headed family issue, sports and business revival at Henley Village, Waste disposal issue, Water crisis, Toilets, Transport problem at Mgodini area | Nil | Nil | None | None | |
| 5 | 24.03.2017 | 1 | N/A | 8 | Housing | Nil | Nil | None | None | |
| 6 | 25.04.2017 | 1 | N/A | 7 | Introduction of Ward Committees | Nil | Nil | None | None | |
| | 07.05.2017 | 1 | N/A | 7 | Road, electricity | Nil | Nil | None | None | |
| | 05.03.2017 | 1 | N/A | 10 | Access road, Water, Electricity, skills development, Renovation of community halls | Nil | Nil | None | None | |
| 7 | 28.05.2017 | 1 | N/A | 10 | Crime, People living with disability | Nil | Nil | None | None | |
| | 06.06.2017 | 1 | N/A | 10 | Community saety and security, RDP houses, unemployment, HIV&AIDS, | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
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| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 8 | 24.03.2017 | 1 | Nil | 9 | Election of War room chairperson | Nil | Nil | None | None | |
| | 24.04.2017 | 1 | Nil | 10 | Reporting of sectors | Nil | Nil | None | None | |
| | 27.07.2017 | 1 | Nil | 10 | shortage of grazing land and dip in the area, illegal electricity connection, toilets and RDP houses | Nil | Nil | None | None | |
| 9 | 20.01.2017 | 1 | Nil | 7 | Water, transport, housing | Nil | Nil | None | None | |
| | 20.02.2017 | 1 | Nil | 5 | Water, transport, housing | Nil | Nil | None | None | |
| | 02.04.2017 | 1 | Nil | 8 | Transport, water, electricity | Nil | Nil | None | None | |
| 10 | 05.06.2017 | 1 | Nil | 8 | Crime, | Nil | Nil | None | None | |
| | 05.01.2017 | 1 | Nil | Nil | Introduction of Ward committees | Nil | Nil | None | None | |
| | 26.02.2017 | 1 | Nil | 10 | Inauguration of Ward Committees | Nil | Nil | None | None | |
| | 15.03.2017 | 1 | Nil | 10 | Introduction of portfolios | Nil | Nil | None | None | |
| | 30.04.2017 | 1 | Nil | 10 | minute writing | Nil | Nil | None | None | |
| | 26.06.2017 | Not chaired by Cllr. | Nil | 10 | Retrenchment of construction workers, | Nil | Nil | None | None | |
| 11 | 18.01.2017 | 1 | Nil | 6 | Introduction of Ward committees, introduction of government departments | Nil | Nil | None | None | |
| | 07.02.2017 | 1 | Nil | 6 | Introduction of war room | Nil | Nil | None | None | |
| | 07.03.2017 | 1 | Nil | 8 | Illegal connection of Electricity, | Nil | Nil | None | None | |
| | 06.06.2017 | 1 | Nil | Nil | Replacement of foot bridge at Pakeni area | Nil | Nil | None | None | |
| | 26.03.2017 | 1 | Nil | 10 | Introduction of Ward committee and importance of War room | Nil | Nil | None | None | |
| 13 | 02.02.2017 | 1 | Nil | 8 | Unemployment, Payment of Housing project | Nil | Nil | None | None | |
| | 18.02.2017 | 1 | Nil | 7 | Back to school program | Nil | Nil | None | None | |
| | 26.02.2017 | 1 | Nil | 5 | Water, Selling of RDP houses, Food parcels | Nil | Nil | None | None | |
| | 11.03.2017 | 1 | Nil | 9 | Vegetable gardens programs, Poultry farming program, | Nil | Nil | None | None | |
| | 30.04.2017 | 1 | Nil | 7 | A request for port field has been sent to the Municipality, Reports from different portfolios | Nil | Nil | None | None | |
| 14 | 07.03.2017 | 1 | Nil | 8 | Planning meeting | Nil | Nil | None | None | |
| | 03.04.2017 | 1 | Nil | 10 | Phupha Raod, water and construction of Creche | Nil | Nil | None | None | |
| | 04.05.2017 | 1 | Nil | 10 | Water, Roads, Streetlights | Nil | Nil | None | None | |
| | 22.05.2017 | 1 | Nil | 9 | Water, Roads, Streetlights | Nil | Nil | None | None | |
| 15 | 03.02.2017 | 1 | Nil | 10 | construction of Tomu creche, Road construction, water | Nil | Nil | None | None | |
| | 25.02.17 | 1 | Nil | 10 | Crime, Housing, water | Nil | Nil | None | None | |
| | 25.04.2017 | 1 | Nil | 10 | Schedule of meeting dates and portfolios, blockages, Giving of title deeds by Dept of Housing | Nil | Nil | None | None | |
| | 22.05.2017 | 1 | Nil | 10 | Distribution of wheelchairs, Project of a shopping centre, | Nil | Nil | None | None | |
| | 26.06.2017 | 1 | Nil | 10 | Distribution of wheelchairs, Project of a shopping centre, | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|--|---|---|---|---|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 16 | 02.04.2017 | 1 | Nil | 10 | Rates, sewage project, fencing of grave yard | Nil | Nil | None | None | |
| | 02.05.2017 | 1 | Nil | 8 | land invasion. Indigent policy, postbox issue, housing | Nil | Nil | None | None | |
| 17 | 26.01.2017 | 1 | Nil | 10 | Rectification of wire walls, side walkways, water shortages, land invasion, road | Nil | Nil | None | None | |
| | 12.03.2017 | 1 | Nil | 7 | Theft, land invasion, | Nil | Nil | None | None | |
| | 14.05.2017 | 1 | Nil | 9 | Housing project willow EE phase 1, EPWP, vegetation along the road | Nil | Nil | None | None | |
| | 08.06.2017 | 1 | Nil | 10 | Housing project. Rectification of wire walls illegal dumping and indigent forms | Nil | Nil | None | None | |
| | 18.06.2017 | 1 | Nil | 5 | RDP houses, | Nil | Nil | None | None | |
| 18 | 03.03.2017 | 1 | Nil | 6 | Introduction of construction company, boreholes, water | Nil | Nil | None | None | |
| | 01.05.2017 | 1 | Nil | 6 | land invasion | Nil | Nil | None | None | |
| | 05.05.2017 | 1 | Nil | 8 | Housing, land invasion | Nil | Nil | None | None | |
| | 12.05.2017 | 1 | Nil | 6 | skills development, location of the hall at stadion site | Nil | Nil | None | None | |
| | 06.03.2017 | 1 | Nil | 10 | Water project, | Nil | Nil | None | None | |
| 19 | 16.05.17 | 1 | Nil | 7 | DUT project, pipe project | Nil | Nil | None | None | |
| | 08.06.2017 | 1 | Nil | 10 | crime, promotion of arts and culture | Nil | Nil | None | None | |
| | 16.03.2017 | 1 | Nil | 10 | SALGA games, indigent forms housing project, IDP report | Nil | Nil | None | None | |
| | 30.04.2017 | 1 | Nil | 7 | idp roads land owners, bridges | Nil | Nil | None | None | |
| | 18.05.17 | 1 | Nil | 6 | housing, completion of hall | Nil | Nil | None | None | |
| 21 | 08.06.2017 | 1 | Nil | 9 | electricity, road and the bridge, CPF | Nil | Nil | None | None | |
| | 21.05.2017 | 1 | Nil | 8 | Purchasing of land from owners, conversion of pit toilets into flush system, crime, installation of water standpipes | Nil | Nil | None | None | |
| | 16.01.2017 | 1 | Nil | 10 | Development, rape, housebreaking and crime, housing | Nil | Nil | None | None | |
| 22 | 13.02.2017 | 1 | Nil | 10 | Proposal of garage construction, construction of sportsfield and library construction | Nil | Nil | None | None | |
| | 20.03.2017 | 1 | Nil | 10 | RDP housing, speedhumps, buying of land, robot in cnr of Mt Patridge | Nil | Nil | None | None | |
| | 10.03.2017 | 1 | Nil | 8 | Toilets. VIP projects toilets, Eskom project- installation of electricity | Nil | Nil | None | None | |
| 23 | 26.02.2017 | 1 | Nil | No attendance register | Rates, Land invasion in Masons Mill, housing project at peaceville, indigent policy, potholes, streetlights | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|---|---|---|---|---|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
| Ward | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
| 24 | 11.01.2017 | 1 | Nil | 6 | School visit- stationery, rates, CPF launch | Nil | Nil | None | None | |
| | 22.01.2017 | 1 | Nil | 10 | Visiting of child headed families, speedhumps, Fencing of Southland area | Nil | Nil | None | None | |
| | 15.02.2017 | 1 | Nil | 10 | Launch of War room and CBPs | Nil | Nil | None | None | |
| | 18.03.2017 | 1 | Nil | 10 | Illegal dumping, grass cutting, | Nil | Nil | None | None | |
| | 06.04.2017 | 1 | Nil | 8 | Crime | Nil | Nil | None | None | |
| | 19.05.2017 | 1 | Nil | 8 | Electricity, crime, Establishment of Cooperatives, housing | Nil | Nil | None | None | |
| 25 | 09.06.2017 | 1 | Nil | 10 | Vacancie, housing, distribution of school shoes, celebration of youth month, Looking after physically challenged | Nil | Nil | None | None | |
| | 13.06.2017 | 1 | Nil | 6 | Application for a boarding house | Nil | Nil | None | None | |
| | 14.03.2017 | 1 | Nil | 10 | Livestock at Ottosbluff Road in Woodlands, Electricity outage, Road constructed is too narrow, refuse dump in Old Howick dump | Nil | Nil | None | None | |
| 26 | 11.04.2017 | 1 | Nil | 8 | Housing at Woodlands extension, refuse collection tennis club has no toilets, streetlights left on all day | Nil | Nil | None | None | |
| | 24.05.2017 | 1 | Nil | 7 | Parks maintenance schedule for veres and vacant land, Peacevalley waste removal, Fields maintenance required, Peacevalle 3 toilets, Housing, Appointment of caregivers and faulty streetlights, | Nil | Nil | None | None | |
| | 22.03.2017 | 1 | Nil | 10 | Signal hill housing new project, faulty streetlights, maintenance of Transnet railway reserve | Nil | Nil | None | None | |
| 27 | 03.04.2017 | 1 | Nil | 8 | Visitation to a rehabilitation centre, rates, introduction of plan for Safety \$ Security | Nil | Nil | None | None | |
| 28 | 23.02.2017 | 1 | Nil | 7 | Illegal connection of electricity, water shortage, grasscutting, streetlights, crime, illegal dumping | Nil | Nil | None | None | |
| | 14.03.2017 | 1 | Nil | 10 | Leaking taps, illegal dumping, schedule of cutting grass. | Nil | Nil | None | None | |
| | 20.04.2017 | 1 | Nil | 7 | Indigent application forms, Illegal structures at Nkululeko settlement, water shortage, Cleaning of dump site, | Nil | Nil | None | None | |
| | 22.03.2017 | 1 | Nil | 8 | Crime, | Nil | Nil | None | None | |
| | 05.05.2017 | 1 | Nil | 6 | Rates, prepaid meter for electricity, illegal connection of electricity | Nil | Nil | None | None | |
| | 31.05.2017 | 1 | Nil | 6 | rates water, lights | Nil | Nil | None | None | |
| | 31.04.2017 | 1 | Nil | 6 | toilets required, electricity, water taps required, pathway for school children, SAPS required as there is high level of selling of drugs in the area, removal of dirt and waste, | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|--|---|---|---|--|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
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| 29 | 22.03.2017 | 1 | Nil | 9 | ID and Birth certificate problem at Copeville | Nil | Nil | None | None | |
| | 24.02.2017 | 1 | Nil | 9 | RDP houses, installation of new electricity meters, potholes at SWAPO, construction of Road at Homville | Nil | Nil | None | None | |
| | 27.03.2017 | 1 | Nil | 8 | Handing over of houses, mobile clinic issue, | Nil | Nil | None | None | |
| | 05.04.2017 | 1 | Nil | 9 | RDP houses, upgrade of Copeville stadium, library to be built, Community park required. | Nil | Nil | None | None | |
| | 09.04.2017 | 1 | Nil | 7 | Transport problem in Hanniville | Nil | Nil | None | None | |
| | 13.05.2017 | 1 | Nil | 8 | Employment, | Nil | Nil | None | None | |
| 30 | 06.06.2017 | 1 | Nil | 7 | Refuse bin bags to be supplied, transport problem, housing | Nil | Nil | None | None | |
| | 12.04.2017 | 1 | Nil | 4 | Introduction of Ward Committees and their training | Nil | Nil | None | None | |
| | 17.05.2017 | 1 | Nil | 9 | Water shortage, electricity | Nil | Nil | None | None | |
| | 14.06.2017 | 1 | Nil | 6 | Illegal dumping, Road's resurfacing | Nil | Nil | None | None | |
| | 09.03.2017 | 1 | Nil | 10 | speed humps, housing, street lights, illegal dumping, potholes, water leaks | Nil | Nil | None | None | |
| | 25.05.2017 | 1 | Nil | 9 | Illegal dumping, installation of network cable, indigent, crime | Nil | Nil | None | None | |
| 32 | 09.05.2017 | 1 | Nil | 10 | housing, unemployment rates, introduction of Ward Committees and Newly elected Councillor Shawn Atkins, School project in Boom street | Nil | Nil | None | None | |
| | 22.06.2017 | 1 | Nil | 7 | Electricity, housing, recycling in Garfield | Nil | Nil | None | None | |
| 34 | 15.12.2016 | 1 | Nil | 8 | Agricultural issues, Programmes in youth development, school visits to fight with drugs, Need to launch CPF, Revival of swimming pool | Nil | Nil | None | None | |
| | 30.01.2017 | 1 | Nil | 10 | Street renaming, bus stop shelters required, sponsorship of learners, Transport problem | Nil | Nil | None | None | |
| | 27.03.2017 | 1 | Nil | 9 | Informal traders, electricity, crime | Nil | Nil | None | None | |
| | 24.04.2017 | 1 | Nil | 10 | Youth tournament, grasscutting, Improvement at Eastwood clinic, Informal trading audit | Nil | Nil | None | None | |
| | 29.05.2017 | 1 | Nil | 8 | Cleaning up campaign, street lights problem at Cindarella, cutting of grass. Monitoring of students at Eastwood High school, blockade of manhole at Cindarella | Nil | Nil | None | None | |
| | 26.06.2017 | 1 | Nil | 8 | Report back about electricity, Revamping of Eastwood library, Crime at Cindarella, Blockade of sewer | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|--|---|---|---|---|--|
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| 35 | 15.05.2017 | 1 | Nil | 10 | Crime, illegal dumping, housing development, CPF launch | Nil | Nil | None | None | |
| | 23.03.2017 | 1 | Nil | 8 | Crime, landfill site rehabilitation, EPWP project, Community projects, skills development projects | Nil | Nil | None | None | |
| | 09.02.2017 | 1 | Nil | 8 | 40% deduction from electricity, profiling forms, identification of land for housing development, water crisis, streetlights faulty | Nil | Nil | None | None | |
| | 09.01.2017 | 1 | Nil | 7 | Developing working, communication strategy, back to school campaign, ward profiling, cleaning campaign | Nil | Nil | None | None | |
| | 09.02.2017 | 1 | Nil | 8 | Ward profiling, identification of land for housing, energy saving initiative | Nil | Nil | None | None | |
| 36 | 08.05.2017 | 1 | Nil | 8 | Planning and zoning control, illegal posters, garden waste sites, Electricity issue, roads and storm water drain | Nil | Nil | None | None | |
| | 05.06.2017 | 1 | Nil | 6 | Consolidation of 18 & 20 Bromhead road. Disturbance in Gower Road, Increase of 1.2% of electricity, ward profiling | Nil | Nil | None | None | |
| | 20.04.2017 | 1 | Nil | 7 | CBP workshop, IDP workshop, recycling, ward news letter, informal settlement at SACCA | Nil | Nil | None | None | |
| 37 | 18.05.2017 | 1 | Nil | 7 | Building operations at Isabell beardmore Drive, Ashburton Bottle store complain, Temporal units converted to permanent structures, poor service delivery by Parks department | Nil | Nil | None | None | |
| | 21.06.2017 | 1 | Nil | 6 | Speeding of motorbikes in the residential area, restaurants at Wally Hayward Drive, access road damaged by water at SaCCA, Poverty stricken families at SACCA | Nil | Nil | None | None | |
| 38 | 22.01.2017 | 1 | Nil | 8 | Programmes of the ward, Tamboville creche issue, CPF launch | Nil | Nil | None | None | |
| | 19.04.2017 | 1 | Nil | 10 | Land invasion, duties of ward committees, introduction of war room | Nil | Nil | None | None | |
| | 22.02.2017 | 1 | Nil | 8 | Blocked drain at Thembalihle, child headed family, promotion of Arts and culture to Youth | Nil | Nil | None | None | |
| | 30.03.2017 | 1 | Nil | 7 | Transport, housing, workshop for agriculture, CCGs planning, Title deeds issue, | Nil | Nil | None | None | |
| | 25.05.2017 | 1 | Nil | 7 | Development of ward, land invasion issue, door to door campaign about one garden, one home, Promotion of Art & Culture activities | Nil | Nil | None | None | |
| | 13.05.2017 | 1 | Nil | No register | Housing project at Mvuzo, Housing for MKVA | Nil | Nil | None | None | |
| | 29.06.2017 | 1 | Nil | 7 | Door to door campaign, Dept of Health visit, Housing and infrastructure, illegal invading from North East area, transport issue. | Nil | Nil | None | None | |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2016/2017 Financial Year | | | | | | | | | | |
|---|-----------------|---|--|--|---|---|---|---|---|--|
| WARD COMMITTEE MEETINGS | | | | | | | | | | |
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| 39 | 28.01.2017 | 1 | Nil | 7 | Drawing up of year plan, Schedule of meetings and War room, youth programme | Nil | Nil | None | None | |
| | 25.02.2017 | 1 | Nil | 6 | school visit at Gudlintaba Primary School, Drug problem, ID issue, agriculture | Nil | Nil | None | None | |
| | 31.03.2017 | 1 | Nil | 7 | Housing programme, Id issue, sportfield at Mbumbane, Development of Faith Base programme, Zibambele transport project, Registration of \cooperatives | Nil | Nil | None | None | |
| | 28.04.2017 | 1 | Nil | 8 | Lack of road signs, livestock on the road, fallen electricity poles | Nil | Nil | None | None | |
| | 27.05.2017 | 1 | Nil | 7 | Career guidance at St John Paul school, Food voucher for needy family, agriculture ie shortage of grazing land for livestock, illegal connection of electricity | Nil | Nil | None | None | |

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The Municipality and Communities alike benefited from the meetings mentioned above as through the consultative processes, brainstorming occurred and ward committees imparted their advice to the Councillor who in turn did so to council. Council then took these recommendations forward by using certain aspects in terms of the Municipal Turnaround Strategy. Requests are being dealt with in a systematic manner with council having taken a decision to open a fully-fledged call centre to take calls from community members where there are issues of service delivery.

IDP PARTICIPATION AND ALIGNMENT

| IDP PARTICIPATION AND ALIGNMENT CRITERIA* | YES/NO |
|---|--------|
| Does the municipality have impact, outcome, input, output indicators? | Yes |
| Does the IDP have priorities, objectives, KPIs, development strategies? | Yes |
| Does the IDP have multi-year targets? | Yes |
| Are the above aligned and can they calculate into a score? | Yes |
| Does the budget align directly to the KPIs in the strategic plan? | Yes |
| Do the IDP KPIs align to the Section 57 Managers | Yes |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | Yes |
| Were the indicators communicated to the public? | Yes |
| Were the four quarter aligned reports submitted within stipulated timeframes? | Yes |
| *Section 26 Municipal Systems Act 2000 T2.5.1 | |

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Corporate Governance at Msunduzi Municipality entails Risk Management, Anti-Corruption and Fraud and Supply Chain Management which is unpacked below.

2.6. RISK MANAGEMENT

RISK MANAGEMENT

Legislative Provisions

In terms of Section 62 (1) (c) of the Municipal Finance Management Act, Act No. 56 of 2003 (MFMA) the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of financial and risk management and internal control.

Section 95 of the MFMA reaffirms the responsibilities of the Accounting Officer in so far as maintenance of effective, efficient and transparent systems of risk financial, risk management and internal control.

Section 78 of the MFMA outlines the general responsibilities of Senior Management and other officials of the Municipality. The responsibilities of these officials have a direct bearing in financial and risk management, governance and systems of internal controls.

Section 165 of the MFMA requires the internal audit unit to advise the Accounting Officer and to report to the Audit Committee on matters relating to among other things, risk and risk management.

The MFMA has established the legal framework for risk management in the local government sphere that enforces risk management practice. Risk Management is about managing a potential inability by the municipality to fulfil the requirements of the Constitution. It is for this reason that the Constitution of the Republic of South Africa is the fundamental foundation for risk management.

BACKGROUND

Organisations operate in environments where factors such as technology, regulations, restructuring, changing service delivery requirements and political influence create uncertainty.

Uncertainty arises from an inability to precisely determine the likelihood that potential events will occur and the associated impact.

Risk management forms a critical part of an organisation's strategic management.

It is the process by which an organisation addresses the risks intertwined in the activities with an objective of achieving sustained benefit within each activity and across the range of its activities.

The Accounting Officer has appointed Deputy Municipal Managers and the Manager: Office of the Municipal Manager as members of the Risk Management Committee. The Risk Management Committee is Governed by a Risk Management Committee Charter. The RMC is a sub-committee of the Audit Committee.

Risk register is in place & is reviewed on annual basis. The Chief Risk Officer post is filled since December 2014. RMC made of all the SMC members (except MM) & chaired by the CFO is in place & meets on quarterly basis. RM is a standing item in the Audit Committee Agenda in all its meetings, Audit Committee report to Exco on quarterly basis include RM. All reports on RM are also presented to all Portfolio Committees & MPAC.

The following are the top 10 significant risks that are facing the municipality. The municipality is fully aware of the root causes and has been able to put in place mitigating strategies within the SDBIP for 2016/2017 which goes to outer year of the MTERF.

| RISK | ROOT CAUSES | MITIGATING MEASURES | RESPONSIBILITY |
|---|---|---|--|
| Frequent electricity outages resulting to litigation & business contraction impacting on economic growth within the municipality | <ul style="list-style-type: none"> Conductors/Cable faults on secondary network Primary infrastructure ageing Obsolete switchgears illegal connections old substation buildings -theft of infrastructure | Council approved a 132kv Network Rehabilitation Plan. Funding of R100m secured from DoE & Plan will be implemented. Council made a provision of R10m from its 2013/14 budget for refurbishment of network & replace obsolete 11kv equipment. | ES Nomnganga: GM Infrastructure Services |
| Electricity Losses as a result of illegal connections | Low society moral fibre and crime rate (theft). | <ul style="list-style-type: none"> Council approved a plan for electrification of informal settlements areas & DoE provided R23m – SWAPO & eEzinketheni. There is also continuous campaigns to uproot illegal connections. Provincial Treasury provided R5.6m for Nhlalakahle / Balhambra Way Informal Settlements | ES Nomnganga: GM Infrastructure Services |
| Huge debtor's book & low collection rate which impends solvency & liquidity of the municipal finances & going concern or sustainability of the municipal operations | <ul style="list-style-type: none"> High rate of unemployment. Lack of vigorous strategy to collect & inaccurate data cleansing. | <ul style="list-style-type: none"> Data cleansing will be undertaken. The filling of critical posts in finance has been prioritized. Daily cash flow monitoring will reflect early warning signals. | N Ngcobo: CFO |
| Loss of water due to pipe bursts, leaking pipes & meters that cannot be read. | Poor maintenance & the decaying infrastructure. | <ul style="list-style-type: none"> The 16 core interventions were made up of 8 real losses and 8 billing control interventions. The other interventions include filling of all vacant positions in the water section. The 6 Year Non-Revenue Water Master Plan has been reviewed in order to cater for the different aspects of water losses with a more robust approach. Asset Management Plan which caters for asset replacement. | ES Nomnganga: GM Infrastructure Services |

| RISK | ROOT CAUSES | MITIGATING MEASURES | RESPONSIBILITY |
|---|--|---|--|
| High backlogs of & ageing road infrastructure not receiving the relevant maintenance resulting to potholes. | Limited funding. | <ul style="list-style-type: none"> Maintenance Programmes, to review maintenance budget formulation & approach National Treasury for more MIG Funding. The implementation of Integrated Rapid Public Transport Network (IRPTN) will also cater for upgrade of roads. | ES Nomnganga: GM Infrastructure Services |
| Inaccurate billing information due to estimated meters reading caused by buried or faulty water meters & locked properties or dogs in properties. | Lack of management billing, review & taking necessary action on exceptions. | <ul style="list-style-type: none"> A programme of changing faulty, misty, muddy, buried meters & dealing with locked properties & properties with dogs. IS & Finance that meets on weekly basis to discuss progress on tasks allocated to the Process Managers & Managers of both departments. The task team is still continuing with the process & meet every Friday. A report is done on weekly basis reporting to SMC the progress in addressing the estimation of meter readings. The Progress reports will be provided to the Audit Committee. | ES Nomnganga: GM Infrastructure Services |
| High repair & maintenance costs to vehicles fleet due to an exhausted useful life resulting to increased maintenance costs & theft of fuel | <ul style="list-style-type: none"> Poor forward planning. Low society moral fibre | <ul style="list-style-type: none"> Develop & implement a vehicle replacement plan | ES Nomnganga: GM Infrastructure Services |
| Loss of data from the server either because of collapse of the ICT Infrastructure (including servers, storage & network) & manipulation of data as well as threat to business continuity. | <ul style="list-style-type: none"> Ageing ICT infrastructure. Inadequate security system. Non-attention of ICT for past 3 years No intrusion detection. UPS faulty. Hacking Lack of effective backups of information to safeguard data. | Funds were set aside for ICT infrastructure. Maintenance plan for the network & other ICT related items. Develop & implement ICT disaster recovery plan. Develop and implemented ICT Governance Strategy. | M Molapo GM: Corporate Services |
| Land invasion | <ul style="list-style-type: none"> Poor forward planning. Low society moral fibre | Develop a strategy to pro-actively deal with land invasion & reactive measures | Dr R. Ngcobo GM Sustainable Development |

2.7. ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

LEGISLATIVE PROVISIONS

Chapter 2 of Section 195 of the Constitution of the Republic of South Africa, Act 108 of 1996 [as amended] which deals with the Bill of Rights. The Constitution describes one of the values of founding provisions as Human Dignity, the improvement of the quality of life of all citizens and free the potential of each person.

Section 195 of the Constitution of the Republic of South Africa, Act 108 of 1996 [as amended] which provides normative basic value principles for public administration including **a high standard of professional ethics** must be promoted and maintained.

In terms of Section 62 of the Municipal Finance Management Act, Act No. 56 of 2003 (MFMA) the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all **reasonable steps** to ensure that unauthorized, irregular or fruitless and wasteful expenditure and other **losses are prevented**.

Council approved the Anti-Fraud & Corruption Policy, Whistle Blowing Policy and Anti-Fraud & Corruption Strategy on the 24 of April 2013.

Progress has been made on the implementation of action plans as per the Matrix of Tasks and Responsibilities of Anti-Fraud & Corruption.

The Internal Audit Unit reviews the implementation of the Action plans/ Activities on a quarterly basis and report to the Audit Committee.

2.8. SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT (SCM)

In terms of circular 77 issued by National Treasury the municipalities are required to establish the infrastructure SCM Policy with effect from 1 July 2017

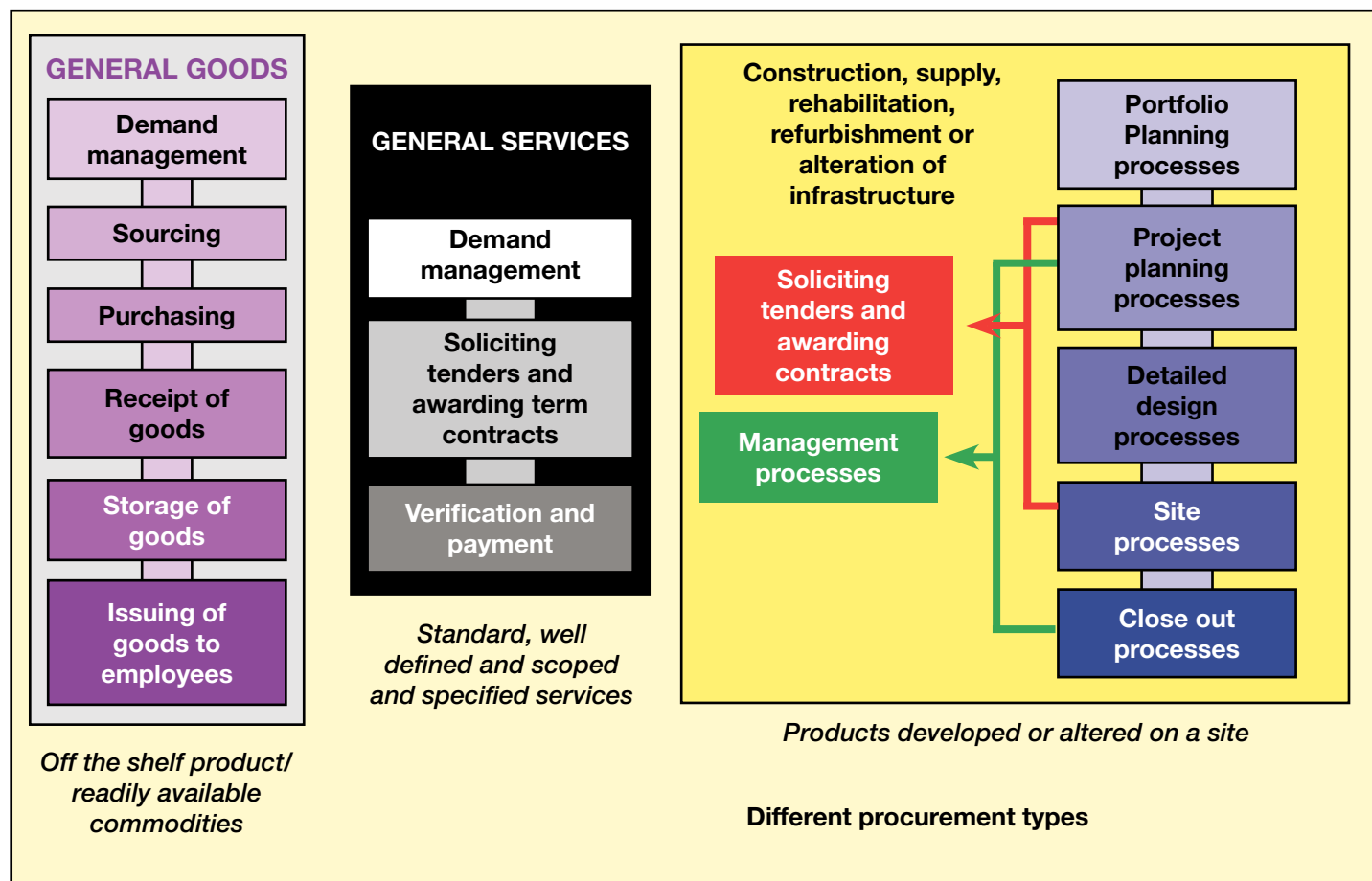
Upon the above instruction the Msunduzi Municipality Supply Chain Management Policy has now adopted and divided its SCM Policy into two policies, one focuses on Goods and Services and the other on Infrastructure Procurement and Delivery Management

The SCM Policy for Goods and Services which is **PART 1** of this document is issued in terms of Section 111 of the Municipal Finance Management Act of 2003 and Municipal Supply Chain Management Regulations. The approach to procurement documentation is significantly different between general goods and services and infrastructure delivery. Documents for general goods and services, are based on the National Treasury General Conditions of Contract (GCC) which focuses on the rights and obligations of the parties in a generic manner and also deals with aspects of the bidding processes.

The SCM Policy for Infrastructure Procurement and Delivery Management which is **PART 2** is issued in terms of Section 168 of the Municipal Finance Management Act of 2003 in support of Regulation 3(2) of the MFMA Supply Chain Management Regulations as a Treasury guideline determining a standard for municipal supply chain management policies. MFMA Circular No 77: Model SCM Policy for Infrastructure Procurement and Delivery Management provides guidance to municipalities on the establishment of a suitable supply chain management system for infrastructure delivery which is better able to deliver value for money, while minimizing the scope for corruption.

Public procurement that is unrelated to infrastructure delivery typically relates to goods and services that are standard, well-defined and readily scoped and specified. Once purchased, goods invariably need to be taken into storage prior to being issued to employees.

Services most often involve routine, repetitive services with well understood interim and final deliverables which do not require strategic inputs or require decisions to be made regarding the fitness for purpose of the service outputs.



In contrast, procurement relating to the provision of new infrastructure or the rehabilitation, refurbishment or alteration of existing infrastructure covers a wide and diverse range of goods and services, which are required to provide or alter the condition of immovable assets on a site. Accordingly, the procurement process for the delivery of infrastructure involves the initial and subsequent recurring updating of planning processes at a portfolio level flowing out of an assessment of public sector service delivery requirements or business needs. Thereafter it involves planning at a project level and the procurement and management of a network of suppliers, including subcontractors, to produce a product on a site.

There is no need to store and issue materials or equipment unless these are issued to employees responsible for the maintenance or operation of infrastructure, or are issued free of charge to contractors for incorporation into the works.

Procurement is the process which creates, manages and fulfils contracts. Procurement deals with activities surrounding contracts. Such processes focus on establishing what is to be procured, developing a procurement strategy, producing procurement documentation, soliciting and evaluating bid offers, awarding of contracts and administering contracts. On the other hand, supply chain management (SCM) is the design, planning, execution, control and monitoring of supply chain activities in the delivery of goods, services or any combination thereof. Supply chains comprise all those public and private entities that are involved in delivering the inputs, outputs and outcomes of projects. Accordingly, supply chain management is concerned with the oversight, co-ordination and monitoring of inputs, outputs and outcomes of projects from the various entities within a supply chain.

Infrastructure is defined as “immovable assets which are acquired, constructed or which results from construction operations or moveable assets which cannot function independently from purpose built immovable assets” while infrastructure delivery is defined as “the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.” Accordingly, infrastructure delivery management contextualizes the supply chain management system for infrastructure.

Understandably, there are several overlaps between the supply chain management system for general goods and services and that for infrastructure delivery management. However, the inclusion of control frameworks in the Standard for Infrastructure Procurement and Delivery Management is aimed at expenditure control and a reduction in the gap between what is planned and budget for and what is delivered to ensure that value for money is achieved.

The primary purpose of this document is to embed an infrastructure delivery management system for Msunduzi Municipality which is aligned with the regulatory framework for public sector procurement, supply chain management and expenditure control. It also enables the National Treasury Standard for Infrastructure Procurement and Delivery Management to be implemented.

It is pleasing that the municipality has adopted and implementing the infrastructure procurement policy and the relevant SCM committees are now in place and operating as required.

2.9. BY-LAWS

A BRIEF OVERVIEW OF THE DEVELOPMENT OF BYLAWS DURING THE 2015/2016 FINANCIAL YEAR:

6 bylaws, namely Planning & Land use Management, amendments to the Public Health, Libraries, Problem Building, Events and the Cellular Telecommunications bylaws were earmarked for review during 2016-2017.

The Public Health, Libraries, Events and the Cellular Telecommunications bylaws are still under consideration by the various portfolio committees. The Planning & Land use Management and Problem Building Bylaws were published.

| BY-LAWS INTRODUCED DURING 2016/17 | | | | | |
|-----------------------------------|-----------------------------|--|-------------------------------|--------------------------|---------------------|
| Newly Developed | Revised | Public Participation adopted prior to adoption of By-laws (Yes/No) | Dates of Public Participation | By-laws gazette (Yes/No) | Date of Publication |
| Planning and Land Use Management | N/A | Yes | August 2015 and February 2016 | Yes | 15 September 2016 |
| Problem Building Bylaws | N/A | Yes | February/March 2016 | Yes | 25 August 2016 |
| N/A | Public Health | N/A | N/A | NO | N/A |
| N/A | Libraries | N/A | N/A | NO | N/A |
| N/A | Events | N/A | N/A | NO | N/A |
| N/A | Cellular Telecommunications | N/A | N/A | NO | N/A |

Public Participation:

The public will be afforded the requisite opportunity to comment on all proposed bylaws.

Enforcement:

Legal Services have been tasked to submit written proposals to the Full Council on the possibility of a single law enforcement unit. In the interim, an Infringements Coordination Task Team has been established to improve coordination between various business units.

2.10. WEBSITES

INTRODUCTION TO THE MUNICIPAL WEBSITE

For Legislative Compliance, various Business Units are expected to furnish relevant information for publishing on the Msunduzi Website however some of the information is provided before deadlines. Information is updated almost daily and is accessible within a few hours depending on the content. Internet bandwidth on the LAN is not very reliable therefore uploads onto the Msunduzi Website is very slow. Although 3G Data Connectivity is available the speed is not consistent and also affects uploads and test downloads. However, Msunduzi always strives and publishes the necessary information on the Msunduzi Website.

| MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL 2016/2017 | | | |
|--|--------|-----------------|---|
| Documents published on the Municipality's / Entity's Website | Yes/No | Publishing Date | Description |
| Current annual and adjustments budgets and all budget-related documents | Yes | 2017/08/21 | http://www.msunduzi.gov.za/site/2016-2017 |
| All current budget-related policies | Yes | 2016/08/24 | http://www.msunduzi.gov.za/site/policies |
| The previous annual report (2015/16) | Yes | 2017/03/30 | http://www.msunduzi.gov.za/site/annual-report |
| The annual performance report (2016/17) published/to be published | Yes | 31 August 2017 | http://www.msunduzi.gov.za/site/annual-performance-report |
| All current performance agreements required in terms of section 57(1) (b) of the Municipal Systems Act (2016/17) and resulting scorecards | Yes | 2016/07/15 | http://www.msunduzi.gov.za/site/performance-agreements |
| All service delivery agreements (2016/17) | No | | Not Provided |
| All long-term borrowing contracts (2016/17) | No | | Not Provided |
| All supply chain management contracts above a prescribed value (give value) for (2016/17) | No | | Not Provided |
| An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during (2016/17) | No | | Not Provided |
| Contracts agreed in (2016/17) to which subsection (1) of section 33 apply, subject to subsection (3) of that section | No | | Not Provided |
| Public-private partnership agreements referred to in section 120 made in (2016/17) | No | | Not Provided |

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

Information is uploaded almost daily. This is done by formatting documents where necessary, logging onto the website, customizing areas if necessary and uploading data. Publishing dates are indicated below the information or file download. The Public can access information on www.msunduzi.gov.za 24hrs a day by viewing some information on respective pages whereas other information is available as downloads viz. PDFs Information not up to date is usually due to respective Units not providing them timeously or when prompted about this report or not at all. Most compliance documentation is only made available by respective Units close to or on the due date and usually require further updating a few days later as original info is either incorrect or incomplete. Most information provided is uploaded and available within a few hours.

2.11. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No Public Satisfaction on Municipal Services surveys conducted in 2016/2017 financial year. It will not be done annually due to budget constraints but will however be done one year prior to the new term of office of the newly elected council.

CHAPTER 3 – ANNUAL PERFORMANCE REPORT – SERVICE DELIVERY INDICATORS

INTRODUCTION:

The Annual Performance Report (APR) is a legislative requirement which prescribes that the report must be submitted to the Auditor General by the 31st 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 2016 / 2017 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 2016 / 2017 & ANNUAL REPORT OF THE OPERATIONAL PLAN 2016 / 2017

During the 2016 / 2017 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 2016 / 2017 financial year, Msunduzi Municipality had 1 vacancy of S57 employees being the City Manager which was filled by an Acting Incumbent and five General Managers. All S57 managers signed performance agreements for the financial year. The Individual Performance Management System (IPMS) was cascaded to Level 3 employees (S58 – Senior Managers as well as Managers in Strategic Positions reporting directly to the City Manager i.e. Senior Audit Executive: Internal Audit, Manager: Integrated Development Plan, Manager: Communications & IGR, Senior Manager: Office of the City Manager, Manager: Office of the Mayor and the Manager: Office of the Speaker. All Senior Managers and Managers in Strategic Positions reporting directly to the City Manager signed performance agreements as well. During the 2016 / 2017 financial year individual Annual assessments for 2015/2016 FY were conducted for 4 General Managers. The Evaluation assessment panels as prescribed by legislation to assess the City Manager and Manager's reporting directly to the City Manager were constituted and were present during the assessment processes. In the 2016 / 2017 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 2016/2017 financial year a management decision 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 2016/2017 financial year the Service Delivery & Budget Implementation Plan (SDBIP) has been developed to focus on the service delivery indicators and the Operational Plan (OP) 2016/2017 has been developed to focus on operational, support and auxiliary services.

The SDBIP 2016/2017 contains Public Participation Units (Office of the Speaker, Office of the Mayor & Office of the Municipal Manager), Community Services Units (Area Based Management, Waste Management, Recreation & Facilities as well as Public Safety Enforcement and Disaster Management), Infrastructure Units (Water and Sanitation, Roads and Stormwater, Electricity & Mechanical Workshops) and Sustainable Development & City Enterprises Units (Economic Development, Town Planning and Environmental Management, City Entities & 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 fulfil this, SAFE CITY the only registered municipal entity; key performance indicators were also developed and inserted in the SDBIP 2016/2017.

All other units provide operational, support and auxiliary services to the Municipality and have been placed on the Operational Plan 2016/2017. The Operational Plan 2016/2017 contains the Corporate Business Units (Internal Audit, Communications & IGR, Integrated Development Plan and Organizational Compliance, Performance & Knowledge Management), Budget & Treasury Units (Budget, Revenue Management, Expenditure Management, Supply Chain Management, SCOA, SAP & Assets & Liabilities), Infrastructure Units (Project Management Office), Corporate Services Units (Legal Services, Information Communication Technology, Auxiliary Services & Secretariat and Human Resources) and Sustainable Development & City Enterprises (Economic Development, Town Planning and Environmental Management, City Entities & Human Settlements).

HIGH LEVEL SUMMARY OF PERFORMANCE COMPARISON FOR THE 2015/2016 & 2016/2017 FINANCIAL YEARS (SDBIP & OP)

The graphical representations below illustrate the summary of high level performance of the municipality for the 2016/2017 financial year, as per the colour-coded dashboard.

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% -149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

There were a total of 211 Key performance indicators on the SDBIP 2016/2017, 104 being operating projects and 107 being capital projects. There were a total of 220 Key performance indicators on the Operational Plan for 2016/2017.

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR - ORGANISATIONAL OVERVIEW NARRATIVE

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBP REFERENCE | ANNUAL - PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|--------------|----------------------------|--|---------------------------|-------------------------|-----------------------|---|----------------|--|---|------------------------------------|---|---|
| 1 | OFFICE OF THE CITY MANAGER | OFFICE OF THE SPEAKER | 8 | 0 | 8 | 2 | OTS 02 | 156 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 23 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 1 (69% & below) | Establishment of Ward Committees immediately after new Council was inaugurated in August 2016 | Ward Committees are fully established |
| | | | | | | | OTS 03 | Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | Minutes of ward and community meetings from each of 23 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | 2 (70% - 99%) | Establishment of Ward Committees immediately after new Council was inaugurated in August 2016 | Ward Committees are fully established |
| | | OFFICE OF THE MAYOR | 4 | 0 | 4 | 1 | MSP 02 | 100% Implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | 90% implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | 2 (70% - 99%) | Some programmes were postponed due delayed stakeholder co-ordination | programmes to be undertaken in the next FY |
| | | IRPTN | 2 | 1 | 3 | 2 | MM 01 | 100% Corporate and Brand Identity for IRPTN implemented as per approved IRPTN Marketing Strategy by the 30th of June 2017 | Nil achieved | 1 (69% & below) | Awaiting the Council approval of the Strategy and Naming Campaign Documents. (SMC approved on the 13 January 2016.) | The City Manager (A) has instructed that the Strategy and Naming Campaign Document be re-submitted to Council for approval. The Documents have been re-submitted to the relevant committee/s for approval |
| | | | | | | | MM 02 | 75% Formulation of APTMS and AFC tender documents for IRPTN (Phase 1A) by the 30th of June 2017 | Nil achieved | 1 (69% & below) | Awaiting the council approval of the concept of operations document. (SMC approved on the 23 August 2016.) | The City Manager (A) has instructed that the concept of operations document be re-submitted to Council for approval. The Document has been re-submitted to the relevant committee/s for approval |
| TOTAL | | | | | 15 | 5 | | | | | | |
| 2 | COMMUNITY SERVICES | PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) | 9 | 0 | 9 | 1 | PSDM 08 | 100% Implementation of the approved Disaster management plan by the 30th June 2017 | 100% implementation of the approved Disaster management plan by the 30th June 2017 | 2 (70% - 99%) | Sector plan meetings did not take place due to the many service delivery protest(due to electrical water related outages) and the regular sitting of the sitting of the Joint Operations Centre | meeting is scheduled for the 26th July 2017 |
| | | WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) | 1 | 5 | 6 | 3 | COM DEV 08 | 43 000 households refuse collected in Wards 1 to 9 by the 30th of June 2017 | nil achieved | 1 (69% & below) | Budget Office, couldn't account for the R3m allocation for Vullindela SMME's | to implement the project on the new budget allocation 2017/18 |
| | | | | | | | COM DEV 09 | 5 x 15m² skip bins purchased by the 31st of December 2016 | nil achieved | 1 (69% & below) | Services provider appointed couldn't deliver the services. Money was reallocated | an amount of R1m have been allocated on 2017/18 budget |
| | | | | | | | COM DEV 10 | 100% Construction of Kwa-Pata Bluv-Back centre first phase (concrete slab, roof shelter, supply of ablution and office container) by the 30th of April 2017 | concrete slab, roof shelter, ablution container couldn't be supplied due to shortage of funds | 2 (70% - 99%) | shortage of funds to purchase the container for ablution | to seek funds during the mid-term review |
| | | RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) | 6 | 3 | 5 | 5 | COM DEV 01 | Grass cut in 29 wards three times a season by the 31st of May 2017 (September 2016 to May 2017) | Grass was cut in 28 Wards but not all areas were covered | 2 (70% - 99%) | No of brush cutters stolen and not replaced to date. 38 Brush cutters at the workshop for repairs | Purchase of brush cutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brush cutters, revisit work plan and overtime schedules |
| | | | | | | | COM DEV 02 | 15 islands and 15 main entrances of Council Buildings maintained monthly by the 30th of June 2017 | 10 islands and 10 main entrances of Council Buildings maintained monthly | 2 (70% - 99%) | No of brush cutters stolen and not replaced to date. 38 Brush cutters at the workshop for repairs | Purchase of brush cutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brush cutters, revisit work plan and overtime schedules |
| | | | | | | | COM DEV 03 | 11 libraries maintained every month by the 30th of June 2017 | 7 libraries maintained monthly | 2 (70% - 99%) | No of brush cutters stolen and not replaced to date. 38 Brush cutters at the workshop for repairs | Purchase of brush cutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brush cutters, revisit work plan and overtime schedules |
| | | | | | | | COM DEV 04 | 36 operational halls maintained every month by the 30th of June 2017 | 20 halls maintained monthly | 2 (70% - 99%) | No of brush cutters stolen and not replaced to date. 38 Brush cutters at the workshop for repairs | Purchase of brush cutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brush cutters, revisit work plan and overtime schedules |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBP REFERENCE | ANNUAL - PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|-------------------------|--|---------------------------|-------------------------|-----------------------|---|----------------|---|---|------------------------------------|--|---|
| 2 | COMMUNITY SERVICES | RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) | | | | | COM DEV 13 | First Phase construction of new pool in ward 5 (Muhlela) completed as per approved construction plan by the 30th of June 2017 | Completion of designs, first phase could not commence due to budget cut | 1 (69% & below) | Budget insufficient to complete construction | Awaiting new budget in 2017/2018 financial year |
| TOTAL | | | 9 | 24 | 19 | | | | | | | |
| 3 | INFRASTRUCTURE SERVICES | WATER & SANITATION | 1 | 18 | 19 | 4 | W & S 04 | 1 km of Sewer pipeline replaced by the 30th of June 2017 | Panel of contractors Awarded at BAC by 31st May 2017 | 2 (70% - 99%) | Adjudication took longer than anticipated due to the number of tenders received. | Approve specification whilst tender in currently been finalised. |
| | | | | | | | W & S 08 | 21 new toilets completed and 0.6 km of new sewer pipe installed by 30 June 2017 | Panel of contractors Awarded at BEC by 30 April 2017 | 1 (69% & below) | Adjudication took longer than anticipated due to the number of tenders received. | Approve specification whilst tender in currently been finalised. |
| | | | | | | | W & S 18 | 40 % of Reservoir Completed 30th of June 2017 | Project had to be suspended due to unstable soil conditions whilst the geotechnical study is been undertaken. | 1 (69% & below) | Unsuitable soil conditions | Undertake geotechnical Density Test for new site. |
| | | | | | | | W & S 21 | 6 sets of Office Furniture Purchased & Delivered by the 30th of June 2017 | NIL | 1 (69% & below) | Funds were re allocated to Machinery and equipment | Procurement to take place next financial year |
| 3 | INFRASTRUCTURE SERVICES | ROADS & TRANSPORTATION OVERVIEW CAPITAL | 0 | 43 | 43 | 17 | R & T 01 | 1.6km of surfaced roads to blacktop with storm water completed by the 28th of February 2017 | Target not Met. Completed Priming. Surfacing to start 1st week in July 2017. | 2 (70% - 99%) | No funding available to complete project. | Fast track outstanding payments and fast track contractor to complete outstanding works. |
| | | | | | | | R & T 03 | Revised EIA application submitted to the EDTEA by the 30th of June 2017 | Additional EIA Wetland Offset Plan specialist study complete. | 2 (70% - 99%) | Insufficient budget available in 2017/18 FY for completion of additional studies as requested by the EDTEA. BAC approval VO3 for additional Geotech study obtained on 29 June 2017. | Revised EIA submission in 2017/18 FY when Geotech study is completed with funding is received for payment of completed specialist studies. |
| | | | | | | | R & T 04 | 100 % Base-course, kerb & channelling completed by the 30th of June 2017 | 92% of G9 completed, 80% of G7 completed. | 2 (70% - 99%) | Contractor suspended for two months due to cash flow problems as there was no money in the budget to make payments for work done. There is also a delay in the Electrical Unit relocating electrical services on site. | Work has commenced on site as money was relocated and there are funds available in the new budget. There will be a delay in the completion date. Electrical Unit have been requested to relocate their services as a matter of urgency. |
| | | | | | | | R & T 09 | Concrete bridge substructure, river embankment protection, and earthwork platform to 0.26 km of road way completed by the 30th of June 2017 | Substructure of west abutment 80% complete. Concrete footing of East Abutment complete. River embankment protection commenced. | 2 (70% - 99%) | Relocation of Eskom services causing delays to construction. Delays by municipality in paying upfront relocations costs to Eskom. Delays by approval of report to Full council | Report submitted to Council again for upfront payment approval to Eskom in May 2016. |
| | | | | | | | R & T 17 | 800m of gravel road upgraded to asphalt surface by the 30th of June 2017 | Culvert, Stormwater piping, manholes, Stormwater catch pits and earthworks completed. Gabions and sub base layer 50% completed. | 1 (69% & below) | The pace of the work was slow on site due to the Contractor lacking finances, resources and key staff to undertake the works. | Projected duration extended by three months and penalties will be applied for late finishing. |
| | | | | | | | R & T 23 | 0.75 km of gravel roads to standard upgraded by the 28th of February 2017 | 0.75 km of gravel roads to surfaced/concrete standard upgraded by the 30th of May 2017 | 2 (70% - 99%) | Additional Funding required to complete the surfacing of the road. The funding was only made available in May 2017 | Funding made available to complete project |
| | | | | | | | R & T 25 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of January 2017 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move off site and delay works. |
| | | | | | | | R & T 26 | 1.0 km of gravel roads to surfaced/concrete standard upgraded by the 28th of February 2017 | Target date not Met. Completed 1.0km in May 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move off site and delay works. |
| | | | | | | | R & T 27 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of January 2017 | 0.5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move off site and delay works. |

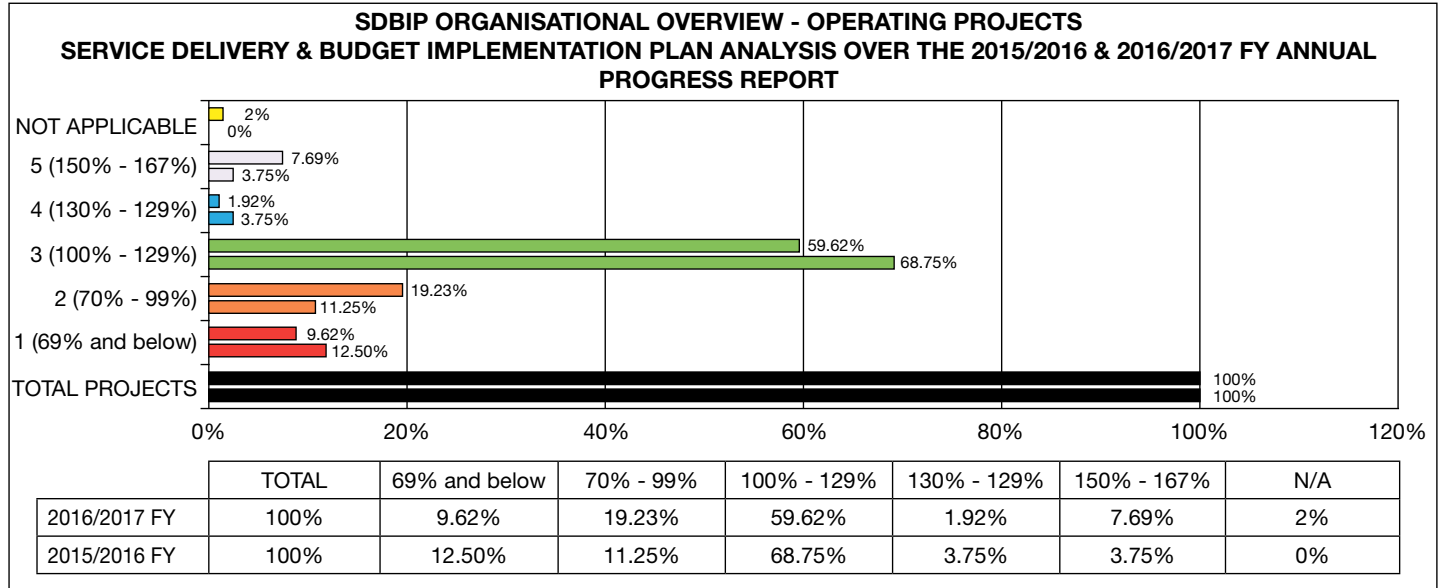
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|----|-------------------------|---|---------------------------|-------------------------|-----------------------|---|----------------|--|---|------------------------------------|--|--|
| 3 | INFRASTRUCTURE SERVICES | ROADS & TRANSPORTATION OVERVIEW CAPITAL | 0 | 43 | 43 | 17 | R & T 28 | Contractor for Asidown Bank Protection against Collapsing of Adjacent Houses- P 15 appointed by the 31st of May 2017 | Target not met Tender Adjudication Stage | 1 (69% & below) | Draft BSC report was received mid-February and approved by BSC Committee by the 2nd March 2017. Report was submitted to Acting Municipal Manager's office in greater and delayed for +/4,5 months before the report was approved and sent back to SCM by 15 May 2017. The report had to be registered at SCM and a SITE BRIEFING was conducted on the 31 May 2017. | speed up adjudication process and table the report to BEC by 4th August |
| | | | | | | | R & T 29 | EIA and WULA submitted to DW & S & Tender for construction advertised by the 30th of June 2017 | General Authorisation for WULA/EIA from DW&S received on 11 November 2016. BSC report for advertising approved by BSC on 9 March 2017. | 2 (70% - 99%) | Advertising of Tender by Supply Chain Management awaited. | Emails submitted to SCM requesting advertising date. |
| | | | | | | | R & T 30 | Tender for construction of 1.5m wide steel pedestrian bridge completed awarded by the 30th of April 2017 | Finalised Report Submitted to BEC on 20 June 2016. | 2 (70% - 99%) | Delays in adjudication process attributable to Professional Service Provider. Delays due to Amendments to SCM tax compliance policy to tenders. Departmental delays to BEC report approvals process. Insufficient budget to award tender. Adjudication report stood down by BEC on 22 June 2017 | Amended BEC report submission executed. Further extension of tender validity period requested. |
| | | | | | | | R & T 32 | 0.7km of Guard Rails installed as and when requested by the 31st of March 2017 | Target partially met. 0.63km of Guard Rails installed by the 30th of June 2017 | 2 (70% - 99%) | Not completed in March 2017 due to contractors leaving site because of late payments. Savings to achieve additional 0.13km were realised since the rate per meter decreases as length of guardrails to be installed increases. | Finance to ensure that contractors are paid on time to ensure that they do not abandon site. |
| | | | | | | | R & T 35 | Completed preliminary design for option 2A and specialist studies (EIA & WULA) submission, for Eastern Ring Road from Murray Road/Hesketh Drive intersection to Rogers Avenue by the 30th of June 2017 | Target not met. Wetland study completed and recommendation are that alternative route alignment being 2C has to be investigated as the proposed route alignment has a negative impact on the grassland where the road is traversing. Alternative route alignment to be investigated was finalised in June 2017 with the guidance of Msunduzi internal environment unit. | 1 (69% & below) | Environmental constraints (seepage and grassland) were found on the proposed alternative route alignment (Option 2A). Therefore another alternative has to be investigated option 2C. | Project has been put on hold. Meeting held on 6th June 2017 with Environment department to discuss and finalise the alternative route as per the Wetland Study recommendations. Project to resume in the new financial year. |
| 3 | INFRASTRUCTURE SERVICES | ELECTRICITY | 0 | 12 | 12 | 6 | R & T40 | 3 x Bus/Taxi Laybys constructed by the 31st of March 2017 | Target partially met. 2 x Bus/Taxi Laybys constructed by the 31st of March 2017 | 2 (70% - 99%) | 3rd Bus/Taxi Layby could not be constructed due to funds being reallocated to cover the budget shortfall on the installation of Traffic Signals project | Review annual targets and budgets to ensure that the KPI's are met. |
| | | | | | | | R & T41 | EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | Letter of Extension from EDTEA for further assessments required. | 2 (70% - 99%) | EDTEA required further assessments that were not required at the beginning stages of application. BAR submitted and EDTEA advised further studies required. | Extension requested and granted and consultant working on additional studies |
| | | | | | | | R & T 42 | EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | WULA studies and Basic Assessment completed but WULA has not been submitted to DW&S. EIA previously completed and approved. | 2 (70% - 99%) | Consultant awaiting reply from DW&S from 09 May 2017 concerning the application route that's needs to be followed for this project. | Consultant and Municipality to request DW&S to expedite decision concerning the application. |
| | | | | | | | ELEC 01 | 37 X HIGH MASTS LIGHTS TO BE ERECTED AND COMMISSIONED by the 30th of June 2017 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSIONED. | 2 (70% - 99%) | DELAYS BY ESKOM IN APPOINTING CONTRACTORS | CONTRACTORS HAVE SINCE BEEN APPOINTED AND INSTALLATIONS IN PROGRESS |
| | | | | | | | ELEC 03 | 200 NEW HOUSEHOLD CONNECTIONS TO BE ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | 193 NEW HOUSEHOLD CONNECTIONS ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | 2 (70% - 99%) | The 200 new households was an estimate of the number of households to be connected. At the time of completion it was 193 | There is no corrective measure. We cannot give the exact number of household to be connected until completion |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBP REFERENCE | ANNUAL - PROJECTED TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|--|---|---------------------------|-------------------------|-----------------------|---|----------------|--|--|------------------------------------|--|--|
| 3 | INFRASTRUCTURE SERVICES | ELECTRICITY | | | | | ELEC 06 | 132kV OUTDOOR SWITCHGEAR AND AUXILIARY POWER CABLES COMMISSIONED by the 30th of June 2017 | PART ONE IS 99% COMPLETE AND PART TWO HAS COMMENCED WITH 23% OF THE WORK DONE. ENTIRE PROJECT PROGRESS IS 94% | 2 (70% - 99%) | LACK OF AVAILABILITY OF WIRING OF PANELS INFORMATION REQUIRED RESULTING IN NEW INFORMATION HAVING TO BE COMPILED | EXTENSION FOR THE CONTRACT WAS APPROVED |
| | | | | | | | ELEC 08 | 2 X 40MVA POWER TRANSFORMERS PURCHASED AND DELIVERED by the 30th of June 2017 | 2 X 40MVA POWER TRANSFORMERS PURCHASED | 2 (70% - 99%) | DELAYS EXPERIENCED DURING SHIPPING OF THE UNITS RESULTING IN LATE ARRIVAL AT DURBAN PORT | DELIVERY TO SITE EXPECTED ON 31 JULY 2017 |
| | | | | | | | ELEC 10 | MANUFACTURING PROCESS OF 28 X 11kV FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS COMPLETED by the 30th of June 2017 | MANUFACTURING PROCESS OF 28 X 11kV FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS IS IN PROCESS by the 30th of June 2017 | 2 (70% - 99%) | DELAYS IN THE MANUFACTURING PROCESS | DELIVERY DATE HAVE BEEN EXTENDED TO OCTOBER 2017 |
| | | | | | | | ELEC 11 | 4 RMUS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED by the 31st of May 2016 | 4 RMUS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED by the 30th of June 2017 | 2 (70% - 99%) | Delays during construction resulted in the target date being missed. Construction work took longer than anticipated. | Contractor to add more teams to assist with fast tracking completion of works. |
| | | MECHANICAL WORKSHOPS OVERVIEW OPERATING | 2 | 0 | 2 | 1 | FLT 02 | 768 x Council vehicles and plant serviced by the 30th of June 2017 | 642 x Council vehicles and Plant serviced as at 30 June 2017 | 2 (70% - 99%) | Poor response from the Business Units to Fleet Management service plan. | Increase the number of services on the service plan |
| TOTAL | | | | | 76 | 28 | | | | | | |
| 4 | SUSTAINABLE DEVELOPMENT & CITY ENTITIES OVERVIEW OPERATING | DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) | 12 | 0 | 12 | 6 | LED 05 | LED strategy reviewed and completed Implementation plan submitted to SMC for approval by the 30th of June 2017 | Draft LED strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 1 | SMME strategy developed and submitted to SMC by the 30th of June 2017 | Draft SMME strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 2 | Cooperatives strategy developed and submitted to SMC by the 30th of June 2017 | Draft Cooperatives strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 3 | Women and Disabled economic empowerment strategy developed & submitted to SMC by the 30th of June 2017 | Draft Women and Disabled strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 4 | Youth economic empowerment strategy developed & submitted to SMC by the 30th of June 2017 | Draft Youth Economic Empowerment strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 5 | 100% development of a programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 30th of June 2017 | 50% development of a programme of action for improving the business environment in the Mkhondeni Industrial area | 2 (70% - 99%) | Training of Volunteers could not be done before the establishment of the Task Team/Steering Committee | Finalisation of programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 31st of August 2017 |
| | | | | | | | EDS 8 | Industrial Promotion strategy prepared and submitted to SMC by the 30th of June 2017 | Project Inception Report and Inception meeting held in June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | HUMAN SETTLEMENTS | 8 | 2 | 10 | | HS 08 | 41 x new housing units constructed by the 30th of June 2017 | Target Partially Achieved - 19 houses at roof level, 6 slabs has been cast, 7 sites been cleared by the 30 June 2017 | 2 (70% - 99%) | Social Challenges, communities are blocking the project | Social facilitation is in progress. |
| | | | | | | | HS 09 | 30 x new housing units constructed by the 30th of June 2017 | Target Not Achieved - 30 Slabs casted and 1 house at the roof level. | 1 (69% & below) | Slow Progress on site | Contractor to increase human and capital resources on site to keep up with the construction program. |
| | | | | | | | HS 10 | 100% Stage 1 Application. Completed for SACCA - Mkhondeni submitted to DOHS by the 30th of June 2017 | The tender to appoint an Implementing Agent to complete the Stage 1 application to the DOHS is due to be presented at the BAC on 13 July 2017. | 1 (69% & below) | Delays in the appointment of an Implementing Agent | Finalise the appointment of Implementing Agent and preparation of the Stage 1 Application to DOHS. |
| | | | | | | | HS 12 | 100% Feasibility Studies completed and Stage 1 Application Completed for Shengstone City submitted to DOHS by the 30th of June 2017 | Prefeasibility studies have been not yet been completed and funding for stage 1 has not yet been submitted to the DOHS for approval | 1 (69% & below) | The Municipality is still sorting out social issues and land invasions within the project area | Formalisation of Township and prepare land invasion |
| | | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | 18 | 16 | 34 | 11 | COM DEV 11 | 12 x planned Exhibitions held by the 30th of June 2017 | only 11 Exhibitions managed per annum because of floods | 2 (70% - 99%) | Flood incident in June | Clear Flood Damage |
| | | | | | | | LED 02 | 100% Completed Pallet Park construction as per approved construction plan by the 30th of June 2017 | 100% Completed Pallet Park construction as per approved construction plan by the 30th of June 2017 | 1 (69% & below) | The Engineers report for the assessment of Pallet Park was above the approved budget. The unit sourced additional funding in the FY. | Review the specifications and new bill of quantities issued |
| | | | | | | | LED 04 | 100% Municipal wide tourism signage revamped and installed by the 30th of April 2017 | Signs currently being manufactured. | 1 (69% & below) | Supplier did not quote according to the contract, amendments to the quotation and invoices had to be made. | Facilitate the completion and installation of the signage by 31 July 2017 |

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|-------|--|---|---------------------------|-------------------------|-----------------------|---|-----------------|---|---|------------------------------------|--|---|
| 4 | SUSTAINABLE DEVELOPMENT & CITY ENTITIES OVERVIEW OPERATING | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | 18 | 16 | 34 | 11 | CE 01 | 44 X CCTV Cameras installed with recording and site monitoring system linked to the Safe City control room by the 30th of June 2017 | This project could not be implemented | 1 (69% & below) | It was unfunded mandate and dependant on opportunistic non-expenditure by other business units | Subject to budget availability and the project is still unfunded in current financial year. |
| | | | | | | | CE 07 | Repairs to Ormolu Clock effected and completed by the 30th of June 2017 | Project Cancelled | 1 (69% & below) | Delays in obtaining Authority | Postponed project |
| | | | | | | | CE 11 | 100% construction of ground parking equipment at the PMB Airport completed by the 30th of June 2017 | 90 % of construction done. | 2 (70% - 99%) | Contractor delays | Contractor to complete by 15 July 2017 |
| | | | | | | | CE 16 | 100% Airport roof repairs completed at the PMB Airport by the 30th of June 2017 | Engineer completed assessment and report submitted. | 1 (69% & below) | Delay in obtaining completed design | To ensure procurement is completed and project is implemented |
| | | | | | | | CE 19 | 100% Office furniture for the PMB Airport staff procured by the 30th of June 2017 | Nil furniture purchased. | 1 (69% & below) | Nil Capex Available. | Capex requested in 2017/18 Budget |
| | | | | | | | CE 20 | 100% Purchase and installation of the overhead tank for the PMB Airport procured by the 30th of June 2017 | Nil OHD tanker purchased. | 1 (69% & below) | Nil Capex available. | Reallocations done from 16/17 unit savings |
| | | | | | | | CE 24 | Appointment of Facilities Management Company at the PMB Airport completed by the 31st of March 2017 | Service Provider bids are in Adjudication stage | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process |
| | | | | | | | CE 25 | 100% maintenance of infrastructure by the appointed Facilities Management Company for the PMB Airport completed the 30th of June 2017 | Service Provider bids are in Adjudication stage | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process |
| TOTAL | | | | | 78 | | | | | | | |

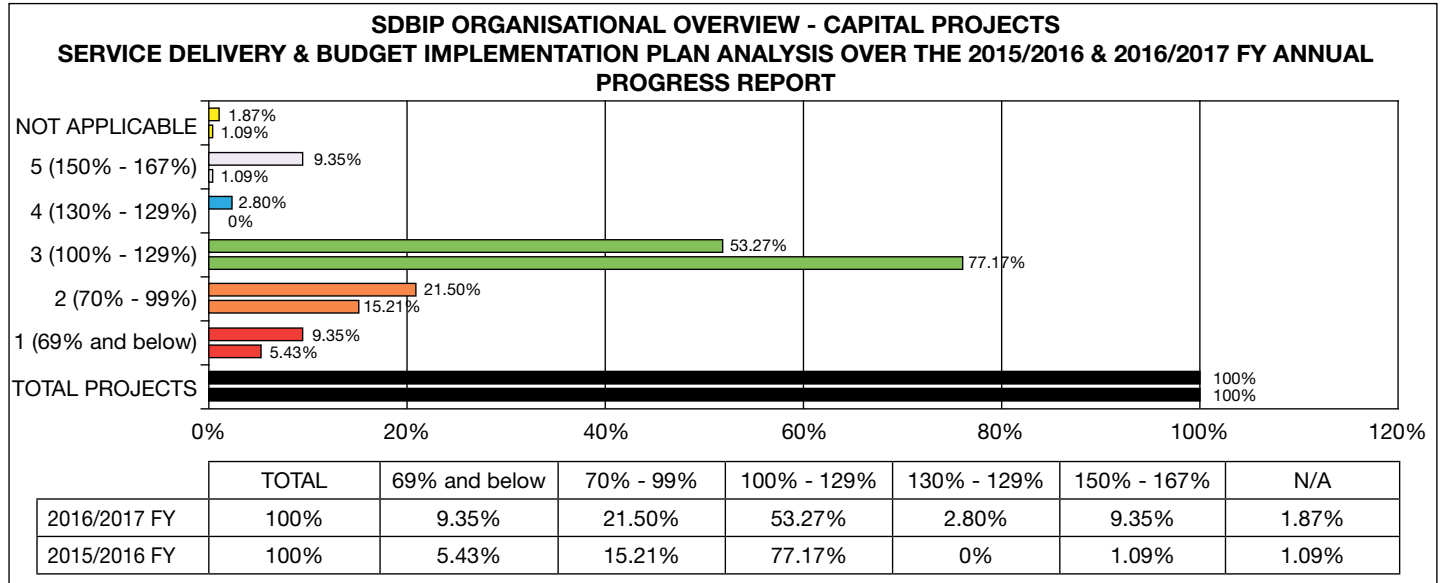
HIGH LEVEL SUMMARY OF PERFORMANCE COMPARISON FOR THE 2015/2016 & 2016/2017 FINANCIAL YEARS (SDBIP & OP)

GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



1. A total of 104 Operating Projects were reported on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 80 in 2015/2016 FY
2. 9.62% of the projects were reported as having achieved a 1 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 12.50% in 2015/2016 FY
3. 19.23% of the projects were reported as having achieved a 2 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 11.25% in 2015/2016 FY
4. 59.62% of the projects were reported as having achieved a 3 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 68.75% in 2015/2016 FY
5. 1.92% of the projects were reported as having achieved a 4 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 3.75% in 2015/2016 FY
6. 7.69% of the projects were reported as having achieved a 5 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 3.75% in 2015/2016 FY
7. 2% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 0% in 2015/2016 FY

GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



1. A total of 107 Capital Projects were reported on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 92 in 2015/2016 FY
2. 9.35% of the projects were reported as having achieved a 1 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 5.43% in 2015/2016 FY
3. 21.50% of the projects were reported as having achieved a 2 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 15.21% in 2015/2016 FY
4. 53.27% of the projects were reported as having achieved a 3 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 77.17% in 2015/2016 FY
5. 2.80% of the projects were reported as having achieved a 4 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 0% in 2015/2016 FY
6. 9.35% of the projects were reported as having achieved a 5 on the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 1.09% in 2015/2016 FY

7. 1.87% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT whereas 1.09% in 2015/2016 FY

OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR - ORGANISATIONAL OVERVIEW NARRATIVE

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFER-ENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1, 2, 3, 4, 5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|--------------|----------------------------|---|---------------------------|-------------------------|-----------------------|---|---------------|--|--|--|--|---|
| 1 | OFFICE OF THE CITY MANAGER | INTERNAL AUDIT | 13 | 0 | 13 | 1 | IA 02 | Completion of internal audit assignments as per approved Annual Audit Plan 2016/2017 by the 30th of June 2017 | Work performed this month is as follows: 1. Skills Development (management of training and development)- Administration and Planning documents have been completed. System description, risk and control matrix and audit program completed. Fieldwork is currently in progress. 2. Accounts Payables and SCM- The audit is in progress. Data Analytics testing has been completed and close- out meeting held with the Internal Audit team to go through the report. IT testing is still in progress looking at the system design, access parameters and profiles, etc. 3. Expenditure- Trade Payables Special Runs for Quarter 2- The audit has started and is in progress. The sample population will include all payments and not only be limited to Special Payments. 4. Business Licensing- Completed and preparing report for SMC submission. 5. ACR on Real Estate and Valuation System- Reviewed the draft report for amendment by the consultants. Reviewed the audit file for completeness. 2 x IDP Representatives forum meetings facilitated by the 30th of June 2017 | 2 (70% - 99%) | Some assignments could not be completed timely due to expiry of the contract with service providers. A new contract has since been entered into. | A revised plan was submitted and approved by the Audit Committee. |
| | | STRATEGIC PLANNING (INTEGRATED DEVELOPMENT PLAN) | 7 | 0 | 7 | 1 | IDP04 | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2017 | 2 x IDP Representatives forum meetings facilitated by the 30th of June 2017 | 2 (70% - 99%) | chairperson postpone the meeting twice | To brief the chairperson regularly and send continuous communication to stakeholders |
| | | ORGANIZATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT | 15 | 0 | 15 | 1 | PMS 15 | 36 x individual performance assessments of all managers up to level 3 conducted on a quarterly basis (Q3 assessments for the 16/17 financial year) | 5 x individual performance assessments of GMs conducted for the 15/16 FY. MM assessment still outstanding | 1 (69% & below) | The assessments were held up by the Local Government Elections due to the unavailability of the MM, GMs & the Evaluation Assessment panel members. Then there was the change of political leadership whereby a new Mayor was sworn in. The audit committee chairperson resigned. The MM was also suspended during this time. | A new evaluation assessment panel report was developed and approved by Council in January 2017. |
| TOTAL | | | | | 35 | 3 | | | | | | |
| 2 | FINANCE | EXPENDITURE MANAGEMENT | 3 | 0 | 3 | 2 | EXP 02 | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared submitted to SMC by the 30th of June 2017 | 11 x monthly reports on Fruitless and Wasteful Expenditure prepared submitted to SMC by the 30th of June 2017 | 2 (70% - 99%) | Awaiting year end closure of June 2017 | Will be done immediately as soon as June has been officially closed and final balances are available |
| | | | | | | | EXP 03 | 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 2017 | 90% of all creditors are paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2017 | 2 (70% - 99%) | Awaiting year end closure of June 2017 | Will be done immediately as soon as June has been officially closed and final balances are available |
| | | REVENUE MANAGEMENT | 9 | 0 | 9 | 1 | REV 05 | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 84% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 2 (70% - 99%) | Number of faulty Meters not yet replaced, and shortage of vehicles contribute to our failure to meet the target | Installation of electronic meters and water prepaid meters |
| | | mSCOA | 3 | 0 | 3 | 3 | B & T 11 | 4 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA by the 15th of April 2017 | 3 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA by the 15th of April 2017. 1 report completed and submitted after the 15th of April 2017 | 2 (70% - 99%) | Report was not prepared on time reason being emphasis was on submission of original budget for 2018 into NT portal | Report has since been prepared |
| | | | | | | | B & T 12 | 9 x Monthly Reports on the Implementation of mSCOA. Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2017 | Budget to be done on SAP Budget Module | 1 (69% & below) | Non availability of the budget module from SAP caused the delay in making the information available | Currently 2017/18 is already loaded into SAP in version 5.4 the same shall be converted into version 6.1 and submitted to National Treasury |

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|--------------|-------------------------|--------------------------------------|---------------------------|-------------------------|-----------------------|---|--------------|---|--|------------------------------------|---|--|
| 2 | FINANCE | mSCOA | | | | | MSCOA 01 | 100 X Council Staff training facilitated on mSCOA either through accredited or non-accredited training done through National Treasury by the 30th of June 2017 | Service is readily available to undertake training challenge of the venue is being addressed it is anticipated that training shall start full swing in July | 2 (70% - 99%) | addressing technical challenges with the service provider thereby ensuring that training venue is appropriate and conducive for training | training material and computers are being organised to ensure the smooth running of training hence the delay in commencing with the training |
| TOTAL | | | | | 15 | 6 | | | | | | |
| 3 | INFRASTRUCTURE SERVICES | PROJECT MANAGEMENT OFFICE | 6 | 0 | 6 | 1 | PMU 02 | 24 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of June 2017 | 17 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of April 2017 | 2 (70% - 99%) | No progress in most sites for the first three months of financial year, due to non-payment of the Service providers | Invoices must be sent to PMO for processing, and the Project Champions have to start attending the Meetings |
| TOTAL | | | | | 6 | 1 | | | | | | |
| 4 | CORPORATE SERVICES | LEGAL SERVICES | 7 | 0 | 7 | 3 | LGLO2 | 1 X specified bylaws (way/leaves) submitted to SMC for authority to invite comments by the 31st of May 2017 | Further input on the policy is being awaited from the various technical departments. Draft framework bylaws completed. | 2 (70% - 99%) | Further input on the policy is being awaited from the various technical departments. | Technical Departments to provide technical inputs to finalise policy. |
| | | | | | | | LGLO4 | 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 2017 | Not all legal input provided into contracts within the required time periods. | 2 (70% - 99%) | Two of the four professional staff were absent from work for extensive periods during quarter 2 due to medical reasons resulting in capacity constraints. | Improve work planning and prioritization. |
| | | | | | | | LGLO5 | 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 2017 | Not all comments legal advice provided within 7 working days of receipt of the request/notification by Legal Services by the 30th of June 2017 | 2 (70% - 99%) | Two of the four professional staff were absent from work for extensive periods during quarter 2 due to medical reasons resulting in capacity constraints. | Improve work planning and prioritization. |
| | | INFORMATION COMMUNICATION TECHNOLOGY | 6 | 0 | 6 | 1 | ICT 07 | 5 x CT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Service Desk and Incident Management Policy) updated & submitted to SMC for onward submission to Council by the 31st of October 2016 | Changes were made to the policies to conform to the current standard format and submitted to the OD unit. | 2 (70% - 99%) | OD to approve the policies. | OD to approve the policies. |
| 4 | CORPORATE SERVICES | SECRETARIAT & AUXILIARY SERVICES | 6 | 0 | 6 | 3 | SG 04 | 1 x Folding Machine procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A |
| | | | | | | | SG 05 | 1 x Compressor procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A |
| | | | | | | | SG 06 | 1 x Trolley procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A |
| | | HUMAN RESOURCES | 9 | 0 | 9 | 3 | HR 02 | 60 x Councilors trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 27 Councilors were trained in line with the 2016/17 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2.Training implementation was suspended due to non-availability of Cllrs as they are engaged on the bi – elections campaigns. 3. Poor attendance of Councilors at the 2 programmes implemented. | Get buy-in and support from Speakers Office. |
| | | | | | | | HR 03 | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2.Delays in the turnaround time of approval from MM's Office and SCM to the appoint training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. | Review Appointment Process and work closer with Supply Chain Unit |

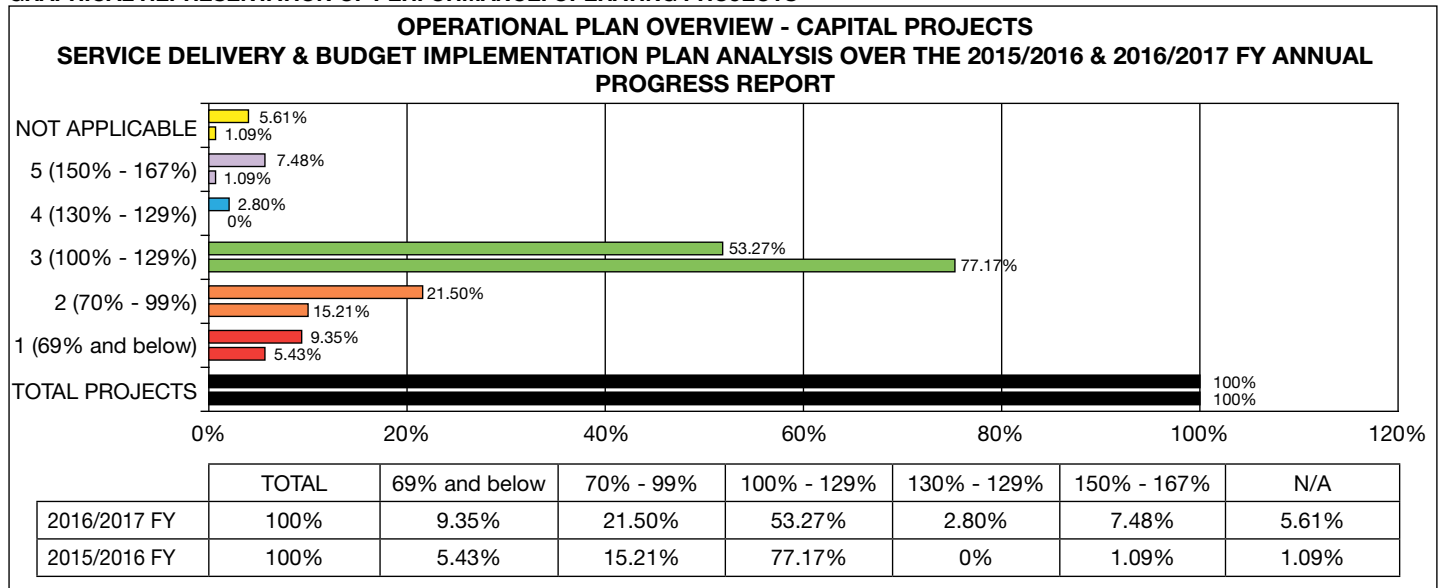
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|-------|---|--|---------------------------|-------------------------|-----------------------|---|---------------|--|---|------------------------------------|---|--|
| 4 | CORPORATE SERVICES | HUMAN RESOURCES | | | | | HR 06 | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1 (69% & below) | 1. Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2. Delays in the turnaround time of approval from MM's Office and SCM to the appoint training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. | Review Appointment Process and work closer with Supply Chain Unit |
| TOTAL | | | | | | | | | | | | |
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVD) | 22 | 0 | 22 | 10 | TP & EM 36 | 100% coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot on the Formalization process of Ambleton/ Shenston by the 30th of June 2017 | Social facilitators have been appointed | 2 (70% - 99%) | This item is handled by Human Settlements. Human Settlements stopped the process of Public Notification | This item must be under Human Settlements. Written MEMO of taking out this item from LMO |
| | | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) | 15 | 0 | 15 | 4 | IP&S 09 | After approval of new process, 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2017 | New approval process not approved, so no applications approved. | 1 (69% & below) | New approval process not yet approved | Report approved by SMC 14 June 2017, recommended to SD&CE Portfolio Committee (August 2017). |
| | | | | | | | IP&S 10 | Appointment of Signage Management Company to manage all Outdoor Advertising Signage by 31 March 2017. | Signage Management Company not yet appointed. | 1 (69% & below) | Signage Management Company not yet appointed due to faulty SCM process. | In SCM process. To next meeting of BEC. |
| | | | | | | | IP&S 11 | Appointment of Clean-up Co-operatives/ Companies to deal with all illegal signage by 31 March 2017. | Signage Clean-Up co-operative/s not yet appointed. | 1 (69% & below) | Clean-up co-operatives not yet appointed due to faulty SCM process. | In SCM process. BAC to approve cancellation and re-advertisement of contract. |
| | | | | | | | IP&S 12 | Submission of 3 x monthly reports to SMC on the removal of all illegal advertising signage on Council property, detailing results of the clean-up, following the appointment of Clean-up Co-operatives/ Companies by the 30th of June 2017 | No monthly reports submitted due to non-appointment of Clean-Up co-operative/s. | 1 (69% & below) | Clean-up co-operatives not yet appointed due to faulty SCM process. | BAC to approve re-advertisement of tender. Clean-up co-operatives expected to be appointed in October 2017. |
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | HUMAN SETTLEMENTS | 34 | 0 | 34 | 20 | HS 13 | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | WULA not prepared. The Tripartite Agreement Contract has been submitted to Municipality for signing by the City Manager but it has been deferred back for discussion between DoHS and Municipal Manager. It should be noted that the Environmental Authorisation (RoD) for this project is in place. Once it is in place the IA will commence with Detailed Planning for the project. | 1 (69% & below) | The delays in the renewal of contract of which and Municipality does not have control has over contracting process. | To fast track signing of Tripartite agreement contract |
| | | | | | | | HS 14 | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | WULA not prepared. The Tripartite Agreement Contract has now been signed by all parties. The IA has started packaging Water Use License Application for the project which will be submitted to the Department of Water and Sanitation for approval. | 2 (70% - 99%) | The delays in the renewal of contract of which the Municipality does not have control has over contracting process. The IA has not appointed the service provider to prepare the WULA application because the Tripartite agreement was signed on the only signed towards the end of May 2017 by the HoB. Municipality has No control over contracting process. | The IA has submitted quotation for WULA and is now in a process to appoint an Environmentalist to prepare the WULA application |
| | | | | | | | HS 16 | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | The Tripartite Agreement Contract is with the Municipality once the contract has been signed. The Service provider will be able to submit all work undertaken | 1 (69% & below) | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement |
| | | | | | | | HS 17 | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | The Tripartite Agreement Contract is with the Municipality once the contract has been signed. The Service provider will be able to submit all work undertaken. | 1 (69% & below) | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement |
| | | | | | | | HS 18 | Implementing Agent for Glenwood South East Sector IRDP housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. The report was deferred back to SCM for amendments. | 2 (70% - 99%) | The report was differed to SCM for amendments. | Amendments to be incorporated by SCM by 31 July 2017. |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAP-ITIAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFER-ENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|---|-------------------|---------------------------|---------------------------|-----------------------|---|---------------|--|--|------------------------------------|--|--|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | HUMAN SETTLEMENTS | | | | | HS 19 | 2 x properties acquired for housing construction by the 30th of June 2017 | The target has not achieved due to budget constraints at GEVDI office. Since the land has not yet been acquired by the Municipality the DoHS emphasised that they will not provide funding for the project until the land has been acquired and transferred to the Municipality. | 1 (69% & below) | Lack of funding for Land acquisition | GEVDI to fast-track the land acquisition process |
| | | | | | | | HS 20 | Stage 2 application for Signal Hill prepared and submitted to DoHS by the 30th of June 2017 | The Report was presented to the BAC committee and was approve subject to amendments. | 2 (70% - 99%) | The report has been referred back for amendments. | The BAC Report will be presented on the 30th of June 2017 to address comments that were made. |
| | | | | | | | HS 22 | Implementing Agent for Harewood housing appointed by the 30th of June 2017 | The Bid Evaluation report was presented on the 7 June 2017 and was approved by the Bid Evaluation committee (BEC). The recommendation of the BEC will be presented in the next meeting of the Bid Adjudication Committee (BAC). | 2 (70% - 99%) | Supply Chain is Evaluation of the tender documents took very long time to be completed due to many tender documents received. | To present to the Bid evaluation committee |
| | | | | | | | HS 23 | Implementing Agent for Caluza, Smemo and Ekobonono housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | 2 (70% - 99%) | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. |
| | | | | | | | HS 24 | Implementing Agent Snathing Phase 1 housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | 2 (70% - 99%) | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. |
| | | | | | | | HS 25 | 100% Land Acquisition in wards 16,21 & 22 for housing projects completed by the 30th of June 2017 | Various portions of land have been acquired by GEVDI for this project. However, it has not been concluded. | 2 (70% - 99%) | There are various properties to be acquired through expropriation. This process is lengthy | Speed up the process and engage legal reps to finalise expro and friendly sales. |
| | | | | | | | HS 26 | 73 x new housing units completed for Willowfontain EE Phase 1 by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process, access to site and there is heavy boulders cannot use manual labour to remove | Fast racking of Appointment process. Use TLB to dig and get material on site. |
| | | | | | | | HS 27 | Completion of 60 Units and Renovation of 50 Units. | 24 units have been completed. 8 Units are at roof level and 12 units are at wall-plate level. 20 units have been handed over. Building plans have been approved and began. Renovation to one double storey and one single unit completed. Temporary camp 50 units completed. The IA has submitted a BOQ for renovations to DoHS and still waiting for an approval from consultant BMK, last approval was on 16 December 2016. The IA has requested to demolish further structures from DoHS. | 2 (70% - 99%) | The demolition approvals for beneficiaries have not been concluded. Slow pace of Implementing Agent. Where there is approval for demolitions beneficiaries refuse to move to none electrified transit camps. | The approval of the demolitions. The approval of the BOQ for renovations by BMK. More sub-contractors have been employed on site. Get electricity for transit camp |
| | | | | | | | HS30 | 60 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.) by the 30th of June 2017 | 8 Units have been completed and handed. 10 units are at roof level. 20 units are at wall plate level. 11 slabs have been cast. | 2 (70% - 99%) | Slow progress by the Implementing Agent. The meeting was held with the IA to instruct them to increase the resources and speed up the process. | Implementing Agent to increase resources to speed up the project. |
| | | | | | | | HS31 | 16 x temporary housing units completed in ward 32 (Happy Valley Housing project) by the 30th of June 2017. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fast racking of Appointment process. |
| | | | | | | | HS32 | 20 x temporary housing units completed in ward 32 (Site 11 Housing project) by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fast racking of Appointment process. |
| | | | | | | | HS33 | 25 x temporary housing units completed in ward 38 (Thamboville Housing project) by the 30th of June 2017's. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fast racking of Appointment process. |
| | | | | | | | HS34 | 20 x temporary housing units completed in ward 38 (Glenwood Q-Section Housing project) by the 30th of June 2017. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fast racking of Appointment process. |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFER-ENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|---|---|---------------------------|-------------------------|-----------------------|---|---------------|--|---|------------------------------------|--|---|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | HUMAN SETTLEMENTS | | | | | HS35 | 25 x temporary housing units completed in ward 38 (Thenballe Housing project) by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fast racking of Appointment process. |
| | | | | | | | HS36 | 1 x Project Close-out report for NUSP Phase 2B prepared and submitted to SMC by the 30th of June 2017 | The Close-out report for NUSP Phase 2B was prepared but not submitted. | 2 (70% - 99%) | The report was not submitted as it is in a draft format as the final close-out report is awaited from the Service Provider who has not been able to finalise the report. | Put pressure on the Service Provider to finalise the report to the Municipality so as to finalise the close-out report and submit to SMC. |
| | | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | 23 | 0 | 23 | 12 | CE 26 | 100 % Establishment of the Pmb Airport as a Municipal Entity by the 30th of June 2017 | Advert to establish a board was done and resume received and report written to SMC for finality | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 27 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 28th of February 2017 | Advert to establish a board was done and resume received and report written to SMC for finality | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 28 | 100% Fully functional Market (Market manager appointed) by the 31st of December 2017 | Interviews have been conducted for Market manager. | 2 (70% - 99%) | Finalization of the process and appointment | Finalization of a process and Priority post budget allocation. |
| | | | | | | | CE 29 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 30th of June 2017 | THE ADVERT FOR THE BOARD WAS DONE AND THE RESPONSES WERE RECEIVED AND EVALUATED. THE RECOMMENDED CANDIDATE WERE FORWARDED TO SMC FOR CONSIDERATION AND WE ARE WAITING FOR DECISION. | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 30 | 100% Fully functional Forestry entity (Board appointed and CEO appointed) by the 30th of June 2017 | The advert for the board was done and the responses were received and evaluated, the recommended candidate were forwarded to smc for consideration and we are waiting for decision. | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 31 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO by the 30th of June 2017 | The advert for the board was done and the responses were received and evaluated, the recommended candidate were forwarded to smc for consideration and we are waiting for decision. | 2 (70% - 99%) | SMC has not taken decision on Entity board members and only the board will be eligible to appoint CEO | Subject to the Council |
| | | | | | | | CE 35 | Service Level Agreements with Winstill Churchill reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalize the project |
| | | | | | | | CE 36 | Trust Deed of the Tatham Art Gallery reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalize the project |
| | | | | | | | CE 39 | 4 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 2 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 1 (69% & below) | Delays in commencing with the process of assessments | To ensure in future that planned targets are met |
| | | | | | | | CE 41 | Business Plan for Winston Churchill reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalize the project |
| | | | | | | | CE 42 | Business Plan for reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalize the project |
| | | | | | | | CE 44 | 100% Review the partnership between the Province, the District and the Municipality in managing theatre completed by the 31st of May 2017 | Report submitted to GM : SD & CE | 1 (69% & below) | Report returned by GM. | Met with DoAC regarding plan. Province to re-appoint Board first. |
| TOTAL | | | | | | 37 | | | | | | |

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GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



1. A total of 220 Operating Projects were reported on the Operational Plan ANNUAL 2016/2017 FY PROGRESS REPORT whereas 133 in 2015/2016 FY
2. 9.35 % of the projects were reported as having achieved a 1 on the Operational Plan for ANNUAL 2016/2017 FY PROGRESS REPORT whereas 5.43% in 2015/2016 FY
3. 21.50% of the projects were reported as having achieved a 2 on the Operational Plan ANNUAL 2016/2017 FY PROGRESS REPORT whereas 15.21% in 2015/2016 FY
4. 53.27% of the projects were reported as having achieved a 3 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT whereas 77.17 in 2015/2016 FY
5. 2.80% of the projects were reported as having achieved a 4 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT whereas 0% in 2015/2016 FY
6. 7.48% of the projects were reported as having achieved a 5 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT whereas 1.09% in 2015/2016 FY
7. 5.61% of the projects were reported as not applicable due to not having any targets on the Operational Plan ANNUAL 2016/2017 FY whereas 1.09% in 2015/2016 FY

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

In terms of the Operating projects on the SDBIP, in the 2016/2017 FY Msunduzi Municipality achieved 69.23% in terms of the targets that were met, whereas in the 2015/2016 FY 68.75% of the targets were met. This indicates a slight improvement of 0.48% increase in targets met.

In terms of the Capital projects on the SDBIP, in the 2016/2017 FY Msunduzi Municipality achieved 65.42% in terms of the targets that were met, whereas in the 2015/2016 FY 77.14% of the targets were met. This indicates a regression of 11.72% increase in targets met.

In terms of All Projects on the OP, in the 2016/2017 FY Msunduzi Municipality achieved 71.09% in terms of the targets that were met, whereas in the 2015/2016 FY 80.25% of the targets were met. This indicates a regression of 9.16% increase in targets met.

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

During the 2016/2017 financial year a number of measures were undertaken as per S46 of the Municipal Systems Act to improve the overall performance of the Municipality. 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 UNDERTAKEN TO IMPROVE PERFORMANCE IN THE 2016/2017 FINANCIAL YEAR | | | | | | |
|--|---------------------------------|----------------------------|--|-----------|----------------------|--------------------|
| NUMBER | DEPARTMENT RESPONSIBLE | PERSON RESPONSIBLE | ACTION TAKEN | STATUS | REASON FOR DEVIATION | CORRECTIVE MEASURE |
| 1 | Office of the Municipal Manager | Mr. S HADEBE (CM - Acting) | 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 |
| 2 | Internal Audit | Mrs. P Stamper | At the approval of the SDBIP 2016/17 by the Mayor, the Office of the Municipal Manager forwarded both the SDBIP & OP 16/17 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 UNDERTAKEN TO IMPROVE PERFORMANCE IN THE 2016/2017 FINANCIAL YEAR

| NUMBER | DEPARTMENT RESPONSIBLE | PERSON RESPONSIBLE | ACTION TAKEN | STATUS | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|--------|---------------------------------|----------------------------|---|-------------|--|--|
| 4 | Office of the Municipal Manager | Ms. Nqobile Madonda | 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. 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. S HADEBE (CM - Acting) | Upon the Auditor General releasing their report on the Audit Opinion for the Municipality, the City 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 |
| 6 | Office of the Municipal Manager | Mr. S HADEBE (CM - Acting) | 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. Nqobile Madonda | 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. Nqobile Madonda | Review of the Organizational Performance Management Framework and the Individual Performance Management Policy was conducted and submitted to the Strategic Management Committee for approval and was subsequently approved. The policies have been forwarded to the Corporate Services 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 |
| 9 | Office of the Municipal Manager | Ms. Nqobile Madonda | 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. The 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 CM & GMs performance agreements on the municipal website. Copies of the signed performance agreements were also forwarded to CoGTA as per circular 7 of 2015. | Completed | N/A | N/A |
| 11 | Office of the Municipal Manager | Ms. Nqobile Madonda | 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 | Mrs. P Stamper | 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. | Completed | N/A | N/A |
| 13 | Office of the Municipal Manager | Mr. S HADEBE (CM - Acting) | During the OMC, the City 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 General Managers, Senior Managers and Project Champions will take place. The meetings looked at possible ways of fast-tracking expenditure on MIG funding & Grants. | Completed | N/A | N/A |
| 14 | Office of the Municipal Manager | Mr. S HADEBE (CM - Acting) | 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 CM in respect 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. | Completed | N/A | N/A |

MEASURES UNDERTAKEN TO IMPROVE PERFORMANCE IN THE 2016/2017 FINANCIAL YEAR

| NUMBER | DEPARTMENT RESPONSIBLE | PERSON RESPONSIBLE | ACTION TAKEN | STATUS | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|--------|---------------------------------|----------------------------|---|-----------|----------------------|--------------------|
| 15 | Office of the Municipal Manager | Mr. S HADEBE (CM - Acting) | 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 CM. | Completed | N/A | N/A |
| 16 | Office of the Municipal Manager | Ms. Nqobile Madonda | The Office of the City 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. | Completed | N/A | N/A |
| 17 | Office of the Municipal Manager | Ms. Nqobile Madonda | <p>In line with an Internal Audit report recommending the PMS unit conduct training with the PA's & Secretaries of business units on the compilation of POE's, the PMS unit has since done a report for the SMC to determine who they want to train from their units inclusive of Managers and other staff as well as training to be conducted beyond just the compilation of POE's, but the include the following:</p> <p>Presentation on the OPMS Policy & the SOP 2015/2016, Presentation on IPMS Policy & the SOP 2015/2016, How to complete the SDBIP & OP on a monthly & quarterly basis, How to use the POE cover sheet, How to prepare the POE, and How to complete the assessment forms & workplans of the respective manager prior to assessments being completed – templates to be used, copies and submission.</p> <p>Training has also been conducted on the SMART principle.</p> <p>Training has since commenced and is in progress.</p> | Completed | N/A | N/A |

SECTION 1: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT

1. COMPONENT A: INFRASTRUCTURE SERVICES

This component includes: Water Services, Sanitation Services, Electricity, Roads, Transportation Planning, and Storm Water & Mechanical Workshops.

1.1. WATER SERVICES

The Msunduzi Municipality has progressively aligned itself to the use of terminologies, concepts and calculative formulae as set out by International Norms and Standards in respect of service delivery, Water Losses and associated variables. Henceforth some definitions mentioned in this report have been included as dictated by International standards and requirements. Below are basic terminologies that are used for ease of reference and understanding:

| |
|--|
| System Input Volume (Water Purchases) |
| Authorised Consumption |
| Billed Metered Consumption |
| Billed Metered Consumption |
| FBW/ES - Standpipes |
| FBW/ES - Low Cost Housing |
| FBW/ES - Indigent |
| Transportation |
| Revenue Water |
| FBW/ES |
| Billed Unmetered Consumption |
| Unbilled Authorised Consumption |
| Unbilled Metered Consumption |
| Total no of Buildings |
| No of buildings fed by unmetered SP |
| Ave consumption per HH |
| Consumption of UU HHs |
| Vulindlela |
| Unbilled Unmetered Consumption |
| Total Water Losses |
| Apparent Losses |
| Illegal Connections |
| Metering Inaccuracies |
| Real Losses |
| Non-Revenue Water |
| NRW by Volume |
| Total Water Losses |
| Inefficiency of Use |
| No of Connections |

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 into 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:

- Water Losses = System Input Volume – Authorized Consumption as per MFMA circular 71 of 2014 which is inclusive of Actual and Apparent losses.
- 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 collectively referred to as “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. The Equitable share payment is factored in the category of Authorized Consumption and therefore is eliminated in the calculation of the Non-Revenue Water as a monetary component.

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 2016/17 financial year:-

- 1) A total of 9.4 km of defective water pipelines was replaced. A further 2.4 km of water pipe was replaced.
- 2) The 2016/2017 represented the 6th phase of a six year Non-Revenue Water Reduction Program. Total water losses dropped from 31.3% in the 2015-2016 financial year to 28.9% in the 2016-2017 financial year.

The following is a summary of Non-Revenue Water interventions undertaken 2016/2017 financial year:-

- 101 new and existing PRV's were audited and maintained during the last year. Of the 101 PRV's, 19 New Pressure Management Zones (PMZ's) designed and commissioned, while 86 existing PRV's were serviced/refurbished/replaced and the same PMZ's made discreet. All the PRV's are now functional and just requires advanced pressure management;
 - 5 advanced PRV controllers were mounted and commissioned with real-time monitoring made accessible to Msunduzi staff. The 6 existing advanced PRV controllers were serviced and optimized to meet new pressure regimes as agreed by all (Except for CBD PRV's pending operational tasks to be completed);
 - 56 of the required 85 Time Controllers (TC) have been retrofitted onto the PRV's that were audited. 44 of the 56 TC have been commissioned within the last 4 months;
 - Accumulative savings in night flow to date is 372.1 kl/hr;
 - 12 Reservoir supply zones were surveyed and found unmetered. 11 out of 12 feeds for these reservoir supply zones have been installed with bulk meters and now metered accurately (92% completion achieved);
 - 20 BPT zones were inspected and 14 found unmetered. 8 out of 14 unmetered BPT's had bulk meters installed on the outlets during the last FY;
 - In general, 94 sites were managed with planned civil works (modified/new chamber construction). 86 out of the 94 have been completed while remaining sites are pending implementation due to budget restraints;
 - 8 839km of reticulation was surveyed for leaks using leak detection methods. 7 914 Leaks found and 7 647 repaired to date (96% completion achieved). Estimated System Input Volume (SIV) reduction of 26,1 ML/day and monetary savings accounted to R48,3 million p.a. ;
 - 348 bulk consumer meters were replaced with new meters and correct installation to help increase revenue for the Municipality.
- 3) Reactively responded to 2138 burst mains.
 - 4) The City's bulk water purchases from Umgeni Water decreased from 191 ml /day in 2015/2016 to 171 ml/day in the 2016/2017.
 - 5) A total of 362 new water connections where completed.
 - 6) A total of 2011 water meters where replaced during the 2016-2017 financial year.
 - 7) The Top 3 priorities in relation to the 2016-2017 financial year is as follows:-
 - Reduce water losses and improve Revenue Collection
 - Improve Operations and Maintenance
 - Complete Design and Planning phases for projects to be implemented in 2017-2018.
 - 8) The following picture shows Msunduzi Water Service Delivery area with the new demarcations including ward 39:

PMB (New City and Old City):

- 20 BPT zones were inspected and 14 found unmetered. 8 out of 14 unmetered BPT's had bulk meters installed on the outlets. During the current FY these same 8 BPT outlets were associated to the i2o portal in the MM control room for realtime monitoring of outflows;
- Two PMZ's for the MM CBD were desktop designed and are awaiting implementation. Implementation was delayed due to insufficient budget;
- 8 839km of reticulation was surveyed for Leaks using level 2 and 4 Detection methods. 8 740 Leaks found and 8 565 repaired to date (98% completion achieved). Estimated SIV reduction of 29,2 ML/day and monetary savings accounted to R53,6 million p.a. ;
- Municipal backlog in 450 pipe leaks from HEAT system was undertaken as additional scope. These reported entries from the HEAT system were attended too;
- 24 733 Flow restrictor devices (Restrictor Washers) were installed on domestic connections to reduce water consumption and overall the water demand of numerous supply zones;
- Ad-hoc pipe repairs for leaks on the 400mm main pipeline from Haythorns Reservoir to the Northdale area of supply. This was completed with a 150mm scour outlet for future system maintenance activities
- 6 BPT zones had been identified with high leakage factors after analysis. Leak detection surveys were conducted for the BPT supply zones and as such Taunton Rd BPT zone real losses were reduced by 10.8m³/h from the result of this analysis;
- A piloted intervention was performed by the Consultant for the reduction of internal leakage. Internal leakage and repairs were first performed in the Haniville supply area. Contractors surveyed 847 houses and repaired 2808 leaks. The Haniville supply zone had a baseline night flow of 53m³/h and was minimized to a night flow of 35m³/h. The approximated savings accumulated to R1.229 million p.a. for this supply zone;
- Reviewing the results from the piloted area, 5 other supply zones were targeted. These five were viz. Cinderella Park, Madiba Park, Thembalihle, Edendale Ward 19 and 23. In total, 4998 houses were surveyed by the Contractors and 24 897 internal leaks were repaired;
- Benefits of our work included updating of Municipalities' GIS info for supply systems as we progressed.

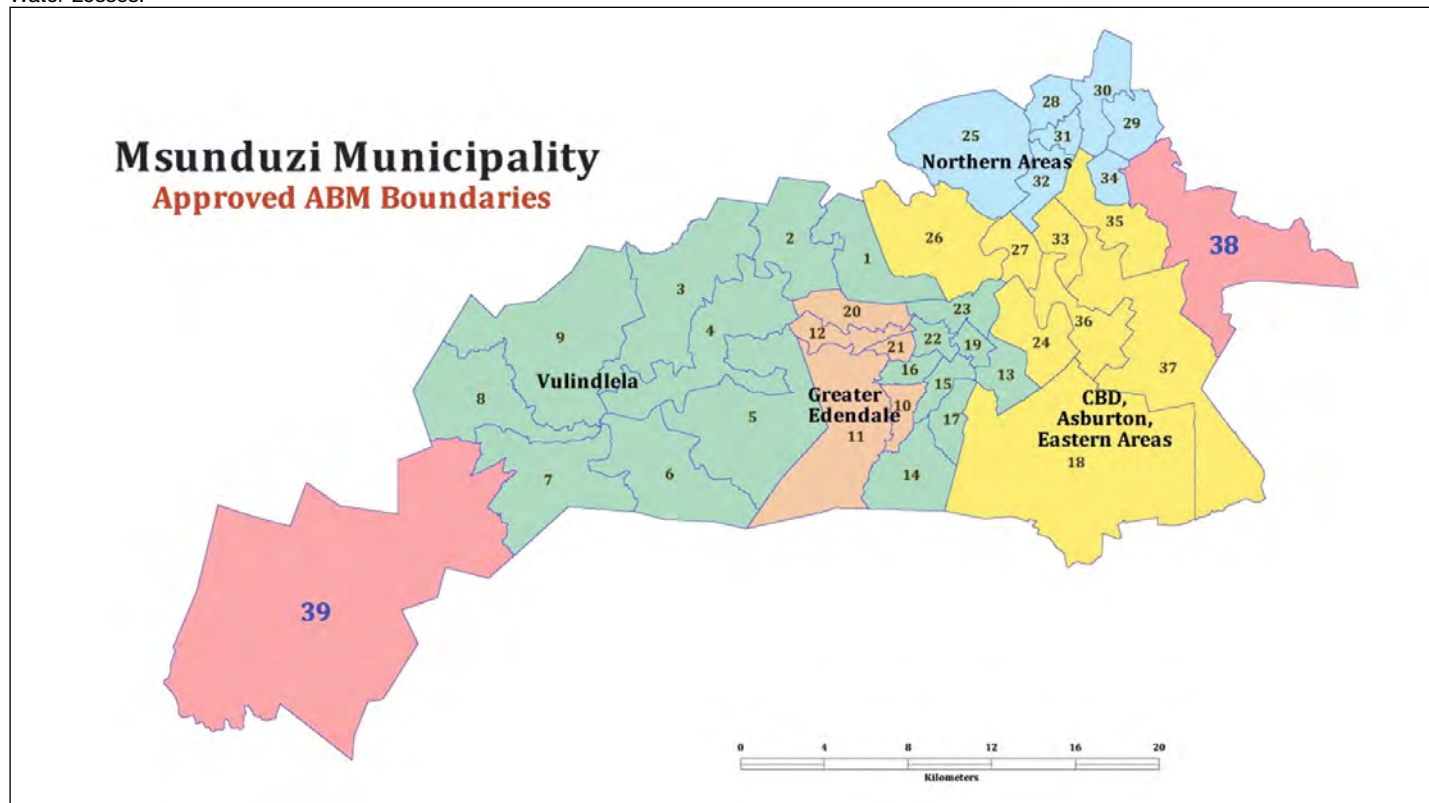
Vulindlela:

- Bulk meters inspected for 19 Reservoirs zones and maintained in working condition due to new installations of previous contract a year ago; 5 of these meters were refurbished during the current FY;
- 184 Bulk meters audited within last FY i.e. zone meters, BPT outlet/inlet meters, district meters. 115 of the 184 inspected bulk meters not functional. 33 bulk meters refurbished/replaced to date under;
- 31 of 43 BPT sites were inspected and found unmetered, 20 of the 31 unmetered sites were installed with a new bulk meters to measure minimum night flows and SIV per BPT zone. The remaining BPT sites had deteriorated storage tanks and were planned for replacement with

PRV installations;

- 138 PRV's audited to date with 45 desktop designed PMZ's;
- 2 605 km of reticulation was surveyed for Leaks using level 2 and 4 Detection methods. 1 796 Leaks were found and 1 791 repaired to date (99% completion). Estimated SIV reduction of 7,25 ML/day and monetary savings accounted to R13,4 million p.a;
- Benefits of our work included updating of Municipalities' GIS info for supply systems as we progressed.

Below is a Water Loss Schematic Representaion With acceptable terminologies ,concepts and variables commonly associated in the calculation of Water Losses.



- 9) The Msunduzi Municipality was once again awarded the Blue Drop Status. The award is called Blue Drop with Platinum Status as Msunduzi Municipality has achieved its drinking water quality summa-cum-laude for 3 consecutive assessment periods.

The blue drop status was launched in 2008 by the Minister of Water affairs, with the focus on an excellence approach to drinking water provision and water quality management. It is important to note that Blue Drop Assessments do not only look at the quality of drinking water but the entire water provision cycle. It looks and scores, the competence and skills capacity of technical staff, the procedures that are followed in the event of an incident, the adequacy of the budget for maintenance purposes, proof of adequate maintenance on our water infrastructure, drinking water compliance(SANS 241 : 2011), Water use efficiency and Asset Management to name a few. The Msunduzi Municipality scored 97.97 percent and was ranked No. 1 in the country.



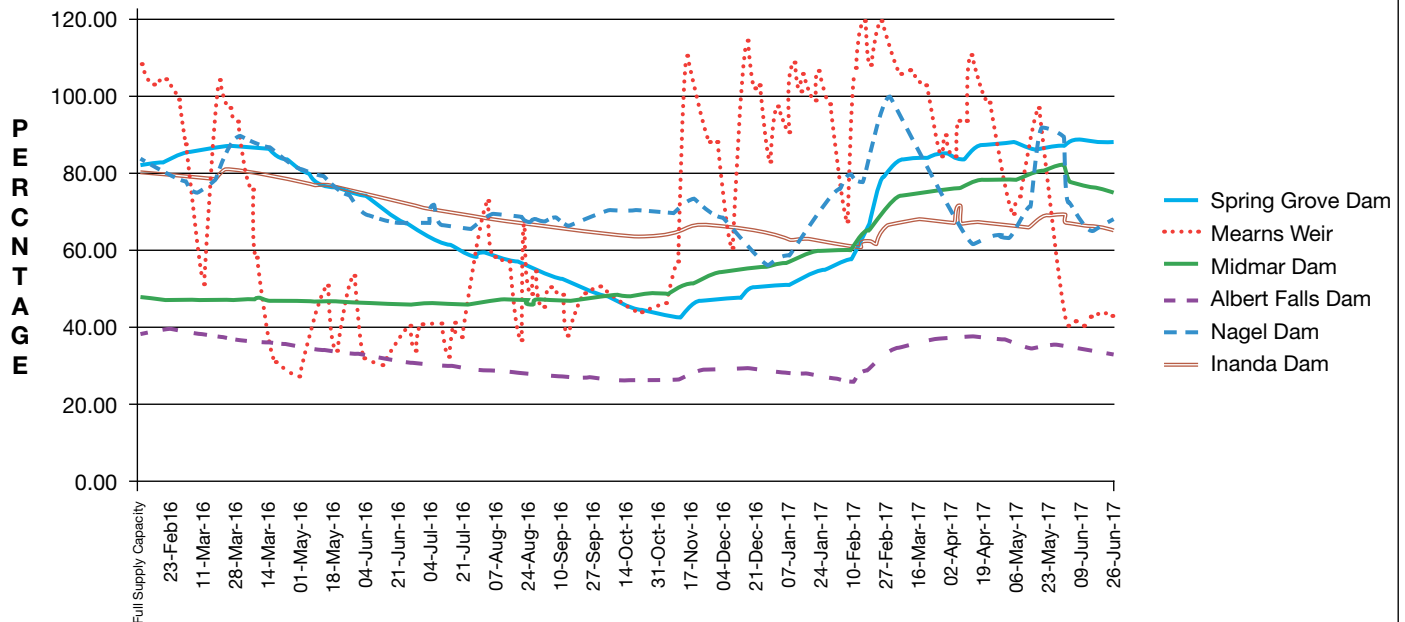
DROUGHT IMPACT

The prevalent drought conditions has deemed it necessary for Government Institutions to introduce legislative measures to minimize the adverse effects of this drought. To this effect the following became applicable.

As per Ministerial directives; water demand/usage by all Municipalities, including categories A, B and C, must reduce their bulk water purchases by 15%. This initiative was implemented because of the drought situation that has reduced dam capacity levels significantly. A Resource conservation effort.

The graph below indicates the status quo of all Dam levels on the uMgeni Water System which also supplies Msunduzi Municipality. Due to the continious prevailing drought conditions ; there is indication that the reduction of 15% of bulk Water Purchases will still be in effect for another year. From January 2017 dam levels were rising; however since May 2017 then, lack of rainfall indicates a decrease in levels.

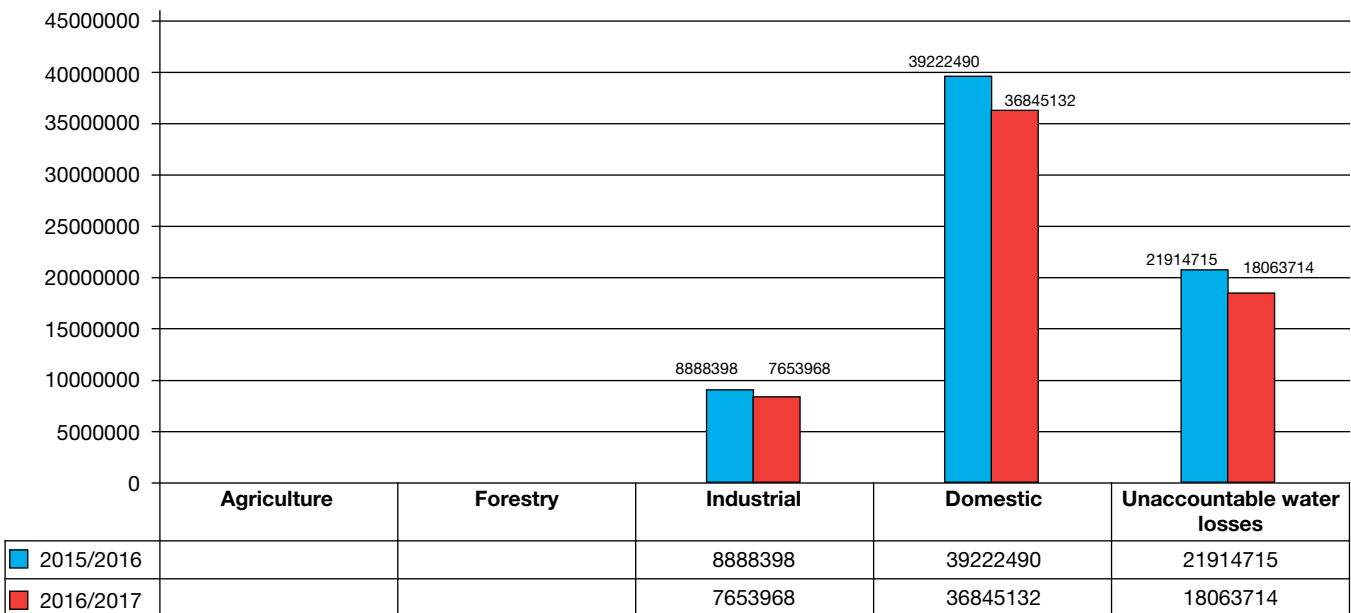
DAM LEVELS



TOTAL USE OF WATER BY SECTOR (CUBIC METER)

| | Agriculture | Forestry | Industrial | Domestic | Unaccountable water losses |
|-----------|-------------|----------|------------|----------|----------------------------|
| 2015/2016 | N/A | N/A | 8888398 | 39222490 | 21914715 |
| 2016/2017 | N/A | N/A | 7653968 | 36845132 | 18063714 |

WATER USE BY SECTOR

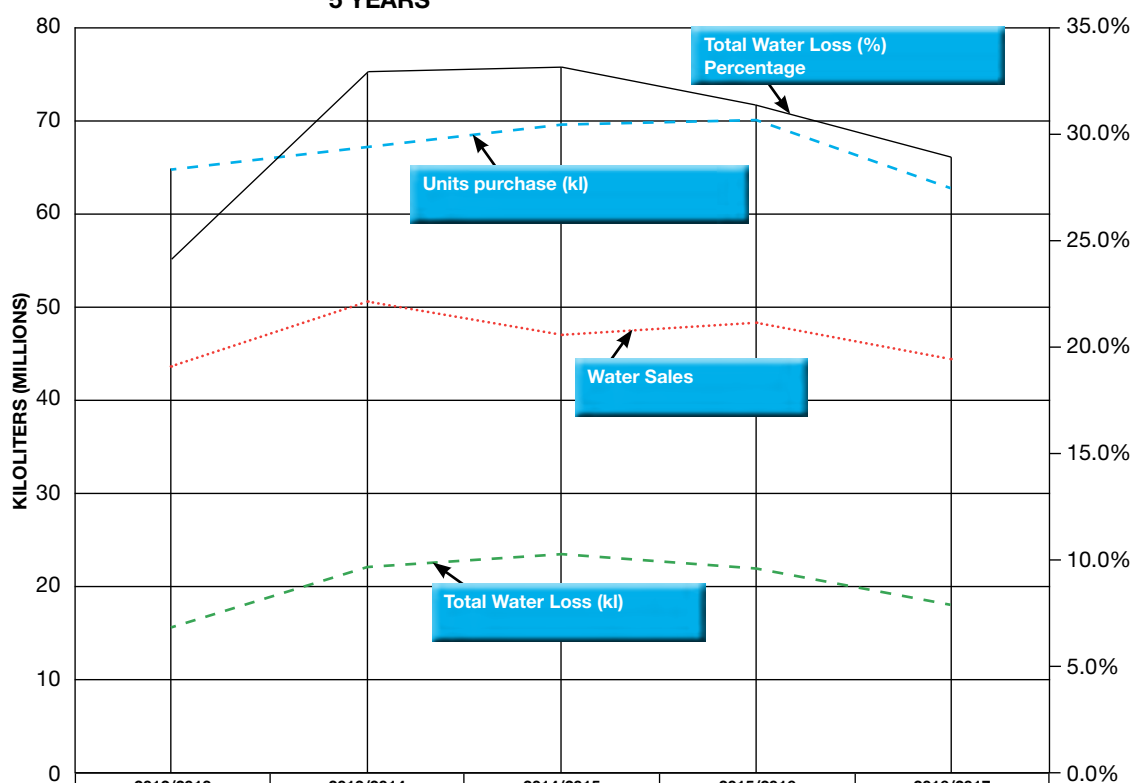


COMMENT ON WATER USE BY SECTOR

As indicated in the trend graph below; there is indication that bulk water purchases have been decreasing steadily from 2014. This can be attributed to the initiatives initiated in the Non-Revenue Water Reduction program. The continuation of this program and continued upgrade of the bulk water infrastructure will further add credibility to Water Conservation Mandates.

The ongoing drought conditions play a pivotal role in demand, supply and water usage which ultimately determines tariff structure and application.

WATER TREND PATTERNS 5 YEARS



WATER SERVICE DELIVERY LEVELS Households

| Description | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 |
|---|---------------|---------------|---------------|---------------|
| | Actual Number | Actual Number | Actual Number | Actual Number |
| Water: (above min level) | | | | |
| Piped water inside dwelling | 80690 | 80873 | 81128 | 81490 |
| Piped water inside yard (but not in dwelling) | 63301 | 63301 | 63899 | 63899 |
| Using public tap (within 200m from dwelling) | 9348 | 9228 | 9468 | 9468 |
| Other water supply (within 200m) | N/A | N/A | N/A | N/A |
| Minimum Service Level and Above sub-total | 153339 | 153642 | 154495 | 154857 |
| Minimum Service Level and Above Percentage | 93.4% | 93.7% | 94.4% | 94% |
| Water: (below min level) | | | | |
| Using public tap (more than 200m from dwelling) | 6396 | 6396 | 6396 | 6396 |
| Other water supply (more than 200m from dwelling) | N/A | N/A | N/A | N/A |
| No water supply | 4259 | 4259 | 4139 | 4139 |
| Below Minimum Service Level sub-total | 10655 | 10535 | 10535 | 10535 |
| Below Minimum Service Level Percentage | 6.6% | 6.5% | 6.6% | 6% |
| Total number of households | 163994 | 164177 | 165030 | 163994 |

HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM Households

| Description | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 | | |
|--|---------------|---------------|---------------|---------------------|---------------------|---------------|
| | Actual Number | Actual Number | Actual Number | Original Budget No. | Adjusted Budget No. | Actual Number |
| Formal Settlements | | | | | | |
| Total Households | 4462 | 3935 | 3935 | 6396 | 6396 | 6396 |
| Households below minimum service level | 4462 | 3935 | 3935 | 6396 | 6396 | 6396 |
| Proportion of households below minimum service level | 2.72% | 2.4% | 2.4% | 4% | 4% | 4% |
| Informal Settlements (Rural) | | | | | | |
| Total Households | 4646 | 4488 | 4368 | 4139 | 4139 | 4139 |
| Households below minimum service level | 4488 | 4488 | 4368 | 4139 | 4139 | 4139 |
| Proportion of households below minimum service level | 2.65% | 2.65% | 2.6% | 2% | 2% | 2% |

| | Proportion of households above min level * | Proportion of households below min level ** | Proportion of formal/informal settlements (below min level) *** |
|-----------|--|---|---|
| 2013/2014 | 153 642 | 10 535 | 10 535 |
| 2014/2015 | 154 495 | 10 535 | 10 535 |
| 2015/2016 | 154 857 | 10 535 | 10 535 |

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 | | | | | | | | | | | |
|--|---------------------------------|-----------|---|----------|--|--|------------------------------------|--|---|------------------------------------|--|
| 2016/2017 | | | | | | 2015/2016 | | | 2017/2018 | | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET |
| W & S 01 | NKPA 2 - BASIC SERVICE DELIVERY | Water | CNL - REHABILITATION OF WATER INFRASTRUCTURE | 10 to 37 | 3 km of water pipe replaced by the 30th of June 2017 | 9 km of water piped constructed by the 30th June 2017 | 5 (150% - 167%) | 3 km of water pipe replaced by the 30th of June 2016. | 4,4 km of water pipe replaced by the 30th of June 2016. | 3 (100% - 129%) | 15 km of water pipe replaced and 2 Reservoirs refurbished by the 30 May 2017. |
| W & S 13 | NKPA 2 - BASIC SERVICE DELIVERY | Water | MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER) | 15,35,19 | 0,5 km of water pipe installed by the 30 June 2017 | 2,377 km of water pipe installed by the 30th June 2017 | 5 (150% - 167%) | N/A | N/A | NOT APPLICABLE | 220 x domestic meters installed by the 31 January 2018 |
| W & S 15 | NKPA 2 - BASIC SERVICE DELIVERY | Water | MIG - MASTER PLANNING WATER | All | Final Phase 2 of Draft Water Master Plan Completed by 30th of June 2017 | NIL | 1 (69% and below) | N/A | N/A | NOT APPLICABLE | N/A |
| W & S 17 | NKPA 2 - BASIC SERVICE DELIVERY | Water | MWIG - REDUCTION OF NON REVENUE WATER | 1 to 9 | Reduced Total Water Losses by 1.5% from last 31.5% to 30% by the 30th of June 2017 | Reduced total water losses by 2.6% from last 31.5% to 28.9% by the 30th of June 2017 | 3 (100% - 129%) | Reduced Total Water Losses by 1.5% from last FY 31.5% to 31.3% by the 30th of June 2016. | Total Water Losses by 0.2 % from last FY 31.5% to 31.3% by the 30th of June 2016. | 2 (70% - 99%) | Reduced Total Water Losses by 1.5% from last 31.5% to 30% by the 30th of June 2018 within the Water Services Area of Jurisdiction(Wards 1 to 39) |

| EMPLOYEE: WATER SERVICES | | | | | |
|--------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 79 | 275 | 190 | 85 | 31 |
| T04-T08 | 30 | 53 | 22 | 31 | 58 |
| T09-T13 | 26 | 99 | 40 | 59 | 60 |
| T14-T18 | 3 | 14 | 3 | 11 | 79 |
| T19-T22 | 1 | 1 | 1 | 0 | 0 |
| T23-T25 | - | - | - | - | - |
| Total | 139 | 442 | 256 | 186 | 42 |

| FINANCIAL PERFORMANCE 2016/2017: WATER SERVICES R'000 | | | | | |
|--|----------------|-----------------|-------------------|----------------|-----------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget % |
| Total Operational Revenue (excl. tariffs) | -588 | 0 | 0 | -579 | 100% |
| Expenditure: | | | | | |
| Employees | 41 073 | 44 337 | 48 960 | 52 910 | 8% |
| Repairs and Maintenance | 14 258 | 15 205 | 17 614 | 15 897 | -10% |
| Other | 118 718 | 119 405 | 154 899 | 255 027 | -65% |
| Total Operational Expenditure | 174 049 | 178 947 | 221 473 | 323 834 | 46% |
| Net operational (Service) Expenditure | 173 461 | 178 947 | 221 473 | 323 255 | 46% |

| CAPITAL EXPENDITURE: WATER | | | | | |
|--|---------------------------|---------------------------|------------------------|---------------------------------|---------------------|
| DETAILS | 2016/2017 | | | | |
| | ORIGINAL 2016/2017 BUDGET | ADJUSTED 2016/2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUDGET % | TOTAL PROJECT VALUE |
| WATR:ZA:NEW FURNITURE & EQUIPMENT | 0 | 47 | 37 | -21% | 38 |
| WATR:ZA:NEW:MACHINERY & EQUIPMENT | 500 | 2 253 | 2 133 | -5% | 2 133 |
| WATR:ZA:NEW:TRANSPORT ASSETS | 0 | 8 415 | 8 415 | 0% | 8 416 |
| WATR:ZA:NEW:COMPUTER EQUIPMENT | 480 | 420 | 417 | -1% | 418 |
| WATR:ZA:NEW:COMPUTER SOFTWARE & APPL. | 0 | 13 | 13 | 0% | 13 |
| WATR:ZA:REHAB OF WATER INFRASTRUCTURE | 5 400 | 0 | 0 | 0% | |
| MIG:ZA:COPEVILLE RESERVOIR | 1 200 | 0 | 0 | 0% | |
| MIG:Z2:EDENDALE PROPER NEW MAINS & RETICULATION | 2 000 | 0 | 0 | 0% | |
| MIG:Z2:ELIMIN OF CONSERVANCY TANKS-WATER | 350 | 1 388 | 1 217 | -12% | 1 218 |
| MIG:Z5:MASTER PLANNING WATER | 600 | 0 | 0 | 0% | |
| MIG:Z2:SERVICE MIDBLOCK ERADICATION - SOB,ASHD,IMB (WATER) | 476 | 2 723 | 2 388 | -12% | 3 111 |
| MIG:ZA:REDUCTION OF NON REVENUE WATER | 11 000 | 14 507 | 12 725 | -12% | 204 942 |
| WSIG:ZA:REDUCTION OF NON REVENUE WATER | 20 000 | 30 099 | 26 025 | -14% | 45 000 |
| WSIG:ZA:BASIC WATER SUPPLY | 16 721 | 5 620 | 5 620 | 0% | 10 493 |
| WSIG:ZA:MASONS RESERVOIR | 0 | 1 000 | 1 000 | 0% | 2 490 |
| MWIG:ZA: BASIC WATER SUPPLY | 0 | 1 299 | 1 140 | -12% | 1 300 |
| CBR:ZA:REHABILITATION OF WATER INFRASTRUCTURE | 0 | 30 000 | 0 | -100% | |

COMMENT ON WATER SERVICES OVERALL

The water losses for the 2016-2017 financial year reduced to 28.9 % in line with our aggressive Water Loss program. The reduced losses to below 30% in is line with National Treasury Financial Ratios, Norms and Regulations. The Blue drop award should also be highlighted as Msunduzi Municipality was ranked No. 1 in South Africa and was assessed by an independently panel of adjudicators. Furthermore it should be noted that with the aging infrastructure and compounded by migration into the city; there is an added strain on the water reticulation network.

1.2. SANITATION SERVICES

INTRODUCTION TO SANITATION PROVISION

Key initiatives is to provide basic sanitation to all communities and thereafter elevating this to water borne sewerage, whilst ensuring that adequate attention and funds are allocated to simultaneously maintain the sanitation reticulation system 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.

The number of mainline blockages (3839 in 2016-2017) has shown an increasing trend over the last financial years which emphasis the lack of and/or fragile infrastructure. The current Sewer Treatment Works has reached its maximum capacity and accordingly to ensure sanitation services; the upgrading of the Darvil Sewer Treatment Works from a 75ml/d plant to 105 ml/d plant will stimulate economic growth. This Upgrade is undertaken by Umgeni Water and is approximately 85% complete.

The step up to waterborne sanitation is to first provide basic sanitation in the VIP sector where there is a lack of sewer infrastructure. Msunduzi Municipality's original basic sanitation backlog was 100% completed, however 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. It is inevitable that there will be uncontrolled migration and urbanisation into the city thus making it virtually impossible to completely eradicate service delivery backlogs.

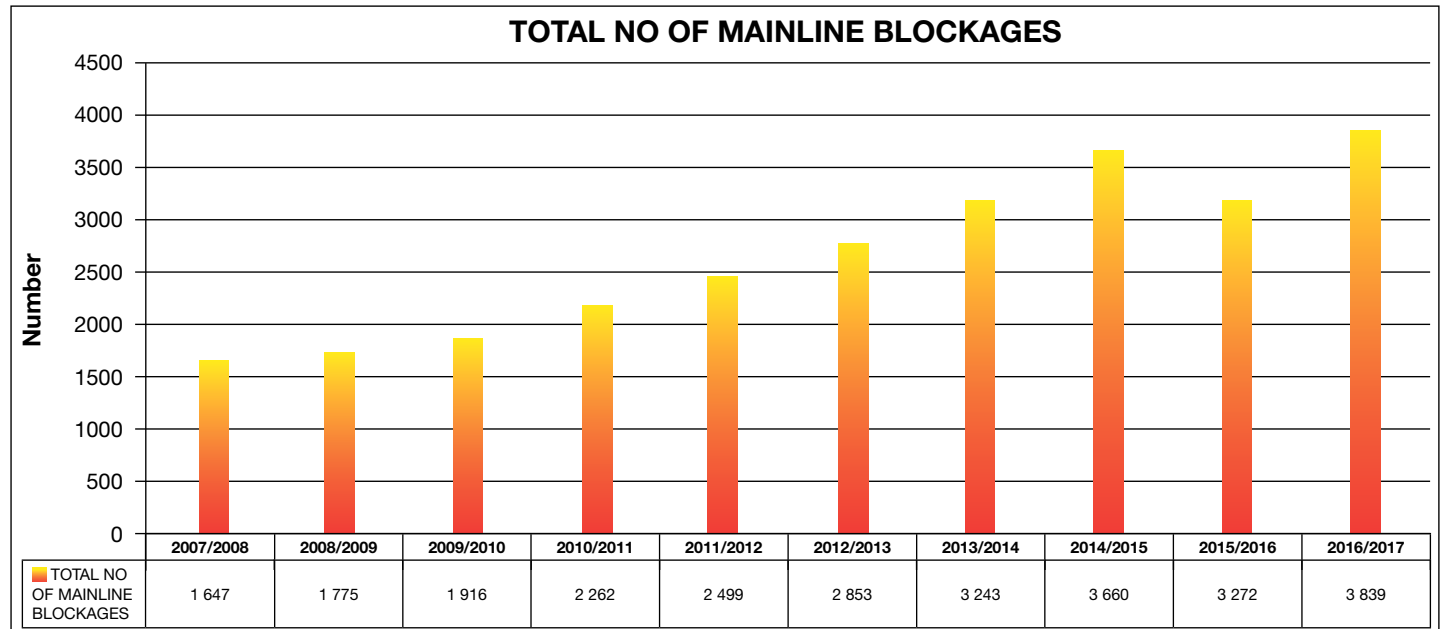
As per the Sanitation Service Policy Objectives, plans and programs are being prepared and/or implemented to eventually satisfy all key initiatives relevant to the provision of all forms of Sanitation.

OBJECTIVE: TO EVENTUALLY HAVE ALL HOUSEHOLDS ON WATER BORNE SANITATION SYSTEMS.

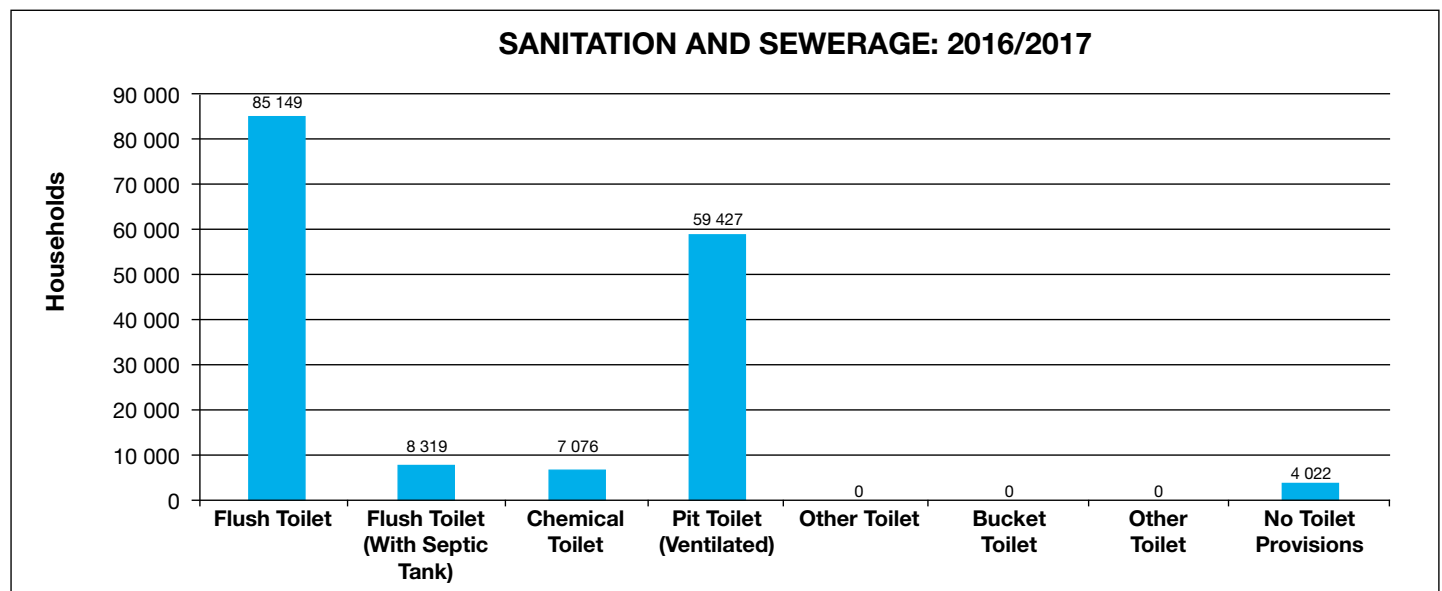
The following is a list of core sanitation achievements in the 2016-2017 financial year:-

- A total of 638 Ventilated improved Pit Latrines (VIPS) were constructed for the basic sanitation program.
 - In addition 53 new Water Borne Sewer connections were constructed during the 2016/2017 financial Year.
 - A total of 9.3 km of new sewer pipe was installed in 2016/2017 with projects undertaken as per below.
1. Unit H 2.6 km
 2. Azalea phase 2 6.1 km
 3. Sobantu, Ashdown and Imbali 0.6 km
- 21 New toilets completed against the objective of Service Midblock Eradication in Sobantu, Ashdown and Imbali.
 - Feasibility study on storm water ingress identifying priorities (15 infiltration manholes identified).
 - The Bulk Sanitation master plan was completed and incorporated Into the Water Services and Development Plan (WSDP).

SANITATION / SEWERAGE GRAPHIC

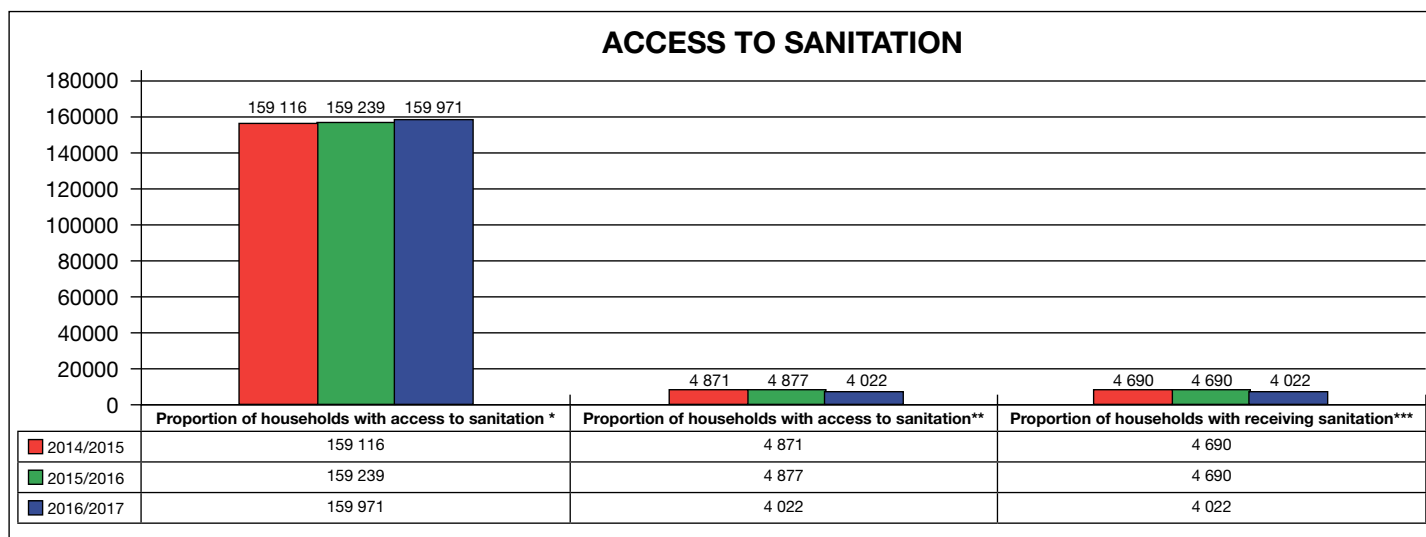


- The trend graph is indicative of an increase in the number of Main line blockages that occur on a regular basis. It's been identified that the primary reason is attributed to the aging and fragile infrastructure.



| SANITATION SERVICE DELIVERY LEVELS | | | | |
|---|---------------|---------------|---------------|---------------|
| Households | | | | |
| Description | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 |
| | Actual Number | Actual Number | Actual Number | Actual Number |
| Sanitation / Sewage (above min level) | | | | |
| Flush Toilet (connected to sewerage) | 84779 | 84973 | 85096 | 85149 |
| Flush Toilet ((with septic tank) | 8541 | 8372 | 8372 | 8319 |
| Chemical Toilet | 5489 | 7076 | 7076 | 7076 |
| Pit Toilet | 58047 | 58695 | 58602 | 59427 |
| Other toilet provisions (above min service level) | N/A | N/A | N/A | N/A |
| Minimum Service Level and Above sub-total | 156875 | 159116 | 159239 | 159971 |
| Minimum Service Level and Above Percentage | 95.6% | 97.0% | 97.1% | 97.5% |
| Sanitation / Sewage (below min level) | | | | |
| Budget toilet | 1585 | 0 | 0 | 0 |
| Other toilet provisions (above min level) | 0 | 187 | 187 | 0 |
| No toilet provisions | 5532 | 4690 | 4690 | 4022 |
| Below Minimum Service Level sub-total | 7117 | 4871 | 4877 | 4022 |
| Below Minimum Service Level Percentage | 4.34% | 2.97% | 2.86% | 2.5% |
| Total number of households | 163993 | 163993 | 163993 | 163993 |

| HOUSEHOLDS - SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM | | | | | | |
|---|---------------|---------------|---------------|---------------------|---------------------|---------------|
| Households | | | | | | |
| Description | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 | | |
| | Actual Number | Actual Number | Actual Number | Original Budget No. | Adjusted Budget No. | Actual Number |
| Formal Settlements | | | | | | |
| Total Households | 187 | 187 | 187 | 0 | 0 | 0 |
| Households below minimum service level | 187 | 187 | 187 | 0 | 0 | 0 |
| Proportion of households below minimum service level | 0.11% | 0.11% | 0.11% | 0% | 0% | 0% |
| Informal Settlements (Rural) | | | | | | |
| Total Households | 4690 | 4690 | 4690 | 4022 | 4022 | 4022 |
| Households below minimum service level | 4690 | 4690 | 4690 | 4022 | 4022 | 4022 |
| Proportion of households below minimum service level | 2.86% | 2.86% | 2.86% | 2.5% | 2.5% | 2.5% |



(*) Includes flush toilets connected to sewerage system, flush toilet with septic tank, ventilated pit latrines and chemical toilets.

(**) No toilet provision.

(***) No toilet provision (Informal).

| WASTE WATER (SANITATION) SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|-------------------------------------|------------|---------------------------------------|--------|--|---|--|---|---|
| SDBIP / OP REFER- ENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | 2016/2017 | | | 2017/2018 |
| | | | | | | ANNUAL PROG- RESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| W & S 05 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SEWER PIPES UNIT H | 16 | 1.5 km of new sewer pipe installed by the 30th of June 2017 | 2.6 km of new sewer pipe installed by the 30th of June 2017 | 4 (130% -149%) | 2.13 km of new sewer pipe installed by the 30th of June 2016. | 2 (70% - 99%) 2.21 km of new sewer pipe installed by the 31 December 2017 and approval of BOQ and Bid Document by the 30th of June 2018 |
| W & S 06 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SEWER PIPES AZALEA - PHASE 2 | 10 | 4.5 km of new sewer pipe installed by the 30th of June 2017. | 6.1 km of new sewer pipe installed by the 30th of June 2017 | 4 (130% -149%) | 6.57 km of new sewer pipe installed by the 30th of June 2016. | 3 (100% - 129%) 6 km of new sewer pipe installed by the 30th of June 2018 |
| W & S 07 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - BASIC SANITATION VIP TOILETS | 1 to 9 | 600 x VIPs constructed by the 30th of June 2017 | 638x VIPs constructed by 30th of June 2017 | 3 (100% - 129%) | 700 VIPs constructed by the 30th of June 2016. | 3 (100% - 129%) 1190 x VIPs constructed by the 30th of June 2018 |
| W & S 09 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - MASTER PLANNING SANITATION | All | Final Phase 2 of Draft Sanitation Master Plan Completed by 30th of June 2017 | NIL | 1 (69% and below) | N/A | N/A |

| EMPLOYEE: SANITATION SERVICES | | | | | |
|-------------------------------|------------------|------------|------------------|--|--|
| Job Level | 2016/2017 | | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 23 | 123 | 60 | 63 | 51 |
| T04-T08 | 11 | 26 | 14 | 12 | 46 |
| T09-T13 | 3 | 33 | 9 | 24 | 73 |
| T14-T18 | 2 | 3 | 0 | 3 | 100 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 39 | 185 | 83 | 102 | 55 |

| FINANCIAL PERFORMANCE 2016/2017: SANITATION SERVICES R'000 | | | | | |
|---|---------------|---------------|--------------------|----------------------|------------|
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | -22 | Original Budget | Adjustment Budget | Actual |
| Total Operational Revenue (excl. tariffs) | | | 0 | 0 | -5 |
| Expenditure: | | | | | |
| Employees | 18 512 | 18 841 | 19 804 | 22 630 | 14% |
| Repairs and Maintenance | 5 268 | 5 627 | 7 170 | 4 828 | -33% |
| Other | 40 990 | 59 140 | 59 335 | 52 620 | -11% |
| Total Operational Expenditure | 64 770 | 83 608 | 86 309 | 80 078 | -7% |
| Net operational (Service) Expenditure | 64 748 | 83 608 | 86 309 | 80 073 | -7% |

| CAPITAL EXPENDITURE: SANITATION | | | | | |
|--|-----------------------------------|-----------------------------------|---------------------------|--|---------------------------|
| DETAILS | 2016 / 2017 | | | | |
| | ORIGINAL 2016 / 2017 BUDGET | ADJUSTED 2016 / 2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUDGET % | TOTAL PROJECT VALUE |
| WWAT:ZA:NEW:TRANSPORT ASSETS | 0 | 1 340 | 1 318 | -2% | 1 319 |
| WWAT:Z5:EXS:NEW:FURNITURE AND OFFICE EQUIPMENT | 0 | 8 | 8 | 0% | 9 |
| MIG:Z2:BASIC SANITATION VIP TOILETS | 6 000 | 0 | 0 | 0% | 0% |
| MIG:ZA:MASTER PLANNING SANITATION | 600 | 0 | 0 | 0% | 0% |

| CAPITAL EXPENDITURE: SANITATION | | | | | |
|--|-----------------------------------|---------------------------------|---------------------------|--|---------------------------|
| DETAILS | 2016 / 2017 | | | | |
| | ORIGINAL 2016 / 2017 BUDGET | ADJUSTED 2016_2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUDGET % | TOTAL PROJECT VALUE |
| MIG:ZA:REHAB OF SANITATION INFRASTRUCTURE | 6 000 | 1 318 | 1 156 | -12% | 1 157 |
| MIG:ZA:SERVICE MIDBLOCK ERADICATION - SOB,ASHD,IMB (SEWER) | 4 500 | 0 | 0 | 0% | |
| MIG:Z2:SEWER PIPES AZALEA - PH 2 | 6 500 | 18 005 | 15 794 | -12% | 50 606 |
| MIG:ZA:SEWER PIPES UNIT H | 6 500 | 4 474 | 3 925 | -12% | 35 497 |
| MIG:Z3:SHENSTONE AMBLETON SANITATION SYSTEM | 600 | 1 798 | 1 577 | -12% | 1 578 |
| CBR:ZA:REHABILITATION OF SANITATION INFRASTRUCTURE | 0 | 15 575 | 0 | -100% | |

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. VIPs are considered to be the basic minimum acceptable standard. A total of 638 VIPs was completed and 53 new water borne sewer connections were completed including a business plan for funding for the eradication of the entire basic sanitation backlog which was submitted and approved in the 2015-2016 financial year. The rehabilitation of sanitation infrastructure is critical for assets replacement in order to ensure that our operational cost decreases and further the quality of water in our streams and rivers improves. Furthermore prioritising Rehabilitation of Sewer Infrastructure will ensure compliance in regards to provision of legislative basic services and Statutory Environmental Requirements. Resource availability (staffing and financial) is of critical importance to fulfil all targets as set out in the IDP. The Sanitation Service Delivery objective has been prioritised to effectively fulfil obligations to provide households with, firstly a basic sanitation service and thereafter a move to above minimum service levels 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 licensed 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. As part of addressing the ageing electricity infrastructure and ensuring that the ever increasing electricity demand, a new 132/11kV Eastwood Primary Substation is being established in Eastwood. This will go a long way in addressing the issue of unplanned outages due to ageing infrastructure, theft of cables where long length of cables are run and also due to overloaded power transformers.

Plans to replace the ageing infrastructure at Crossways Primary Substation which supplies Hilton and Sweetwaters areas are already in place and will be done in phases where a second phase of replacing and upgrading of old 33kV networks with 132kV networks is already completed. Various contracts that will contribute to this are already concluded. Unplanned outages due to illegal connections are being addressed by electrification of informal areas as identified. Installation of High Masts Lights in various wards of Msunduzi Municipality as per Council Resolutions are ongoing to address the issue of lack of lighting and improve security in areas identified.

CHALLENGES

- Unplanned outages due to overloaded infrastructure caused by illegal connections in the networks.
- High backlog on maintenance of the Primary network, Secondary substations, Overhead lines and Cables.
- High number of staff turnover due to various reasons amongst others is retirements contributing to the erosion of institutional memory.
- Vandalism and theft of electricity infrastructure.

PRIMARY NETWORK

The Primary Network Development Plan (NDP) is already in place to address the network issues where projects for upgrades and replacements are identified. Various Contracts are already in place for the purchasing of equipment with long lead times.

Most equipment in the primary network have reached its useful life and in most cases no spares are available. This is being addressed by the implementation of projects identified by the NDP

SECONDARY NETWORK MAINTENANCE

There is also a huge backlog on the maintenance of the secondary network, especially the switchgear that are old and obsolete. The appointment of the service provider to prepare a Secondary Network Development Plan will be put in place as means of identifying and quantifying the amount of work to be undertaken in order to minimize unplanned outages and replace old and obsolete switchgear.

11kV and 400 V OVERHEAD LINE MAINTENANCE

The pole change programme is being implemented on an ongoing basis to address issues of safety and increase the life of the infrastructure, it will be resuming in the new financial year where poles are mostly rotten. The amount of work to be done depends on the available budget.

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. The three-year contract for new installation, maintenance, and repairs of street lights has been awarded. 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. The tender for the replacement of old oil filled switchgears and the blown ones is at tender stages.

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.

SOME OF THE MAIN CONTRIBUTING FACTORS TO INCREASED ELECTRICITY LOSSES

Non-Technical Losses

- Illegal Connections, Infrastructure vandalism, Metering inaccuracies (due to faulty meters) and Unmetered energy (meter tempering or bypassing the meter at the customer meter)

Technical Losses (these are inherent in the distribution networks and cannot be totally eliminated)

- Ageing infrastructure that results in increased power dissipation during transmission and distribution on lines, cables and transformers in the system, Overloading and Poor standard of equipment installed

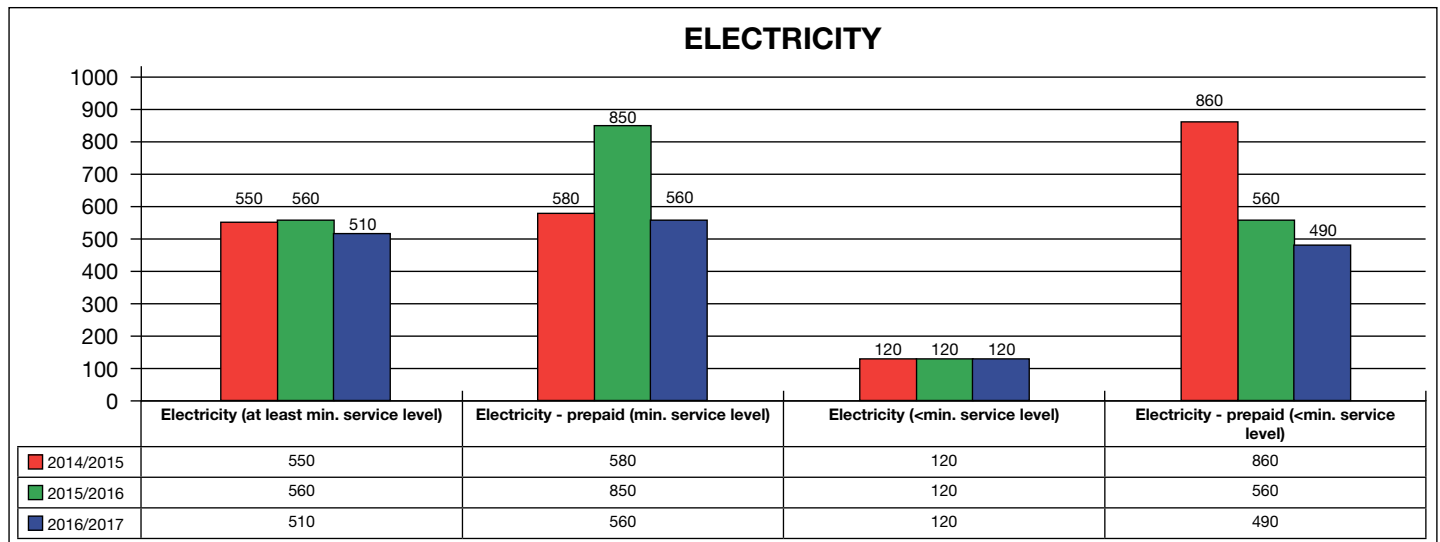
HOW ARE THESE LOSSES BEING ADDRESSED?

Non-Technical Losses

- Electrification of informal settlement areas, Replacing old wooden substation doors with steel doors to prevent easy access to substations, Replacement of old inaccurate and faulty meters, Identify and install meters where there are non and Regular property inspections to identify bypassed/ tempered meters

Technical Losses

- Replace/ upgrading and refurbishing of ageing infrastructure., Conducting system strengthening in the networks to relieve overloading in the networks and Purchasing and Installation of efficient equipment. (Consideration of losses during drafting of technical specifications for new equipment)



| ELECTRICITY SERVICE DELIVERY LEVELS | | | | |
|--|---------------|---------------|---------------|---------------|
| Households | | | | |
| Description | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 |
| | Actual Number | Actual Number | Actual Number | Actual Number |
| Electricity (above min level) | | | | |
| Electricity (at least min service level) | 48138 | 51558 | 52265 | 52629 |
| Electricity – prepaid (at least min service level) | 18314 | 24203 | 24839 | 26285 |
| Minimum Service Level and Above sub-total | N/A | N/A | N/A | N/A |
| Minimum Service Level and Above Percentage | N/A | N/A | N/A | N/A |
| Electricity (below min level) | | | | |
| Electricity (< min service level) - Indigent | N/A | N/A | N/A | 1570 |
| Electricity – prepaid (< min service level) | N/A | N/A | N/A | N/A |
| Other energy sources | N/A | N/A | N/A | N/A |
| Below Minimum Service Level sub-total | N/A | N/A | N/A | N/A |

| ELECTRICITY SERVICE DELIVERY LEVELS | | | | | |
|--|----------------------------|----------------------------|----------------------------|----------------------------|--|
| Description | Households | | | | |
| | 2013/2014 Actual Number | 2014/2015 Actual Number | 2015/2016 Actual Number | 2016/2017 Actual Number | |
| Below Minimum Service Level Percentage | N/A | N/A | N/A | N/A | |
| Total number of households | 66 452 | 75 761 | 80 104 | 80 484 | |

| HOUSEHOLDS - ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM | | | | | | |
|--|---------------|---------------|---------------|---------------------|---------------------|---------------|
| Households | | | | | | |
| Description | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 | | |
| | Actual Number | Actual Number | Actual Number | Original Budget No. | Adjusted Budget No. | Actual Number |
| Formal Settlements | | | | | | |
| Total Households | nil | nil | nil | nil | nil | nil |
| Households below minimum service level | nil | nil | nil | nil | nil | nil |
| Proportion of households below minimum service level | nil | nil | nil | nil | nil | nil |
| Informal Settlements | | | | | | |
| Total Households | nil | 2794 | 318 | 2206 | 552 | 193 |
| Households below minimum service level | nil | 2794 | 318 | 2206 | 552 | 193 |
| Proportion of households below minimum service level | nil | nil | n/a | n/a | n/a | n/a |

| ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | | |
|--|---------------------------------|--|---|-----------|---|--|------------------------------------|--|---|------------------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | 2015/2016 | | | 2017/2018 | |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET |
| ELEC 04 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132Kv REHABILITATION PLAN | PURCHASE OF 11KV CAPITAL EQUIPMENT | VARIOUS | 23 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED by the 30th of June 2017 | 39 X 11KV EQUIPMENT PURCHASED AND 35 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 5 (150% - 167%) | PURCHASING OF 70 X 11KV EQUIPMENT AND REPLACEMENT OF 5KM OF 6.6KV CABLE by the 30th of June 2016 | Replacement of 6.6KV cables is complete as part of phase 1. Purchase of 54 11kv equipment is complete. | 2 (70% - 99%) | 36 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED by the 30th of June 2018 |
| ELEC 05 | NKPA 2 - BASIC SERVICE DELIVERY | ENERGY EFFICIENCY DEMAND SIDE MANAGEMENT | RETROFITTING OF CONVENTIONAL STREET LIGHTS WITH LED LIGHTS | CBD | 1200 LED LIGHT FITTINGS INSTALLED WITHIN THE CBD by the 30th of June 2017 | 1752 LED LIGHT FITTINGS INSTALLED WITHIN THE CBD by the 30th of June 2017 | 4 (130% -149%) | N/A | N/A | NOT APPLICABLE | N/A |
| ELEC 07 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132Kv REHABILITATION PLAN | ESTABLISHMENT OF NEW 132/11KV EASTWOOD SUBSTATION | 34 | NEW 132/11KV PRIMARY SUBSTATION IN EASTWOOD CONSTRUCTED by the 30th of June 2017 | CIVILS WORKS ARE AT 98 % COMPLETE. ELECTRICAL INSTALLATION WORK IS IN PROGRESS AND IS AT 26 % COMPLETE. OVERALL PROJECT PROGRESS IS 90 % COMPLETE. | 1 (69% & below) | COMPLETION OF CIVIL WORKS AND PERIMETER FENCING at EASTWOOD SUBSTATION by the 30th of June 2016 | Cleaning of site commenced and had to be stopped after an objection was received from an organization who happen to have a 30yr lease on the piece of land. | 1 (69% & below) | 100% CONSTRUCTION OF CIVIL WORKS AND ELECTRICAL WORKS FOR 132/11kv EASTWOOD PRIMARY SUBSTATION INCLUDING HANDOVER COMPLETED BY THE 31ST OF MARCH 2018 |
| ELEC 09 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132Kv REHABILITATION PLAN | SUPPLY AND INSTALL 1 X 13- PANEL 11KV SWITCHBOARD AT 132/11KV EASTWOOD SUBSTATION | 34 | MANUFACTURING PROCESS OF 1 X 13-PANEL 11KV SWITCHBOARD FOR NEW 132/11KV EASTWOOD SUBSTATION COMPLETED BY 30th June 2017 | 1 X 13 PANEL 11KV SWITCHBOARD FOR 132/11KV EASTWOOD SUBSTATION MANUFACTURED AND DELIVERED TO SITE BY 30 JUNE 2017 | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | TWO 13MVA CIRCUIT installed BETWEEN EASTWOOD PRIMARY AND PROPOSED BELGOTEX SUBSTATION by the 30th of June 2018 |

| EMPLOYEE: ELECTRICITY SERVICES | | | | | |
|--------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 75 | 373 | 140 | 233 | 62 |
| T04-T08 | 20 | 107 | 20 | 87 | 81 |
| T09-T13 | 63 | 120 | 68 | 52 | 43 |
| T14-T18 | 9 | 29 | 4 | 25 | 86 |
| T19-T22 | - | 1 | 1 | 0 | 0 |
| T23-T25 | - | - | - | - | - |
| Total | 167 | 630 | 233 | 397 | 63 |

| FINANCIAL PERFORMANCE 2016/2017: ELECTRICITY SERVICES R'000 | | | | | |
|--|----------------|-----------------|-------------------|----------------|-----------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget % |
| Total Operational Revenue (excl. tariffs) | -639 | -98 | -98 | -353 | 260% |
| Expenditure: | | | | | |
| Employees | 73 446 | 77 510 | 74 180 | 84 047 | 13% |
| Repairs and Maintenance | 46 598 | 49 774 | 42 369 | 32 206 | -24% |
| Other | 180 501 | 119 516 | 177 246 | 143 673 | -19% |
| Total Operational Expenditure | 300 545 | 246 800 | 293 795 | 259 926 | -12% |
| Net operational (Service) Expenditure | 299 906 | 246 702 | 293 697 | 259 573 | -12% |

| CAPITAL EXPENDITURE: ELECTRICITY | | | | | |
|---|---------------------------|---------------------------|------------------------|---------------------------------|---------------------|
| DETAILS | 2016 / 2017 | | | | |
| | ORIGINAL 2016/2017 BUDGET | ADJUSTED 2016/2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUDGET % | TOTAL PROJECT VALUE |
| ALNS:Z4:NEW:CONVENTIONAL METERS | 100 000 | 76 000 | 0 | -100% | |
| MSE:Z1:NEW:MACHINERY & EQUIPM | 3 333 | 3 508 | 3 015 | -14% | 3 333 |
| MSE:Z3:NEW:MACHINERY & EQUIPM | 3 333 | 5 002 | 5 002 | 0% | 3 333 |
| MSE:Z4:NEW:MACHINERY & EQUIPM | 3 333 | 327 | 327 | 0% | 3 333 |
| MSE:ZA:NEW:TRANSPORT ASSETS | 0 | 7 598 | 7 598 | 0% | 7 598 |
| MSE:ZA:NETWORK REFURB | 5 020 | 5 729 | 4 714 | -18% | 5 729 |
| EEDSMG:AH:STREETLIGHTING | 0 | 8 000 | 7 920 | -1% | 8 000 |
| ALNS:ZA:DBSA - NETWORK 132KV REHAB PLAN | 58 268 | 82 267 | 40 245 | -51% | 82 267 |
| INEP:ZA:ELECTRIFICATION - REGINA ROAD SETTLEMENTN | 0 | 2 900 | 2 251 | -22% | 2 900 |
| INEP:ZA:ELECTRIFICATION - MKONDENI ROAD SETTLEMENTN | 0 | 5 100 | 1 709 | -66% | 5 100 |
| MIG:ZA:HIGH MAST LIGHTS-VUL & GREAT EDN | 9 433 | 7 980 | 7 000 | -12% | 7 980 |

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL: ACHIEVEMENTS

Establishment of 132/11kV Eastwood Substation will go a long way in addressing the issue of overloaded networks in Northdale and Riverside Substations. This will eventually contribute to minimising unplanned outages. The 132kV overhead line project will be connected to the new Eastwood Substation in order to commission the whole substation before 31 December 2018.

The identified project for phase 2 of 132kV primary network upgrade where Pine Street Substation Upgrade, Crossways Substation Upgrade, Retief Substation Upgrade and new Crossways 132kV Circuits have been identified as priority projects, including Archbell Primary Substation and will go a long way improving the quality of supply to various areas that are supplied by these substations.

Provision of access to electricity to new households as identified will be achieved based on the provision new households. A number of new households were connected with electricity for the first time, increasing the number of households with access to electricity. This also will contribute to decreasing the number of illegal connections onto the electricity networks.

Expenditure of the approved total capital budget will be exceeded due to the number of projects that were not completed in the 16/17 financial year. More expenditure will be incurred when completing the previous budgets projects with long lead times including new project for the new financial year. More projects are expected to be completed within the project value budgeted.

1.4. ROADS

INTRODUCTION TO ROAD TRANSPORT

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

- Planning, Development and Maintenance of Municipal roads and storm water infrastructure
- Transportation Planning, Traffic Engineering Issues, Road Safety and Public Transport Issues
- 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 yearly to upgrade 20km of gravel road into “all weather surfacing in order to render uninterrupted access and safety. (i.e through geometric Interventions).

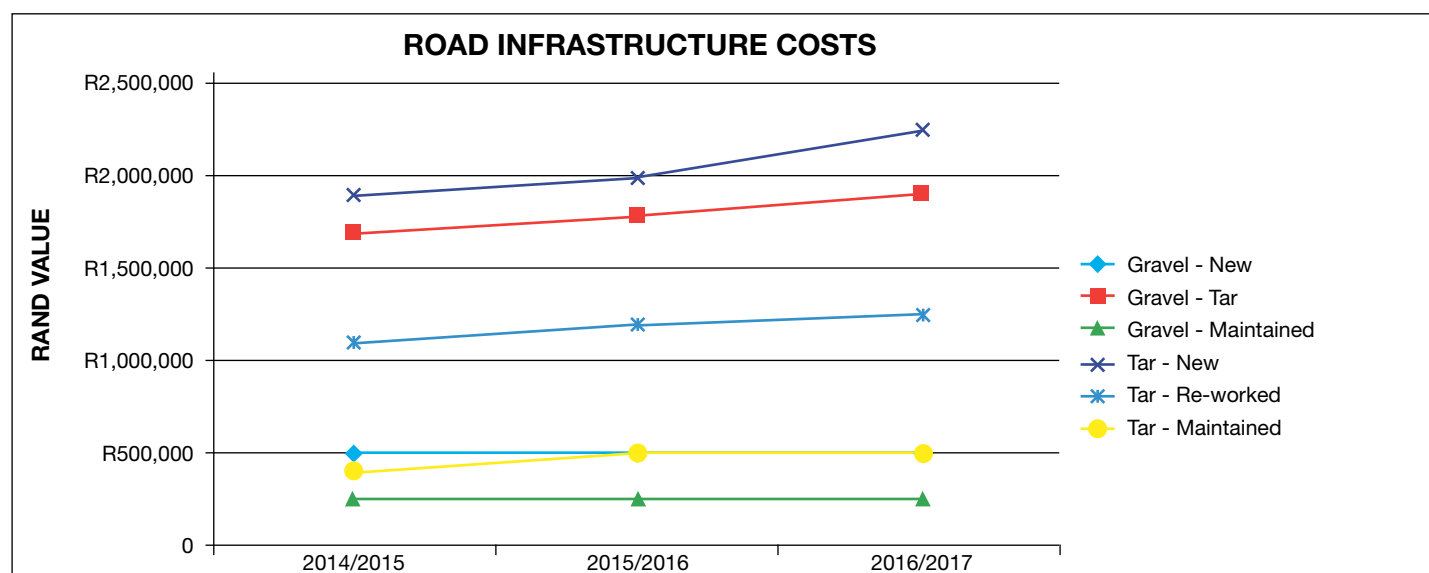
The Roads section has commenced with its 5-Year road assessment in order to produce a revised and complete Road Asset Management Plan (RAMP) and a Pavement Management system (PMS) to drive the municipality’s preventative/maintenance for the next five years.

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 Programmes commenced in early 2013/14. The total km’s of new tarred roads (Blacktop) was 17.35km’s in the 2016/17 FY. The total km’s of maintained gravel roads was 40km’s in the 2016/17 FY.

| GRAVEL ROAD INFRASTRUCTURE Kilometres | | | | |
|--|--------------------|------------------------------|------------------------------|---------------------------------|
| | Total gravel Roads | New Gravel Roads constructed | Gravel Roads upgraded to tar | Gravel Roads graded/ maintained |
| 2014/2015 | 635 | 0 | 29,0 | 124 |
| 2015/2016 | 609.92 | 0 | 25.8 | 55 |
| 2016/2017 | 624 | 0 | 17.35 | 40 |

| TARRED ROAD INFRASTRUCTURE Kilometres | | | | | |
|--|--------------------|---------------|------------------------------|-------------------------------|----------------------|
| | Total Tarred Roads | New Tar Roads | Existing Tar Roads re-tarred | Existing Tar Roads re-sheeted | Tar Roads Maintained |
| 2014/2015 | 1370.50 | 19.1 | 4.88 | 0 | 8 |
| 2015/2016 | 1399.7 | 25.08 | 7.0 | 0 | 10.4 |
| 2016/2017 | 1417.05 | 17.35 | 8.1 | 0 | 18.5 |

| COST OF CONSTRUCTION / MAINTENANCE R'000 | | | | | | |
|---|--------|-------------|------------|-----|------------|------------|
| | Gravel | | | Tar | | |
| | New | Gravel-Tar | Maintained | New | Reworked | Maintained |
| 2014/2015 | 0 | 70 773 309 | 28 033 988 | - | 7 600 000 | 12 413 217 |
| 2015/2016 | 0 | 103 190 328 | 22 357 044 | - | 11 721 174 | 14 904 696 |
| 2016/2017 | 0 | 76 669 393 | 36 102 103 | - | 12 456 121 | 15 414 00 |



| ROADS SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|---------------------------------|-----------------------------------|---|-----------|--|--|------------------------------------|--|------------------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | 2016/2017 | | 2016/2017 | |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ACTUAL (1,2,3,4,5, Not Applicable) |
| | | | | | | | | | |
| R & T 02 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | CNL - ROAD REHABILITATION - PMS | 1-37 | Complete 48 000m ² (equivalent to 9.6km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted immulsion) by the 31 December 2016. | Complete 45 000m ² (equivalent to 7.5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted immulsion) by the 31 November 2016. | 3 (100% - 129%) | Complete 45 000m ² (equivalent to 7km) of surfaced roads rehabilitated by 31st March 2016 | 3 (100% - 129%) |
| R & T 11 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design | 18 | 0.4km of gravel roads in Edendale: Unit 14/Unit P upgraded to black top surfacing by the 30th of June 2017 | 0.4km of gravel roads in Edendale: Unit 14/Unit P upgraded to black top surfacing by the 30th of June 2017 | 3 (100% - 129%) | Upgrading of 1.8km of gravel roads to blacktop surface in Unit P by the 31st of March 2016 | 2 (70% - 99%) |
| R & T 12 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - MACHIBISA / DAMBUZA RDS | 21 | 0.5km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | 0.5km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | 3 (100% - 129%) | Completed 0.3km Extension of Manana Road in Dambuza | 3 (100% - 129%) |
| R & T 13 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF ROADS IN PEACE VALLEY - (Plan & Design in 2014/15) - 10km | 26 & 27 | Water usage license for Peace Valley External Roads submitted to DW&S by the 30th of June 2017 | Water usage license for Peace Valley External Roads submitted to DW&S by the 30th of June 2017 | 3 (100% - 129%) | Water usage license for Peace Valley 3 Roads submitted to DW&S by the 30th of June 2016 | 3 (100% - 129%) |

| EMPLOYEE: ROAD SERVICES | | | | | |
|-------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 77 | 179 | 118 | 61 | 34 |
| T04-T08 | 11 | 20 | 5 | 15 | 75 |
| T09-T13 | 8 | 51 | 19 | 32 | 63 |
| T14-T18 | 4 | 9 | 3 | 6 | 67 |
| T19-T22 | 1 | 1 | 0 | 1 | 100 |
| T23-T25 | - | - | - | - | - |
| Total | 101 | 260 | 145 | 115 | 44 |

| FINANCIAL PERFORMANCE 2016/2017: ROADS SERVICES | | | | | |
|---|-----------|-----------------|-------------------|---------|-----------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget % |
| Total Operational Revenue (excl. tariffs) | 0 | -2 | -2 | -39 | 1850% |
| Expenditure: | | | | | |
| Employees | 24 275 | 26 237 | 24 686 | 26 556 | 8% |
| Repairs and Maintenance | 34 842 | 30 077 | 35 796 | 30 633 | -14% |
| Other | 117 513 | 214 276 | 39 724 | 143 915 | 262% |
| Total Operational Expenditure | 176 630 | 270 590 | 100 206 | 201 104 | 101% |
| Net operational (Service) Expenditure; | 176 630 | 270 588 | 100 204 | 201 065 | 101% |

| CAPITAL EXPENDITURE : ROADS | | | | | |
|---|-----------------------------------|---------------------------------|---------------------------|---|---------------------------|
| DETAILS | 2016 / 2017 | | | | |
| | ORIGINAL 2016 / 2017 BUDGET | ADJUSTED 2016/2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUD- GET % | TOTAL PROJECT VALUE |
| LEVS:Z4:NEW:COMPUTER EQUIPMENT | 100 | 89 | 89 | 0% | 89 |
| LEVS:Z4:NEW:FURNITURE & OFFICE EQUIPMENT | 80 | 39 | 19 | -51% | 20 |
| LEVS:ZA:NEW:MACHINERY & EQUIPMENT | 0 | 604 | 604 | 0% | 605 |
| LEVS:ZA:CIV DESIGN SOFTW IMPL & TRAINING | 150 | 150 | 0 | -100% | |
| LEVS:ZA:CONNOR-OTTO'S BLUFF ROADS - LINK | 100 | 100 | 100 | 0% | 5 156 |
| LEVS:ZA:LESTER BROWN LINK ROAD | 6 000 | 9 300 | 9 233 | -1% | 22 876 |
| LEVS:Z4:ROAD REHAB - PMS | 8 220 | 8 214 | 8 214 | 0% | |
| LEVS:Z4:UPGR OF NEW ENGLAND ROAD | 400 | 321 | 321 | 0% | |
| LEVS:Z4:UPGR OF ROADS IN ASHBURT-DESIGN | 2 500 | 6 490 | 6 490 | 0% | |
| MIG:Z3:WARD10 RDS-REHAB RDS & STRMWATER UPGRADE | 1 383 | 9 185 | 8 057 | -12% | 9 185 |
| MIG:Z2:REHAB OF ROADS IN ASHDOWN | 800 | 484 | 424 | -12% | |
| MIG:Z2:UPGR GRV RD-EDN-WARD12-MOSCOW RDS | 0 | 133 | 116 | -13% | |
| MIG:Z2:UPG GRV RD-EDN-DAMBUZA MJ SWD UPGRADE | 30 | 0 | 0 | 0% | |
| MIG:Z2:UPGR GRV RD-EDN-MACHIBISA/DAMBUZA | 1 599 | 2 559 | 2 509 | -2% | |
| MIG:Z3:UPG GRV RD-EDN-UNIT14/UNIT P-DESIGN | 1 500 | 1 187 | 1 210 | 2% | |
| MIG:Z2:UPGR GRV ROADS-EDN-STATION RD | 6 500 | 7 063 | 6 196 | -12% | 20 336 |
| MIG:Z2:UPGR GRV ROADS-EDENDALE WARD 16 | 1 430 | 1 546 | 1 356 | -12% | 1 546 |
| MIG:Z2:UPGR GRV RD-GREATER EDN-HAREWOOD | 2 600 | 881 | 772 | -12% | |
| MIG:Z2:UPGR GRV RD-EDN-SMEROE ROADS & SW | 1 906 | 2 011 | 1 108 | -45% | |
| MIG:Z2:UPGR GRV RD-GREATER EDN-SNATHING | 1 429 | 1 842 | 1 550 | -16% | |
| MIG:Z3:UPG GRV RD-EDN-WARD17 (PH3, UN13) | 330 | 619 | 543 | -12% | |
| MIG:Z1:UPGR GRV RD-VULINDLELA-D2069 PH2 | 9 245 | 6 970 | 6 114 | -12% | |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 1 | 1 906 | 0 | 0 | 0% | |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 3 | 1 906 | 4 102 | 3 403 | -17% | |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 4 | 5 225 | 7 296 | 6 400 | -12% | 7 296 |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 6 | 1 906 | 3 148 | 2 761 | -12% | |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 7 | 1 906 | 7 988 | 7 007 | -12% | |
| MIG:Z1:UPGR GRV RD-VULINDLELA-WARD 8 | 5 225 | 7 043 | 6 096 | -13% | |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 9 | 1 906 | 6 172 | 5 414 | -12% | |
| MIG:Z3:UPGR ROADS IN EDN-KWANYAMAZANE | 500 | 1 729 | 1 517 | -12% | |
| MIG:Z2:UPGR RD IN PEACE VALLEY-10KM | 200 | 37 | 32 | -14% | |
| MIG:Z2:UPGR DESIGN GRV ROADS-VULINDLELA | 352 | 0 | 0 | 0% | |
| MIG:Z2:UPGR GRV ROADS-WILLOWFOUNTAIN | 600 | 811 | 712 | -12% | |
| MIG:Z5:UPGR OF INTERNAL ROADS-HANIVILLE | 1 907 | 1 859 | 1 630 | -12% | |
| MIG:ZA:REHAB OF GRAVEL ROAD VULINDLELA | 0 | 479 | 368 | -23% | |
| MIG:Z2:REHAB OF ROADS ESIGONDINI | 0 | 458 | 402 | -12% | |
| MIG:Z1:MABANE BRIDGE PROJECT | 430 | 165 | 145 | -12% | |
| MIG:Z2:UPGR PEDESTRIAN BRIDGE-SMERO/ESIGODIN | 30 | 12 | 10 | -17% | 1 489 |
| MIG:ZA:WOODHOUSE PEDESTRIAN BRIDGE | 3 846 | 10 | 9 | -10% | 6 687 |
| LEVS:Z4:INSTALLATION OF NEW GUARD RAILS | 500 | 405 | 401 | -1% | |

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 within the city. 17.35km were upgraded in 2016/17 financial year. Funds are slowly being made available by the municipality towards the rehabilitation programme, which makes up the preventative maintenance of the department. In access, 45000m2 of road surfacing was attended in 2016/17.

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:

- Mobility& Land use
- Congestion
- City Efficiency
- Road Safety, and
- Accessibility

TRANSPORTATION PLANNING SECTION PERFORMS THE FOLLOWING FUNCTIONS:

- Evaluation, assessment, and siting of transport facilities
- Planning, co-ordination, facilitation and provision of efficient and effective transport systems and infrastructure for all private and public transport.
- Planning, co-ordination, facilitation, provision, monitoring and regulation of efficient, effective public transport services and facilities within a balanced market demand and supply framework.
- Provides effective traffic management, control and safety through co-ordinated planning and maintenance programmes.

SERVICE STATISTICS FOR TRANSPORT

- No. of implemented traffic calming measure as per plan – 35
- Km of Road Markings – 406 KM
- No. of road traffic signs replaced – 705
- Number of bus shelters constructed - 41

| TRANSPORT SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|---------------------------------|--------------------------------------|---|------------------------------------|---|---|--|------------------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | 2015/2016 | | ACTUAL (1,2,3,4,5, Not Applicable) | 2017/2018 ANNUAL TARGET |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | |
| R & T 33 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF PUBLIC TRANSPORT SYSTEM | MIG - BUS STOP SHELTERS | 7,10,11,12,13,17,18,20,21,22,23,24 | 40 x bus shelters installed as per approved bus shelter implementation plan by the 31st of March 2017 | Target met. 41 x bus shelters installed by the 31st of January 2017 | 35 x bus shelters installed as per approved bus shelter implementation plan by the 30th of January 2016 | 3 (100% - 129%) | 35 x bus shelters installed as per approved bus shelter implementation plan by the 31st of March 2018 |
| R & T 34 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - TRAFFIC CALMING MEASURES | 1-37 | 33 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 32 (previous 18+ new 14) x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2016 | 3 (100% - 129%) | N/A |
| R & T 37 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - PLANT AND EQUIPMENT (NEW TRAFFIC CONTROLLERS) | 27 | Purchase of New Traffic Signal Controllers completed by the 31st of March 2017 | Target met. New Traffic Signal Controllers purchased by the 31st of March 2017 | Traffic signals spares and equipment purchased by the 30th of April 2016 | 3 (100% - 129%) | 100% of New Traffic Signal Controllers purchased by the 30th of November 2017 |
| R & T 38 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - Installation of new traffic signals | 35 | Traffic signals installed at Northdale Hospital intersection for signalized traffic control by the 30th of June 2017 | Target met. Traffic signals installed at Northdale Hospital intersection by the 30th of June 2017 | N/A | NOT APPLICABLE | N/A |

| EMPLOYEE: TRANSPORT SERVICES | | | | | |
|------------------------------|-------------------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2016/2017 | | | | |
| | 2015/2016 Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 10 | 66 | 30 | 36 | 55 |
| T04-T08 | 16 | 16 | 6 | 10 | 63 |
| T09-T13 | 6 | 28 | 9 | 19 | 68 |
| T14-T18 | 2 | 8 | 2 | 6 | 75 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 34 | 118 | 47 | 71 | 60 |

| FINANCIAL PERFORMANCE 2016/2017: TRANSPORT SERVICES R'000 | | | | | |
|--|---------------|-----------------|-------------------|---------------|-----------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget % |
| Total Operational Revenue (excl. tariffs) | -279 | -425 | -425 | 0 | -100% |
| Expenditure: | | | | | |
| Employees | 11 562 | 10 371 | 11 297 | 11 144 | -1% |
| Repairs and Maintenance | 4 627 | 3 898 | 3 567 | 2 898 | -19% |
| Other | 5 607 | 29 007 | 10 188 | 7 619 | -25% |
| Total Operational Expenditure | 21 796 | 43 276 | 25 052 | 21 661 | -14% |
| Net operational (Service) Expenditure | 21 517 | 42 851 | 24 627 | 21 661 | -12% |

| CAPITAL EXPENDITURE : TRANSPORTATION | | | | | |
|--|-----------------------------|---------------------------|------------------------|---------------------------------|---------------------|
| DETAILS | 2016 / 2017 | | | | |
| | ORIGINAL 2016 / 2017 BUDGET | ADJUSTED 2016/2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUDGET % | TOTAL PROJECT VALUE |
| LEVS:ZA:NEW:MACHINERY & EQUIPMENT | 230 | 175 | 160 | -9% | 161 |
| LEVS:ZA:NEW:TRANSPORT ASSETS | 0 | 540 | 528 | -2% | 615 |
| LEVS:Z2:BUS TAXI LAY-BYES | 400 | 215 | 215 | 0% | 216 |
| LEVS:ZA:EAST RING ROAD-DETAIL DESIGN & CONSTRUCTION | 700 | 700 | 699 | 0% | 570 |
| LEVS:ZA:INSTALLATION OF NEW TRAFFIC SIGNALS | 450 | 595 | 595 | 0% | 596 |
| LEVS:ZA:MAYORS WALK ROAD WIDENING | 700 | 700 | 700 | 0% | 700 |
| LEVS:Z5:TRAFFIC CALMING MEASURES | 500 | 499 | 499 | 0% | 499 |
| MIG:ZA:BUS STOP SHELTERS | 1 154 | 1 217 | 1 067 | -12% | 1 217 |
| LEVS:ZA:REHAB PUBLIC TRANSPORT FACILITY (TAXI RANKS) | 400 | 399 | 399 | 0% | 399 |

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

35 traffic calming measures (speed humps and speed tables) were constructed, 41 bus shelters were constructed and 1 traffic signal has been installed at the intersection of Chota Motala Road and Northdale Hospital.

Detailed design and specialist's studies for Mayors Walk road widening have been completed. The Basic Assessment Report and WULA applications will be lodged during the 2017/18 financial year at EDTA.

Preliminary design for Eastern Ring Road Option 2A from Murray Road/Hesketh Drive intersection to Rodgers Avenue could not be finalised as the wetland study recommendations are that alternative route alignment being 2C has to be investigated due to the fact that the proposed route alignment has a negative impact on the grassland where the road is traversing. Therefore, the preliminary design for option 2C will be undertaken during the 2017/18 financial year and the EIA and WULA applications will be lodged at EDTA during this period.

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 26.7km of storm water channel in various roads in the Greater Edendale and Vulindlela areas. 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

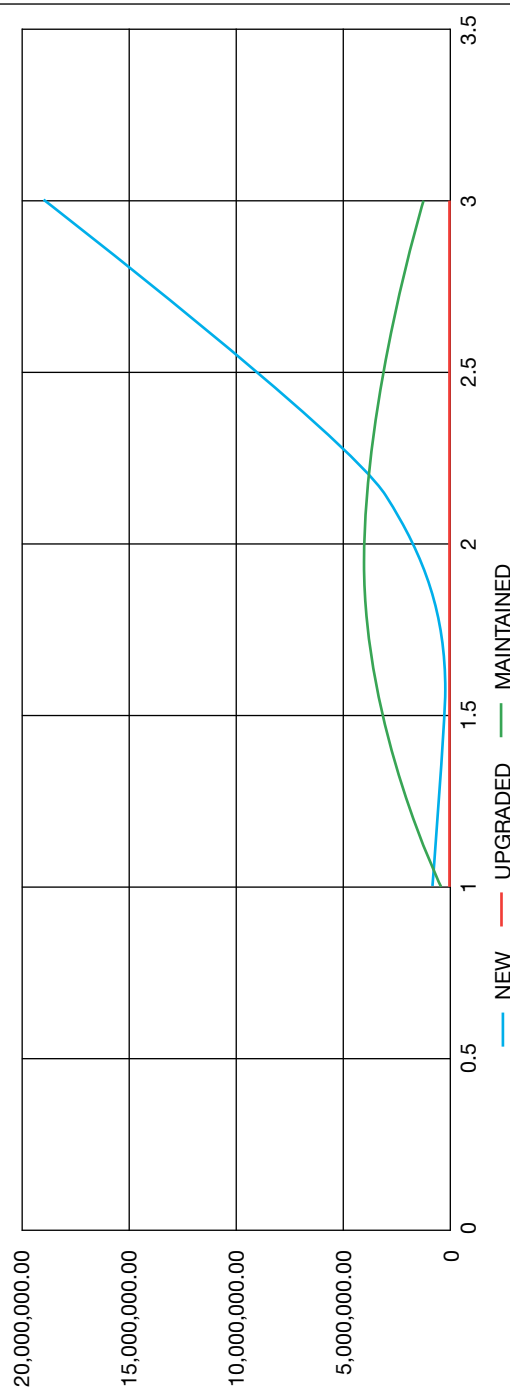
INTRODUCTION TO STORMWATER DRAINAGE

The Municipality constructed 26.7 km of storm water channel in various roads in the Greater Edendale area and Vulindlela for the 2016/17 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 |
| 2014/2015 | 0 | 3.3 | 0 | 65 |
| 2015/2016 | 0 | 3.3 | 0 | 65 |
| 2016/2017 | 0 | 26.7 | 0 | 65 |

| COST OF CONSTRUCTION / MAINTENANCE R'000 | | | |
|---|---------------------|----------|--------------|
| | Stormwater Measures | | |
| | New | Upgraded | Maintained |
| 2014/2015 | 1 371 089.93 | 0 | 354 005 |
| 2015/2016 | 1 725 089.93 | 0 | 3 345 125.00 |
| 2016/2017 | 18 099 359.00 | 0 | 1 500 000 |

STORMWATER INFRASTRUCTURE COSTS



| STORMWATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|---------------------------------|-----------------------------------|---|-----------|---|---|------------------------------------|--|------------------------------------|
| 2016/2017 | | | | 2015/2016 | | | | 2017/2018 | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| R & T 06 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF ROADS IN EDENDALE - KWANYAMAZANE ROADS | 13 | Completed upgrading 0.2 km of gravel roads to concrete surface in kwanyamazane area by the 31st of March 2017 | Completed upgrading 0.3 km of gravel roads to concrete surface in kwanyamazane area by the 31st of March 2017 | 3 (100% - 129%) | Completed 0.5 km of concrete roads in kwanyamazane area by the 30th of December 2015 | 3 (100% - 129%) |
| R & T 12 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - MACHIBISA / DAMBUZA RDS | 21 | 0.5km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | 0.5km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | 3 (100% - 129%) | Completed 0.3km Extension of Manana Road in Dambuza by the 30th of November 2015 to December | 3 (100% - 129%) |
| R & T 14 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13) | 17 | Completed upgrading of 0.85km of walkways in ward 17 by the 30th of December 2016 | Completed upgrading of 0.85km of walkways in ward 17 by the 30th of December 2016 | 3 (100% - 129%) | Upgraded 0.8km of gravel roads to asphalt surface and 0.1km of walkways by the 29th of February 2016 | 3 (100% - 129%) |

| STORMWATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | | |
|---|---------------------------------|-----------------------------------|--|------|---|---|------------------------------------|--|--|------------------------------------|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | 2015/2016 | | | 2017/2018 |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | |
| R & T 15 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Smeroe Roads and SW | 20 | Completed upgrading 0.6 km of gravel roads to black top surface in Smeroe Ward 20 by the 31st of March 2017 | Completed upgrading 0.6 km of gravel roads to black top surface in Smeroe Ward 20 by the 31st of March 2017 | 3 (100% - 129%) | Upgraded 0.8km of gravel roads to asphalt surface by the 30th March 2016 | Upgraded 0.8km of gravel roads to asphalt surface by the 30th March 2016 | 3 (100% - 129%) | 0.4km of gravel roads upgraded to black top surface in Harewood Ward 20 by the 30th of June 2018 |

| EMPLOYEE: STORMWATER SERVICES | | | | | |
|-------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2016/2017 | | | | |
| | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 67 | 162 | 115 | 47 | 29 |
| T04-T08 | 11 | 12 | 3 | 9 | 75 |
| T09-T13 | 6 | 35 | 14 | 21 | 60 |
| T14-T18 | 4 | 1 | 0 | 1 | 100 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 88 | 210 | 132 | 78 | 37 |

| FINANCIAL PERFORMANCE 2016/2017: STORMWATER SERVICES | | | | | |
|--|-----------|-----------------|-------------------|--------|-----------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | Variances to Budget % |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue (excl. tariffs) | 0 | 0 | 0 | 0 | 0% |
| Expenditure: | | | | | |
| Employees | 18 243 | 20 415 | 18 402 | 21 119 | 15% |
| Repairs and Maintenance | 2 420 | 2 725 | 2 450 | 1 645 | -33% |
| Other | 14 891 | 20 209 | 15 333 | 14 241 | -7% |
| Total Operational Expenditure | 35 554 | 43 349 | 36 185 | 37 005 | 2% |
| Net operational (Service) Expenditure | 35 554 | 43 349 | 36 185 | 37 005 | 2% |

| CAPITAL EXPENDITURE - STORMWATER DRAINAGE | | | | | |
|---|-----------------------------|---------------------------|------------------------|---------------------------------|---------------------|
| DETAILS | 2016 / 2017 | | | | |
| | ORIGINAL 2016 / 2017 BUDGET | ADJUSTED 2016/2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUDGET % | TOTAL PROJECT VALUE |
| WWAT-Z3:CANALIZATION OF STREAMS-NORTHDALE | 550 | 550 | 534 | -3% | 661 |
| MIG-Z2:ASHDOWN BANK PROTECTION-P15 | 153 | 0 | 0 | 0% | |

COMMENTS ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The department has continued with its programme of upgrading storm water drainage. Only 26.7km of storm water channels were constructed in the 16/17 financial year. Due to financial constraints, the available funding is not enough to deal with storm water issues. 2015/16 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. MECHANICAL WORKSHOPS

INTRODUCTION TO MECHANICAL WORKSHOPS

Mechanical Workshop is a sub-unit of the Infrastructure Services Unit. The Manager Mechanical Workshops reports directly to the General Manager Infrastructure Services.

Mechanical Workshops is responsible for the repairs and maintenance of Councils vehicle and plant. There are six workshops situated strategically around the City. Facility the process with Supply Chain Management (SCM) to outsource major components engines gearboxes differentials and C.O.F. (certificate of fitness) to service providers that are compliant on the SCM database.

STRATEGIC OBJECTIVES OF THESE SUB-SECTIONS ARE:

The Manager Mechanical Workshops is responsible for managing the repairs and maintenance to the five mechanical workshops. Excluded from the mechanical workshops is Fire and Emergency services workshops which reports directly to the Chief Fire Officer. The five workshops are situated at the following locations and caters for the following departments.

DOULL ROAD WORKSHOPS

Situated at 150 Mayors Walk, the workshop is split in two. The one half caters for Waste Management department and the other for the following departments, Water, Sewer, Plant Pool, Transportation, Roads, and Drainage. Waste Management refuse compactor repairs are done on an urgent base in conjunction with the SCM policy.

AUXILIARY WORKSHOP

Situated at 150 Mayors Walk, the workshop is responsible welding and fabricating tyre and battery replacements. The scrapping of all tyres replaced in the Fleet is checked and managed with the service provider and the Auxiliary Foreman.

ELECTRICITY WORKSHOP

Electricity workshop is situated at 111 Havelock Road. The workshop foreman manages and controls Electricity and Traffic workshops. The workshops caters for the following departments, Electricity, Head Office Pool, the Mayoral and Speakers office.

TRAFFIC WORKSHOP

The workshop is situated at 21 Washington Road. The workshops caters for the following departments Traffic, Security and Airport quad bikes.

PARKS WORKSHOP

The workshop is situated in Alexandra Park. The workshop is split in two, a mechanical workshop for plant and vehicles and a small plant workshops for brush cutter repairs.

| MECHANICAL WORKSHOPS POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|---|--|------|---|---|------------------------------------|---|---|
| 2016/2017 | | | | | 2015/2016 | | | | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - TUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL |
| FLT 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Preventative maintenance | Vehicle and plant service | ALL | 768 x Council vehicles and plant serviced by the 30th of June 2017 | 642 x Council vehicles and Plant serviced as at 30 June 2017 | 2 (70% - 99%) | 762 x Council vehicles & plant to be serviced by 30th June 2016 | 643 x vehicles and plant serviced on the 30th of June 2016 |
| FLT 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Enhance Infrastructure services processes | Average turnaround time on repairs (in days) | ALL | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2017 | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2017 | 3 (100% - 129%) | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2016 | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2018 |

| EMPLOYEE: MECHANICAL WORKSHOPS | | | | | |
|--------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 21 | 51 | 25 | 26 | 51% |
| T04-T08 | 30 | 14 | 8 | 6 | 43% |
| T09-T13 | 23 | 28 | 17 | 11 | 39% |
| T14-T18 | 4 | 1 | 0 | 1 | 100% |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 78 | 94 | 50 | 44 | 47% |

| FINANCIAL PERFORMANCE 2016/2017: MECHANICAL WORKSHOPS R'000 | | | | | |
|--|---------------|-----------------|-------------------|---------------|-----------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget % |
| Total Operational Revenue (excl. tariffs) | 0 | 0 | 0 | 0 | 0% |
| Expenditure: | | | | | |
| Employees | 16 199 | 17 020 | 16 546 | 19 746 | 19% |
| Repairs and Maintenance | 1 588 | 1 495 | 1 826 | 1 491 | -18% |
| Other | 1 360 | 1 465 | 1 199 | 911 | -24% |
| Total Operational Expenditure | 19 147 | 19 980 | 19 571 | 22 148 | 13% |
| Net operational (Service) Expenditure | 19 147 | 19 980 | 19 571 | 22 148 | 13% |

| CAPITAL EXPENDITURE : MECHANICAL WORKSHOPS | | | | | |
|--|-----------------------------|-----------------------------|------------------------|---------------------------------|---------------------|
| DETAILS | 2016 / 2017 | | | | |
| | ORIGINAL 2016 / 2017 BUDGET | ADJUSTED 2016 / 2017 BUDGET | YTD ACTUAL EXPENDITURE | VARIANCE FROM ADJUSTED BUDGET % | TOTAL PROJECT VALUE |
| NO CAPITAL PROJECTS FOR THE 2016/2017 FINANCIAL YEAR | | | | | |

COMMENT ON THE PERFORMANCE OF MECHANICAL WORKSHOPS OVERALL:

Mechanical Workshops serviced 642 of the 768 vehicles owned by the Municipality for the financial year 16/17. Fleet Management submit a monthly service plan to the Business units for vehicles due for service. This receives a very poor response from the Business Units in bringing in the vehicles for service.

Also a contributing factor to slow turn around time on repairs is the high vacancy rate in the Mechanical Workshops and turn around times on procuring spares with SCM.

2. COMPONENT B: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

This component includes: Planning, Local Economic Development, Airport, Building Control & Signage, Market, Human Settlements, Art Galleries & Environmental Health.

2.1. PLANNING

INTRODUCTION TO PLANNING AND DEVELOPMENT

Economic development and physical planning at Msunduzi Municipality contributes to: -

- Creation of jobs and protection of the livelihood of the people.
- Protection of the environment and cultural heritage of the residents.
- In general, contribute in encouraging Sustainable Development.

INTRODUCTION TO PLANNING

Many day to day situations involve decision making, this is to create a sustainable development within a specific area. Planning; helps to improve the efficiency of executing actions. Planning is often associated with full employment as without proper planning, there will be no sustainable development. Msunduzi Municipality has a proper functioning unit, which has two components; these are Spatial Sub-Unit and Development Sub-Unit. The main function of Spatial Sub-Unit is to prepare strategic documents, like Spatial Development Framework and Local Area Plans, whereas the task of the Development Sub-Unit is to monitor and assess day to day developmental applications as well as building plans.

Strategies that are currently undertaken by Town Planning Department at Msunduzi Municipality are as follows:-

- Reviewing of the Spatial Development Framework.
- Developing a Local Area Plan for Northern Areas
- Reviewing of the Pietermaritzburg Town Planning Scheme.
- Preparing a Princinct Plan for Manaye Hall.

| APPLICATIONS FOR LAND USE DEVELOPMENT | | | | | | |
|---------------------------------------|----------------------------|-----------|-----------|-----------|-------------------|-----------|
| Detail | Formalisation of Townships | | Rezoning | | Built environment | |
| | 2015/2016 | 2016/2017 | 2015/2016 | 2016/2017 | 2015/2016 | 2016/2017 |
| Planning application received | 28 | 39 | 31 | 50 | 05 | 06 |
| Determination made in year of receipt | 18 | 12 | 25 | 15 | 05 | 04 |
| Determination made in following year | 06 | 06 | 03 | 10 | 00 | 02 |
| Applications withdrawn | 00 | 02 | 01 | 00 | 00 | 00 |
| Applications outstanding at year end | 04 | 19 | 02 | 35 | 00 | 00 |

| PLANNING POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | |
|---|-------------------------------|---|--|---------------------------|--|---|------------------------------------|---|--|---|
| 2016/2017 | | | | | 2015/2016 | | | 2017/2018 | | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| TP & EM 01 | NKPA 6 - CROSS CUTTING | Spatial Planning and land administration | Northdale Local Area Plan | 25, 28, 29, 34, 37 and 38 | Draft Northdale Local Area Plan Report and Draft Implementation Framework prepared & submitted to SMC by the 30th of June 2017 | The Draft Northdale Local Area Plan was submitted to the Municipality on 19 June 2019. It was further submitted to SMC for approval on 27 June 2017 | 3 (100% - 129%) | N/A | N/A | N/A |
| TP & EM 02 | NKPA 6 - CROSS CUTTING | Pietermaritzburg Airport Precinct and Management Plan | Airport Precinct and Implementation Plan | 24,36 | Final Airport Precinct Plan submitted to SMC for approval by the 28th of February 2017 | Final Airport Precinct Plan submitted to SMC for approval by the 28th of February 2017 | 3 (100% - 129%) | First Draft of the PMB Airport Precinct Plan submitted to SMC by the 30th of June 2016 | The Draft Airport Precinct Plan was submitted to SMC on 30 June 2016 | N/A |
| TP & EM 04 | NKPA 6 - CROSS CUTTING | LAND USE MANAGEMENT SYSTEM | Implementation of SPLUMA through Municipal Planning Tribunal | ALL | 100% of PDA & SPLUMA applications considered by the MPT within legislated timeframes by the 30th of June 2017 | 67 applications were considered by the MPT for the months July 2016 to 30 June 2017 and 67 were within timeframe. | 3 (100% - 129%) | 100% of all Town Planning applications processed within the legislated SPLUMA timeframes by the 30th of June 2015 | 4 PDAs were considered and where within the timeframe | 100% of PDA & SPLUMA applications considered by the MPT within legislated timeframes by the 30th of June 2018 |

| EMPLOYEE: TOWN PLANNING | | | | | |
|-------------------------|---------------|-----------|---------------|--------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No.) | Vacancies (as a % of total posts) % |
| T01-T03 | - | - | - | - | - |
| T04-T08 | 4 | 7 | 2 | 5 | 71 |
| T09-T13 | 1 | 39 | 12 | 27 | 69 |
| T14-T18 | 10 | 5 | 4 | 1 | 20 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 15 | 67 | 28 | 39 | 58 |

| EMPLOYEE: GEVDI | | | | | |
|-----------------|---------------|-----------|---------------|--------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No.) | Vacancies (as a % of total posts) % |
| T01-T03 | 1 | 1 | 0 | 1 | 100 |
| T04-T08 | 1 | 1 | 1 | 0 | 0 |
| T09-T13 | 4 | 11 | 1 | 10 | 91 |
| T14-T18 | 2 | 5 | 1 | 4 | 80 |

| EMPLOYEE: GEVDI | | | | | |
|-----------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T19-T22 | 0 | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 8 | 18 | 3 | 15 | 83 |

| FINANCIAL PERFORMANCE 2016/2017: PLANNING SERVICES R'000 | | | | | |
|---|---------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | 23 400 | -22 353 | -22 353 | -9 848 | |
| Expenditure: | | | | | |
| Employees | 17 489 | 11 371 | 15 465 | 15 720 | |
| Repairs and Maintenance | 116 | 633 | 147 | 2 | -97 |
| Other | 7 341 | 3 820 | 10 522 | 8 323 | -30 |
| Total Operational Expenditure | 24 946 | 15 824 | 26 134 | 24 045 | -11 |
| Net operational (Service) Expenditure | 1 546 | 6 529 | -3 781 | 14 197 | -79 |

| CAPITAL EXPENDITURE: PLANNING SERVICES R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | 8 873 | 8 363 | -6 | |
| COMPUTER EQUIPMENT | | 299 | 299 | 0 | |
| MACHINERY AND EQUIPMENT | 0 | 7 | 7 | 0 | |
| FURNITURE | 0 | 38 | 35 | -8 | |
| OFFICE RENOVATION | 0 | 794 | 274 | -65 | |
| PLANNING LABORATORY | 0 | 7 735 | 7 748 | 0.16 | |

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

Although there were some challenges in terms of human capacity, it should be noted that the performance of Town Planning Department is satisfactory.

The following projects as shown in the approved IDP will be undertaken by Town Planning Sub-unit in the next five years:

- Reviewing of the Ashburton Town Planning Scheme 2017/18 Financial Year, the budget is R R1 000, 000.
- Reviewing of the Vulindlela Local Area Plan with specific purpose of including Ward 39, the budget is R1000 000.
- Preparation of the Local Area Plan for Scottsville and Pelham Area, the budget is R1, 800 000.
- Preparing a Land Use Policy for areas located outside the Land Use Schemes, the budget is R1 000 000.

2.2. LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

The Local Economic Development Strategy is encapsulated in the document completed in 2015 which is currently undergoing a review. The strategy outlines the way forward, and guides and promotes local economic development initiatives within the municipality. Critical measures identified included effectively utilising pieces of land and sites near to the N3 corridor; investing in infrastructure to stimulate growth; maintenance and upgrading of existing infrastructure such as electricity, water etc.; ensuring that investment initiatives are geared towards promotion of township development and ensuring that the city is a safe, clean and secure environment. Major strides have been made towards the above by various Business units in the municipality, including the initiation of the integrated passenger transport network, completion of the Edendale Town Centre plans which is now at the planning phase geared towards the approval of statutory applications, several private sector commercial/logistics developments commencing in Lynnfield Park near the N3, significant upgrades to the electricity network and the launching of the Airport Precinct plan with its related Techno Hub.

| ECONOMIC ACTIVITY BY SECTOR R'000 | | | |
|--------------------------------------|-----------|-----------|-----------|
| Sector | 2014 | 2015 | 2016 |
| Agriculture | 1,167,773 | 1,084,963 | 1,001,998 |
| Mining | 161,070 | 156,244 | 149,871 |
| Manufacturing | 3,990,288 | 3,982,941 | 4,003,689 |
| Electricity | 1,064,011 | 1,041,843 | 1,002,334 |
| Construction | 1,358,538 | 1,383,132 | 1,397,567 |
| Trade | 4,543,593 | 4,637,149 | 4,682,883 |
| Transport | 3,457,526 | 3,509,726 | 3,563,107 |

| ECONOMIC ACTIVITY BY SECTOR | | | | |
|---|-------------------|-------------------|-------------------|------|
| Sector | R'000 | | | |
| | 2014 | 2015 | 2016 | 2016 |
| Finance | 5,711,321 | 5,828,371 | 5,892,262 | |
| Community services | 8,670,092 | 8,762,708 | 8,910,464 | |
| Total Industries | 30,124,211 | 30,387,076 | 30,604,176 | |
| Taxes less Subsidies on products | 2,780,956 | 2,806,904 | 2,808,473 | |
| Total (Gross Domestic Product - GDP) | 32,905,167 | 33,193,980 | 33,412,649 | |

| ECONOMIC EMPLOYMENT BY SECTOR | | | | |
|-------------------------------|----------------|----------------|----------------|------|
| Sector | Jobs | | | |
| | 2014 | 2015 | 2016 | 2016 |
| Agriculture | 6,105 | 7,157 | 7,589 | |
| Mining | 331 | 317 | 335 | |
| Manufacturing | 23,637 | 24,026 | 23,043 | |
| Electricity | 1,235 | 1,219 | 1,052 | |
| Construction | 13,350 | 14,267 | 14,316 | |
| Trade | 40,785 | 42,328 | 42,217 | |
| Transport | 10,421 | 10,393 | 10,418 | |
| Finance | 26,454 | 26,747 | 26,147 | |
| Community services | 55,917 | 59,288 | 60,106 | |
| Households | 18,518 | 19,322 | 20,408 | |
| Total | 196,751 | 205,065 | 205,631 | |

COMMENTS ON LOCAL JOB OPPORTUNITIES:

The latest Global Insight data indicates that while there is increase in employment from 2015 to 2016, the increase is not that significant. The labour market in the municipal economy seems to be undergoing a similar experience as the national economy which is reacting to the depressed economic conditions and outlook.

| JOB CREATION THROUGH EPWP* PROJECTS | | |
|-------------------------------------|-------------------|--|
| Details | EPWP Projects No. | Jobs created through EPWP Projects No. |
| 2014/2015 | 13 | 1035 |
| 2015/2016 | 60 | 972 |
| 2016/2017 | 24 | 913 |
| Extended Public Works Programme | | |

| LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|-------------------------------------|--|--|-----------|--|--|------------------------------------|--|---|
| 2016/2017 | | | | | | | | | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | 2017/2018 |
| LED 05 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | LED Strategy | Implementation of LED Strategy | N/A | LED strategy reviewed and completed implementation plan submitted to SMC for approval by the 30th of June 2017 | Draft LED strategy received on the 29th of June 2017 | 2 (70% - 99%) | N/A | LED strategy reviewed and completed implementation plan submitted to SMC for approval by the 30th of September 2017 |
| LED 06 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business partnerships | Growth Coalition meetings | N/A | 2 x meetings of the Pmb Growth Coalition facilitated by the 30th of June 2017 | Two meetings of the Coalition were held on 10 March and 30 June 2017. | 3 (100% - 129%) | N/A | N/A |
| LED 07 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Training workshops for SMME and Co-ops | Training workshops for SMME and Co-ops | All wards | 8 x training workshops facilitated for SMMEs and Co-ops by the 30th of June 2017 | 8 x training workshops facilitated for SMMEs and Co-ops by the 30th of June 2017 | 3 (100% - 129%) | 4 x Training programmes for SMME and Cooperatives facilitated by the 30th of June 2016 | 4 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th of June 2018 |

| LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|------------------------------------|---------------------------------|--|------|--|--|--------------------------|-----------------|-------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - AC-TUAL | 2015/2016 | | |
| | | | | | | | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET | 2017/2018 ANNUAL TARGET |
| EDS 9 | NKPA 3- Local Economic Development | Development of Informal Economy | Formation of informal sector representative bodies | All | 2 x Informal Sector representative bodies established by the 30th of June 2017 | 2 x Informal Sector representative bodies established by the 30th of June 2017 | N/A | N/A | N/A |
| | | | | | | | 3 (100% - 129%) | 3 (100% - 129%) | 3 (100% - 129%) |

| EMPLOYEE: ECONOMIC DEVELOPMENT & GROWTH | | | | | |
|---|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | | | | |
| T04-T08 | 1 | | | | |
| T09-T13 | 4 | 13 | 7 | 6 | 46 |
| T14-T18 | 1 | 2 | 1 | 1 | 50 |
| T19-T22 | 2 | | | | |
| T23-T25 | - | | | | |
| Total | 8 | 21 | 13 | 8 | 38 |

| EMPLOYEE: MUNICIPAL BUSINESS ENTITIES | | | | | |
|---------------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | | | | |
| T04-T08 | - | 1 | 0 | 1 | 100 |
| T09-T13 | - | | | | |
| T14-T18 | - | 1 | 0 | 1 | 100 |
| T19-T22 | 1 | 1 | 1 | 0 | 0 |
| T23-T25 | - | | | | |
| Total | 1 | 3 | 1 | 2 | 33 |

| FINANCIAL PERFORMANCE 2016/2017: LOCAL ECONOMIC DEVELOPMENT SERVICES | | | | | | |
|--|---------------|------------|-----------------|-------------------|--------------|--------------------------------|
| R'000 | | | | | | |
| Details | 2015/2016 | | 2016/2017 | | | Variances to Adjusted Budget % |
| | Actual | | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue (excl. tariffs) | | -26 | 0 | 0 | 238 | 1.00 |
| Expenditure: | | | | | | |
| Employees | 5 811 | | 5 962 | 5 801 | 7 415 | 0.22 |
| Repairs and Maintenance | 0 | | 0 | 0 | 0 | 0 |
| Other | 6 052 | | 2 134 | 2 971 | 1 956 | 0.52 |
| Total Operational Expenditure | 11 863 | | 8 096 | 8 772 | 9 371 | 0.06 |
| Net operational (Service) Expenditure | 11 837 | | 8 096 | 8 772 | 9 133 | 0.04 |

| CAPITAL EXPENDITURE: LOCAL ECONOMIC DEVELOPMENT SERVICES R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | | | | |
| No Capital Expenditure in 2016/2017 | N/A | N/A | N/A | N/A | N/A |

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

As at the end of 2016 the economy of the Msunduzi Municipality still experienced a period of positive growth, however at a much lower rate than during the period immediate after the global economic recession. There is a definite general broad base slowdown in economic activity in the municipal economy similar than the national scenario.

The Municipality possesses a number of economic advantages, including:

- Locational Advantages: the centrality of the Municipality and the fact that the Municipality is bisected by the N3 corridor, which is the primary logistical corridor linking Gauteng with Durban Harbour;
- Natural/ Geographic Advantages: Highly fertile land;
- Human Capital Advantages: Good primary, secondary schools and tertiary institutions; and
- Institutional Advantages: Msunduzi enjoys 'Capital City' status.

2.3. AIRPORT

INTRODUCTION TO AIRPORT SERVICES

The Pietermaritzburg Airport is set to become a regional integration of intermodal transport hub for the region and that will be a critical catalyst for economic development.

The focus for the current financial year implement those projects that will assist in keeping airport running without disruption and implement our long term growth strategies.

| AIRPORT SERVICES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | | |
|---|-------------------------------------|---|--|------|--|--|------------------------------------|--|--|------------------------------------|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | 2015/2016 | | | 2017/2018 ANNUAL TARGET |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | |
| CE 11 | NKPA 2 - BASIC SERVICE DELIVERY | GROUND EQUIPMENT PARKING BAY | Construction of ground parking equipment | 24 | 100% construction of ground parking equipment at the PMB Airport completed by the 30th of June 2017 | Construction of ground parking equipment at the PMB Airport commenced by the 30th of June 2017 | 2 (70% - 99%) | Construction of area for ground handling equipment at the PMB Airport completed by the 31st of August 2015 | The appointed contractor has not started the contract, and will now need to be replaced. | 1 (69% & below) | N/A |
| CE 13 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Provision of air navigation services | Air traffic and Navigation Services | all | 100% provision of Airport Navigation services at the PMB airport by the 30th of June 2017 | 100% provision of Airport Navigation services at the PMB airport | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | 100% provision of Airport Navigation services at the PMB airport by the 30th of June 2018 |
| CE 14 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Provision of X ray equipment at the airport | X ray and Screening Equipment | all | 100% Provision of X-ray services for the screening of passengers and goods at the PMB airport by the 30th of June 2017 | 100% Provision of X-ray services for the screening of passengers and goods at the PMB airport | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | 100% Provision of X-ray services for the screening of passengers and goods at the PMB airport by the 30th of June 2018 |
| CE 15 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Provision of airport security | Airport Security | All | 100% security provision at the PMB airport by the 30th of June 2017 | 100% security provision at the PMB airport | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | 100% security provision at the PMB airport by the 30th of June 2018 |

| EMPLOYEE: AIRPORT SERVICES | | | | | |
|----------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | 2 | 2 | 0 | 0 |
| T04-T08 | - | 7 | 2 | 5 | 71 |
| T09-T13 | - | 1 | 0 | 1 | 100 |
| T14-T18 | - | 1 | 1 | 0 | 0 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | - | 11 | 5 | 6 | 55 |

| FINANCIAL PERFORMANCE 2016/2017: AIRPORT SERVICES R'000 | | | | | |
|--|-----------|-----------------|-------------------|---------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -9 721 | -478 | -459 | -15 720 | 0.97 |
| Expenditure: | | | | | |
| Employees | 485 | 478 | 459 | 523 | 0.12 |
| Repairs and Maintenance | 552 | 426 | 1 032 | 812 | 0.27 |
| Other | 18 465 | 7 508 | 10 559 | 9 492 | 0.11 |
| Total Operational Expenditure | 19 502 | 8 412 | 12 050 | 10 827 | 0.11 |
| Net operational (Service) Expenditure | 6 141 | 7 934 | 11 591 | -4 893 | -3.37 |

| CAPITAL EXPENDITURE: AIRPORT SERVICES R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | | | | |
| Tech HUB | - | 1 500 | 1 467 | -2.2 | |

COMMENT ON THE PERFORMANCE OF AIRPORT SERVICES OVERALL:

The Airport passenger traffic has grown significantly and has managed to command the confidence of the midlands residents including customers to as far as Mzimkhulu. We are confident that approval and implementation of the airport master plan will position the airport in long term sustainable growth trajectory.

We have made a significant progress in addressing the compliance issues raised by Aviation Regulatory Authority, ACSA and Auditor General. Most of the remediation measured will be implemented during the 17/18 budget year, while others that needs a significant capital budget allocation maybe be cascaded to three-year medium term budget plan.

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:

- On the Building Control side, the staff complement was reduced during the year due to the resignations of one Plans Examiner in December 2016, one Technical Clerk in June 2016 and one Building Inspector whose permanency comes to an end at the end of July 2017. These three posts have not yet been filled. Regarding the vacant and funded Law Enforcement Officer post, this was advertised as "Senior Building Enforcement Officer" and still remains to be filled but an alternative arrangement has been made through Traffic & Security to provide an officer on a three month secondment basis. Regarding the Priority posts we had requested six Building Inspectors but none were advertised. This is a major challenge in covering the growing zones within the city following the resignation of one Building Inspector and no filling of the previously vacated posts. In addition, one Senior Building Inspector and two Plans Examiners were advertised. Regarding the three year fixed term contracts we had requested six Building Inspectors, two Plans Examiners and one Senior Building Inspector but the Human Resources advertised two Building Inspectors and one Senior Building Inspector. The section is faced with the solution of renewing the three months' contract of the Plans Examiner.
- During the year the Plan Approval Systems have been further improved:
 - Plan Approval Management software has been operating well and reducing approval times. Necessary enhancements and upgrades to the system were implemented by the appointed service provider with ICT and all glitches were fixed.
 - 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.
- On the Outdoor Advertising side there has been little or no improvement – there have been no appointments made to the Signage Officer post though this has been advertised by Human Resources. There have also been the three months' contract extensions of the Signage Officer. Since the previous Signage Management Service Provider contract came to an end on 31 December 2015, SCM processes are underway to

appoint a new Service Provider (Management company) to provide support as well as the appointment of Co-operatives. The Management Tender is currently at BEC and the Co-operatives Tender is in the process of cancellation at BAC and due for re-advertising.

4. Other initiatives which have contributed to the control of signage and promise substantial revenue for the City are:
 - The renewal of Billboard contracts for all Billboards in the City is in the process of being finalised.

| BUILDING CONTROL & SIGNAGE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|--|---|-----------|---|--|------------------------------------|---|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | 2017/2018 | | 2018/2019 | |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL |
| IP & S 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve processes for Building Plan Applications. | All | 95% of Building Plan Applications <500m2 to be processed for approval by the Plan Approval Committee within an average of 30 days from date of receipt of the application, by the 30th of June 2017 | 100% of Building Plan Applications <500m2 processed for approval by the Plan Approval Committee within an average of 30 days from date of receipt of the application, by the 30th of June 2017 (Total 680 applications, in average of 21 days) | 3 (100% - 129%) | 95% of Building Plan Applications <500m2 to be processed for approval by the Plan Approval Committee within an average of 30 days from date of receipt of the application, by the 30th of June 2018 | 100% (of 786) Building Plan Applications <500m2 processed for approval by the Plan Approval Committee within an average of 20 days from date of receipt of the application, by 30 June 2016. |
| IP & S 05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Improve Infrastructure Planning & Survey compliance and risk reduce risk. | Implement Infrastructure Planning & Survey compliance and risk management | All | 580 building contravention inspections conducted for illegal building works by the 30th of June 2017 | 607 building contravention inspections conducted for illegal building works by the 30th of June 2017 | 3 (100% - 129%) | 540 building contravention inspections conducted for illegal building works by the 30th of June 2016 | 581 Building contravention inspections conducted for illegal building works by 30 June 2016. |
| IP&S 08 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Optimize system, procedures and processes for Outdoor Advertising Signage | Improve processes for Signage applications for all Posters, Banners & Flags | All | Average of 3 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag applications by the 30th of June 2017. | Average of 2 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag applications by the 30th of June 2017. | 3 (100% - 129%) | N/A | N/A |
| IP&S 10 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Optimize system, procedures and processes for Outdoor Advertising Signage | Improve processes for management of all Outdoor Advertising Signage. | All | Appointment of Signage Management Company to manage all Outdoor Advertising Signage by 31 March 2017. | Signage Management Company not appointed. | 1 (69% & below) | N/A | N/A |

| APPROVED BUILDING PLAN INFORMATION FOR THE MSUNDUZI MUNICIPALITY FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017 | | | | | | | | | | | | | | |
|---|------------------------------------|--------------|------------------|-------------------------------------|-------------|-----------------|------------|-----------|---------------------------------|------------------|----------|--------------------------------|------------|--------------|
| | 1 | | | 3 | | | 2 | | 4 | | | 5 | | |
| | Residential Dwelling Houses Passed | | | Other Residential-Flats, Hotels Etc | | | RPD Passed | | Non Residential- Private Sector | | | Non Residential- Public Sector | | |
| | No. | Area | Cost | No | Area | Cost | RPD Passed | | No. | Area | Cost | No. | Area | Cost |
| JULY | 18 | 3848 | 16206360 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 46 | 6164 |
| AUGUST | 16 | 3143 | 13819000 | 8 | 724 | 1200000 | 0 | 0 | 0 | 0 | 0 | 0 | 60 | 5347 |
| SEPTEMBER | 12 | 3936 | 21091500 | 12 | 892 | 4000000 | 0 | 3 | 2371 | 19350000 | 0 | 0 | 47 | 3161 |
| OCTOBER | 17 | 3477 | 22735800 | 21 | 1746 | 7000000 | 0 | 4 | 5340 | 27876000 | 0 | 0 | 64 | 7747 |
| NOVEMBER | 7 | 2693 | 20280000 | 0 | 0 | 0 | 0 | 1 | 1442 | 6000000 | 0 | 0 | 47 | 6209 |
| DECEMBER | 4 | 858 | 6610000 | 45 | 1376 | 6500000 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 6459 |
| JANUARY | 4 | 614 | 2651000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 34 | 5717 |
| FEBRUARY | 46 | 8593 | 43664000 | 4 | 293 | 1300000 | 0 | 2 | 4353 | 17376000 | 0 | 0 | 47 | 4978 |
| MARCH | 16 | 3465 | 20611500 | 27 | 3500 | 15000000 | 0 | 2 | 7085 | 27600000 | 0 | 0 | 64 | 5312 |
| APRIL | 8 | 1165 | 5029500 | 0 | 0 | 0 | 0 | 2 | 1940 | 9000000 | 0 | 0 | 32 | 2921 |
| MAY | 8 | 2785 | 19125000 | 0 | 0 | 0 | 0 | 1 | 5377 | 21500000 | 0 | 0 | 43 | 5397 |
| JUNE | 10 | 2884 | 20819000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 45 | 6332 |
| TOTAL | 166 | 37461 | 212642660 | 117 | 8531 | 35000000 | 0 | 15 | 27908 | 128702000 | 0 | 0 | 545 | 65744 |

275646930

| EMPLOYEE: BUILDING CONTROL & SIGNAGE | | | | | |
|--------------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | | | | |
| T04-T08 | 9 | 4 | 3 | 1 | 25 |
| T09-T13 | 10 | 45 | 17 | 28 | 62 |
| T14-T18 | 1 | 1 | 1 | 0 | 0 |
| T19-T22 | - | | | | |
| T23-T25 | - | | | | |
| Total | 20 | 52 | 23 | 29 | 56 |

| EMPLOYEE: LAND SURVEY | | | | | |
|-----------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 3 | 12 | 7 | 5 | 42 |
| T04-T08 | 1 | 4 | 0 | 4 | 100 |
| T09-T13 | 6 | 15 | 10 | 5 | 33 |
| T14-T18 | 3 | 2 | 2 | 0 | 0 |
| T19-T22 | 1 | | | | |
| T23-T25 | - | | | | |
| Total | 14 | 33 | 19 | 14 | 42 |

| EMPLOYEE: LICENSING | | | | | |
|---------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | | | | |
| T04-T08 | 1 | 3 | 1 | 2 | 67 |
| T09-T13 | 5 | 12 | 5 | 7 | 58 |
| T14-T18 | 1 | 1 | 1 | 0 | 0 |
| T19-T22 | - | | | | |
| T23-T25 | - | | | | |
| Total | 7 | 17 | 7 | 10 | 59 |

| FINANCIAL PERFORMANCE 2016/2017: BUILDING CONTROL & SIGNAGE R'000 | | | | | |
|--|---------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -2 826 | 2 674 | 2 674 | 2 102 | 0.27 |
| Expenditure: | | | | | |
| Employees | 11 440 | 11 454 | 12 221 | 12 515 | 0.02 |
| Repairs and Maintenance | 41 | 50 | 70 | 0 | 0 |
| Other | 2 686 | 2 300 | 2 290 | 1 259 | 0.82 |
| Total Operational Expenditure | 14 167 | 13 804 | 14 581 | 13 774 | 0.06 |
| Net operational (Service) Expenditure | 11 331 | 11 130 | 11 907 | 11 672 | 0.02 |

| CAPITAL EXPENDITURE: BUILDING CONTROL & SIGNAGE R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | 109 | 81 | -26 | |
| COMPUTER EQUIPMENT | 0 | 75 | 75 | 0 | |
| FURNITURE AND EQUIPMENT | 0 | 28 | 0 | -100 | |
| MACHINERY AND EQUIPMENT | | 3 | 3 | 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 2016/17 financial year due to the additional staff members recruited during the year. However, production started lagging during the second half due to the resignation of a Plans Examiner, one Technical Clerk and one Building Inspector and, the non-filling of vacant posts. This situation was due to be improved when the newly approved organisational structure was 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 enhancements were completed and implemented and, they have shown signs of improving the quality and quantity of Building Plans approved and the service delivered.

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 have been developed and promise to deliver more control, a cleaner city, and increased revenue to the council during the 2016/17 financial year.

2.5. MARKET

INTRODUCTION TO MARKET SERVICES

The Pietermaritzburg Market operates as an agency for the Farmers in the District and main products that are sold are the agricultural produce. The business model of the market is based on critical mass in terms of tonnage. Our market still maintains the number 4 spot on national market listings of 18 national markets.

In 2016/17 the main focus was to finalise projects that were funded by Provincial department of Co-operative Governance (CoGTA) in 2015/16.

| MARKET SERVICES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | | | |
|--|---------------------------------|------------|---------------------------------------|-----------|--|--|--------------------------|------------------------------------|---------------|--------------------------|------------------------------------|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | 2015/2016 | | | 2017/2018 ANNUAL TARGET |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | |
| LED 02 | NKPA 2 - BASIC SERVICE DELIVERY | PMB MARKET | Pallet Park | 24 | 100% Completed Pallet Park construction as per approved construction plan by the 30th of June 2017 | Nil | | 1 (69% & below) | N/A | N/A | NOT APPLICABLE | 100% Construction of the Market Pallet Park by the 30th of June 2018 |
| LED 03 | NKPA 2 - BASIC SERVICE DELIVERY | PMB MARKET | Erection of internal fencing | 24 | 100% construction of the Market internal fencing completed by the 30th of June 2017 | 100% Internal fence Completed. | | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | 100% Renovation of Market building (Ceilings, painting and electrical wiring) completed by the 30th of June 2018 |
| CE 02 | NKPA 2 - BASIC SERVICE DELIVERY | PMB MARKET | Installation of cold room compressors | 24 | 7 x new cold room compressors purchased & installed at the PMB Market by 30th of April 2017 | 7 x new coldroom compressors purchased & installed at the PMB Market by 30th of April 2017 | | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | N/A |

| EMPLOYEE: MARKET SERVICES | | | | | | |
|---------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|--|
| Job Level | 2015/2016 | | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % | |
| T01-T03 | 13 | 16 | 10 | 6 | 38 | |
| T04-T08 | 18 | 30 | 22 | 8 | 27 | |
| T09-T13 | 6 | 10 | 6 | 4 | 40 | |
| T14-T18 | - | 1 | 1 | 0 | 0 | |
| T19-T22 | - | - | - | - | - | |
| T23-T25 | - | - | - | - | - | |
| Total | 37 | 57 | 39 | 18 | 32 | |

| FINANCIAL PERFORMANCE 2016/2017: MARKET SERVICES R'000 | | | | | |
|---|----------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -21 074 | -22 222 | -24 855 | -4 278 | 6.82 |
| Expenditure: | | | | | |
| Employees | 8 606 | 8 942 | 11 164 | 11 210 | 0. |
| Repairs and Maintenance | 1 347 | 1 348 | 2 866 | 1 887 | 0.52 |
| Other | 25 945 | 2 623 | 2 284 | 616 | 2.71 |
| Total Operational Expenditure | 35 898 | 12 913 | 16 314 | 13 713 | 0.19 |
| Net operational (Service) Expenditure | 14 824 | -9 309 | - 8 541 | 9 435 | 1.91 |

| CAPITAL EXPENDITURE: MARKET SERVICES R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | | | | |
| No capital projects in 2016/2017 | N/A | N/A | N/A | N/A | |

COMMENT ON THE PERFORMANCE OF MARKET SERVICES OVERALL:

The market continues in its growth trajectory and the implementation of Emerging Farmers Program by the KZN provincial government will increase the sale tonnage in the future. The budget allocated during the 16/17 financial year was fully utilised to implement all planned projects. The plans to develop Agro processing Facility in partnership with KZN Agricultural Development Agency is at advanced stage and once the business case for this project has been concluded, then the project will be commissioned. The internal fencing was done to demarcate spaces and create additional space for the new participants.

It is our long term goal to increase the number of buyers beyond 200 and more especially the previously disadvantaged section of our society for long term economic inclusive growth.

2.6. HUMAN SETTLEMENTS

INTRODUCTION TO HUMAN SETTLEMENTS

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 and was approved by Council in 2015. The review of the Housing Sector Plan will be done in 2017.

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 OF 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.

The second phase of the NUSP programme involved the detailed assessment of 24 informal settlements. This included geotechnical and environmental assessments and if the settlement could be upgraded a town planning layout was prepared. The report also covers costing for the provision of basic services.

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.

• 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 previous financial year (2015/2016), 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 30202 units in different financial years which is inclusive of Operation Sukuma Sakhe Phase 1 and 2 interventions. During the 2015/16 financial year the municipality was able to deliver 3 048 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 another 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 has appointed a Conveyancer to verify and transfer the 5685 units. This process has started and should be completed in two financial years.

• HOUSING ADMINISTRATION

The Section administers all property management activities for Council's Housing Rental Stock, Odd and free standing properties. The Municipality currently owns 248 rental flats and 40 state funded properties and 58 odd / free standing 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 challenge 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 / free standing 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 conveyancer 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 |
|-----------|--|------------------------------|---|
| 2013/2014 | *163993 | 120862 | 73,7% |
| 2014/2015 | *163993 | 120862 | 73,7% |
| 2015/2016 | *163993 | 120862 | 73,7% |
| 2016/2017 | *163993 | *123391 | 75,2% |

Census 2011 data.

| HUMAN SETTLEMENTS SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | |
|--|-------------------------------|----------------|----------------------------------|------------------------|---|--|--------------------------|---------------|--------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | ANNUAL PROGRESS - ACTUAL | 2015/2016 | | 2017/2018 |
| | | | | | ANNUAL TARGET | ACTUAL (1,2,3,4,5, Not Applicable) | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | |
| HS26 | NKPA 6 - CROSS CUTTING | Implementation | Willowfontan EE Phase 1 | 17 | 73 x new housing units completed for Willowfontan EE Phase 1 by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | N/A | N/A | 1 x report for Willowfontan EE Phase 1 prepared and submitted to BEC by the 31st of January 2018 |
| HS27 | NKPA 6 - CROSS CUTTING | Implementation | Wirewall Rectification Project | 10, 15, 17, 23, 16, 14 | Completion of 60 Units and Renovation of 50 Units. | 24 units have been completed. 8 Units are at roof level and 12 units are at wall-plate level. 20 units have been handed over. Building plans have been approved and began. Renovation to one double storey and one single unit completed. Temporary camp 50 units completed. The IA has submitted a BOQ for renovations to DoHS and still waiting for an approval from consultant BMK, last approval was on 16 December 2016. The IA has requested to demolish further structures from DoHS. | 2 (70% - 99%) | N/A | N/A | 140 Houses completed for Wirewall Rectification Project by the 30th of June 2018 |
| HS29 | NKPA 6 - CROSS CUTTING | Implementation | Vulindlela Rural Housing Project | 1 to 9 | 2250 x new housing units constructed in wards 1 - 9 (Vulindlela Rural Housing Project) by the 30th of June 2017 | 3236 x new housing units constructed in wards 1-9 (Vulindlela Rural Housing Project) by 30 April 2017 | 4 (130% - 149%) | N/A | N/A | 2640 x new housing units constructed in wards 1 - 9 (Vulindlela Rural Housing Project) by the 30th of June 2018 |
| HS30 | NKPA 6 - CROSS CUTTING | Implementation | Edendale Unit s Phase 8 Ext. | 10 | 60 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.) by the 30th of June 2017 | 8 Units have been completed and handed, 10 units are at roof level. 20 units are at wall plate level. 11 slabs have been cast. | 2 (70% - 99%) | N/A | N/A | 125 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.) by the 30th of June 2018 |

| EMPLOYEE: HOUSING DELIVERY | | | | | |
|----------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | - | - | - | - |
| T04-T08 | 1 | 3 | 2 | 1 | 33 |
| T09-T13 | 4 | 34 | 12 | 22 | 65 |
| T14-T18 | 5 | 9 | 7 | 2 | 22 |
| T19-T22 | 1 | 1 | 1 | 0 | 0 |
| T23-T25 | - | - | - | - | - |
| Total | 11 | 47 | 22 | 25 | 53 |

| EMPLOYEE: HOUSING ADMIN | | | | | |
|-------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 4 | 1 | 1 | 0 | 0 |
| T04-T08 | 4 | 12 | 6 | 6 | 50 |
| T09-T13 | 2 | 9 | 3 | 6 | 67 |
| T14-T18 | 1 | 1 | 1 | 0 | 0 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 11 | 23 | 11 | 12 | 52 |

| EMPLOYEE: REAL ESTATE & VALUATIONS | | | | | |
|------------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 0 | - | - | - | - |
| T04-T08 | 3 | - | - | - | - |
| T09-T13 | 4 | 18 | 6 | 12 | 67 |
| T14-T18 | 1 | 6 | 1 | 5 | 83 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 8 | 37 | 14 | 23 | 62 |

| FINANCIAL PERFORMANCE 2016/2017: HOUSING SERVICES R'000 | | | | | |
|--|---------------|-----------------|-------------------|----------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | 18 094 | -11 034 | -81 344 | -28 441 | 1.86 |
| Expenditure: | | | | | |
| Employees | 18 094 | 17 361 | 28 552 | 15 159 | 0.88 |
| Repairs and Maintenance | 390 | 246 | 8 646 | 4 565 | 0.89 |
| Other | 24 708 | 1 240 | 8 090 | 2 381 | 2.40 |
| Total Operational Expenditure | 37 695 | 18 847 | 45 288 | 22 105 | 1.05 |
| Net operational (Service) Expenditure | 19 601 | 7 813 | -36 056 | -6 336 | 4.69 |

| CAPITAL EXPENDITURE: HOUSING SERVICES R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | - | 29 549 | 25 491 | -13 | |
| TRANSPORT ASSET | - | 300 | 0 | 100 | |
| CONSTRUCTION OF FLATS | - | 10 389 | 8 949 | -13 | |
| HOUSING UNIT | - | 18 310 | 16 062 | -12 | |
| MACHINERY AND EQUIPMENT | - | 50 | 10 | | |
| COMPUTER EQUIPMENT | - | 500 | 470 | -6 | |

COMMENT ON THE PERFORMANCE OF THE HUMAN SETTLEMENTS SERVICE OVERALL:

The Human Settlement Unit performed satisfactorily well. In terms of building capacity 7 new staff have been employed and a further 20 will be employed in 2017/18.

The Projects pipeline is in excess of 40 projects, most of which are in the Planning stage. In December 2016 the municipality advertised 12 new Projects for the appointment of Implementing Agents. This process will be completed in the first quarter of 2017/18.

There are quarterly meetings with the Councillors to provide progress reports on the projects in their wards. There is also monthly meeting with the Provincial DOHS to monitor and report on Progress and Challenges. There exists an excellent working relationship between all spheres of Government with regards to Human Settlements Programmes.

In terms of Capital performance, only one project could not start, being Yellowwood OSS 2. The project was advertised in this financial year of reporting and all SCM process have been completed. Expenditure will start during the 2016/17 financial year.

The Unit also received 4 project approvals from the PDOHS in this period and the Municipality will be undertaking and concluding the SCM processes in 2016/17. Funding is available for feasibility funding.

The NUSP programme is yielding good results and the reports being generated requires extensive funding for the provision of basic services. To date 55 settlements have been assessed with detailed reports. Funding request for the provision of basic services, for 12 Informal Settlements have been submitted to PDOHS for consideration and approval of the MEC.

The Unit is growing in terms of its capacity and advancing its housing pipeline.

2.7. 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 focused on water quality monitoring, food quality and safety , and air quality monitoring.

• SERVICE DELIVERY PRIORITY (1): WATER MONITORING

Monitoring water quality of potable, surface and ground water, ensuring water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use. This was achieved by sampling and testing water in the field and examining and analysing it in the Unit's laboratory, as well as advocating for proper and safe water usage and waste water disposal.

• SERVICE DELIVERY PRIORITY (2): FOOD CONTROL

Ensuring food safety in respect of acceptable microbiological and chemical standards, quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary raw material or raw products production, up to the point of consumption. This was achieved by inspecting food production, distribution and consumption areas; monitoring informal food trading; inspecting food premises and any nuisances emanating there-from; by applying food quality monitoring programmes and principles through various techniques, e.g. Hazard Analysis and Critical Control Points System (HACCP System) audits; and promoting the safe transportation, handling, storage and preparation of foodstuffs, including meat, milk and their products.

• SERVICE DELIVERY PRIORITY (3): ENVIRONMENTAL POLLUTION CONTROL

Ensuring hygienic working, living and recreational environments; identifying the polluting agents and sources of water, air and soil pollution; ensuring clean and safe air externally (ambient and point sources) through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations; and taking the required preventative measures to ensure that the general environment is free from health risks. This was further achieved by ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade, etc., which involves controlling the internal effects of pollution on the worker and the external effects of pollution on the community and the environment.

SERVICE STATISTICS FOR ENVIRONMENTAL HEALTH

| DESCRIPTION | TARGET | ACHIEVED |
|---|--|-----------------------------------|
| No. of Complaints investigated | Depending on the no. received | 690 |
| No. of Trade Licence application processed | Dependent on no. received | 125 |
| No. of condemnation of foodstuffs (voluntary surrender) | Dependent on no. received | 181 condemnations |
| No. of Dairies registered in terms of the Dairy Bylaws | 8 | 3 |
| No. of Water samples from reservoirs and consumer points: | 1092 samples | 1279 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% | 99.2% |
| No. of Water samples from rivers and streams | 708 samples | 708 samples |
| Percentage compliance in terms of SAWQ Guidelines | 100% | 66.9% |
| • Food sampling: No of samples analysed | 480 samples | 510 samples |
| • Percentage compliance with microbial standards: | 100% | 88% |
| Swabbing: No of swabs | 480 swabs | 510 swabs |
| • Percentage compliance with microbiological standards: | 100% | 58% |
| No. of Food premises inspected in terms of R962 (Food Regulations): • Formal: • Informal: | • 1900 • Dependent on no. of applications received | • Formal: 2781 • Informal: 270 |
| No. of Communicable Diseases notifications investigated: | Dependent on no. of notifications received from medical facilities | 35 |
| No. of Vector Control investigations, treatment and baiting | 12000 sites | 14263 sites |
| No. of Premises inspected for compliance with Tobacco Legislation: | 2400 premises | 3737 premises |
| No. of Places of care inspected: | 480 premises | 789 premises inspected |
| No. of Health Care Waste generators inspected: | 480 premises | 639 premises |
| No. of Commercial, industrial and residential premises inspected | 4044 premises | 7037 premises |
| No. of Scheduled processes/listed activities: | 120 premises | 236 premises |
| No. of Controlled burning applications processed: | Dependent on no. received | 11 applications processed |
| No. of Contravention Notices issued | Dependent on contraventions | 1113 Contravention notices |
| No. of Prosecutions instituted | Dependent on contraventions | 47 prosecutions |
| Fines received (Note: twelve (12) successful prosecutions; eight(8) summonses were withdrawn; seventeen(17) warrants of arrest were issued; five(5) cases were struck off the roll; and two (2) cases were remanded to July 2017) | Dependent on successful prosecutions | R17 500.00 |

Air Quality Data

It is the responsibility of the municipality to monitor air quality, in terms of the Air Quality Act, No. 39 of 2004. For data to be accredited, the analysers must be calibrated and checked bi-weekly. Air Quality Data was not available from any of the Air Quality Monitoring Stations for the 2015/16 financial year. Data was only available from the Central Air Quality Monitoring Station and the Oribi Airport Air Quality Monitoring Station for the 2016/17 financial year.

Note: Compliance with the ambient standard therefore implies that ambient concentrations are below the limit value and the frequency of exceedance does not exceed the permitted tolerance.

Northdale Hospital Station

The Northdale Hospital Station is managed in partnership with the Provincial Department of Environmental Affairs (EDTEA). Data management, analyser maintenance, service and calibration were the responsibility of the EDTEA but this did not occur hence data was not verified and only raw data was available.

Central Station:

The new station was commissioned at the end of the 2015/16 financial year and operational during the 2016/17 financial year.

Edendale Station:

Data not available due to vandalism resulting in theft of the station. This station was subject to an insurance claim and will be replaced early in the 2017/18 financial year.

Oribi Airport Station:

The new Oribi Airport station was commissioned at the end of the 2015/16 financial year and operational during the 2016/17 financial year.

| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | 2016/2017 | | | | 2015/2016 | | | | 2017/2018 ANNUAL TARGET |
|----------------------|-------------------------------|--|-----------------------|------|---|---|------------------------------------|---|---|------------------------------------|--|
| | | | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | |
| H&SS 01 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Vector Control | All | 12 000 sites baited and/or treated for Vector Control by the 30th of June 2017 | 14 263 sites baited and/or treated for Vector Control by the 30th of June 2017 | 3 (100% - 129%) | 11000 sites baited and/or treated for Vector Control according to the vector control site schedule by the 30th of June 2016 | 17565 sites baited and/or treated for Vector Control according to the control site schedule by the 30th of June 2016 | 5 (150% - 167%) | 12 000 sites baited and/or treated for Vector Control by the 30th of June 2018 |
| H&SS 02 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Food Sampling | All | 480 Food samples and 480 Food swabs taken & analysed by the 30th of June 2017 | 510 Food samples and 510 Food swabs taken & analysed by the 30th of June 2017 | 3 (100% - 129%) | 480 Food samples and 480 Food swabs taken & analyzed according to the food sampling plan by the 30th of June 2016 | 530 Food samples and 530 Food swabs taken & analyzed according to the food sampling plan by the 30th of June 2016 | 3 (100% - 129%) | 480 Food samples and 480 Food swabs taken & analyzed by the 30th of June 2018 |
| H&SS 03 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Water Quality Control | All | 1 800 water samples taken & analysed for Water Quality Control by the 30th of June 2017 | 2 012 water samples taken & analysed for Water Quality Control by the 30th of June 2017 | 3 (100% - 129%) | 1250 water samples taken & analyzed for Water Quality Control according to the water sampling plan by the 30th of June 2016 | 1986 water samples taken & analyzed for Water Quality Control according to the water sampling plan by the 30th of June 2016 | 5 (150% - 167%) | 1800 water samples taken & analyzed for Water Quality Control by the 30th of June 2018 |
| H&SS8 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | AQM Analysers | All | 2 x AQM Analysers purchased by the 31st of March 2017 | 2 x AQM Analysers purchased by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | 1 x AQM Shelter purchased by the 31st of March 2018 |

| EMPLOYEE: ENVIRONMENTAL HEALTH | | | | | |
|--------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 7 | 20 | 19 | 1 | 5 |
| T04-T08 | 9 | 2 | 0 | 2 | 100 |
| T09-T13 | 10 | 39 | 12 | 27 | 69 |
| T14-T18 | 6 | 1 | 1 | 0 | 0 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 32 | 62 | 32 | 30 | 48 |

| FINANCIAL PERFORMANCE 2016/2017: ENVIRONMENTAL HEALTH R'000 | | | | | |
|--|--------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -13 | 32 | 32 | 19 | 0.68 |
| Expenditure: | | | | | |
| Employees | 7 190 | 7 925 | 9 166 | 9 136 | 0 |
| Repairs and Maintenance | 15 | 24 | 9 | 0 | 0 |
| Other | 1 792 | 2 552 | 1 756 | 1 266 | 0.39 |
| Total Operational Expenditure | 8 997 | 10 501 | 10 931 | 10 402 | 0.05 |
| Net operational (Service) Expenditure | 8 984 | 10 469 | 10 899 | 10 383 | 0.05 |

| CAPITAL EXPENDITURE: ENVIRONMENTAL HEALTH R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | 1 316 | 1 249 | 0.05 | |
| NEW COMPUTER SOFTWARE | 0 | 220 | 195 | 0.13 | |
| FURNITURE | 0 | 49 | 49 | 0 | |
| MACHINERY | 0 | 679 | 667 | 0.02 | |
| TRANSPORT ASSET | 0 | 368 | 338 | 0.41 | |

COMMENT ON PERFORMANCE OF ENVIRONMENTAL HEALTH OVERALL

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, viz. 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. Two(2) of the Four(4) Air Quality Monitoring Stations of the City's Air Quality Monitoring Network was functional, and data on criteria pollutants monitored is available for the 2016/17 financial year. In addition to the current priority service objectives, Air Quality Monitoring will be again focused on with the replacement of the Edendale Station during 2017.

2.8. ART GALLERY

INTRODUCTION TO ART GALLERY

The Tatham Art Gallery serves the visual arts needs of the Msunduzi Municipality through 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 organizing and hosting of temporary exhibitions and ongoing changes in the permanent display areas. The Gallery hosts various cultural functions during the year, including concerts, lectures and talks, film shows, and book launches.

SERVICE STATISTICS FOR ART GALLERY

Acquisitions of artworks to permanent collection: 22 items accessioned into permanent collection.

Exhibitions: 11 exhibitions displayed against a target of 12. Two exhibitions were cancelled due to flood damage at the Gallery in May 2017.

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

Visitors to Gallery 1 July 2016 - 30 June 2017: 23905

| ART GALLERY POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | | |
|--|-------------------------------------|------------------------------------|--|------|---|--|------------------------------------|--|--------------------------|------------------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORM- MANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | 2015/2016 | | | 2017/2018 |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | |
| COM DEV 11 | NKPA 2 - BASIC SERVICE DELIVERY | Community Outreach Programme | Art Exhibitions | ALL | 12 x planned Exhibitions held by the 30th of June 2017 | 14 x planned Exhibitions held by the 30th of June 2017 | 3 (100% - 129%) | 24 x Art exhibitions held by the 30th of June 2015 | 24 Art exhibitions held | 3 (100% - 129%) | 6 x planned Art exhibitions held by the 30th of June 2018 |
| CE 05 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Furniture and fittings Art Gallery | Acquisition of 120 chairs, and trestle tables | 27 | 100% replacement of old and redundant furniture to accommodate adequate seating for functions at the TAG and tables for workshops (120 chairs & 6 trestle tables) completed by the 30th of April 2017 | 100% replacement of old and redundant furniture to accommodate adequate seating for functions at the TAG and tables for workshops (120 chairs & 6 trestle tables) completed by the 31st May 2017 | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | N/A |
| CE 06 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Plant and Equipment | Acquisition of Cinema projector, CCTV cameras, printer | 27 | 100% acquisition and installation of equipment for the administration department at the TAG (CCTV cameras, Cinema projector & Printer) completed by the 31st of May 2017 | 100% acquisition and installation of equipment for the administration department at the TAG (CCTV cameras, Cinema projector & Printer) completed by the 31st of May 2017 | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | N/A |
| CE 08 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | New machinery - Generator, | Acquisition and installation of generator | 27 | 1 x new Generator installed and commissioned at the TAG by the 30th of April 2017 | 1 x new Generator installed and commissioned at the TAG by the 30th of May 2017 | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | N/A |

| EMPLOYEE: ART GALLERY | | | | | | |
|-----------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|--|
| Job Level | 2015/2016 | | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % | |
| T01-T03 | 2 | 4 | 2 | 2 | 50 | |
| T04-T08 | - | 4 | 0 | 4 | 100 | |
| T09-T13 | 3 | 8 | 5 | 3 | 38 | |
| T14-T18 | 2 | 1 | 1 | 0 | 0 | |
| T19-T22 | - | - | - | - | - | |
| T23-T25 | - | - | - | - | - | |
| Total | 7 | 17 | 8 | 9 | 53 | |

| FINANCIAL PERFORMANCE 2016/2017: ART GALLERY | | | | | | |
|--|--------------|-----------------|-------------------|--------------|-----------------|--------------------------------|
| R'000 | | | | | | |
| Details | 2015/2016 | | 2016/2017 | | | Variances to Adjusted Budget % |
| | Actual | Original Budget | Adjustment Budget | Actual | Adjusted Budget | |
| Total Operational Revenue (excl. tariffs) | -361 | 0 | 400 | 75 | -4.33 | |
| Expenditure: | | | | | | |
| Employees | 3 130 | 3 428 | 4 546 | 4 456 | 0.02 | |
| Repairs and Maintenance | 290 | 1 102 | 771 | 420 | 0.84 | |
| Other | 2 745 | 2 089 | 1 687 | 213 | 6.92 | |
| Total Operational Expenditure | 7 165 | 6 619 | 7 004 | 5 089 | 0.38 | |
| Net operational (Service) Expenditure | 6 804 | 6 619 | 6 604 | 5 014 | 0.32 | |

| CAPITAL EXPENDITURE: ART GALLERY R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | 2 453 | 2 299 | 0.06 | |
| COMPUTER EQUIPMENT | 0 | 14 | 6 | 1.33 | |
| MACHINERY AND EQUIPMENT | 0 | 789 | 699 | 0.13 | |
| FURNITURE | 0 | 61 | 26 | 1.35 | |
| REPLACEMENT OF AIRCON CHILLER | 0 | 1 568 | 1 568 | 0 | |

COMMENT ON THE PERFORMANCE OF ART GALLERIES

A lengthy power outage during the last week of May 2017 caused flooding in the Gallery basement. As a result, over 400 art works were damaged. Very few affected art works were destroyed. Restoration by conservation experts is underway, with an expected duration of eighteen months. Some display areas have been closed to accommodate restoration work.

2.9. ENVIRONMENTAL MANAGEMENT

INTRODUCTION TO ENVIRONMENTAL MANAGEMENT

Environmental Management is a sub-unit of the Town Planning & Environmental Management Unit located within the Sustainable Development & City Enterprises Business Unit. The Environmental Management Sub-Unit has five primary functional areas these being: (1) Biodiversity and Open Space Planning; (2) Environmental Planning, Policy Implementation and Review; (3) Environmental Education and Training; (4) Impact Mitigation, Assessment, Compliance Monitoring and Enforcement; and (5) Climate Change Planning and Adaptation. Existing policies and plans guide the functions and decision making processes within the Sub-Unit and include the following which were approved by the Council in July 2010: Integrated Environmental Management Policy (IEMP); Environmental Status quo Report; Strategic Environmental Assessment (SEA); Environmental Management Framework (EMF); and Strategic Environmental Management Plan (SEMP).

During the 2016/17 financial year, the following strategies/plans were developed by the Environmental Management Unit:

Review of the Msunduzi Ecosystem Services Plan (in house)
Climate Change Mitigation and Adaptation Strategy (in house)
Green Building Guideline (externally sponsored)
Greater Edendale Environmental Plan and Implementation Plan (external)
Msunduzi generic Environmental Management Plan (EMPr) (in house)
Review of the Msunduzi Environmental Management Framework (EMF) (external and in house)

Challenges experienced during the 2016/17 financial year:

Delays in the procurement process
Lack of permanent staff as posts are pending formal appointment as well as additional posts still to be advertised.

Top 3 service delivery priorities for 2016/17:

Review of the Msunduzi Environmental Management Framework (EMF) SDBIP ref TP & EM 08 – Appointment of external service provider as of May 2017. This project will be done jointly with the service provider undertaking specialist's studies and programming of a decision support tool. The re-running of the systematic conservation plan irreplaceability map will be done in house using C-Plan software.

Greater Edendale Environmental Plan and Implementation Plan – this plan was completed early in 2016/17 and has been adopted by Council. This plan has already informed other strategic documents such as the review of the Pietermaritzburg Town Planning Scheme.

Review of the Msunduzi Ecosystem Services Plan SDBIP operational plan ref TP & EM 05 – this project exceeded targets ahead of timeframes with additional work undertaken.

| ENVIRONMENTAL MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | |
|---|-------------------------------|--|---|------|--|---|------------------------------------|---------------|--------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | 2015/2016 | | |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| TP &EM 08 | NKPA 6 - CROSS CUTTING | Environmental Management Framework (EMF) | Review of the adopted Msunduzi Environmental Management Framework (EMF) and migration to ARC 10 | All | 100% of all refined datasets and spatial layers as per the approved ToR submitted to Environmental Management Unit by the 30th of June 2017 | | 3 (100% - 129%) | N/A | N/A | N/A |
| TP &EM 05 | NKPA 6 - CROSS CUTTING | Land use management system | Final draft Ecosystem Services Plan (ESP) - Finalization of 7 key areas. | All | Grids groundtruthed and completed: 14E (approx. 212 ha), 15E (approx. 260 ha), 16E (approx. 45 ha), 14F (approx. 730 ha), 15F (approx. 600ha), 15G (approx. 390 ha), 13H (approx 780 ha), 14H (approx. 800 ha), 15H (approx. 660 ha), 16H (approx. 40 ha) 12I (approx 120 ha), 13I (approx 710 ha), 14I (approx 770 ha), 15I (approx 670ha), 16I (approx 180 ha) and submitted to SMC by the 30 of June 2017 | Grids 14E, 15E, 16E, 14F, 15F, 15G, 13H, 14H, 15H, 16H, 12I, 13I, 14I, 15I, 16I, additional grids 14J and 15J complete as of 30 June 2017. Report submitted to SMC 01 June 2017 | 4 (130% -149%) | N/A | N/A | Key area seven: Thornville and Umlaas Road (4 100ha) and Key area four: Hesketh and Sobantu (approx 1480ha) complete. Grids 9D - 13D of Key area Nine: CBD (approx 6000 ha) completed and progress report submitted to SMC by the 30th of June 2018 |
| TP &EM 06 | NKPA 6 - CROSS CUTTING | Climate Change | Adaptation & Mitigation Strategy | All | Final Draft Climate Change Adaptation & Mitigation Strategy prepared & submitted to SMC for approval for approval by Council by the 30th of June 2017 | Final Draft Climate Change Adaptation & Mitigation Strategy prepared & submitted to SMC on the 30th of May 2017 | 3 (100% - 129%) | N/A | N/A | N/A |

| EMPLOYEE: ENVIRONMENTAL MANAGEMENT | | | | | |
|------------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | - | - | - | - |
| T04-T08 | - | - | - | - | - |
| T09-T13 | - | 1 | 1 | 0 | 0 |
| T14-T18 | 1 | 12 | 6 | 6 | 50% |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 1 | 13 | 7 | 6 | 50% |

| FINANCIAL PERFORMANCE 2016/2017: ENVIRONMENTAL MANAGEMENT | | | | | |
|---|-----------|-----------------|-------------------|------------|--------------------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | | 0 | 0 | 0 | 0 |
| Expenditure: | | 0 | 0 | 0 | -29 |
| Employees | | | | | |
| Repairs and Maintenance | | 0 | 150 | 75 | -50 |
| Other | | 0 | 966 | 719 | -26 |
| Total Operational Expenditure | | 0 | 1 116 | 794 | -29 |
| Net operational (Service) Expenditure | | 0 | 1 116 | 794 | -29 |

| CAPITAL EXPENDITURE: ENVIRONMENTAL MANAGEMENT R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | | | | |
| NO CAPITAL PROJECTS IN 2016/2017. | N/A | N/A | N/A | N/A | |

COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL MANAGEMENT

Review of the Msunduzi Environmental Management Framework (EMF) SDBIP ref TP & EM 08 for 2016/17 and TP & EM 07 for 2017/18.

The Msunduzi EMF has been gazetted as of September 2015, in term sof the National Environmental Management Act (Act 107 of 1998) EMF Regulations, EMFs are to be reviewed every 5 years.

Currently on target in terms of the SDBIP Operational budget: R1.2 million

Northern Areas Strategic Environmental Assessment 2017/18 SDBIP ref TP & EM 06

Information from this documents will be used in the formulation of other municipal strategic plans and documents such as Local Area Plans and wall to wall planning schemes which are a requirement in terms of national legislation, namely the Spatial Planning and Land Use Management Act (Act 16 of 2013).

Currently on target in terms of the SDBIP

Operational budget: estimated to be R800 000

Vulindlela Strategic Environmental Assessment 2017/18 SDBIP ref TP & EM 08

This is a 2 year project which includes the newly demarcated ward 39 of Msunduzi Municipality which currently is lacking spatial environmental data. Information from this document will be used in the formulation of other municipal strategic plans and documents such as Local Area Plans and wall to wall planning schemes which are a requirement in terms of national legislation, namely the Spatial Planning and Land Use Management Act (Act 16 of 2013). Project to commence in Q3 of 2017/18 SDBIP. Operational budget: total estimated to be R1.5 million

Environmental Management year 5 targets set out in the IDP schedule:

Review of the adopted Msunduzi Environmental Management Framework (EMF) and migration to ARC 10 Commenced 2016/17. Budget available and committed

Appointment of a suitable qualified environmental planning consultant to undertake an environmental plan for the Vulindlela Local Area Plan study area Commencing 2017/18. Portion of the budget available in 2017/18

Appointment of a suitably qualified professional to undertake the retrofitting of the main municipal offices (le prof Nyembezi building, AS Chetty Building and City Hall). This involves the evaluation and analyses of buildings and designing the retrofitting process as well as implementation of the strategies identified. To commence 2018/19 Applications for funding underway, if this fails operational budget will be allocated

Land Acquisition of conservation/environmental sensitive areas. On hold pending budget.

Appointment of a suitable qualified environmental planning consultant to undertake an environmental plan for the Bishopstowe/Northern study area. Commencing 2017/18. Full budget available in 2017/18.

Appointment of suitably qualified professionals to undertake and implement the EIA and WULA processes as well as the required assessments for the rehabilitation of 2 wetlands within the Baynespruit catchment. To commence 2018/19. Applications for funding underway, if this fails operational budget will be allocated.

3. COMPONENT C: COMMUNITY SERVICES

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

3.1. WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT

The business unit provides refuse collection services (at least once per week) to approximately 120000 of 163000 households, approximately 5500 businesses, cleans the city's streets, provides toilet facilities in the main central business district, eight garden refuse collection sites, a licensed landfill site, education and awareness campaigning, and lately waste minimisation and diversion from landfill site.

The business unit has succeeded in its mandate on refuse collection even though it is hampered by fulltime staff shortages of about 15%, a very low collection vehicle availability rate of about 50% and a budget deficit. The shortcomings have been achieved by working overtime; by both staff and collection vehicles. In addition advantage has been taken of both Expanded Public Works Program staff and temporary staff. There is also the problem of senior management posts not being adequately filled and it is hoped this will be addressed in the new financial year. Other functions have experienced the same challenges with the same solutions replicated.

There is an established kerbside recycling programme that has grown steadily with about 12000 houses being earmarked for collection once per week; an increase on the 8000 houses past year. There are now three fulltime businesses ensconced in the programme and growing both in the areas being serviced and weekly additional of households. In addition the city itself is experiencing growth in that there are more recyclers, both formal and informal entering the market. It is hoped that the recycling efforts can be doubled in the next financial year. The city now has an approved Waste Minimisation and Diversion Strategy, embedded as part of the IDP.



The top 3 service delivery priorities now are Waste Minimisation and Diversion, reliable and efficient refuse collection, and ensuring that the entire city receives these services. The business unit did not achieve its intended goal of extending its services to Vulindlela but this will be attempted in the coming year.

| SOLID WASTE SERVICE DELIVERY LEVELS | | | | | |
|--|-----------------------|-------------------|-------------------|-------------------|--|
| Description | Households | | | | |
| | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 | |
| | Actual Number | Actual Number | Actual Number | Actual Number | |
| Solid Waste Removal (above min level) | | | | | |
| Removed at least once a week | 84600 | 120000 | 120000 | 120000 | |
| Minimum Service Level and Above sub-total | 84600 | 120000 | 120000 | 120000 | |
| Minimum Service Level and Above Percentage | 55.1 % | 55.1 % | 73.6 % | 73.6 % | |
| Solid Waste Removal (below min level) | | | | | |
| Removed less frequently than once a week | 184600 (ex Jlika Joe) | 43000 Vullindlela | 43000 Vullindlela | 43000 Vullindlela | |
| Using communal refuse dump | 0 | 0 | 0 | 0 | |
| Using own refuse dump | 0 | 0 | 0 | 0 | |
| Own Rubbish Disposal | 0 | 0 | 0 | 0 | |
| No Rubbish Disposal | 60000 | 43000 | 43000 | 43000 | |
| Below Minimum Service Level sub-total | 56000 | 43000 | 43000 | 43000 | |
| Below Minimum Service Level Percentage | 48.1 % | 26.4 % | 26.4 % | 26.4 % | |
| Total number of households | 163000 | 163000 | 163000 | 163000 | |

| HOUSEHOLDS – SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM Households | | | | | | |
|---|---------------|---------------|---------------|---------------------|---------------------|---------------|
| Description | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 | | |
| | Actual Number | Actual Number | Actual Number | Original Budget No. | Adjusted Budget No. | Actual Number |
| Formal Settlements | 109440 | 120000 | 120000 | 120000 | 120000 | 120000 |
| Total Households | | | | | | |
| Households below minimum service level | 24880 | 43000 | 43000 | 43000 | 43000 | 43000 |
| Proportion of households below minimum service level | 15% | 26.4% | 26.4% | 26.4% | 26.4% | 26.4% |
| Informal Settlements | | | | | | |
| Total Households | 53560 | 53560 | 53560 | 53560 | 53560 | 53560 |
| Households below minimum service level | 53560 | 43000 | 43000 | 43000 | 43000 | 43000 |
| Proportion of households below minimum service level | 32.8% | 26.4% | 26.4% | 26.4% | 26.4% | 26.4% |

| WASTE MANAGEMENT SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | | |
|---|----------------------------------|-----------------------------------|---|---|--|---|------------------------------------|---|---|------------------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORM- MANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | 2015/2016 | | | 2017/2018 |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | |
| COM DEV 10 | NKPA 2 - BASIC SERVICE DELIVERY | Waste Minimisation | Construction of Kwa-Pata Buy-Back centre | 16 | 100% Construction of Kwa-Pata Buy-Back centre first phase (concrete slab, roof shelter, supply of ablation and office container) by the 30th of April 2017 | concrete slab, roof shelter, ablation container couldn't be supplied due to shortage of funds | 2 (70% - 99%) | Recycling centre constructed in Kwa-Pata (Imbali) by the 30th of June 2016 | Only fencing completed due to insufficient funds | 1 (69% & below) | N/A |
| RPI 07 | NKPA 2 - BASIC SERVICE DELIVERY | Improved access to basic services | Number of households with access to refuse removal at least once per week | 10 - 37 serviced by both Municipality and Co-ops. | 120 000 households with access to refuse removal at least once per week by the 30th of June 2017 (wards 10 -37) | 120 000 households with access to refuse removal at least once per week Completed by the 30th of June 2017 (wards 10 -37) | 3 (100% - 129%) | "120 000 households with access to refuse removal at least once per week by the 30th of June 2016 (wards 10 -37)" | "120 000 households with access to refuse removal at least once per week by the 30th of June 2016 (wards 10 -37)" | 3 (100% - 129%) | "Approximately 120 000 households with access to refuse removal at least once per week by the 30th of June 2018 (wards 10 -37)" |

| EMPLOYEE: SOLID WASTE MANAGEMENT SERVICES | | | | | |
|---|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 299 | 358 | 300 | 58 | 16 |
| T04-T08 | 34 | 72 | 27 | 45 | 63 |
| T09-T13 | 4 | 15 | 6 | 9 | 60 |
| T14-T18 | 2 | 2 | 1 | 1 | 50 |
| T19-T22 | - | 1 | 1 | 0 | 0 |
| T23-T25 | - | - | - | - | - |
| Total | 339 | 448 | 335 | 113 | 25 |

| FINANCIAL PERFORMANCE 2016/2017: SOLID WASTE MANAGEMENT SERVICES R'000 | | | | | |
|---|----------------|-----------------|-------------------|-----------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -96,554 | -119,080 | -127,983 | -123,137 | -4 |
| Expenditure: | | | | | |
| Employees | 63,164 | 70,917 | 72,405 | 83,692 | 16 |
| Repairs and Maintenance | 6,725 | 1,104 | 1,104 | 3,434 | 211 |
| Other | 18,317 | 28,320 | 36,549 | 35,208 | -4 |
| Total Operational Expenditure | 88,206 | 100,341 | 110,058 | 122,334 | 11 |
| Net operational (Service) Expenditure | -8,348 | -18,739 | -17,925 | -803 | -96 |

| CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | 9,444 | 8,043 | -15 | |
| CNL-Buildings at Waste Management | 600 | 301 | 85 | -72 | |
| CNL-KwaPata Recycle Center | 400 | 240 | 149 | -38 | |
| CNL-Upgrade Prestbury Garden Site | 500 | 450 | 450 | 0 | |

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

The major collection capital project was the construction of the Kwapata Garden Refuse and Recycling site. This is still in progress but has been bogged due to the major financier not wanting to continue due to unfavourable market conditions.

3.2. 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 | | | | | | | | | |
|--|-------------------------------------|---|---|------|--|--|------------------------------------|--|---------------------------------|
| 2016/2017 | | | | | | | | | |
| SDBIP / OP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL |
| COM DEV 04 | NKPA 2 - BASIC SERVICE DELIVERY | Halls | Maintenance and landscaping of council grounds and gardens at libraries and halls | All | 36 operational halls maintained every month by the 30th of June 2017 | 20 halls maintained monthly | 2 (70% - 99%) | 36 operational halls maintained every month by 30th of June 2016 | 36 operational halls maintained |
| CE 35 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Service Level Agreements with Winston Churchill | Review of Service Level Agreements with Winston Churchill | All | Service Level Agreements with Winston Churchill reviewed and submitted to SMC by the 31st of December 2017 | Meeting with receptive stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | N/A | N/A |
| CE 39 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Quarterly Performance Assessments | N/A | N/A | 4 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 2 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 1 (69% & below) | N/A | N/A |
| CE 41 | | Business Plan for Winston Churchill | Review Business Plan Winston Churchill | N/A | Business Plan for Winston Churchill reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were complete, however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders. | 1 (69% & below) | N/A | N/A |

| EMPLOYEE: COMMUNITY FACILITIES (THEATRES & HALLS) | | | | | |
|---|---------------|-----------|---------------|-------------------------------------|-----------|
| Job Level | | 2016/2017 | | | |
| | 2015/2016 | Employees | | Vacancies (as a % of total posts) % | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | |
| T01-T03 | 9 | 43 | 14 | 29 | 67 |
| T04-T08 | 8 | 33 | 2 | 31 | 94 |
| T09-T13 | 2 | - | - | - | - |
| T14-T18 | - | - | - | - | - |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 19 | 76 | 16 | 60 | 79 |

| FINANCIAL PERFORMANCE 2016/2017: COMMUNITY FACILITIES (THEATRES & HALLS) | | | | | |
|--|---------------|-----------------|-------------------|---------------|--------------------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | Variances to Adjusted Budget % |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue (excl. tariffs) | -747 | -1,575 | -3,333 | -2,237 | 33 |
| Expenditure: | | | | | |
| Employees | 4,576 | 4,988 | 5,245 | 5,118 | -2 |
| Repairs and Maintenance | 383 | 336 | 326 | 337 | 3 |
| Other | 13,062 | 19,347 | 19,386 | 438 | -98 |
| Total Operational Expenditure | 18,021 | 24,671 | 24,957 | 5,893 | -76 |
| Net operational (Service) Expenditure | 17,274 | 23,096 | 21,624 | 3,656 | -83 |

| CAPITAL EXPENDITURE: COMMUNITY FACILITIES (THEATRES & HALLS) R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 0 | 6,655 | 6,099 | -8 | |
| CNL_-Master Plan for Halls | 0 | 2,263 | 2,263 | 0 | |
| MIG Z23 KWAQUA Community Hall | 0 | 564 | 495 | -12 | |
| MIG Z23 Unit BB Community Hall | 0 | 636 | 558 | -12 | |
| MIG Z4 Ward 18 Community Hall | 0 | 558 | 489 | -12 | |

| CAPITAL EXPENDITURE: CITY HALL & PROF NYEMBEZI BUILDING R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 0 | | | | |
| CNL: Lighting Upgrade: Prof Nyembezi | 0 | 550 | 550 | 0 | |
| CNL: Upgrade Foyer: Prof Nyembezi | 0 | 219 | 219 | 0 | |

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

Halls have been upgraded and renovated. Priority was given to halls in Vulindlela areas. There are insufficient funds for the maintenance of Halls.

3.3. 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 / Sinathingi Cemetery, Slangspruit Cemetery, Moses Mabhidha Cemetery (Heroes Acre), Dambuza Cemetery and Azalea Cemetery,

OPERATING CEMETERIES

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

CEMETERIES & CREMATORIALS FACILITIES POLICY OBJECTIVES TAKEN FROM IDP

| CEMETERIES & CREMATORIALS FACILITIES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | |
|--|-------------------------------|-----------|---------|------|---------------|--------------------------|------------------------------------|---------------|--------------------------|------------------------------------|
| 2016/2017 | | | | | | | | 2015/2016 | | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| • Note – No KPIs were reported on in the SDBIP & OP 2015/2016 & 2016/2017 for Cemeteries & Crematoriums. | | | | | | | | | | |

| EMPLOYEE: CEMETERIES & CREMATORIALS | | | | | |
|-------------------------------------|---------------|------------|---------------|--------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No.) | Vacancies (as a % of total posts) % |
| T01-T03 | 9 | 187 | 124 | 63 | 34 |
| T04-T08 | 10 | 16 | 5 | 11 | 68 |
| T09-T13 | 0 | 2 | 2 | 0 | - |
| T14-T18 | 1 | - | - | - | - |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 20 | 205 | 131 | 74 | 36 |

| FINANCIAL PERFORMANCE 2016/2017: CEMETERIES & CREMATORIUMS R'000 | | | | | |
|---|-----------|-----------------|-------------------|--------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | | 0 | 0 | 0 | 0 |
| Expenditure: | | | | | |
| Employees | | 1,934 | 1,870 | 2,113 | 13 |
| Repairs and Maintenance | | 1,263 | 1,316 | 409 | -69 |
| Other | | 2,079 | 644 | 566 | -12 |
| Total Operational Expenditure | | 5,276 | 3,830 | 3,088 | -19 |
| Net operational (Service) Expenditure | | 5,276 | 3,830 | 3,088 | -19 |

| CAPITAL EXPENDITURE: CEMETERIES & CREMATORIUMS R'000 | | | | | |
|---|--------------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 2,519 | 2,634 | 2,294 | -13 | |
| MIG-Development of Cemetery | 2,519 | 2,634 | 2,294 | -13 | |

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 ROD on the new site needs to be fast tracked in order to alleviate the problems of burial space and initiate the process of developing Hollingwood as a cemetery site since there is a negative ROD for housing. New cemeteries is vital to accommodate burials for 50 years.

3.4. HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION

INTRODUCTION HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION

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 Parks in Edendale approved to secure external funding to implement.

SERVICE STATISTICS FOR HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION

| 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 | - |

| HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|---------------------------------|---------------|--|------|---|--|------------------------------------|--|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | | ANNUAL TARGET |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | 2015/2016 | |
| COM DEV 01 | NKPA 2 - BASIC SERVICE DELIVERY | Grass cutting | Maintenance of verges, open spaces and parks | 38 | Grass cut in 29 wards three times a season by the 31st of May 2017 (September 2016 to May 2017) | Grass was cut in 29 Wards but not all areas were covered | 2 (70% - 99%) | Grass cut in 37 wards 3 times a season - completed | Grass cut once per month in 29 wards a season as per grass cutting schedule (September 2017 to May 2018) by the 30th of June 2018 |
| COM DEV 02 | NKPA 2 - BASIC SERVICE DELIVERY | Landscaping | Maintenance and landscaping of islands, municipal gardens and main entrances | All | 15 islands and 15 main entrances of Council Buildings maintained monthly by the 30th of June 2017 | 10 islands and 10 main entrances of Council Buildings maintained monthly | 2 (70% - 99%) | 21 islands and 19 main entrances of Council Buildings maintained monthly - completed | 10 islands and 10 main entrances into the CBD maintained monthly as per maintenance schedule by the 30th of June 2018 |

| EMPLOYEE: HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION | | | | | |
|--|---------------|------------|---------------|--------------------------------------|-------------------------------------|
| Job Level | 2016/2017 | | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No.) | Vacancies (as a % of total posts) % |
| T01-T03 | 120 | 354 | 207 | 147 | 42 |
| T04-T08 | 60 | 131 | 42 | 89 | 68 |
| T09-T13 | 6 | 7 | 4 | 3 | 43 |
| T14-T18 | 6 | 1 | 1 | 0 | 0 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 192 | 493 | 254 | 239 | 48 |

| FINANCIAL PERFORMANCE 2016/2017: HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION R'000 | | | | | |
|---|-----------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | | 2016/2017 | | Variances to Adjusted Budget % |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue (excl. tariffs) | -168 318 | -2 | -2 | -122 | 6000 |
| Expenditure: | | | | | |
| Employees | 34,796 | 29,207 | 30,387 | 32,966 | 8 |
| Repairs and Maintenance | 7,525 | 718 | 6,563 | 8,962 | 37 |
| Other | 14,861 | 19,573 | 24,303 | 13,837 | -43 |
| Total Operational Expenditure | 59,182 | 49,498 | 61,253 | 55,765 | -9 |
| Net operational (Service) Expenditure | -109136 | 49,496 | 61,251 | 55,643 | -9- |

| CAPITAL EXPENDITURE: HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | Total Project Value |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | |
| Total All | | | | | |
| NO CAPITAL PROJECTS IN 2016/2017. | | | | | |

COMMENTS ON THE PERFORMANCE OF HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION 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 Phase 1 completed and commencing with Phase 2 in 2017.

3.5. 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: Control and regulate all forms of Traffic, promote education and training on the road and traffic safety.

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.

Eliminate points of congestion, obstruction, hindrance, interference or danger to vehicles and pedestrians.

SERVICE STATISTICS FOR TRAFFIC, SAFETY & SECURITY

| SERVICE STATISTICS FOR TRAFFIC, SAFETY & SECURITY | | | | | | |
|---|--|------------|--------------|------------|--------------|--------------|
| | Details | 2014/2015 | | 2015/2016 | | 2016/2017 |
| | | Actual No. | Estimate No. | Actual No. | Estimate No. | Estimate No. |
| 1 | Number of road traffic accidents during the year | 739 | 813 | 651 | 630 | |
| 2 | Number of by-law infringements attended | 31000 | 31279 | 31218 | 31500 | |
| 3 | Number of police officers in the field on an average day | 62 | 44 | 62 | 100 | |
| 4 | Number of police officers on duty on an average day | 36 | 22 | 36 | 70 | |

| TRAFFIC, SAFETY & SECURITY POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|-------------------------------|--------------------|---|-----------|--|--|------------------------------------|--|--|
| 2016/2017 | | | | 2015/2016 | | | 2017/2018 | | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL TARGET |
| PSDM 04 | NKPA 6 - CROSS CUTTING | Traffic & security | Road Safety, Alcohol, Drug and Substance abuse campaign | All | 144 x road safety awareness sessions conducted by the 30th of June 2016 | 158 x road safety awareness sessions conducted by the 30th of June 2016 | 3 (100% - 129%) | 120 road safety awareness sessions conducted by the 30th of June 2016 | 156 x road safety awareness sessions conducted by the 30th of June 2018 |
| PSDM 05 | NKPA 6 - CROSS CUTTING | Traffic & security | Fire Arm Audit | N/A | 4 x Fire arm audit conducted in Compliance with Fire Arms Controls Act by the 30th June 2017 | 4 x Fire arm audit conducted in Compliance with Fire Arms Controls Act by the 30th June 2017 | 3 (100% - 129%) | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2016 | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2018 |
| PSDM 06 | NKPA 6 - CROSS CUTTING | Traffic & security | Fire Arm Training for all municipal firearm holders | N/A | 2 x Fire Arm Training/ Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2017 | 2 x Fire Arm Training/ Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2017 | 3 (100% - 129%) | 2 x Fire Arm Training/ Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2016 | 2 x Fire Arm Training/ Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2018 |

| EMPLOYEE: TRAFFIC, SAFETY & SECURITY | | | | | |
|--------------------------------------|---------------|-----------|----------------|-------------------------------------|-------------------------------------|
| Job Level | | 2015/2016 | | 2016/2017 | |
| Police/Administrators | Employees No. | Posts No. | Employ-ees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 3 | 3 | 3 | 0 | 0 |
| T04-T08 | 95 | 222 | 161 | 61 | 27 |
| T09-T13 | 149 | 221 | 134 | 87 | 39 |
| T14-T18 | 2 | 11 | 6 | 5 | 45 |

| EMPLOYEE: TRAFFIC, SAFETY & SECURITY | | | | | |
|--------------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| Police/Administrators | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 249 | 457 | 304 | 153 | 33 |

| FINANCIAL PERFORMANCE 2016/2017: TRAFFIC, SECURITY & SECURITY R'000 | | | | | |
|--|----------------|-----------------|-------------------|----------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -13,574 | -22,665 | -22,665 | -15,710 | -31 |
| Expenditure: | | | | | |
| Police Officers | | | | | |
| Other Employees | 98,369 | 106,661 | 107,693 | 117,695 | 9 |
| Repairs and Maintenance | 951 | 28 | 27 | 11 | -59 |
| Other | 70,830 | 43,649 | 136,675 | 130,003 | -5 |
| Total Operational Expenditure | 170,150 | 150,338 | 244,395 | 247,709 | 1 |
| Net operational (Service) Expenditure | 156,576 | 127,673 | 221,730 | 231,999 | 5 |

| CAPITAL EXPENDITURE: TRAFFIC, SAFETY & SECURITY R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 115 | 1,494 | 1,138 | -24 | |
| CNL: Computer Equipment | 0 | 130 | 130 | 0 | |
| CNL: Transport Assets | 0 | 856 | 660 | -23 | |
| CNL: Furniture & Office Equipment | 15 | 292 | 132 | -55 | |
| CNL: Machinery & Equipment | 0 | 95 | 95 | 0 | |
| CNL: Shooting Range | 100 | 121 | 121 | 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. With 10% Reduction in Road Accidents over the previous years, the estimated 25% can be achieved

3.6. FIRE SERVICES

INTRODUCTION TO FIRE SERVICES

The Fire Services unit is responsible for as per below:

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 fire fighting 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 | | 2015/2016 | | 2016/2017 | |
| | | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1 | Total fires attended in the year | | 1898 | - | 1270 | - |
| 2 | Total of other incidents attended in the year | | 615 | - | 335 | - |
| 3 | Average turnout time – urban areas | | 15mins | - | 16 | - |
| 4 | Average turnout time – rural areas | | 32mins | - | 35 | - |
| 5 | Fire fighters in post at year end | | 109 | 122 | 105 | - |
| 6 | Total fire appliances at year end | | 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 | | | | | | | | | | |
|---|-------------------------------|---------------|--|------|--|---|-----------------|--|-----------------|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | 2015/2016 | | 2017/2018 | |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | | |
| | | | | | | ACTUAL (1,2,3,4,5, Not Applicable) | | ACTUAL (1,2,3,4,5, Not Applicable) | | |
| PSDM 01 | NKPA 6 - CROSS CUTTING | Fire & Rescue | Fire & Rescue Public awareness presentations facilitated by PSDM | All | 60 x Fire & Rescue public awareness presentations conducted by the 30th of June 2017 | 108 x Fire & Rescue public awareness presentations conducted by the 30th of June 2017 | 5 (150% - 167%) | 91 Fire & Rescue public awareness presentations conducted by the 30th of June 2016 | 5 (150% - 167%) | 60 x Fire & Rescue public awareness presentations conducted by the 30th of June 2018 |
| PSDM 02 | NKPA 6 - CROSS CUTTING | Fire & Rescue | Major Hazards Visitations by PSDM | All | 46 x Major Hazard Visitations conducted by the 30th of June 2017 | 46 x Major Hazard Visitations conducted by the 30th of June 2017 | 3 (100% - 129%) | 24 Major Hazard Visitations conducted by the 30th of June 2016 | 5 (150% - 167%) | 46 X Major Hazard Visitations conducted by the 30th of June 2018 |
| PSDM 03 | NKPA 6 - CROSS CUTTING | Fire & Rescue | Fire & Rescue fire inspections | All | 800 x fire inspections conducted by the fourth quarter 16/17 | 882 x fire inspections conducted by the fourth quarter 16/17 | 3 (100% - 129%) | 800 fire inspections conducted by the 30th of June 2016 | 3 (100% - 129%) | 800 X fire prevention inspections conducted by the 30th of June 2018 |

| EMPLOYEE: FIRE SERVICES | | | | | |
|-------------------------|-----------------------|---------------|-----------|---------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Police/Administrators | Employees No. | Posts No. | Employees No. | Vacancies (as a % of total posts) % |
| T01-T03 | 5 | 7 | 4 | 3 | 43 |
| T04-T08 | 63 | 7 | 4 | 3 | 43 |
| T09-T13 | 70 | 178 | 104 | 74 | 42 |
| T14-T18 | 5 | 9 | 9 | 0 | 0 |
| T19-T22 | 1 | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 144 | 201 | 121 | 80 | 40 |

| FINANCIAL PERFORMANCE 2016/2017: FIRE SERVICES | | | | | |
|--|---------------|-----------------|-----------------|---------------|--------------------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | Adjusted Budget | Original Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -532 | -670 | -670 | -5,830 | 770 |
| Expenditure: | | | | | |
| Fire Officers | | | | | |
| Other Employees | 59,791 | 65,717 | 61,315 | 65,543 | 7 |
| Repairs and Maintenance | 1,597 | 1,563 | 532 | 359 | -33 |
| Other | 6,504 | 18,231 | 12,034 | -2,599 | -122 |
| Total Operational Expenditure | 67,892 | 85,511 | 73,881 | 63,303 | -14 |
| Net operational (Service) Expenditure | 67,360 | 84,841 | 73,211 | 57,473 | -21 |

| CAPITAL EXPENDITURE: FIRE SERVICES R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | | | | |
| CNL-Transport Assets | | 741 | 741 | 0 | |
| CNL-Computer Equipment | | 184 | 184 | 0 | |
| CNL-Machinery& Equipment | 500 | 1,081 | 1,035 | -4 | |

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.

3.7. DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT

Disaster Management falls under the Disaster Management Act 57 of 2002. The Act requires an integrated and effective response to disasters. Disaster management aims to reduce the risk of disasters, mitigate the severity of disasters, plan and prepare for emerging crisis, events or disasters, respond rapidly and effectively to disasters and to implement post disaster recovery and rehabilitation by monitoring, integrating, co-ordinating the disaster risk management activities of all role-players. The over-all implementation of Disaster Risk management initiatives is a shared responsibility of all employees, departments, relevant external role-players and the participation of the community.

Disaster management provides a culture of risk avoidance amongst communities through education and public awareness. Disaster management has two components to it- the proactive component that alerts the community to the problem, highlights practices to prevent problems and work with other departments and entities to avoid problems and to lessen the impact of problems.

Relief supplies and assistance were given to those who were affected by storms fires and other disasters. Relief provided in the form of temporary accommodation (tents), food parcels, mattresses and blankets, and in many instances plastic sheeting used as waterproofing.

Disaster Management is also involved in event safety and forms part of the safety and security cluster that oversees and monitors all events within the Msunduzi area of jurisdiction.

SERVICE STATISTICS FOR DISASTER MANAGEMENT

During the 2016/2017 financial year a total of 173 incidents were attended to. R1 064 087.00 worth of emergency relief was distributed during this period.

A total of 136 events were monitored with a total of 483 430 people participating/attending these events.

| DISASTER MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|-------------------------------|---------------------|---|-----------|--|--|------------------------------------|--|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | 2015/2016 | | |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL |
| PSDM 07 | NKPA 6 - CROSS CUTTING | Disaster Management | Awareness Campaigns | All | 6 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2017 | 6 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2017 achieved | 3 (100% - 129%) | 5 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2016 | 5 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2016 |
| PSDM 08 | NKPA 6 - CROSS CUTTING | Disaster Management | Implementation of the approved Disaster management plan | All | 100% implementation of the approved Disaster management plan by the 30th of June 2017 | 100% implementation of the approved Disaster management plan by the 30th of June 2017 | 2 (70% - 99%) | 100% implementation of the approved Disaster management plan by the 30th of April 2016 | 100% implementation of the approved Disaster management plan by the 30th of April 2016 |
| PSDM 09 | NKPA 6 - CROSS CUTTING | Disaster Management | Implementation of the Approved Disaster management plan/ strategy | All | 24Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/ strategy by the 30th of June 2017 | 24Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/ strategy by the 30th of June 2017 | 3 (100% - 129%) | 24Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/ strategy by the 30th of April 2016 | 24Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/ strategy by the 30th of April 2016 |
| Total | | 5 | 32 | 11 | 21 | 66 | | | |

| EMPLOYEE: DISASTER MANAGEMENT | | | | |
|-------------------------------|---------------|-----------|---------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (as a % of total posts) % |
| T01-T03 | - | 1 | 1 | 0 |
| T04-T08 | 2 | 3 | 0 | 100 |
| T09-T13 | 2 | 25 | 9 | 64 |
| T14-T18 | 1 | 3 | 1 | 67 |
| T19-T22 | - | | | |
| T23-T25 | - | | | |
| Total | 5 | 32 | 11 | 66 |

| FINANCIAL PERFORMANCE 2016/2017: DISASTER MANAGEMENT | | | | | |
|--|--------------|-----------------|-------------------|--------------|--------------------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | 0 | -12 | -12 | 0 | 0 |
| Expenditure: | | | | | |
| Employees | 1,055 | 1,514 | 1,434 | 520 | -64 |
| Repairs and Maintenance | 9 | 10 | 25 | 0 | 100 |
| Other | 2,055 | 2,720 | 1,712 | 1,388 | -19 |
| Total Operational Expenditure | 3,119 | 4,244 | 3,171 | 1,908 | -40 |
| Net operational (Service) Expenditure | 3,119 | 4,232 | 3,159 | 1,908 | -40 |

| CAPITAL EXPENDITURE: DISASTER MANAGEMENT | | | | |
|--|-----------|-------------------|--------------------|---------------------|
| R'000 | | | | |
| Details | 2016/2017 | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Total Project Value |
| Total All | | | | |

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT

The performance of the Disaster Management unit is directly linked to the Service Delivery and Budget Implementation Plan (SDBIP's). While the performance is at an acceptable level, there are deficiencies within the unit like the filling of critical vacant posts and the establishment of a satellite disaster office in the Vulindlela area which will further enhance service delivery thereby improving performance.

3.8. 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 | | | | | | | | | | | | |
|---|---------------------------------|----------------|-------------------------------|------|--|--|------------------------------------|---------------|--------------------------|------------------------------------|---------------|-----------|
| 2016/2017 | | | | | | | | | | 2015/2016 | | 2017/2018 |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | |
| COM DEV 12 | NKPA 2 - BASIC SERVICE DELIVERY | Swimming Pools | Upgrading of 2 swimming pools | 27 | 2 x Council Pools (Buchanan & Alex Pool) upgraded by 31st of December 2016 | 2 x Council Pools (Buchanan & Alex Pool) upgraded by 31st of December 2016 (Q1 - Geysers replaced at Buchanan, Ablution block repairs at Alex) & (Q2 - Repairs to Building and Stairs - Buchanan, Pavilion fibreglass seating repairs at Alex) | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | N/A | |
| COM DEV 13 | NKPA 2 - BASIC SERVICE DELIVERY | Swimming Pools | Construction of a new pool | 5 | First Phase construction of new pool in ward 5 (Vulindlela) completed as per approved construction plan by the 30th of June 2017 | Completion of designs, first phase could not commence due to budget cut | 1 (69% & below) | N/A | N/A | NOT APPLICABLE | N/A | |

| EMPLOYEE: SPORT AND RECREATION | | | | | | |
|--------------------------------|-------------------------|------------|---------------|-------------------------------------|-------------------------------------|--|
| Job Level | 2016/2017 | | | | | |
| | 2015/2016 Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % | |
| T01-T03 | 22 | 97 | 76 | 21 | 22 | |
| T04-T08 | 7 | 46 | 24 | 22 | 48 | |
| T09-T13 | 7 | 12 | 8 | 4 | 33 | |
| T14-T18 | 1 | 2 | 2 | 0 | 0 | |
| T19-T22 | - | - | - | - | - | |
| T23-T25 | - | - | - | - | - | |
| Total | 37 | 157 | 110 | 47 | 30 | |

FINANCIAL PERFORMANCE 2016/2017: SPORT AND RECREATION R'000

| Details | 2015/2016 | 2016/2017 | | | |
|--|----------------|-----------------|-------------------|----------------|--------------------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -26,284 | -855 | -17,787 | -14,945 | -16 |
| Expenditure: | | | | | |
| Employees | 36,591 | 30,020 | 50,883 | 58,330 | 15 |
| Repairs and Maintenance | 833 | 87 | 3,447 | 4,096 | 18 |
| Other | 17,965 | 23,019 | 18,986 | -6,825 | -136 |
| Total Operational Expenditure | 55,389 | 53,126 | 73,316 | 55,601 | -24 |
| Net operational (Service) Expenditure | 29,105 | 52,271 | 55,529 | 40,656 | -27 |

CAPITAL EXPENDITURE: SPORT AND RECREATION R'000

| Details | 2016/2017 | | | | |
|--|---------------|-------------------|--------------------|--------------------------------|---------------------|
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 28,524 | 54,260 | 50,946 | -6 | |
| CNL-Master Plan Sports Facility Phase 1 | 2,500 | 2,801 | 2,679 | -4 | |
| CNL-New Pools in Edendale | 5,000 | 6,100 | 6,088 | -0.2 | |
| CNL-Wanderers Sports Facility | 433 | 420 | 420 | 0 | |
| MIG Sweetwaters Dual Purpose Sports Center | 7,723 | 1,399 | 1,203 | -14 | |
| CNL-Upgrade Alexandra Swimming Pool | 1,000 | 989 | 989 | 0 | |
| MIG Refurbish Berg Street Swimming Pool | 68 | 78 | 0 | 100 | |
| CNL-Upgrade Buchanan Street Pool | 0 | 1,000 | 989 | -10 | |
| CNL-Upgrade Wadley Stadium | 0 | 750 | 717 | -4 | |
| CNL-Upgrade Oval | 0 | 999 | 871 | -13 | |
| CNL-New Machinery & Equipment | 500 | 591 | 544 | -8 | |
| CNL-New Computer Equipment | 0 | 148 | 126 | -15 | |
| CNL-Transport Assets | 1,000 | 3,082 | 2,922 | -5 | |
| CNL-Revitalization Of Alex Park | 1,000 | 1,000 | 1,000 | 0 | |
| MIG-Athletics Track | 9,300 | 15,455 | 13,557 | -12 | |
| CNL-Athletics Track | 0 | 9,100 | 9,100 | 0 | |
| CNL-Athletics Track | 0 | 10,348 | 9,741 | -6 | |

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

There has been a lack of maintenance due to the lack of funding. Athletic track is due to be completed in September 2017. Grading and Categorization of Venues still in progress.

3.9. LIBRARIES

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 branch of 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 financial year 7 of the 11 libraries were maintained every month, 3 Libraries upgraded and 10248 library books were purchased.

SERVICE STATISTICS FOR LIBRARIES

| | |
|----------------------------------|--------|
| 1. Issue Statistics Total: | 570127 |
| 2. User Statistics Total: | 369106 |
| 3. Cataloguing Statistics Total: | 33386 |
| 4. Membership statistics total: | 138423 |

| LIBRARIES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | |
|--|---------------------------------|------------------------|---|-----------------------------------|---|--|------------------------------------|---|--------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | 2015/2016 | | |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| COM DEV 03 | NKPA 2 - BASIC SERVICE DELIVERY | Libraries | Maintenance and landscaping of council grounds and gardens at libraries and halls | All | 11 libraries maintained every month by the 30th of June 2017 | 7 libraries maintained monthly | 2 (70% - 99%) | 11 libraries maintained every month by 30th of June 2016 | 3 (100% - 129%) | Grass-cut at 11 libraries every month as per the grass-cutting schedule by the 30th of June 2018 |
| COM DEV 05 | NKPA 2 - BASIC SERVICE DELIVERY | Libraries | Purchase of Library Material | 12, 13, 24, 27,28, 32, 34, 35, 37 | 5000 Library Books purchased by 30th of April 2017 | 10248 books purchased in the financial year | 5 (150% - 167%) | 16 863 books purchased | 5 (150% - 167%) | 3500 Library Books purchased by the 30th of April 2018 |
| COM DEV 06 | NKPA 2 - BASIC SERVICE DELIVERY | Upgrading of Libraries | Upgrading of Sobantu, Georgetown and Woodlands Libraries | 12, 32, and 35 | 3 Libraries (Sobantu, Georgetown and Woodlands Libraries) Upgraded by the 31st of December 2016 | 1 Libraries Upgraded (Georgetown) and 2 in progress by the 31st of December 2016 | 2 (70% - 99%) | 8 Libraries Renovated & maintained as per approved Maintenance Plan by the 30th of April 2016 | 3 (100% - 129%) | N/A |
| COM DEV 07 | NKPA 2 - BASIC SERVICE DELIVERY | Alternative Energy | Installation of generators | 28, 12, 34 | 3 Generators (Georgetown, Eastwood & Northdale) installed and commissioned by the 30th of June 2017 | 6 Generators installed and commissioned by the 30th of June 2017 based on the completion certificate | 5 (150% - 167%) | N/A | NOT APPLICABLE | 4 x Generators (Alexandra, Vulindlela, Woodlands & Ashdown) installed and commissioned by the 30th of June 2018 |

| EMPLOYEE: LIBRARIES | | | | | | |
|---------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|--|
| Job Level | 2015/2016 | | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % | |
| T01-T03 | - | 3 | 1 | 2 | 66 | |
| T04-T08 | 62 | 95 | 83 | 12 | 13 | |
| T09-T13 | 14 | 32 | 23 | 9 | 28 | |
| T14-T18 | 5 | 4 | 3 | 1 | 25 | |
| T19-T22 | - | - | - | - | - | |
| T23-T25 | - | - | - | - | - | |
| Total | 81 | 134 | 110 | 24 | 18 | |

| FINANCIAL PERFORMANCE 2016/2017: LIBRARIES | | | | | | |
|--|---------------|---------------|-----------------|-------------------|---------------|--------------------------------|
| R'000 | | | | | | |
| Details | 2015/2016 | | 2016/2017 | | | Variances to Adjusted Budget % |
| | Actual | -20,098 | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue (excl. tariffs) | | | -20,296 | -24,365 | -24,147 | -1 |
| Expenditure: | | | | | | |
| Employees | 35,993 | | 38,413 | 39,308 | 39,650 | 1 |
| Repairs and Maintenance | 397 | | 76 | 229 | 217 | -5 |
| Other | 15,527 | | 17,169 | 22,249 | 15,791 | -29 |
| Total Operational Expenditure | 51,917 | 55,658 | 55,658 | 61,786 | 55,658 | -10 |
| Net operational (Service) Expenditure | 31,819 | 35,362 | 35,362 | 37,421 | 31,511 | -16 |

| CAPITAL EXPENDITURE: LIBRARIES R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 6,660 | 8,660 | 8,598 | -1 | |
| Prov: Sobuntu Library Extension | 1,000 | 1,340 | 1,337 | -0.2 | |
| Prov: Bessie Head Library Phase 1 | 2,360 | 20 | 91 | 355 | |
| Prov: Georgetown Basement Renovations | 1,600 | 2,800 | 2,746 | -2 | |
| Prov: Northdale Library | 0 | 1,960 | 1,950 | -1 | |
| Prov: Woodlands Library | 1,700 | 2,540 | 2,474 | -3 | |

COMMENT ON THE PERFORMANCE OF LIBRARIES

Book buying and renovations are ongoing projects. The process of preservation and digitization of legal deposit material is still on as it is ongoing major project that the library is embarking upon as they it is fulfilling the Legal deposit Act on protecting the collection of which is a country priority and it falls on Generally Recognized Accounting Practice 103 (GRAP 103). Three libraries went on a major renovations process that is Georgetown, Sobantu and Woodlands. Most libraries are having generators as back in times of electricity and security system has been beefed up with each library having physical security guard, cameras and book security system maintained annually. The extended services through mobile libraries have been finalized and implementations to follow soon as new mobile services were purchased in 2015/16 financial year. The Elandskop and Slangspruit Libraries are now functioning and there few areas that need some attention for delivering the best service. The following services were also covered through the DAC grant: License and connectivity fees to enable the Library services to have access to the Millennium, SLIMS and SABINET systems, Staffing, Capacity building and training and Maintenance of all libraries.

The expectations for 2016/17 were exceeded. Currently the library is focusing on building Imbali Library through Department of Arts and Culture and renovations of Alexandra Library to take place soon. The fire protection of the legal deposit material and the process phase one of portioning stack areas has not finalized due to financial constraints.

3.10. WASTE MANAGEMENT – LANDFILL SITE

INTRODUCTION TO WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE)

The New England Landfill Site is the largest licensed disposal Facility in the District region. The facility is owned and operated by the Msunduzi Municipality and services the Pietermaritzburg and surrounding areas as well as other District Municipalities. The Site is managed and operated within the prescripts of the Permit issued by the National Regulatory Authority. The Site has complied with the Permit in 2016/2017 but has had insufficient Budget for the year, this has made it impossible to purchase the required specialised Plant. The Plant that is currently available are old and in-efficient resulting in extended downtime which then places the Site at risk of non-compliance and Environmental risks.

The Site needs to have sufficient Budget to address the challenges it faces, as well as improve on Security measures to control the activities of Waste-pickers, to promote order at the Facility and to enhance Service Delivery.

| WASTE DISPOSAL SERVICES STATISTICS | | | | |
|------------------------------------|----------------|----------------|----------------|----------------|
| DESCRIPTION | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 |
| | TONS | TONS | TONS | TONS |
| Waste Disposal per Category | | | | |
| Builders Rubble | 33 939 | 63 777 | 45 239 | 66 448 |
| Bulk Food Waste | 474 | 417 | 547 | 476 |
| Garden Refuse | 20 399 | 19 839 | 18 025 | 8 175 |
| General Domestic Waste | 28 281 | 33 502 | 36 600 | 26 702 |
| Industrial Waste | 34 404 | 35 208 | 33 287 | 33 219 |
| Sawdust | 252 | 148 | 66 | 0 |
| Cover Material | 42 630 | 46 134 | 33 316 | 16 554 |
| Wood waste | 2 646 | 3 743 | 5 302 | 97 |
| TOTAL | 163 025 | 202 768 | 172 382 | 151 671 |

| WASTE DISPOSAL SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|---------------------------------|--|------------------------|------|---|---|------------------------------------|--------------------------|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | | 2017/2018 |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - TUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| LS01 | NKPA 2 - BASIC SERVICE DELIVERY | Extension of the life of the Landfill Site | Infrastructure upgrade | 35 | 350 metres of berm constructed to 2.5m height by the 31st of May 2017 | 350 metres of berm constructed to 2.5m height by the 31st of May 2017 | 3 (100% - 129%) | N/A | 250 x metres of berm constructed to 2.5m height by the 31st of May 2018 |
| LS02 | NKPA 2 - BASIC SERVICE DELIVERY | Extension of the life of the Landfill Site | Infrastructure upgrade | 35 | 1 x Leachate tank commissioned by the 30th of April 2017 | 1 x Leachate tank commissioned by the 30th of April 2017 | 3 (100% - 129%) | N/A | Installation of 1 x leachate pump completed by the 31st of May 2018 |
| LS03 | NKPA 2 - BASIC SERVICE DELIVERY | Extension of the life of the Landfill Site | Infrastructure upgrade | 35 | 100 000sqm of Landfill Site reshaped by the 30th of June 2017 | 88 224.21sqm of Landfill Site reshaped by the 30th of June 2017 | 2 (70% - 99%) | N/A | 50 000sqm of Landfill Site reshaped by the 30th of June 2018 |

| EMPLOYEE: LANDFILL SITE - WASTE DISPOSAL SERVICES | | | | | |
|---|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2016/2017 | | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 12 | 14 | 13 | 1 | 7 |
| T04-T08 | 6 | 11 | 2 | 9 | 82 |
| T09-T13 | 1 | 6 | 4 | 2 | 33 |
| T14-T18 | 1 | 1 | 1 | 0 | 0 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 20 | 32 | 20 | 12 | 38 |

| FINANCIAL PERFORMANCE 2016/2017: LANDFILL SITE - WASTE DISPOSAL SERVICES | | | | | |
|--|---------------|-----------------|-----------------|----------------|--------------------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | Variances to Adjusted Budget % |
| | Actual | Original Budget | Adjusted Budget | Actual | |
| Total Operational Revenue (excl. tariffs) | 0 | -7,424 | -31,717 | -32,154 | 1 |
| Expenditure: | | | | | |
| Employees | 4,729 | 5,012 | 4,890 | 5,336 | 9 |
| Repairs and Maintenance | 1,304 | 620 | 1,121 | 1,047 | -7 |
| Other | 16,82 | 9,473 | 13,873 | -6,338 | -146 |
| Total Operational Expenditure | 23,015 | 15,105 | 19,884 | 45 | -100 |
| Net operational (Service) Expenditure | 23,015 | 7,681 | -11,833 | -32,109 | 171 |

| CAPITAL EXPENDITURE: LANDFILL SITE - WASTE DISPOSAL SERVICES | | | | | |
|--|--------------|-----------------|--------------------|--------------------------------|---------------------|
| R'000 | | | | | |
| Details | 2016/2017 | | | | Total Project Value |
| | Budget | Adjusted Budget | Actual Expenditure | Variances to Adjusted Budget % | |
| Total All | 8,500 | 8,903 | 7,809 | -12 | |
| MIG-LANDFILL UPGRADE | 8,500 | 8,903 | 7,809 | -12 | |

COMMENT ON WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE) OVERALL

The Site is mandated via the Permit to conduct an annual infrastructure upgrade to meet compliance standards and to maintain operations. The Budget required for this project varies depending on Operational needs and the required Budget is approximately R 15 Million Rand's per year, unfortunately this Budget is not fully received. This shortfall of the Budget makes it difficult to pro-actively address challenges and mitigate against potential risks.

Operating Budgets are also insufficient to sustain daily operations and maintenance in an environmentally and socially acceptable manner.

Capital and MIG budgets need to be increased to meet the requirements of the Unit, the projected requirements for the next 5 years are:

2017/2018 Required R 15 000 000
 2018/2019 Required R 20 000 000
 2019/2020 Required R 25 000 000
 2020/2021 Required R 30 000 000
 2021/2022 Required R 35 000 000.

4. COMPONENT D: BUDGET & TREASURY

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

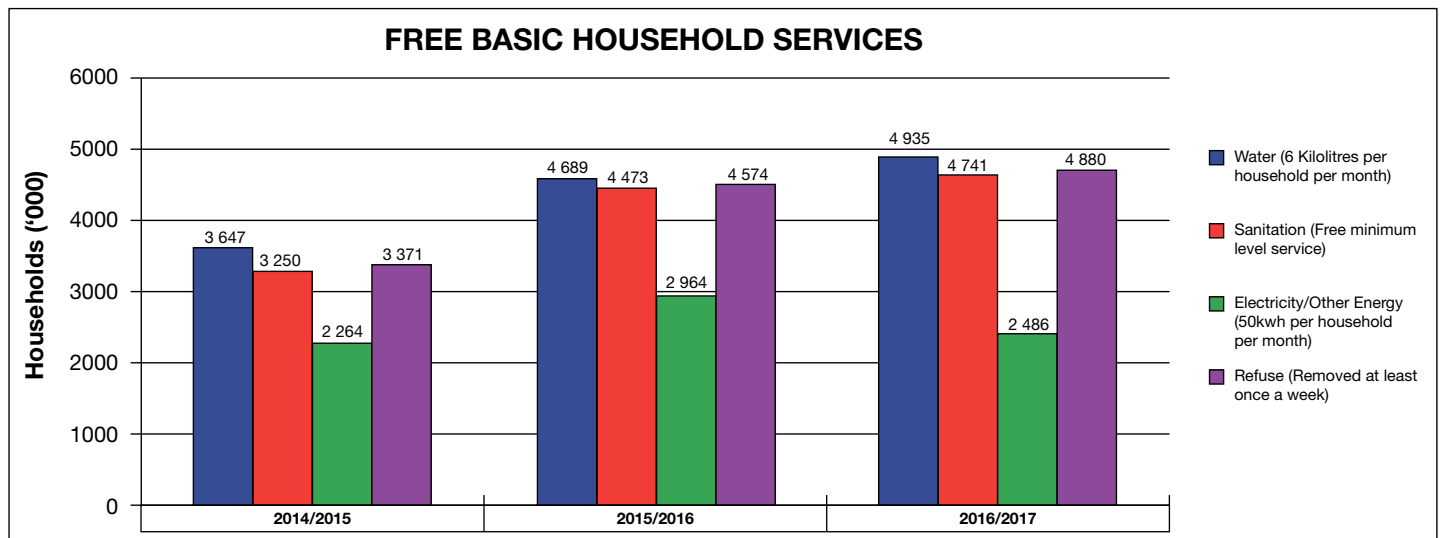
4.1. INDIGENTS (FREE BASIC SERVICES)

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 R4000.00
2. That the prescribed application forms be completed annually.



| FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS | | | | | |
|--|----------------------|---|-----------------------|------------------------|-------------------|
| | Number of households | | | | |
| | Total | Households earning less than R3.740 per month | | | |
| | | Free basic water | Free basic sanitation | Free Basic Electricity | Free Basic Refuse |
| 2014/2015 | 12532 | 3647 | 3250 | 2264 | 3371 |
| 2015/2016 | 16700 | 4689 | 4473 | 2964 | 4574 |
| 2016/2017 | 17042 | 4935 | 4741 | 2486 | 4880 |

| FINANCIAL PERFORMANCE 2016/2017: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED | | | | | |
|--|-----------------|-----------------|-------------------|-----------------|----------------------|
| Services Delivered | 2015/2016 | 2016/2017 | | | |
| | Actual | Budget | Adjustment Budget | Actual | Variance to Budget % |
| Waste | 8611396 | 13196800 | 13196800 | 7012266 | 47 |
| Waste Water (Sanitation) | 4553556 | 4892700 | 4892700 | 4894449 | 0 |
| Electricity | 3080430 | 2363000 | 2363000 | 2576950 | 10 |
| Waste Management (Solid Waste) | 2195310 | 3265000 | 3265000 | 2904229 | 11 |
| Total: | 18440692 | 23717500 | 23717500 | 17387894 | 37 |

| FREE BASIC SERVICE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|--|---|-------------------------------|---|--|------------------------------------|---|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | 2015/2016 | | 2017/2018 | ANNUAL TARGET |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | | |
| REV 01 | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Adoption of Revenue related policies | Compliance | N/A | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2017 for approval by Council | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies were reviewed and submitted to SMC by the 31st March 2017 for approval by Council | 3 (100% - 129%) | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2018 for approval by Council | |
| RPI 08 | NKPA 2 - BASIC SERVICE DELIVERY | Improved access to Free Basic Services | Number of households earning less than R3500 per month (application based) to free basic services | All Wards (application based) | 8000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2017 | 5813 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2017 | 2 (70% - 99%) | 5900 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2016 | 7000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2017 |

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 R4 000.00 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 customers 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 2016/2017 was R 2 576 950, spent on water 2016/2017 R 7 012 266, spent on sewerage for 2016/2017 R4 894 449, spent on refuse 2016/2017 R 2 904 229.

4.2. FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

The Financial Services Business Unit comprises with the following sections, namely:

- BUDGET
- EXPENDITURE
- REVENUE MANAGEMENT
- SUPPLY CHAIN MANAGEMENT, &
- ASSETS & LIABILITIES
- MSCOA
- SAP
- FINANCIAL GOVERNANCE & PERFORMANCE MANAGEMENT

The National Key Performance Areas for this business unit is Financial Viability & Management. Programmes pertaining to the sections are as follows:

- Budget & Treasury-Compliance and Annual Financial Statements.
- 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, and
- Asset Management

The debt collection rate has improved, however is not ideal at this stage. The debt collection task team put together is addressing collection challenges.

DEBT RECOVERY

| DEBT RECOVERY R'000 | | | | | | | | |
|--|------------------------------------|---|----------------|------------------------------------|---|----------------|------------------------------------|---|
| Details of the types of account raised and recovered | 2014/2015 | | 2015/2016 | | | 2016/2017 | | |
| | Actual for accounts billed in year | Proportion of accounts value billed that were collected in the year % | Billed in year | Actual for accounts billed in year | Proportion of accounts value billed that were collected in the year % | Billed in year | Actual for accounts billed in year | Proportion of accounts value billed that were collected in the year % |
| Property Rates | 710660 | 90 | 746785 | 738298 | 99 | 798728 | 798728 | - |
| Electricity - B | 301871 | 92 | 341528 | 319244 | 93 | 401649 | 401649 | - |
| Electricity - C | 1454383 | 97 | 16470155 | 1591086 | 97 | 1606597 | 1606597 | - |
| Water - B | 25586 | 40 | 44102 | 12618 | 28 | 18696 | 18696 | - |
| Water - C | 465134 | 77 | 519138 | 375641 | 72 | 604492 | 604492 | - |
| Sanitation | 144359 | 76 | 138984 | 113971 | 82 | 147839 | 147839 | - |
| Refuse | 88452 | 76 | 87866 | 71767 | 82 | 99557 | 99557 | - |
| Other | 75743 | 136 | 66827 | 93070 | 139 | 276433 | 83339 | - |

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

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

- The above figures provided for 2016 – 2017 financial year have not been audited and are as per the annual financial statement, however the figures are from table A4 of the budgeted financial performance.

COMMENT ON DEBT RECOVERY

Council has appointed 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 R4000.00 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

GRANT PERFORMANCE & GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT (DORA)

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Adj budget | 2017 Actual |
|--|-------------|-------------|-------------|-----------------|-------------|
| GRANTS AND SUBSIDIES - REVENUE | | | | | |
| NATIONAL GRANTS | | | | | |
| Equitable Share | 373 541 000 | 395 786 000 | 432 307 000 | 432 307 000 | 432 307 000 |
| Electricity Side Demand Management/Integrated National Electrification Programme | 82 151 026 | 9 448 702 | 16 000 000 | 16 000 000 | 12 114 506 |
| Finance Management Grant | 1 600 000 | 1 600 000 | 1 625 000 | 1 625 000 | 1 625 000 |
| Expanded Public Works Programme | 2 783 585 | 4 032 000 | 6 809 000 | 6 809 000 | 3 912 513 |
| Municipal Infrastructure Grant | 163 157 419 | 191 358 637 | 180 941 000 | 190 617 000 | 189 553 124 |
| Municipal Systems Improvement Grant | 1 225 977 | 926 203 | - | - | - |
| Neighbourhood Development Partnership Grant | 20 195 024 | 11 114 249 | 22 110 000 | 22 110 000 | 1 955 150 |
| Municipal Water Infrastructure Services Grant | 11 389 010 | 57 033 258 | - | - | 1 299 742 |
| Public Transportation Infrastructure Grant | 109 483 291 | 48 087 747 | 200 031 000 | 200 031 000 | 200 031 000 |
| Water Services Infrastructure Grant | - | - | 36 721 000 | 36 721 000 | 36 721 000 |
| PROVINCIAL GRANTS | | | | | |
| Airport | - | 1 004 166 | - | - | 2 542 206 |
| Greater Edendale Development Initiative | 31 297 548 | 11 826 696 | - | - | 8 735 027 |
| Housing | 10 148 250 | 106 008 | - | - | 20 551 |
| Library | 24 586 373 | 13 479 710 | 19 896 000 | 20 019 000 | 23 984 238 |
| Library Subsidy | 6 617 953 | 7 450 000 | - | - | - |
| Community Development Workers | 722 | - | - | - | - |
| Community Communication Initiative | 621 | - | - | - | - |
| Nhlalakhe Informal Settlement Electrification | 4 650 013 | - | - | - | - |
| Alexandra Park Athletic Track | 19 075 | - | - | - | - |
| Electricity Grants - COGTA | 9 188 454 | 106 146 | - | - | - |
| Publicity House - COGTA | 1 977 166 | 25 709 | - | - | - |
| Urban Renewal - COGTA | 5 809 800 | 2 190 200 | - | - | - |
| Market / Tourism Hub - COGTA | 6 076 648 | 250 538 | - | - | - |
| Operation Dlusumilando | 500 000 | - | - | - | - |
| Massification - COGTA | 4 374 713 | - | - | - | - |
| Sanitation Bucket Eradication | 3 535 | - | - | - | - |
| Wadley Stadium - Sports And Recreation | 121 000 | - | - | - | - |

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Adj budget | 2017 Actual |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Water Conservation Water Demand Management - COGTA | 242 | - | - | - | - |
| Tatham Art Gallery | 988 070 | 362 617 | 400 000 | 400 000 | 26 969 |
| Housing Accreditation | 3 728 167 | 9 065 545 | 10 389 000 | 25 102 000 | 17 445 394 |
| Manaye Area Precinct Upgrade | - | - | - | - | 799 519 |
| Youth Enterprise Park | - | - | - | - | 345 495 |
| OTHER GRANTS | | | | | |
| Developer Contribution | 413 177 | - | - | - | - |
| Sanedi | - | 4 385 965 | - | - | - |
| Youth Advisory Centre | 35 420 | - | - | - | - |
| Total Grant And Subsidies | 876 063 276 | 769 640 098 | 927 229 000 | 951 741 000 | 933 418 432 |

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

The actual figures in the tables above are the amounts that the Municipality utilized on capital and operational projects during the financial years. During 2015/2016 the municipality had spent 61.38% of the grants received during the year and grants rolled over from the prior year, while in 2016/2017 the percentage has increased to 86.19%. In terms of the grants from other sources, the municipality did not receive any grants from other external funders for the last two financial years.

| FINANCIAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|---|----------------------------------|--|-----------|---|---|--|---|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | 2015/2016 | | | |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET |
| B & T 02 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | IDP/Budget process plan | Implementation of process plan | N/A | Summary of the approved budget and tariff of charges for the 2017/2018 FY advertised by the 30th of June 2017 | Summary of the approved budget and tariff of charges for the 2015/2016 FY advertised in the Natal Witness by the 30th of June 2015 | Summary of the approved budget and tariff of charges for the 2015/2016 FY advertised in the Natal Witness by the 30th of June 2015 | Summary of the approved budget and tariff of charges for the 2015/2016 FY advertised by the 30th of June 2018 | Summary of the approved budget and tariff of charges for the 2018/2019 FY advertised by the 30th of June 2018 |
| B & T 03 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting and auditing | Preparation of annual financial statements | N/A | Annual financial statements for the 15/16 FY prepared and submitted to AG by the 31st of August 2016 | Annual financial statements for the 15/16 FY prepared and submitted to AG by the 31st of August 2016 | Annual financial statements for the 14/15 FY prepared and submitted to AG by the 31st of August 2015 | Annual financial statements for the 17/18 FY prepared and submitted to AG by the 31st of August 2018 | Annual financial statements for the 17/18 FY prepared and submitted to AG by the 31st of August 2018 |
| B & T 04 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2017 | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2017 | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2016 | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2018 | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2018 |
| B & T 05 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2017 | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2017 | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of June 2016 | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2018 | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2018 |
| B & T 06 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2017 | Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2017 | Section 72 (mid-year) budget performance report prepared and submitted to Council by the 25th of January 2016 | Section 72 (mid-year) budget performance report prepared and submitted to Council by the 25th of January 2016 | Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2018 |

| FINANCIAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|--|---|------|---|---|--|--|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | 2016/2017 | | | | 2015/2016 | | | |
| | | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET |
| EXP 02 | FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Expenditure Management | Monthly report on Fruitless and Wasteful Expenditure to SMC | N/A | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2017 | 11 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2017 | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2016 | Not all reports stamped having been received by the Office of the MM | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2018 |
| EXP 04 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Expenditure Management | Annual Review of Procedures Manual. | N/A | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of May 2017 | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 30th of April 2017 | N/A | N/A | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of May 2018 |
| REV 01 | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Adoption of Revenue related policies | Compliance | N/A | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2017 for approval by Council | Credit Control, Tariffs, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2017 for approval by Council | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 28 February 2016 for approval by Council | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 28 February 2016 for approval by Council | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2018 for approval by Council |
| REV 02 | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Revenue Management | Reports | N/A | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2017 | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2017 | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2016 | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2016 | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2018 |
| REV 03 | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Revenue Management | Debt collection | N/A | 90% Monthly collection rate of current debt by the 30th of June 2017 | 90% Monthly collection rate of current debt by the 30th of June 2017 | 95% Monthly collection rate of current debt by the 30th of June 2016 | 71% Monthly collection rate of current debt by the 30th of June 2016 | 90% Monthly collection rate of current debt by the 30th of June 2018 |
| REV 05 | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Billing management | Accurate Billing | N/A | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 84% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 90% of all electricity and water meters read on a monthly basis by the 30th of June 2016 | 87% of all electricity and water meters read on a monthly basis by the 30th of June 2016 | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2018 |
| A & LM01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Policy review | N/A | Asset management Policy reviewed and submitted to SMC by the 28 February 2017 for approval by Council | Asset management Policy reviewed and submitted to SMC by the 28 February 2017 for approval by Council | Asset management Policy reviewed and submitted to SMC by the 28 February 2016 for approval by Council | Asset management Policy reviewed and submitted to SMC by the 28 February 2016 for approval by Council | Asset management Policy reviewed and submitted to SMC by the 28 February 2018 for approval by Council |
| A & LM02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Review Useful Lives of Assets at year end. | N/A | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2017 | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2017 | 1 x report prepared and submitted to SMC on the 100% review of all Council assets' useful lives by the 30th of June 2016 | 1 x report prepared and submitted to SMC on the 100% review of all Council assets' useful lives by the 30th of June 2016 | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2018 |
| A & LM03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Valuation of Investment Properties | N/A | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2017 | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2017 | 1 x report prepared and submitted to SMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2016 | 1 x report prepared and submitted to SMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2016 | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2018 |

| FINANCIAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|------------------------|--|------|--|---|---|--|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | 2016/2017 | | | 2015/2016 | | | | |
| | | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL TARGET |
| B & T 11 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Strengthen Governance | Quarterly reporting of the implementation of mSCOA submitted to SMC. | N/A | 3 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter of the implementation of mSCOA by the 15th of April 2017 | 3 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter of the implementation of mSCOA by the 15th of April 2017, 1 report completed after and submitted after the 15th April 2017. | 4 x Quarterly reports prepared and submitted to SMC on the implementation of SCOA by the 30th of June 2016 | 4 x Quarterly reports prepared and submitted to SMC on the implementation of SCOA by the 30th of June 2016 | 4 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter of the implementation of mSCOA by the 15th of April 2018 |
| B & T 12 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Financial reporting | Trial run of mSCOA from July 2016 | N/A | 9 x Monthly Reports on the implementation of mSCOA. Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2017 | Budget to be done on SAP Budget Module | N/A | N/A | 12x Monthly Reports on the implementation of mSCOA. Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2018 |
| MSCOA 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Financial reporting | Facilitate mSCOA accredited training through National Treasury for all related staff within the municipality | N/A | 100 X Council Staff training facilitated on mSCOA either through accredited or non-accredited training done through National Treasury by the 30th of June 2017 | Service is readily available to undertake training challenge of the venue is being addressed it is anticipated that training shall start full swing in July | N/A | N/A | 100 X Council Staff training facilitated on mSCOA either through accredited or non-accredited training done through National Treasury by the 30th of June 2018 |
| EXP 01 | FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Expenditure Management | Financial Management System - DuziSAP 220 | N/A | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2017 | 4x Quarterly Reports on the acquisition and implementation of the financial management system submitted to SMC by 30 June 2017. | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2016 | Not all reports stamped having been received by the Office of the MM | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2017 |

| EMPLOYEE: FINANCE BUSINESS UNIT | | | | | |
|---------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | | 2016/2017 | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 5 | 1 | 1 | 0 | 0 |
| T04-T08 | 110 | 440 | 303 | 137 | 31 |
| T09-T13 | 28 | 92 | 45 | 47 | 51 |
| T14-T18 | 17 | 28 | 12 | 16 | 57 |
| T19-T22 | 4 | 5 | 4 | 1 | 20 |
| T23-T25 | 1 | 1 | 1 | 0 | 0 |
| Total | 165 | 567 | 366 | 201 | 35 |

| FINANCIAL PERFORMANCE 2016/2017: FINANCIAL SERVICES | | | | | |
|---|--------------|---------------|-----------------|-------------------|----------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | | Original Budget | Adjustment Budget | Actual Budget |
| Total Operational Revenue (excl. tariffs) | 5,653 | 10,878 | 10,878 | 22,843 | 109.99% |
| Expenditure: | | | | | |
| Employees | 97,225 | 156,880 | 181,975 | 160,636 | -11.73% |

FINANCIAL PERFORMANCE 2016/2017: FINANCIAL SERVICES

| R'000 | | | | | |
|--|----------------|-----------------|-------------------|----------------|----------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget% |
| Repairs and Maintenance | 2,469 | 6,015 | 5,065 | 3,261 | -35.62% |
| Other | 89,629 | 160,760 | 240,094 | 191,508 | -20.24% |
| Total Operational Expenditure | 189,323 | 323,655 | 427,134 | 355,405 | -16.79% |
| Net operational (Service) Expenditure | 183,670 | 312,777 | 416,256 | 332,562 | -20.11% |

CAPITAL EXPENDITURE: FINANCIAL SERVICES

| R'000 | | | | | |
|---------------------|---------------|-------------------|--------------------|-----------------------|---------------------|
| Details | 2016/2017 | | Actual Expenditure | Variances to Budget % | Total Project Value |
| | Budget | Adjustment Budget | | | |
| Total All | 25,710 | 31,246 | 30,114 | -3.62% | |
| Financial System | 24,468 | 24,256 | 23,654 | -2.48% | +90000 |
| Renovation Offices | 345 | 226 | 226 | 0.00% | 226 |
| Plant and Equipment | 30 | 4,085 | 3,791 | -7.20% | 3791 |
| Furniture | 527 | 598 | 556 | -7.02% | 556 |
| Computer Equipment | 340 | 1,824 | 1,753 | -3.89% | 1753 |
| Transport Assets | 0 | 257 | 134 | -47.86% | 134 |

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. The Budget was adopted within the MFMA legislated timeframes and the approved budget was informed by the 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, fair, equitable, transparent, competitive and cost effective procurement services which then assists the business units to implement their service delivery priorities.

SERVICE STATISTICS FOR SUPPLY CHAIN MANAGEMENT

Twelve (12) Monthly reports on tenders awarded were submitted during the year 2016/2017 financial period under review. One hundred and seven four (174) requests (> R30 000 and > 200 000) were received and advertised by the Supply Chain Management unit, hundred and sixty (160) requests were finalized and awarded, seventy-three (73) awards were made to Pietermaritzburg based service providers and/or Suppliers; twelve (12) bids/tenders and quotations were cancelled for various reasons, three (3) objections were received and resolved accordingly; and there was one court interdicts received.

LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

| LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2016/17) | | | | | |
|---|--|------------------------|-------------------------|-----------------|----------------------------------|
| 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 |
| Andimahle Trading Enterprise cc | Appointment of a service provider to provide professional event management services to the Msunduzi Municipality for a period of thirty six months | 18/01/2017 | 17/01/2020 | Siwelile Zimu | Rates Based (10%) Management fee |
| Xolisisizwe Trading and Projects cc | Appointment of a service provider to provide professional event management services to the Msunduzi Municipality for a period of thirty six months | 18/01/2017 | 17/01/2020 | Siwelile Zimu | Rates Based (10%) Management fee |
| Anzomode Pty Ltd | Appointment of a service provider to provide professional event management services to the Msunduzi Municipality for a period of thirty-six months | 18/01/2017 | 17/01/2020 | Siwelile Zimu | Rates Based (10%) Management fee |
| Classic Event Sound and Marquess | Appointment of a service provider to provide professional event management services to the Msunduzi Municipality for a period of thirty six months | 18/01/2017 | 17/01/2020 | Siwelile Zimu | Rates Based (10%) Management fee |
| Sandakahle Trading 01 cc | Appointment of a service provider to provide professional event management services to the Msunduzi Municipality for a period of thirty six months | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| ZT Electrical | Appointment of a service provider for electrical maintenance and refurbishment at Msunduzi Municipality | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Eudemonia Electrical Projects | Appointment of a service provider for electrical maintenance and refurbishment at Msunduzi Municipality | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Ugesi Contractors | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Dusi Electrical cc | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |

| LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2016/17) 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 |
| Sailem Electrical cc t/a Dee-Es Electrical | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| SBD Business Systems (Pty) Ltd | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Eudemoniia Electrical Projects | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| ATAM Electrical cc | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Gubela Trading cc | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Stateway Switchboards Pty Ltd | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| The Lighting Specialist t/a City Lightz | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Dusi Electrical | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Bewton Investment | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| SBS Electrical | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Secrete Steps Trading | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Biytech cc | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Isizwe Elektropak | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Imbawula Technical Service Suppliers | Installation, maintenance and repairs of medium and low voltage electrical infrastructure: substations, overhead, underground mains and customer service | 25/01/2017 | 24/01/2020 | Thabani Madlala | Rates Based |
| Barleda 232 T/A Barleda Plant And Civils | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Sicubi Construction (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Zungu Civils(Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Melki Civils And Plant Hire | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Midmar Plant Hire Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Aqua Transport-Plant Hire (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Deeplalls Transport And Plant Hire Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Sarupens Transport And Plant Hire cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Xmoor Transport (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Amaphiko Ejuba Transport Enterprises cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Pagamisa Plant Hire Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Tag Plant Hire (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Kerush's Transport Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Sobuza Investments Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Afri Roads And Civils(Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Ekene Investments Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |

LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2016/17)

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 |
|--|---|------------------------|-------------------------|--------------------|----------------|
| Msunduzi Consumer Primary Co-Operative | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Ethos Transport And Road Services Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Conan Construction Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Capital Car Hire | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Houston Earth Moving Trust | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Maritzburg Sand And Plant Hire (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Valamehlo Truck Sales Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Afrisand And Plant Hire (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Rapid Dawn 1277 T/A Ace Transport | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Premier Attraction 217 Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Ren Civils And Plant Hire (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Snezinseka (Pty)Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Qwebeka Plant Hire Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| River Queen Trading 9 Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| BD Plant And Construction Cc | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| Govenders Plant And Civils (Pty) Ltd | HIRE OF MECHANICAL PLANT | 07/02/2017 | 06/02/2020 | Mthandeni Ngcobo | Rates Based |
| First National Bank | Call for Proposals on Placement and Management of Investments for the Msunduzi Municipality | 24/04/2017 | 23/04/2020 | Mahendra Sahibdeen | Rates Based |
| Standard Bank Of South Africa Limited | Call for Proposals on Placement and Management of Investments for the Msunduzi Municipality | 24/04/2017 | 23/04/2020 | Mahendra Sahibdeen | Rates Based |
| VBS Mutual Bank | Call for Proposals on Placement and Management of Investments for the Msunduzi Municipality | 24/04/2017 | 23/04/2020 | Mahendra Sahibdeen | Rates Based |
| ABSA Bank Limited | Call for Proposals on Placement and Management of Investments for the Msunduzi Municipality | 24/04/2017 | 23/04/2020 | Mahendra Sahibdeen | Rates Based |
| GIBB (Pty) Ltd | Servicing and Calibration of analysers and data management at various Air pollution Monitoring stations | 06/06/2017 | 05/06/2020 | Aavi Jadoo | R 1 546 798.70 |
| Ecocycle Waste Solutions (Pty) Ltd | Provision of Health Care Risk Waste Disposal | 08/05/2017 | 07/05/2020 | Sipho Sithole | Rates Based |
| Med Pak cc t/a Carter Medical Supplies | Supply and Delivery of Medication | 31/05/2017 | 30/05/2020 | Sipho Sithole | Rates Based |

PUBLIC PRIVATE PARTNERSHIPS ENTERED INTO 2016/17

R' 000

| Name And Description Of Project | Name Of Partner(S) | Initiation Date | Expiry Date | Project Manager | Value 2015/16 |
|---|--------------------|-----------------|-------------|-----------------|---------------|
| No Public Private Partnerships entered into in 2016/2017. | N/A | N/A | N/A | N/A | N/A |

| SUPPLY CHAIN MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|---|-------------------------|---------------------------------|-----------|--|--|------------------------------------|--|--------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | 2015/2016 | | |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL |
| SCM 01 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | SCM Policy Review | N/A | Supply chain management Policy reviewed and submitted to SMC by the 28th of February 2017 for approval by Council | Supply chain management Policy reviewed and submitted to SMC by the 28th of February 2017 for approval by Council | 3 (100% - 129%) | Supply chain management Policy reviewed and submitted to SMC by the 28th of February 2017 for approval by Council | 3 (100% - 129%) |
| SCM 02 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Procurement plan submission | N/A | 2017/2018 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2017 | 2017/2018 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2017 | 3 (100% - 129%) | 2018/2019 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2018 | 3 (100% - 129%) |
| SCM 03 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Procurement Plan implementation | N/A | 4 x quarterly reports produced and submitted to SMC on the 16/17FY approved procurement plan by the 30th of June 2017 | 4 x quarterly reports produced and submitted to SMC on the 16/17FY approved procurement plan by the 30th of June 2017 | 3 (100% - 129%) | 4 x quarterly reports produced and submitted to SMC on the 17/18FY approved procurement plan by the 30th of June 2018 | 3 (100% - 129%) |
| SCM 04 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monthly Reports | N/A | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee by the 30th of June 2017 | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee by the 30th of June 2017 | 3 (100% - 129%) | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee by the 30th of June 2018 | 3 (100% - 129%) |
| SCM 05 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monthly Reports | N/A | 12 x contract management reports prepared and submitted to SMC by the 30th of June 2017 | 12 x contract management reports prepared and submitted to SMC by the 30th of June 2017 | 3 (100% - 129%) | 12 x contract management reports prepared and submitted to SMC by the 30th of June 2018 | 3 (100% - 129%) |

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: | dudu.ndlovu@msunduzi.gov.za |
| 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 are employed by the SCM Unit? (show fulltime staff equivalent, a person shared with another function or working part-time on SCM is shown as a fraction) | 48 | N/A | N/A | N/A |

| Question | | | Answer | Comment on progress | Date for completion | Official(s) responsible |
|----------|---|--|--------|---|---------------------|---------------------------------|
| 2.1 | How many positions are unfilled, ie waiting for an appointment? (fulltime equivalent) | | 15 | 15 post still vacant the effort of filling them is being undertaken by HR | 2016/17 | GM: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 |
| 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 utilised? | | 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 |
| 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 publicly 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 2015/2016 budget for the training of SCM practitioners? | | | N/A | 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) | | | Bantubanye Skills | 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? | | | 29 | 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 utilised 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 2016 – 30 JUNE 2017

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 fulfil 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 R10 000 000. 00. Due to the size and volume of these reports, should anyone wish to view the full report they can kindly do so at the Supply Chain Management Unit on the 5th Floor of the AS Chetty Building. 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

MONTHLY REPORTS FOR THE PERIOD 1 JULY 2016 - 30 JUNE 2017

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|---|-------------------------------------|-----------------|---|--|
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed We currently waiting for closeout report from the engineer. | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The structure of the reservoir is complete, The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The progress on site is stagnant. There is a big problem with the funding for this project the user department did not budget for the project in 2016/17 financial year which is causing the slow progress. There are no funds to pay the contractor and the engineers. | Contraction behind the schedule |
| SCM 13 OF 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> The contractor is on site and is currently busy with layer works The quality of work is satisfactory | Behind the schedule |
| SCM 37 of 14/15 | LESTER BROWN AND THOMAS WATKINS UPGRADE | FYNN'S CONSTRUCTION & DEVELOPERS CC | R22 876 319.05 | <ul style="list-style-type: none"> Delays experienced due to grey water discharge from an existing manhole outlet; Project manager to make necessary notifications to the Sanitation department for leaks and Electrical department for illegal electricity connections Land Acquisition of Ukulinga research Farm along Thomas Watkins Rd still in progress and has not been handed over to contractor yet; access to be confirmed soonest; Revised Programme submitted by contractor with Lester Brown and Thomas Watkins schedule split. | Not Applicable |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|---|---|-----------------|--|---|
| SCM 99 OF 14/15 | CONSTRUCTION AND COMMISSIONING OF A NEW EASTWOOD 132/11KV PRIMARY SUBSTATION INCLUDING ALL ASSOCIATED CIVIL WORKS | POWERTECH SYSTEM INTEGRATORS (PTY) LTD | R13 189 652.28 | <ul style="list-style-type: none"> • Recommencement date of project recorded as 1st July 2015, confirmation letter sent on the 5th July 2016; • Claim for delays received by Architect from Powertech; • Consultant preparing documentation required for processing of a VO for standing time/ work stoppage; • Site Establishment • Waiting for municipal water connection, stand pipe installed; • Waiting for municipal electrical connection, electrical distribution board installed; • Chemical site toilets have been provided; • Shower/ washing facilities have been erected. • Civils' portion of works program received reflecting construction period of 11 months. The full contract period remains 18 months. | On schedule |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY)LTD | R 26 358 802.00 | <ul style="list-style-type: none"> • The Project manager is satisfied with the service rendered by Siyazi. | Not Applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTERGRATED MANAGEMENT (PTY) LTD | R 56 643 190.00 | <ul style="list-style-type: none"> • The contractor is approximately 1months behind when compared with the original program of works. On Area B and D it's approximately 4236 m of pipes laid. • The Contractor's contractual performance thus far remains satisfactory. | The project is on Schedule when compared to a revised programme of works. |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> • The deliverables and work performance of the service provider is satisfactory. No complaints received thus far. | On Schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> • At the site meeting held on 21 September 2016, the following issues were highlighted in order to fast track for lost time on site: - A Contract Manager is to be appointed by the service provider- Mr. P. Naidoo who is a specialist in this field. - Areas A & E will be done by a subcontractor- Sizakala and NRB will continue with area B&D. - New structure is to commence on the 03rd of October 2016 therefore an urgent meeting with the Council was scheduled for the 22nd of September to finalize the planning. - New proposed end date is 26 February 2017 • Excavation and Chambers completed at Area B is at 9% to-date • Excavation and Chambers completed at Area D is at 24% to-date | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | <ul style="list-style-type: none"> • The project is complete and currently waiting for a closeout report | Complete |
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> • Penalties are imposed due to poor performance towards completion / finalization of project. | Penalties imposed |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> • The application forms for firearm licenses were returned to the municipality by IHAWU Firearm Center to be submitted to the Police Station in charge which is Alexandra Police Station. | Behind schedule |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|--|-----------------|---|---|
| SCM 37 of 14/15 | LESTER BROWN AND THOMAS WATKINS UPGRADE | Fynn's Construction & Developers cc | R22 876 319.05 | <ul style="list-style-type: none"> • Site establishment- 100% • Site Clearance- 70%; • Service Relocations- 30%; • Bulk Earthworks- 65%; • Overall progress on site- 11%; • Contractor to submit a revised programme to encounter for delays; • Issues raised at last meeting • Contractor experiencing challenges with Cash flow due to non-payment from Msunduzi; • Land acquisition for Ukulinga research farm along Thomas Watkins still in progress, cost implications expected from delay; | Behind Programme |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | <ul style="list-style-type: none"> • The Project manager is satisfied with the service rendered by Siyazi. | Not Applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTEGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> • The Contractor's contractual performance thus far remains satisfactory. | <ul style="list-style-type: none"> • Expenditure is on 41% as at the 13th of September 2016. |
| SCM 6 of 15/16 | UPGRADE OF ROADS IN ASHBURTON | Kulu Civils | R 15 017 213.95 | <ul style="list-style-type: none"> • As at the 1st of September 2016 there was no Progress on site and the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that SAP was the reason that the contract was not paid for two (2) months. | No progress on site |
| SCM 9 of 15/16 | UPGRADE OF SELBI MSIMANG ROAD 5.5 TO 6.5 | Martin and East | R 67 783 094010 | <ul style="list-style-type: none"> • Site progress was held on site camp on the 13th September 2016. • The performance of a contractor meets all the contractual requirements of the contract. • Progress on site is as follows: • Relocating of Neotel cables. 100% • Electrical substation 80% • Electrical duct. 100% • Telkom 90% • Dark fibre Africa 50% • Water relocation 0% • Storm water 80% • G 10. 45% • G 9. 15% • Site Clearance 100% • Earthworks 90% | <ul style="list-style-type: none"> • The project is on Schedule when compared to a revised programme of works. |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> • The works on site has been completed • We currently waiting for closeout report from the engineer. | Complete |
| PU 04 OF 09/10 | PROPOSAL CALL FOR CONSULTANT TO UNDERTAKE THE DESIGN & CONSTRUCTION OF A NEW 10 MEGALITER MASONS RESERVOIR AND THE PLANNING, DESIGN AND CONTRACT ADMINISTRATION OF THE AFFECTED BULK WATER PIPELINES EMANATING FROM THE MASONS RESERVOIR | BIGEN AFRICA SERVICES | R 1887750.50 | <ul style="list-style-type: none"> • The performance of the consultant is satisfactory and meets all the contractual requirements | Not applicable |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> • The structure of the reservoir is complete, • The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> • The contractor has vacated the site since there is no funds to pay for works completed • There is a problem with the funding for this project the user department did not budget for the project in 2016/17 financial year. There are no funds to pay the contractor and the engineers. | Projects has been suspended |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|---|-----------------|--|--|
| SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | Kulu Civils' | R 92 000 000.00 | <ul style="list-style-type: none"> The contractor is on site and is currently busy with layer works The quality of work is satisfactory | On schedule |
| SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 18 500 000 | <ul style="list-style-type: none"> Contract is on site currently establishing the site | On going |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | <ul style="list-style-type: none"> The Project manager is satisfied with the service rendered by Siyazi. | Not Applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTERGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> The Contractor's contractual performance thus far remains satisfactory. | Not Applicable |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed We currently waiting for closeout report from the engineer. | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The structure of the reservoir is complete, The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The contractor has vacated the site since there is no funds to pay for works completed There is a problem with the funding for this project the user department did not budget for the project in 2016/17 financial year. There are no funds to pay the contractor and the engineers. | Projects has been suspended |
| SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> The contractor is on site and is currently busy with layer works The quality of work is satisfactory | Behind the schedule |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> According to the business, the deliverables and work performance of the service provider are satisfactory. | On Schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> An urgent plan / solution is needed in order for this project to move forward. | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | <ul style="list-style-type: none"> The project is complete and awaiting for a closeout report | Complete |
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> Penalties are imposed due to poor performance towards completion / finalization of project. | Penalties imposed |
| SCM 37 OF 14/15 | LESTER BROWN AND THOMAS WATKINS UPGRADE | FYNN'S CONSTRUCTION & DEVELOPERS CC | R22 876 319.05 | <ul style="list-style-type: none"> Site handover- 75% Site Establishment 100% complete Road construction 13% complete Relocation of existing services 30% complete Lester Brown bulk earthworks 80% complete, removal topsoil 100%, site clearance 90% Performance on site satisfactory thus far | On programme |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|---|--|-----------------|--|--|
| SCM 99 OF 14/15 | CONSTRUCTION AND COMMISSIONING OF A NEW EASTWOOD 132/11KV PRIMARY SUBSTATION INCLUDING ALL ASSOCIATED CIVIL WORKS | POWERTECH SYSTEM INTEGRATORS (PTY) LTD | R13 189 652.28 | <ul style="list-style-type: none"> Site cleared of all vegetation and trees. Construction site office established. Substation yard platform ground leveled. Concrete foundations for structures marked out on ground and excavation commenced. Temporary Water and Electricity connections installed. Perimeter concrete fencing in progress of being installed. Perimeter fencing 95% complete. Gate area left out until roadway has been constructed. Piling for Switch room Building and Transformer plinths complete. Excavations for foundations progressing well. Installation of Reinforcing has commenced. Site establishment - 100% Setting out - 80% Civil excavations - 50%. | The project is two months behind programme |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | The Project manager is satisfied with the service rendered by Siyazi. | Not applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTEGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <p>The contractor is approximately 1months behind when compared to the overall original program of works due to existing services ,Pitted 160mm diameter sewer pipe ,political unrest and delays from the Engineers when verifying construction drawings. On Area L, H and I there is approximately 3143 m of pipes laid as at the 15th November 2016.</p> <p>The Contractor's contractual performance thus far remains satisfactory.</p> | On Schedule Expenditure is on 52.6% as at the 15th November 2016. |
| SCM 6 OF 15/16 | UPRADE OF ROADS IN ASHBURTON | KULU CIVILS | R 15 017 213.95 | As at the 29th of November 2016 .the overall progress on site was 52%. However progress on site is behind by 6 weeks since the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that SAP was the reason that the contract was not paid for two (2) months. A revised programme of works was submitted to the engineer. Expenditure remains at 48% as at the 29th Of November2016. | Five weeks behind |
| SCM 9 OF 15/16 | UPGRADE OF SELBI MSIMANG ROAD 5.5 TO 6.5 | MARTIN AND EAST | R 67 783 094010 | <p>Site progress was held on site camp on the 24th of November 2016.</p> <p>The performance of a contractor meets all the contractual requirements of the contract.</p> <p>Progress on site is as follows:</p> <ul style="list-style-type: none"> Relocating of Neotel cables. 100% Electrical substation 100% Electrical duct. 100% Telkom 90% Dark fiber Africa 50% Water relocation 60% Storm water 100% G 10. 80% G 9. 80% G 7 80% Site Clearance 100% Earthworks 90% Retaining wall 45% | On schedule |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed We currently waiting for closeout report from the engineer. | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The structure of the reservoir is complete, The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The contractor has vacated the site since there is no funds to pay for works completed The contractor is threatening to take legal action against the Municipality | Projects has been suspended |
| SCM 13 OF 15/16 | UPGRADING OF MOSES MABIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> Contractor is 6 weeks behind the schedule Site establishment is not 100% complete although we are now eight months into the project The contractor is on site and is currently busy with layer works | Behind the schedule |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|---|-----------------|--|---------------------------------|
| SCM 23 OF 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 13 869 067.19 | Site establishment has been effected on the site • The off-site fabrication of a temporary pedestrian bridge has been completed. | On schedule |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | • The deliverables and work performance of the service provider is satisfactory. No complaints received thus far | On schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> • At the site meeting held on 21 September 2016, the following issue were highlighted in order to fast track the lost time onsite: <ul style="list-style-type: none"> - A Contract Manager is to be appointed by the service provider- Mr. P. Naidoo who is a specialist in this field. - Areas A & E will be done by a subcontractor- Sizakala and NRB will continue with area B&D. - New structure is to commence on the 03rd of October 2016 therefore an urgent meeting with the Council was scheduled for the 22nd of September to finalize the planning. - New proposed end date is 26 February 2017 • Excavation and Chambers completed at Area B is at 9% to-date • Excavation and Chambers completed at Area D is at 24% to-date | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | • The project is complete and awaiting for a closeout report | Complete |
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> • Penalties are imposed due to poor performance towards completion / finalization of project. • Project to be terminated due company negligence to complete the Snag list. | Penalties imposed |
| 4/S32 OF 14/15 | PARTICIPATION IN THE CONTRACT FOR THE SAP PROFESSIONAL SUPPORT SERVICES | EOH MTHOMBO (PTY) LTD | R 90 000 000.00 | <ul style="list-style-type: none"> • EOH was appointed through SCM regulation 32 (a contract secured from City of Johannesburg to implement the Financial Management System). • The project was awarded to EOH at a total cost of R90 000 000 exclusive of VAT over a period of 36 months and to date R45 476 081 have been paid, which represent 50% of the project total cost. All payments to the service provider are based on milestones achieved as per agreed billing schedule. Another invoice to the value of R14 875 093.01 has been received from the service provider and is in the process of being paid. • Phase 1A of the project is now live and all municipal employees are now transacting on SAP ERP system with effect from 4 July 2016. The following SAP ERP modules are fully operational: <ul style="list-style-type: none"> • Materials Management (SCM) Assets Accounting Project System (PS) Financial intend to ensure that there are all resolved by the end of November 2016. Accounting (FI/CO) Funds Management (FM). A number of challenges were experienced when Phase 1A went live and these challenges are being addressed by the EOH team in conjunction with Msunduzi municipality project team. These challenges have been reduced to manageable number by the team and the team is now working on the next phase of the project which is phase 1B and this phase consist of the following modules: Revenue and Billing (ISU)Real Estate Sundry Revenue (SD)Human Capital Management (HCM) Timelines for the above modules have been finalized by the project team and are being monitored closely on a daily, weekly and monthly basis | Not applicable |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | • The Project manager is satisfied with the service rendered by Siyazi. | Not Applicable |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|---|-----------------|---|--|
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTEGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> The contractor is approximately 1months behind when compared to the overall original program of works due to existing services, Pitted 160mm diameter sewer pipe, political unrest and delays from the Engineers when verifying construction drawings. On Area L, H and I there is approximately 3770.84m of pipes laid as at the 21st of December 2016. The Contractor's contractual performance thus far remains satisfactory. | <ul style="list-style-type: none"> The project is on Schedule when compared to a revised programme of works. Expenditure is on 52.8% as at the 21st December 2016. |
| SCM 6 OF 15/16 | UPRADE OF ROADS IN ASHBURTON | KULU CIVILS | R 15 017 213.95 | <ul style="list-style-type: none"> As at the 29th of November 2016. The overall progress on site was 52%. Due to the December Shut down no meetings were scheduled after the 29th of November 2016. However progress on site is behind by 6 weeks since the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that SAP was the reason that the contract was not paid for two (2) months. A revised programme of works was submitted to the engineer. Expenditure remains at 48% as at the 29th Of November2016. | Five weeks behind |
| SCM 9 OF 15/16 | UPGRADE OF SELBI MSIMANG ROAD 5.5 TO 6.5 | MARTIN AND EAST | R 67 783 094010 | <ul style="list-style-type: none"> Site progress was held on site camp on the 24th of November 2016. Due to the December contractors shut down no further progress meetings were held. | <ul style="list-style-type: none"> The project is on Schedule when compared to a revised programme of works. |
| SCM 32 OF 15/16 | UPGRADING OF DISTRICT ROAD D2069 IN VULINDLELA | KULU CIVILS | R 12 467 629.10 | <ul style="list-style-type: none"> The project is currently on the 3rd month of construction and is expected to be completed by the 10th of April 2017. As the 13th of December There was no progress on site due to lack of communication and commitment from the contractor in terms of establishing Key personnel is not being fulfilled despite many pleas from the project manager and engineer. However the contractor promised to bring a site agent at the beginning of January 2017. | |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed We currently waiting for closeout report from the engineer. | complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The contraction of the reservoir has been completed and the reservoir has been tested The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The contractor has vacated the site since there is no funds to pay for works completed The contractor is threatening to take legal action against the Municipality | Projects has been suspended |
| SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> Contractor was 6 weeks behind the schedule The contractor cancelled the progress meeting for December | Behind the schedule |
| SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 13 869 067.19 | <ul style="list-style-type: none"> No work was done on site due to December holidays shutdown | On schedule |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> The deliverables and work performance of the service provider is satisfactory. No complaints received thus far The company shut down for Festive holidays therefore there was no work done or meetings to attend to. | On Schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> The company shut down for holidays therefore there was no progress on site. | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | <ul style="list-style-type: none"> The project is complete and awaiting for a closeout report | Complete |
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> Penalties are imposed due to poor performance towards completion / finalization of project. Project to be terminated due company negligence to complete the Snag list. Termination letter dated 21 December 2016 was drafted and submitted to the company. | Penalties imposed |
| SCM 37 OF 14/15 | LESTER BROWN AND THOMAS WATKINS UPGRADE | FYNN'S CONSTRUCTION & DEVELOPERS CC | R20 193 148.06 | <ul style="list-style-type: none"> Company Shutdown for festive season no significant progress since last report | 2 weeks behind |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|--|-----------------|--|---|
| SCM 99 of 14/15 | EASTWOOD PRIMARY SUBSTATION | POWERTECH SYSTEMS INTERGRATORS | R23 791 585.00 | <ul style="list-style-type: none"> Company Shutdown for festive season no significant progress since last report | Not Applicable |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | <ul style="list-style-type: none"> The Project manager is satisfied with the service rendered by Siyazi. | Not Applicable |
| | | MADAN AND SINGH AND ASSOCIATE | | <ul style="list-style-type: none"> The new panel of consultants had been appointed. | Not Applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTERGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> The contractor is approximately 1months behind when compared to the overall original program of works due to existing services, Pitted 160mm diameter sewer pipe, political unrest and delays from the Engineers when verifying construction drawings. On Area L, H and I there is approximately 3770.84m of pipes laid as at the 21st of December 2016. | <ul style="list-style-type: none"> The project is on Schedule when compared to a revised programme of works. |
| | | | | <ul style="list-style-type: none"> The Contractor's contractual performance thus far remains satisfactory. | <ul style="list-style-type: none"> Expenditure is on 52.8% as at the 21st December 2016. |
| SCM 6 OF 15/16 | UPRADE OF ROADS IN ASHBURTON | KULU CIVILS | R 15 017 213.95 | <ul style="list-style-type: none"> As at the 17th of January 2017. the overall progress on site was 56%. Due to the December Shut down progress on site is slow and the fact that However progress on site is behind by 8 weeks since the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that SAP was the reason that the contract was not paid for two (2) months. Expenditure remains at 58%. | 8 weeks behind |
| SCM 9 OF 15/16 | UPGRADE OF SELBI MSIMANG ROAD 5.5 TO 6.5 | MARTIN AND EAST | R 67 783 094010 | <ul style="list-style-type: none"> Site progress inspection was held on site camp on the 12th of January 2017. | <ul style="list-style-type: none"> The project is on Schedule when compared to a revised programme of works. |
| | | | | <ul style="list-style-type: none"> The performance of a contractor meets all the contractual requirements of the contract for phase one of the project. | |
| | | | | <ul style="list-style-type: none"> Progress on site is as follows: | |
| | | | | <ul style="list-style-type: none"> Relocating of Neotel cables. 100% | |
| | | | | <ul style="list-style-type: none"> Electrical substation 100% | |
| | | | | <ul style="list-style-type: none"> Electrical duct. 100% | |
| | | | | <ul style="list-style-type: none"> Telkom 100% | |
| | | | | <ul style="list-style-type: none"> Dark fibre Africa 100% | |
| | | | | <ul style="list-style-type: none"> Water relocation 60% | |
| | | | | <ul style="list-style-type: none"> Storm water 100% | |
| | | | | <ul style="list-style-type: none"> G 10. 80% | |
| | | | | <ul style="list-style-type: none"> G 9. 80% | |
| SCM 32 OF 15/16 | UPGRADING OF DISTRICT ROAD D2069 IN VULINDLELA | KULU CIVILS | R 12 467 629.10 | <ul style="list-style-type: none"> The project is currently on the 3rd month of construction and is expected to be completed by the 10th of April 2017. As the 31th January 2017. There was slow progress on site due to cash flow and labour issues | <ul style="list-style-type: none"> Three months behind. |
| | | | | <ul style="list-style-type: none"> The works on site has been completed | Complete |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> We currently waiting for closeout report from the engineer. | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The contraction of the reservoir has been completed and the reservoir has been tested The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The business unit has asked for SCM unit to prepare a letter to suspend penalties in order for payment to be made to contractor and the consultants | Projects has been suspended |
| | | | | <ul style="list-style-type: none"> The contractor is threatening to take legal action against the Municipality | |
| SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> Contractor is now over 13 weeks behind the schedule | Behind the schedule |
| | | | | <ul style="list-style-type: none"> Only about 8% work has been completed bearing in mind that the project completion date is end of August 2017 | |
| | | | | <ul style="list-style-type: none"> Currently there is no stuff and plant on site due to the contractor not paying the workers and plant that was hired A letter of intention to cancel the contract has been sent to the contract and there has been no response from the contractor. | |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|---|-----------------|---|---------------------------------|
| SCM 11 of 15/16 | UPGRADE OF GRAVEL ROAD TO SURFACE IN VULINDLELA WARD 4 KHAYELIHLE ROAD | KULU CIVILS | R 8 026 630.00 | <ul style="list-style-type: none"> Contractor has finished all the layer works Currently preparing the surface of asphaltting | Behind the schedule |
| SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 13 869 067.19 | <ul style="list-style-type: none"> The contractor is behind the schedule due to delays from Telkom and Eskom not moving their services on site | On schedule |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWV VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> The company commenced its duties in January and the work is underway and no problems. | On Schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> Works commenced and a monthly site meeting was scheduled for Wednesday, to discuss progress on site. | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | <ul style="list-style-type: none"> The project is complete and awaiting for a closeout report | Complete |
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> Penalties are imposed due to poor performance towards completion / finalization of project. Project to be terminated due company negligence to complete the Snag list. Termination letter dated 21 December 2016 was drafted and submitted to the company. No response received from BR Tsimma and Masiqhame JV yet | Penalties imposed |
| SCM 37 OF 14/15 | LESTER BROWN AND THOMAS WATKINS UPGRADE | FYNN'S CONSTRUCTION & DEVELOPERS CC | R20 193 148.06 | <ul style="list-style-type: none"> Overall progress- 41% Land acquisition portion handed over to the contractor Service relocations- 90% Bulk earthworks- 100% Drainage-80% Layerworks-18% G7 layer works in progress- 75% Thomas Watkins SW in progress- 80% | 3 weeks behind |
| SCM 99 of 14/15 | EASTWOOD PRIMARY SUBSTATION | POWERTECH SYSTEMS INTERGRATORS | R23 791 585.00 | <ul style="list-style-type: none"> Items recorded for completion prior to shutdown period were completed Currently proceeding with the internal wet works which will be completed by week beginning 1 February, installation of trench support steelwork to commence week beginning 1 February Currently proceeding with the installation of the sewer and storm water pipe runs. Waterproofing of roof slabs is programmed shortly Sleeves have been installed and roadway layer works have commenced and they expect completion of the roadway by middle of March. | On programme |
| SCM 99 OF 14/15 | EASTWOOD PRIMARY SUBSTATION | POWERTECH SYSTEMS INTERGRATORS | R13 189 652.28 | <ul style="list-style-type: none"> Contractor to submit a revised programme due to the revisions in submitted drawings Internal wet works have been completed and plumbing works have commenced together with painting and transformer bund walls Project manager is satisfied with the works performed by contractor | On schedule. |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|---|-----------------|--|--|
| SCM 37 OF 14/15 | UPGRADE OF LESER BROWN AND THOMAS WATKINS ROADS IN MKONDENI, PIETERMARITZBURG | FYNN'S CONSTRUCTION & DEVELOPERS CC | R20 193 148.06 | <ul style="list-style-type: none"> Overall Progress- 41% Lester Brown Clearance- 100% Bulkearthworks-100% Drainage-88% Layerworks-9% Thomas Watkins Access-100% Clearance-100% Bulk earthworks- 100% Drainage- 40% Layerworks-8% Contractor submitted revised programme taking into account changes to the water reticulation and progress to date Contractor brought on soil stabilizer/ road recycler machine to speed up layer works. | 3 weeks behind current approved programme |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> The company commenced its duties in January and the work is underway and no problems. | On Schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> There is a slow progress on this site which one cannot measure due to problems that are faced by this project. | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | <ul style="list-style-type: none"> The project is complete and awaiting for a closeout report | Complete |
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> Termination letter dated 21 December 2016 was drafted and submitted to the company. No response received from BR Tsimas and Masiqhame JV | Penalties imposed |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | <ul style="list-style-type: none"> The new panel of consultants had been appointed. | Not Applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTEGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> The contractor is approximately 1months behind when compared to the overall original program of works due to existing services, Pitted 160mm diameter sewer pipe, political unrest and delays on existing services. On Area I,J and K there is approximately 4237084m of pipes laid and tested as at the 14th of February 2017 The Contractor's contractual performance thus far remains satisfactory. | <p>The project is on Schedule when compared to a revised programme of works.</p> <p>Expenditure is on 52.6% as at the 14th February 2017</p> |
| SCM 6 of 15/16 | Upgrade of roads in Ashburton | Kulu Civils | R 15 017 213.95 | <ul style="list-style-type: none"> As at the 14th of February 2017 .the overall progress on site was 56%. There is no progress on site since the last meeting we had on the 17th of January 2017 The progress on site is behind by 12 weeks since the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that the Contractor was paid more than 2 million in December and that nonpayment is not the reason why the contractor is not performing on site. The project is closely monitored by the Project manager and the engineer since the contract is under performing. The contractor is also falling the pay his employees and sub-contractor, which resulted to work stoppage. Expenditure remains at 58%. | 8 weeks behind |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|---|--|-----------------|--|---|
| SCM 9 of 15/16 | Upgrade of Selbi Msimang Road 5.5 to 6.5 | Martin and East | R 85 000000.00 | <ul style="list-style-type: none"> Site progress meeting was held on site camp on the 03rd of February 2017. The performance of a contractor meets all the contractual requirements of the contract for phase one of the project. Phase 1 (Mixed Traffic LHS) – 87% complete Phase 2 (BRT) – 47% Complete Phase 3 (Mixed Traffic RHS) – 1% complete Overall percentage complete is 43% Progress on site is as follows: Relocating of Neotel cables. 100% Electrical substation 100% Electrical duct. 100% Telkom 100% Dark fibre Africa 100% Water relocation 60% Storm water 100% G 10. 100% G 9. 100% G 7 100% Site Clearance 100% Earthworks 100% Retaining wall 100% | The project is on Schedule when compared to a revised programme of works. |
| SCM 32 of 15/16 | Upgrading of District Road D2069 in Vulindlela | Kulu Civils | R 12 467 629.10 | <ul style="list-style-type: none"> The project is currently on the 4th month of construction and is expected to be completed by the 10th of April 2017. As the 23 February 2017. Progress on site is very slow due to cash flow and labour issues. The contractor is not serious about this project he always makes empty promise and he made mention that other projects that he was awarded by the municipality are the reason why he is delaying the works on site, due to non-payment from the municipality. The community is experiencing difficulties when accessing their houses due to excavations done by the contractor. The project is now being closely monitored due to non-performance by the contractor. | Four months behind Programme. |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed We currently waiting for closeout report from the engineer. | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The contraction of the reservoir has been completed and the reservoir has been tested The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The penalties on the project have been waived The Business unit is preparing payment to the contractor and the consultants. | Projects has been suspended |
| SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> The contractor is back on site but is still behind the schedule Contractor has engaged the services of a subcontractor in order to accelerate progress on site | Behind the schedule |
| SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 13 869 067.19 | <ul style="list-style-type: none"> The contractor is behind the schedule due to delays from Telkom and Eskom not moving their services on site A variation is scheduled to be tabled in BAC for approval of R 1 000 000 needed to remove services for ESKOM | On schedule |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | <ul style="list-style-type: none"> The Project manager is satisfied with the service rendered by Siyazi. | Not Applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTERGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> The Contractor's contractual performance thus far remains satisfactory. | Expenditure is on 52.6% as at the 14th March 2017 |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|---|-----------------|---|---|
| SCM 6 OF 15/16 | UPRADE OF ROADS IN ASHBURTON | KULU CIVILS | R 15 017 213.95 | <ul style="list-style-type: none"> As at the 22nd of March 2017 .the overall progress on site was 56%. The progress is slow since the contract between Gestion Engineers and council has expired. The progress on site is behind by 14 weeks since the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that the Contractor was paid more than 2 million in December and that nonpayment is not the reason why the contractor is not performing on site. Other delays are coursed by laborers and subcontractors due to nonpayment by the main contractor. The project is closely monitored by the Project manager from the roads department and the SCM Monitoring officer since the e engineer is off site. Expenditure remains at 58%. | 10weeks behind |
| SCM 9 OF 15/16 | UPGRADE OF SELBI MSIMANG ROAD 5.5 TO 6.5 | MARTIN AND EAST | R 85 000000.00 | <ul style="list-style-type: none"> Site progress meeting was held on site camp on the 15th of March2017. The performance of a contractor meets all the contractual requirements of the contract for phase one of the project. Phase 1 (Mixed Traffic LHS) – 92% complete Phase 2 (BRT) – 60% Complete Phase 3 (Mixed Traffic RHS) – 36% complete Overall percentage complete is 62% Progress on site is as follows: Relocating of Neotel cables. 100% Electrical substation 100% Electrical duct. 100% Telkom 100% Dark fibre Africa 100% Water relocation 60% Storm water 100% G 10. 100% G 9. 100% G 7 100% Site Clearance 100% Earthworks 100% Retaining wall 100% | The project is on Schedule when compared to a revised programme of works. |
| SCM 32 OF 15/16 | UPGRADING OF DISTRICT ROAD D2069 IN VULINDLELA | KULU CIVILS | R 12 467 629.10 | <ul style="list-style-type: none"> There is minimal progress on site for the month of March. However the residence Engineer confirmed that there is 99% of SW pipes that have been completed and the contractor has committed to complete all works and accelerate the programme to expedite progress. The contractor is working in the 5th month of the 6th month contract. It had been noted that the contractor is 4.5 months behind schedule with a progress of 7%. The Ward 2 Sweetwater's community has issued a letter to the Contractor with regards to their concerns of slow progress on site, together with to road not being accessible to them. The Engineer has issued a letter of non-conformance to the contractor The Msunduzi Municipality Mayor also visited the site and required in writing and showing how the works will be accelerated. The project is now being closely monitored due to non-performance by the contractor. | Five months behind Progress. |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> The company commenced its duties in January and the work is underway and no problems. | On Schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> There is a slow progress on this site which one cannot measure due to problems that are faced by this project. | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | <ul style="list-style-type: none"> The project is complete and awaiting for a closeout report | Complete |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|--|-----------------|--|---|
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> Termination letter dated 21 December 2016 was drafted and submitted to the company. No response received from BR Tsimah and Masiqhame JV | Penalties imposed |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed We currently waiting for closeout report from the engineer. | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The contraction of the reservoir has been completed and the reservoir has been tested The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The penalties on the project have been waived The Business unit is preparing payment due to the contractor and the consultants. | Projects has been suspended |
| SCM 13 OF 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> The contractor is back on site but is still behind the schedule The progress is very slow Contractor has engaged the services of a subcontractor in order to accelerate progress on site | Behind the schedule |
| SCM 11 OF 15/16 | UPGRADE OF GRAVEL ROAD TO SURFACE IN VULINDLELA WARD 4 KHAYELIHLE ROAD | KULU CIVILS | R 8 026 630.00 | <ul style="list-style-type: none"> Progress on site is very low and there is a low commitment by the contractor to complete the project | Behind the schedule |
| SCM 23 OF 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 13 869 067.19 | <ul style="list-style-type: none"> The contractor is behind the schedule due to delays from Telkom and Eskom not moving their services on site Progress is behind the schedule | Behind the schedule |
| SCM 37 OF 14/15 | LESTER BROWN AND THOMAS WATKINS UPGRADE | FYNN'S CONSTRUCTION & DEVELOPERS CC | R20 215 268.74 | <ul style="list-style-type: none"> Overall progress- 48% G7 layer works in progress-80% Storm water progress- 95% Stabilized lower sub base- 0% Subsoil Drainage-0% Contractor submitted notification to suspend works due to non-payment of payment certificates Contractor unable to carry on with works due to cash flow restraints Delays to the project expected due to finance | 2 weeks behind |
| SCM 96 OF 14/15 | NORTHDALE SUBSTATION 132KV AND 11KV UPGRADE | IMBAWULA TECHNICAL SERVICES | R 3 928 268.71 | <ul style="list-style-type: none"> Progress Transformer T1 98%. Progress Transformer T2 15% Total 87% Waiting for the construction and completion of Plinths for CT's on Transformer Bay 2 once Transformer 1 has been commissioned. Cable tray from Control room to Switch room has been installed 100%. Auxiliary cable termination has been done. Transformer 2 control cable installation preparation in progress. Additional DC board installation and DC cable terminations in progress. | On programme |
| SCM 99 OF 14/15 | EASTWOOD PRIMARY SUBSTATION | POWERTECH SYSTEMS INTERGRATORS | R23 791 585.00 | <ul style="list-style-type: none"> Internal painting is continuing and the transformer bund walling is nearing completion Balance of works relating to transformer bunds and the trenches will be completed by end of March Macwin to leave site for two weeks as allowed for in the contract BOQ To continue with the cable trenches and roadways because leaving site for two weeks will impact progress severely. | On programme |
| SCM 26 OF 12/13 | RAPID PUBLIC TRANSPORT NETWORK | SIYAZI TRANSPORTATION SERVICES DEVELOPMENT (PTY) LTD | R 26 358 802.00 | <ul style="list-style-type: none"> The Project manager is satisfied with the service rendered by Siyazi. | Not Applicable |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTERGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> The Contractor's contractual performance thus far remains satisfactory. | <ul style="list-style-type: none"> Expenditure is on 52.6% as at the 11 April 2017 |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|----------------------------------|-----------------|---|---|
| SCM 6 of 15/16 | Upgrade of roads in Ashburton | Kulu Civils | R 15 017 213.95 | <ul style="list-style-type: none"> As at the 22nd of April 2017 .the overall progress on site was 58%. The progress is slow since the contract between Gestion Engineers and council has expired. Since the contract with the consultant had expired technical meetings have been at halt. The progress on site is behind by 14 weeks since the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that the Contractor was paid more than 2 million in December and that nonpayment is not the reason why the contractor is not performing on site. Other delays are coursed by laborers and subcontractors due to nonpayment by the main contractor. The project is closely monitored by the Project manager from the roads department and the SCM Monitoring officer since the e engineer is off site. Expenditure remains at 58%. | 10weeks behind |
| SCM 9 of 15/16 | Upgrade of Selbi Msimang Road 5.5 to 6.5 | Martin and East | R 85 000000.00 | <ul style="list-style-type: none"> Site progress meeting was held on site camp on the 15th of March2017. The performance of a contractor meets all the contractual requirements of the contract for phase one of the project. Phase 1 (Mixed Traffic LHS) – 87% complete Phase 2 (BRT) – 67% Complete Phase 3 (Mixed Traffic RHS) – 36% complete Overall percentage complete is 62% Progress on site is as follows: Relocating of Neotel cables. 100% Electrical substation 100% Electrical duct. 100% Telkom 100% Dark fibre Africa 100% Water relocation 60% Storm water 100% G 10. 100% G 9. 100% G 7 100% Site Clearance 100% Earthworks 100% Retaining wall 100% | The project is on Schedule when compared to a revised programme of works. |
| SCM 32 of 15/16 | Upgrading of District Road D2069 in Vulindlela | Kulu Civils | R 12 467 629.10 | <ul style="list-style-type: none"> There is minimal progress on site for the month of April. However, the contractor has committed to complete all works and accelerate the programme to expedite progress. The contractor is working in the 6th month of the 6th month contract. It had been noted that the contractor is 5.5 months behind schedule with a progress of 9%.The Engineer has request that the contractor submits a revised programme of works no 7 since the contractor is working on the unapproved programme together with an Action Plan The Msunduzi Municipality Mayor also visited the site and required in writing and showing how the works will be accelerated. The project is now being closely monitored due to non-performance by the contractor. | Five months behind Progress. |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed We currently waiting for closeout report from the engineer. | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The contraction of the reservoir has been completed and the reservoir has been tested The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> Project has been suspended due to lack of funds | Projects has been suspended |
| SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> The progress is very slow on site Contractor has engaged the services of a subcontractor in order to accelerate progress on site | Behind the schedule |
| SCM 11 of 15/16 | UPGRADE OF GRAVEL ROAD TO SURFACE IN VULINDLELA WARD 4 KHAYELIHLE ROAD | KULU CIVILS | R 8 026 630.00 | <ul style="list-style-type: none"> Progress on site is very low and there is a low commitment by the contractor to complete the project | Behind the schedule |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|---|-----------------|---|--|
| SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 13 869 067.19 | <ul style="list-style-type: none"> The contractor is behind the schedule due to delays from Telkom and Eskom not moving their services on site | Behind the schedule |
| SCM 32 OF 11/12 | SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF A VEHICLE MONITORING, TRACKING AND VEHICLE MANAGEMENT SYSTEM | EWC VEHICLE COMMUNICATION | R13 212 354.64 | <ul style="list-style-type: none"> The company commenced its duties in January and the work is underway and no problems. | On Schedule |
| SCM 65 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 16, EDENDALE | NATAL RICHARDSBAY HIRE CC T/A NRB CONSTRUCTION AND HIRE | R 35 497 453.38 | <ul style="list-style-type: none"> The total pipe laid for Areas B, D & E is 6390m and total manholes constructed for Areas B, and D & E is 193 manholes. Sizakala has been approved as a sub-contractor and started working on site January 2017. | Slow movement & behind schedule |
| SCM 68 OF 13/14 | REHABILITATION / REPLACEMENT OF DEFECTIVE SEWER RETICULATION : PHASE 1 | TTI / MARTIN AND EAST JV | R21 273 797.82 | <ul style="list-style-type: none"> The project is complete and awaiting for a closeout report | Complete |
| SCM 61 OF 13/14 | REALIGNMENT AND WIDENING OF THWALA ROAD | BR TSIMA AND MASIQHAME JV | R10 000 000 | <ul style="list-style-type: none"> Termination letter dated 21 December 2016 was drafted and submitted to the company. No response received from BR Tsimah and Masiqhame JV | Penalties imposed |
| SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE | ACTUS INTERGRATED MANAGEMENT (PTY) LTD | R 50 605 985.10 | <ul style="list-style-type: none"> The contractor is approximately 1months behind when compared to the overall original program of works due to existing services, Pitted 160mm diameter sewer pipe, political unrest and delays on existing services. On Area H, I, J and K there is approximately 12105 m of pipes laid and tested, Accumulative length of erf connection installed from the commencement date is 1404.2. The number of Erf connections is 279and 404of Terminal manholes that have been constructed as at the 12Th of May 2017. The Contractor's contractual performance thus far remains satisfactory. | <ul style="list-style-type: none"> The project is on Schedule when compared to a revised programme of works. Expenditure is on 52.6% as at the 12 May 2017 |
| SCM 6 OF 15/16 | UPRADE OF ROADS IN ASHBURTON | KULU CIVILS | R 15 017 213.95 | <ul style="list-style-type: none"> As at the 16th of May 2017 .the overall progress on site was 58%. The progress is slow since the contract between Gestion Engineers and council has expired. Since the contract with the consultant had expired technical meetings have been at halt. The progress on site is behind by 14 weeks since the contractor had abandon the site due to non-payment from the municipality, the project manager mentioned that the Contractor was paid more than 2 million in December and that nonpayment is not the reason why the contractor is not performing on site. Other delays are coursed by laborers and subcontractors due to nonpayment by the main contractor. The project is closely monitored by the Project manager from the roads department and the SCM Monitoring officer since the e engineer is off site. Expenditure remains at 58%. | 10 weeks behind |

| CONTRACT NO | DESCRIPTION | CONTRACTOR'S NAME | CONTRACT AMOUNT | PERFORMANCE STATUS | CONTRACT STATUS |
|-----------------|--|-------------------------------------|-----------------|--|---|
| SCM 9 of 15/16 | UPGRADE OF SELBI MSIMANG ROAD 5.5 TO 6.5 | MARTIN AND EAST | R 85 000000.00 | <ul style="list-style-type: none"> Site progress meeting was held on site camp on the 18th of May 2017. The performance of a contractor meets all the contractual requirements of the contract for phase one of the project. Phase 1 (Mixed Traffic LHS) – 87% complete Phase 2 (BRT) – 67% Complete Phase 3 (Mixed Traffic RHS) – 36% complete Overall percentage complete is 62% Progress on site is as follows: Relocating of Neotel cables. 100% Electrical substation 100% Electrical duct. 100% Telkom 100% Dark fibre Africa 100% Water relocation 60% Storm water 100% G 10. 100% G 9. 100% G 7 100% Site Clearance 100% Earthworks 100% Retaining wall 100% | <ul style="list-style-type: none"> The project is on Schedule when compared to a revised programme of works. |
| SCM 32 of 15/16 | UPGRADING OF DISTRICT ROAD D2069 IN VULINDLELA | KULU CIVILS | R 12 467 629.10 | <ul style="list-style-type: none"> There is minimal progress on site for the month of April. However, the contractor has committed to complete all works and accelerate the programme to expedite progress. The contractor is working in the 7th month of the 6th month contract. It had been noted that the contractor is 6 months behind schedule with a progress of 9%. The Engineer has request that the contractor submits a revised programme of works no 7 since the contractor is working on the unapproved programme together with an Action Plan The Msunduzi Municipality Mayor also visited the site and required in writing and showing how the works will be accelerated. The project is now being closely monitored due to non-performance by the contractor. | <ul style="list-style-type: none"> Six months behind Progress. |
| SCM77 OF 13/14 | RELOCATION OF BULK WATER FEEDER MAINS | ESCOR CONSTRUCTION | R 12 091 673.17 | <ul style="list-style-type: none"> The works on site has been completed The water mains has been filled with water | Complete |
| SCM 78 OF 13/14 | CONSTRUCTION OF 10ML RESERVOIR: MASONS | NOTTS PROJECTS | R 18 030 143.00 | <ul style="list-style-type: none"> The reservoir has been filled with water The construction of Access road has been completed | Waiting for completion certificate from the Engineer |
| SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER | ZETHEMBE MAINTENANCE AND GENERAL | R 12 736 206.83 | <ul style="list-style-type: none"> The contractor has been paid for works that was done on site but the project is not complete and it has been suspended due to lack of funding | Projects has been suspended |
| SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5 | KULU CIVIL'S | R 92 000 000.00 | <ul style="list-style-type: none"> The contractor is on site and is behind the schedule The progress is improving after intervention from Supply Chain and the Engineers Contractor has engaged the services of a subcontractor in order to accelerate progress on site | Behind the schedule |
| SCM 11 of 15/16 | UPGRADE OF GRAVEL ROAD TO SURFACE IN VULINDLELA WARD 4 KHAYELIHLE ROAD | KULU CIVILS | R 8 026 630.00 | <ul style="list-style-type: none"> This project has reached practical completion. A meeting has been scheduled to discuss the snag list | Practical completion achieved |
| SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE | FYNNS CONSTRUCTION | R 13 869 067.19 | <ul style="list-style-type: none"> The contractor is behind the schedule due to delays from Telkom and Eskom not moving their services on site Progress is behind the schedule | Behind the schedule |
| SCM 37 OF 14/15 | LESTER BROWN AND THOMAS WATKINS UPGRADE | FYNN'S CONSTRUCTION & DEVELOPERS CC | R20 193 148.06 | <ul style="list-style-type: none"> This project was previously suspended due to lack of funds and now the contractor has been called back to site funds have been identified | 3 weeks behind |
| SCM 99 of 14/15 | EASTWOOD PRIMARY SUBSTATION | POWERTECH SYSTEMS INTERGRATORS | R23 791 585.00 | <ul style="list-style-type: none"> Internal wet works has been completed installation of trench support steelwork has been completed The installation of the sewer and storm water pipe runs has been completed Waterproofing of roof slabs is on progress Sleeves have been installed and roadway layers are on progress | On programme |

| EMPLOYEE: SUPPLY CHAIN MANAGEMENT | | | | | |
|-----------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 17 | 10 | 9 | 1 | 10 |
| T04-T08 | 16 | 29 | 20 | 9 | 31 |
| T09-T13 | 17 | 38 | 28 | 10 | 26 |
| T14-T18 | 3 | 3 | 3 | 0 | 0 |
| T19-T22 | 1 | 1 | 1 | 0 | 0 |
| T23-T25 | 0 | - | - | - | - |
| Total | 54 | 81 | 61 | 20 | 25 |

| FINANCIAL PERFORMANCE 2016/2017: SUPPLY CHAIN MANAGEMENT | | | | | |
|--|---------------|-----------------|-------------------|---------------|----------------------|
| R'000 | | | | | |
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget% |
| Total Operational Revenue (excl. tariffs) | 682 | 507 | 507 | 627 | 23.67% |
| Expenditure: | | | | | |
| Employees | 20,061 | 22,315 | 26,066 | 24,907 | -4.45% |
| Repairs and Maintenance | 339 | 308 | 308 | 147 | -52.27% |
| Other | 38,111 | 38,392 | 36,974 | 30,880 | -16.48% |
| Total Operational Expenditure | 58,511 | 61,015 | 63,348 | 55,934 | -11.70% |
| Net operational (Service) Expenditure | 57,829 | 60,508 | 62,841 | 55,307 | -11.99% |

| CAPITAL EXPENDITURE: FINANCIAL SERVICES | | | | | |
|---|------------|-------------------|--------------------|-----------------------|---------------------|
| R'000 | | | | | |
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Budget % | Total Project Value |
| Total All | 110 | 364 | 362 | -0.55% | |
| Plant and Equipment | 30 | 32 | 30 | -6.25% | 30 |
| Furniture | 80 | 100 | 100 | 0.00% | 100 |
| Computer Equipment | - | 98 | 98 | 0.00% | 98 |
| Transport Assets | 0 | 134 | 134 | 0.00% | 134 |

COMMENT ON THE PERFORMANCE OF SUPPLY CHAIN MANAGEMENT OVERALL:

In terms of circular 77 issued by National Treasury the municipalities are required to establish the infrastructure SCM Policy with effect from 1 July 2017

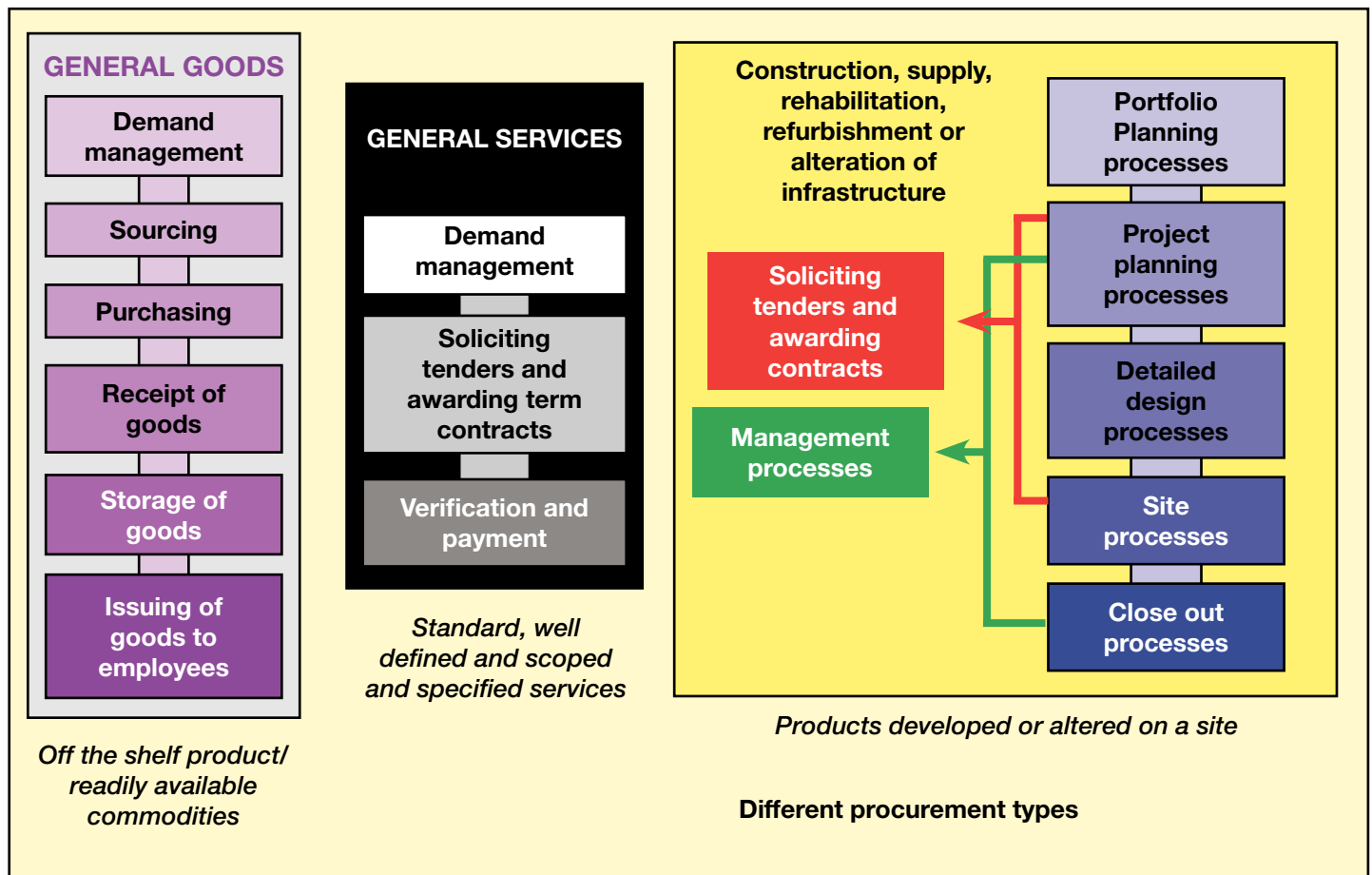
Upon the above instruction the Msunduzi Municipality Supply Chain Management Policy has now adopted and divided its SCM Policy into two policies, one focuses on Goods and Services and the other on Infrastructure Procurement and Delivery Management

The SCM Policy for Goods and Services which is PART 1 of this document is issued in terms of Section 111 of the Municipal Finance Management Act of 2003 and Municipal Supply Chain Management Regulations. The approach to procurement documentation is significantly different between general goods and services and infrastructure delivery. Documents for general goods and services, are based on the National Treasury General Conditions of Contract (GCC) which focuses on the rights and obligations of the parties in a generic manner and also deals with aspects of the bidding processes.

The SCM Policy for Infrastructure Procurement and Delivery Management which is PART 2 is issued in terms of Section 168 of the Municipal Finance Management Act of 2003 in support of Regulation 3(2) of the MFMA Supply Chain Management Regulations as a Treasury guideline determining a standard for municipal supply chain management policies. MFMA Circular No 77: Model SCM Policy for Infrastructure Procurement and Delivery Management provides guidance to municipalities on the establishment of a suitable supply chain management system for infrastructure delivery which is better able to deliver value for money, while minimizing the scope for corruption.

Public procurement that is unrelated to infrastructure delivery typically relates to goods and services that are standard, well-defined and readily scoped and specified. Once purchased, goods invariably need to be taken into storage prior to being issued to employees.

Services most often involve routine, repetitive services with well understood interim and final deliverables which do not require strategic inputs or require decisions to be made regarding the fitness for purpose of the service outputs.



In contrast, procurement relating to the provision of new infrastructure or the rehabilitation, refurbishment or alteration of existing infrastructure covers a wide and diverse range of goods and services, which are required to provide or alter the condition of immovable assets on a site. Accordingly, the procurement process for the delivery of infrastructure involves the initial and subsequent recurring updating of planning processes at a portfolio level flowing out of an assessment of public sector service delivery requirements or business needs. Thereafter it involves planning at a project level and the procurement and management of a network of suppliers, including subcontractors, to produce a product on a site.

There is no need to store and issue materials or equipment unless these are issued to employees responsible for the maintenance or operation of infrastructure, or are issued free of charge to contractors for incorporation into the works.

Procurement is the process which creates, manages and fulfils contracts. Procurement deals with activities surrounding contracts. Such processes focus on establishing what is to be procured, developing a procurement strategy, producing procurement documentation, soliciting and evaluating bid offers, awarding of contracts and administering contracts. On the other hand, supply chain management (SCM) is the design, planning, execution, control and monitoring of supply chain activities in the delivery of goods, services or any combination thereof. Supply chains comprise all those public and private entities that are involved in delivering the inputs, outputs and outcomes of projects. Accordingly, supply chain management is concerned with the oversight, co-ordination and monitoring of inputs, outputs and outcomes of projects from the various entities within a supply chain.

Infrastructure is defined as "immovable assets which are acquired, constructed or which results from construction operations or moveable assets which cannot function independently from purpose built immovable assets" while infrastructure delivery is defined as "the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure." Accordingly, infrastructure delivery management contextualizes the supply chain management system for infrastructure.

Understandably, there are several overlaps between the supply chain management system for general goods and services and that for infrastructure delivery management. However, the inclusion of control frameworks in the Standard for Infrastructure Procurement and Delivery Management is aimed at expenditure control and a reduction in the gap between what is planned and budget for and what is delivered to ensure that value for money is achieved.

The primary purpose of this document is to embed an infrastructure delivery management system for Msunduzi Municipality which is aligned with the regulatory framework for public sector procurement, supply chain management and expenditure control. It also enables the National Treasury Standard for Infrastructure Procurement and Delivery Management to be implemented.

It is pleasing that the municipality has adopted and implementing the infrastructure procurement policy and the relevant SCM committees are now in place and operating as required.

4.4. FLEET MANAGEMENT

INTRODUCTION TO FLEET MANAGEMENT

Overview of Fleet Management

Fleet Management is the sub-unit of Asset and Liabilities under Budget and Treasury Business unit and its core function is to purchase, manage, monitor and dispose the Council's fleet. Fleet Management is divided into two (2) sub-sections namely: Fleet Administration and Fleet Control.

Strategic objectives of these sub-sections are:

Fleet Administration is responsible for budgeting, vehicle licensing, service plan, certificate of road worthiness, capturing job cards, CAMIS (vehicle history information) and auditing of keys and log books capturing and re-directing traffic fines.

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 1st 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, a total of 78 vehicles and plant were purchased for the various business units.

Fleet policy: The policy was adopted by the full Council on the 26 September 2012. Implementation started thereof and number of business units were work shopped 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 ongoing process. The policy is up for review and that process is in progress.

| FLEET MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | | |
|---|--|----------------------------|--|------|---|---|------------------------------------|---|--------------------------|------------------------------------|---|
| 2016/2017 | | | | | | | | 2015/2016 | | | 2017/2018 |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET |
| FLT 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Vehicle corporate branding | Branding of Council vehicles and plant | ALL | 100 x Council vehicles to be branded by the 30th of June 2017 | 101 x Council vehicles to be branded by the 30th of June 2017 | 3 (100% - 129%) | 87 x Council vehicles and plant to be branded by 31st of March 2016 | 11 vehicles were branded | 1 (69% & below) | 100 x Council vehicles and plant to be branded by the 30th of June 2018 |

| EMPLOYEE: FLEET MANAGEMENT | | | | | |
|----------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 21 | 51 | 25 | 26 | 51 |
| T04-T08 | 30 | 14 | 8 | 6 | 43 |
| T09-T13 | 23 | 28 | 17 | 11 | 39 |
| T14-T18 | 4 | 1 | 0 | 1 | 100 |
| T19-T22 | - | - | - | - | - |
| T23-T25 | - | - | - | - | - |
| Total | 78 | 94 | 50 | 44 | 47 |

| FINANCIAL PERFORMANCE 2016/2017: FLEET MANAGEMENT | | | | | |
|---|---------------|-----------------|-------------------|---------------|----------------------|
| R'000 | | | | | |
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget% |
| Total Operational Revenue (excl. tariffs) | - | - | - | - | 0.00% |
| Expenditure: | | | | | |
| Employees | 5,436 | 6,874 | 7,367 | 6,892 | -6.45% |
| Repairs and Maintenance | 2,896 | 3,365 | 3,365 | 2,492 | -25.94% |
| Other | 15,638 | 22,756 | 22,252 | 17,570 | -21.04% |
| Total Operational Expenditure | 23,970 | 32,995 | 32,984 | 26,954 | -18.28% |

| FINANCIAL PERFORMANCE 2016/2017: FLEET MANAGEMENT | | | | | |
|---|-----------|-----------------|-------------------|--------|----------------------|
| R'000 | | | | | |
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Budget% |
| Net operational (Service) Expenditure | 23,970 | 32,995 | 32,984 | 26,954 | -18.28% |

| CAPITAL EXPENDITURE: FLEET MANAGEMENT | | | | | |
|---------------------------------------|--------|-------------------|--------------------|-----------------------|---------------------|
| R'000 | | | | | |
| 2016/2017 | | | | | |
| Details | Budget | Adjustment Budget | Actual Expenditure | Variances to Budget % | Total Project Value |
| Total All | 0 | 0 | 0 | 0.00% | |

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. Vehicle maintenance costs are high due to ageing fleet.

5. COMPONENT E: CORPORATE SERVICES

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

5.1. HUMAN RESOURCES SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The allocation of permanent employees to the new organizational structure was informed by Allocation Policy. The allocation of the employees was done by matching the job description of the post per the structure with the skills/competencies, qualifications, experience and existing job content of the employees. In 2014/15 financial year, Corporate Services conducted an HR and Qualifications Audit of all permanent employees, this data, together with that from the job descriptions was extracted to an allocation tool, facilitating the employee / position match.

The finalization of the allocation of permanent employees to the new structure provided the impetus for the permanent absorption of 1113 contract employees, those earning below the threshold of R172 000 per annum, and contracted within the Municipality for a period greater than three months, in compliance with the Basic Conditions of Employment Bill.

In terms of the provisions of the Staff Allocation Policy, the process of advertising new posts and major changed posts internally was initiated in the 2016/2017 financial year.

Occupational Health and Safety facilitated workshops with employees to communicate and understanding of related policies. Continued Health Education within the Occupational Health Clinics culminated in two mini wellness days being conducted.

| HUMAN RESOURCES OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|-----------------------|---|------|--|---|------------------------------------|---|--|
| 2016/2017 | | | | | | | | | |
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1:2,3,4,5, Not Applicable) | ANNUAL TARGET | 2017/2018 ANNUAL TARGET |
| HR 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Workplace Skills plan | Implementation of the Workplace Skills Plan | N/A | 60 x Councilors trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 27 Councilors were trained in line with the 2016/17 Workplace Skills Plan | 1 (69% & below) | 1100 Employees & Councilors trained according to the Workplace skills plan by the 30th of June 2016 | 100% of employees trained according to the approved 17/18 FY Workplace Skills Plan by the 30th of May 2018 |
| HR 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Workplace Skills plan | Implementation of the Workplace Skills Plan | N/A | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1 (69% & below) | 1171 Employees & Councilors trained according to the Workplace skills plan by the 30th of June 2016 | 100% (R7 598392) spent on WSP by the 30th of June 2018 |

| HUMAN RESOURCES OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|------------------------------|------------------------------|------|---|--|------------------------------------|--|--|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | | 2017/2018 ANNUAL TARGET |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | |
| HR 08 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Health and Safety | Capacity Building | N/A | 8 x Occupational Safety and Environmental Policy Workshops facilitated by the 30th of June 2017 | 9 Occupational Safety and Environmental Policy Workshops held on the 29 July 2016; 1 September 2016; 25 October 2016; 8 November 2016; 17 February 2017; 29 March 2017; 7 April 2017; 13 June 2017 and 15 June 2017. | 3 (100% - 129%) | 4 x Health and Safety Management Framework workshops | "6 x Occupational Health and Safety Risk Assessment Developments facilitated for prioritized sub-units as per approved Plan by the 30th June 2018" |
| HR 09 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Occupational Health & Safety | Employee wellness day events | N/A | 2 x Mini Employee Wellness Day events held by the 30th of June 2017 | 2 x Mini Employee Wellness Day events held by the 30th of June 2017 | 3 (100% - 129%) | 2 x Employee Wellness Day events held | 2 x Employee Wellness Events (health investigations / assessments) facilitated by the 30th of June 2018 |

| EMPLOYEE: HUMAN RESOURCES SERVICES | | | | | |
|------------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2016/2017 | | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 3 | 6 | 2 | 4 | 67 |
| T04-T08 | 17 | 60 | 33 | 27 | 45 |
| T09-T13 | 19 | 58 | 30 | 28 | 48 |
| T14-T18 | 10 | 11 | 3 | 8 | 73 |
| T19-T22 | 1 | 1 | 1 | 0 | 0 |
| T23-T25 | - | - | - | - | - |
| Total | 50 | 136 | 69 | 67 | 49 |

| FINANCIAL PERFORMANCE 2016/2017: HUMAN RESOURCES SERVICES (501/038/103/346/525/530) | | | | | |
|---|-----------|--|-----------------|-----------------|--------------------------------|
| Details | 2015/2016 | | 2016/2017 | | |
| | Actual | | Original Budget | Adjusted Budget | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | - | | -4 440 | -1 399 | -173% |
| Expenditure: | | | | | |
| Employees | 48 | | 43 088 | 85 632 | 3.2% |
| Repairs and Maintenance | | | 156 | 151 | -86% |
| Other | -40 | | 107 020 | 27 982 | -22% |
| Total Operational Expenditure | 7 | | 150 264 | 113 765 | -3% |
| Net operational (Service) Expenditure | 7 | | 145 824 | 111 209 | -1% |

NOTE 1

| OTHER COMPRISES OF THE FOLLOWING : | | | |
|------------------------------------|-----------------|-----------------|--------------------|
| R'000 | | | |
| | Original Budget | Adjusted Budget | Actual Expenditure |
| NONF:MRC | 2 228 | 2 878 | 445 |
| LEVS : MRC | 103 166 | 65 282 | 62 995 |
| MSE:AH:MRC | 1626 | 6 | 101 |
| PPE | 0 | 0 | -7 |
| TOTALS | 107 020 | 27 982 | 21 773 |

| CAPITAL EXPENDITURE: HUMAN RESOURCES SERVICES R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 0 | 186 | 186 | 0% | |
| MACHINERY AND EQUIPMENT (501) 501(501)(501)FURNITURE AND OFFICE EQUIP | 0 | 28 | 28 | 0% | 68 |
| FURNITURE (501) | | 133 | 133 | 0% | |
| Project B – (530) FURNITURE AND OFFICE | 0 | 25 | 25 | 0% | 25 |

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The HR priority Capital Project in 2016/2017 financial year saw the implementation of SAP HCM, presenting the potential for improved employee reporting, absence and benefit maintenance.

The lack of budgetary provision for internship and bursaries meant that these internal annual projects were not implemented in the 2016/2017 financial year. The Internship programme was however supplemented in partnership and workplace placement of externally funded learners. Training numbers planned were impacted by delays in the internal procurement and approval processes due to the lack of suitable providers sourced. These delays caused funding provision for the appointment of training providers to become exhausted and the training planned will hereafter only be implemented in the 2017/2018.

5.2. INFORMATION & COMMUNICATION TECHNOLOGY SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

As the implementation of the of the new Enterprise Resource Planning (ERP) system using SAP was gathering momentum as more and more SAP modules were going live, ICT needed to upgrade and enhance its infrastructure and get it ready for the smooth roll-out and provide a good user experience.

As the results, during the 2016/17 financial year, ICT had a capital budget injection of R22 million to spend on upgrading and modernising its infrastructure and getting it ready for the full SAP implementation. The following projects were realized during this financial year are as follows;

1. Continue with the replacement of Telkom copper cables with high speed fibre to enable high speed data transfer and connectivity at the following offices, Fresh Market, Harry Gwala Stadium, Parks and Traffic Department (21 Washington Road).
2. Replacement of more than 120 computers with new ones;
3. Specialised VMWARE operating system software and licenses;
4. Metro Cluster Storage Area Network (SAN) Project. This ICT Flagship project was necessitated by the SAP ERP project in order to provide high speed data transfer and enough data storage capacity for the next 5 years. In addition to that, by implementing this Metro Cluster SAN, it enabled ICT to comply with Audit Requirements in terms of Business Continuity Planning (BCP) where ICT needed to demonstrate the ability to continue operating during a disaster without losing any data.

ICT SERVICE STATISTICS

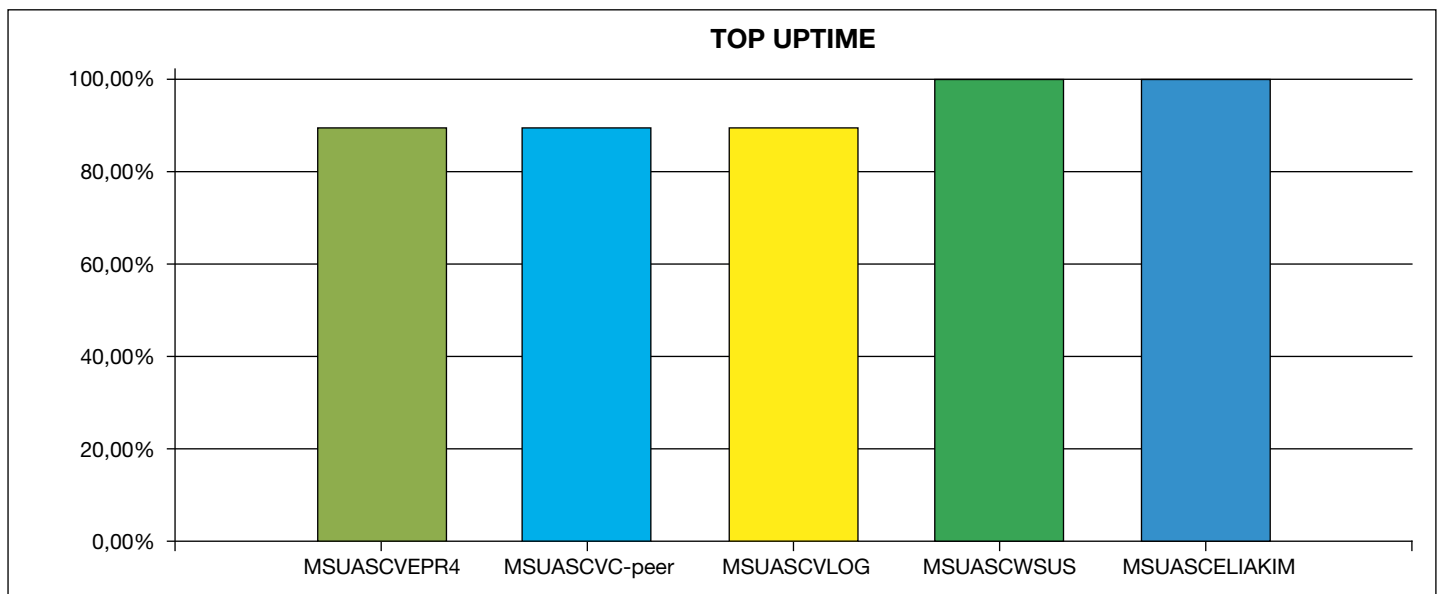
VM SERVERS UPTIME

Description: This report provides an overview of VMs uptime including VMs with lowest and highest uptime values.

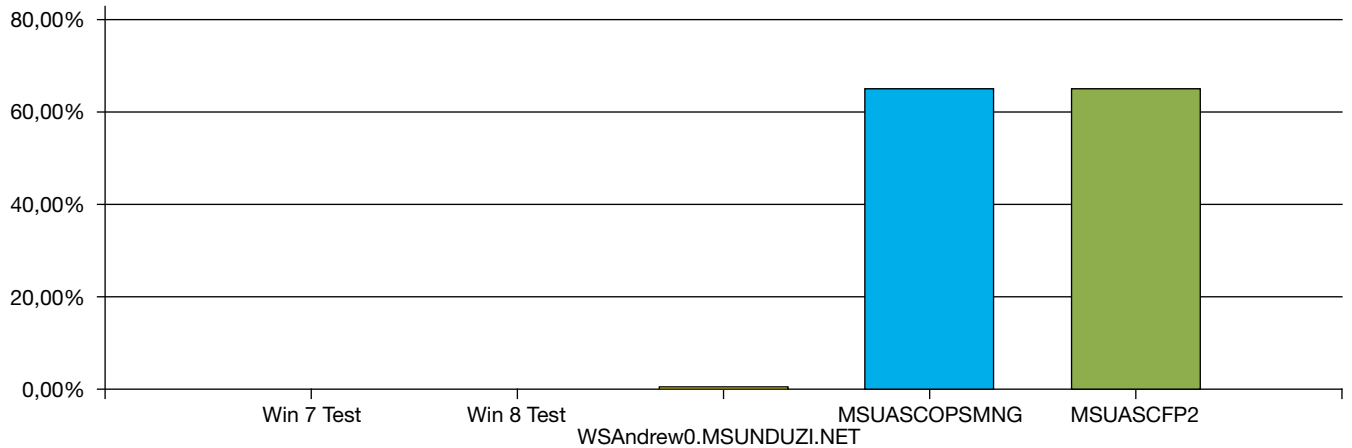
Summary Information

Reporting Period: Custom Date Range (2016-07-01 - 2017-06-30)

Uptime parameter: greater than 0, 00% and lower than 100, 00%



LOWEST UPTIME



ASSIGNEE SUMMARY REPORT -7/1/2016 - 6/30/2017

| Group Name | Assignee | Logged | Open | Resolved | Closed | Avg Resolve (Days) |
|-----------------|-----------------------------|-------------|-----------|-----------|-------------|--------------------|
| External Vendor | Bytes Communication Systems | 250 | 8 | 6 | 236 | 17.04 |
| | Bytes SI KZN Call Centre | 15 | 6 | 0 | 9 | 127.47 |
| | Cyberfox | 1 | 1 | 0 | 0 | 150 |
| | Data Centrix | 48 | 0 | 0 | 48 | 27.77 |
| | Fujitsu | 1 | 1 | 0 | 0 | 140 |
| | Phutuma | 334 | 13 | 7 | 314 | 16.59 |
| | Shepherd | 130 | 4 | 2 | 125 | 11.33 |
| | Telkom | 26 | 1 | 0 | 25 | 11.42 |
| | Xtec | 101 | 3 | 1 | 97 | 19.75 |
| | Total | 906 | 37 | 16 | 854 | 18.88 |
| Internal | Andrew Odell | 182 | 9 | 1 | 172 | 20.46 |
| | Anesh Roopan | 1 | 1 | 0 | 0 | 321 |
| | Bongumusa Shabane | 26 | 0 | 0 | 26 | 0.54 |
| | Devlin Naidoo | 10 | 0 | 1 | 9 | 10.4 |
| | Jaselle Ramdas | 16 | 4 | 3 | 9 | 48.75 |
| | Leroy Williams | 133 | 0 | 0 | 133 | 2.09 |
| | Lumumba Jijana | 479 | 19 | 6 | 454 | 12.6 |
| | Mbulelo Mbedu | 57 | 0 | 0 | 57 | 5.09 |
| | Mondli Shabane | 29 | 0 | 0 | 29 | 1.1 |
| | Nazareth Shelembe | 629 | 14 | 2 | 613 | 6.37 |
| | Nkosinathi Dube | 832 | 1 | 2 | 829 | 4.24 |
| | Nokuphiwa Jama | 1314 | 0 | 0 | 1314 | 0.26 |
| | Nontobeko Sithole | 397 | 6 | 1 | 390 | 4.96 |
| | Nothando Mshengu | 566 | 0 | 0 | 566 | 0.39 |
| | Pending Approval | 1 | 0 | 0 | 1 | 13 |
| | Philile Ngcobo | 305 | 4 | 3 | 299 | 4.02 |
| | Sibusiso Ndelela | 689 | 0 | 3 | 686 | 2.57 |
| | Sithembokuhle Ndzimbovu | 106 | 0 | 0 | 106 | 0.56 |
| | Siyabonga Dlamini | 404 | 9 | 6 | 389 | 9.08 |
| | Sizwe Mchunu | 58 | 5 | 2 | 51 | 30.88 |
| | Tembisa Mbambe | 176 | 4 | 1 | 171 | 8.94 |
| | Total | 6411 | 76 | 31 | 6305 | 4.95 |
| Interns | Lindokuhle Zondi | 511 | 19 | 5 | 490 | 7.53 |
| | Nompilo Mthimkhulu | 97 | 2 | 0 | 95 | 3.75 |
| | Siphesihle Madlala | 400 | 10 | 0 | 390 | 6.72 |
| | Zinhle Mncwabe | 1161 | 6 | 4 | 1152 | 1.82 |
| | Zoleka Mhlanzi | 569 | 23 | 13 | 533 | 11.57 |
| | Total | 2739 | 60 | 22 | 2661 | 5.7 |

| Group Name | Assignee | Logged | Open | Resolved | Closed | Avg Resolve (Days) |
|--------------|----------------------|-------------|-----------|-----------|-------------|--------------------|
| SAP | Banothile Mathenjwa | 29 | 1 | 0 | 28 | 12.31 |
| | Bongumusa Shabane | 177 | 2 | 0 | 175 | 3.73 |
| | Chester Lembethe | 147 | 4 | 1 | 142 | 11.33 |
| | Delisile Doncabe | 318 | 9 | 1 | 308 | 9.19 |
| | Dhevika Anthony | 1 | 0 | 0 | 1 | 0 |
| | Elizabeth Grierson | 1 | 0 | 0 | 1 | 14 |
| | Fungayi Ngorima | 29 | 4 | 0 | 25 | 55.55 |
| | Grant Khumalo | 9 | 0 | 0 | 9 | 49.56 |
| | Harsha Ramprasad | 2 | 0 | 0 | 2 | 22 |
| | Johan Linde | 10 | 1 | 2 | 7 | 47.8 |
| | Kumbirai Chikwanda | 2 | 1 | 0 | 1 | 141.5 |
| | Linda Mitya | 10 | 1 | 0 | 9 | 36.5 |
| | Lindiwe Madihlala | 8 | 0 | 0 | 8 | 4.75 |
| | Mondli Shabane | 307 | 4 | 3 | 300 | 7.16 |
| | Mxolisi Dladla | 64 | 3 | 0 | 61 | 24.19 |
| | Mzwandile William | 12 | 0 | 1 | 11 | 14.58 |
| | Nikkita Thomas | 134 | 3 | 2 | 129 | 11.32 |
| | Ntombizonke Gule | 280 | 2 | 3 | 275 | 4.88 |
| | Sibongiseni Mdlalose | 13 | 0 | 0 | 13 | 14.62 |
| | Susan Maphumulo | 34 | 0 | 1 | 33 | 9.12 |
| | Thokozani Mtiwani | 4 | 0 | 0 | 4 | 61 |
| | Varisha Devsuran | 12 | 0 | 0 | 12 | 9.5 |
| | Vasco Makawa | 3 | 1 | 0 | 2 | 92 |
| Total | | 1606 | 36 | 14 | 1556 | 10.47 |

| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | 2015/2016 | | | 2017/2018 | |
|----------------------|--|--------------------|--|-----------|---|---|------------------------------------|---|---|------------------------------------|--|
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET |
| ICT 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT INFRASTRUCTURE | TELKOM DIGNET DATA LINES REPLACED WITH FIBRE | N/A | 3 X Sites (Traffic, Market & Airport) replaced with Fibre Data Line by the 31st of May 2017 | 3 X Sites (Traffic, Market & Airport) replaced with Fibre Data Line by the 31st of May 2017 | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | 3 X Sites (Mkhondeni to SITA, Cemetery & Airport) replaced with Fibre Data Line by the 31st of May 2018 |
| ICT 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT INFRASTRUCTURE | LAN/WAN | | 7 x floors at AS Chetty (basement, lower ground, Ground floor, First floor, 3rd floor, 4th floor & 5th floor) building installed with CAT 6 Cabling by the 31st of May 2017 | 5 x floors at AS Chetty (lower ground, First floor, 3rd floor, 4th floor & 5th floor) building are being installed with CAT 6 Cabling | 3 (100% - 129%) | CAT 6 Cabling installed at the Server Room (As Chetty Building) by the 30th of September 2015 | CAT 6 Cabling installed at the Server Room (As Chetty Building) by the 30th of September 2015 | 3 (100% - 129%) | 3 x floors at CITY HALL (Ground Floor & 1st Floor & 2nd Floor) building installed with CAT 6 Cabling by the 30 June 2018 |
| ICT 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT INFRASTRUCTURE | Computer Deployment Project Phase III (Laptops & Desktops) | | 60 x New Computers purchased & Deployed as per the SMC deployment Schedule for new Computers by the 31st of January 2017 | Computers have been purchased and deployed. | 3 (100% - 129%) | 200 x new computers purchased & deployed by the 30 June of 2016 | 186 x computers were purchased by the 30 June of 2016 | 2 (70% - 99%) | 30 x New Computers purchased & Deployed as per the ICT deployment Schedule for new Computers by the 31st of May 2018 |
| ICT 05 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT GOVERNANCE | ICT Risk Register Remediation | | 100 % Implementation of all actions contained in the Approved Risk Management Action Plan Remediated as per stipulated timeframes by the 30th of June 2017 | Continuous implementation and mitigation of Audit Findings is underway | 3 (100% - 129%) | N/A | N/A | NOT APPLICABLE | 100 % Implementation of identified and prioritized risks as contained in the Approved Risk Management Action Plan Remediated as per stipulated timeframes by the 30th of June 2018 |

| EMPLOYEE: ICT SERVICES | | | | | |
|------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 0 | 0 | 0 | 0 | 0 |
| T04-T08 | 5 | 1 | 1 | 0 | 35 |
| T09-T13 | 12 | 23 | 15 | 8 | 80 |
| T14-T18 | 5 | 5 | 1 | 4 | 0 |
| T19-T22 | 1 | 1 | 1 | 0 | 40 |
| T23-T25 | - | - | - | - | - |
| Total | 23 | 30 | 18 | 12 | 40 |

| FINANCIAL PERFORMANCE 2016/2017: ICT SERVICES (526) R'000 | | | | | |
|--|-----------|-----------------|-------------------|--------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -18 | -25 | -25 | -2 | -92% |
| Expenditure: | | | | | |
| Employees | 9 146 | 5 570 | 7 625 | 7 571 | -.07% |
| Repairs and Maintenance | 4 863 | 5 002 | 11 130 | 9 834 | -13% |
| Other | -13 343 | 12 365 | 21 716 | 11 560 | -48% |
| Total Operational Expenditure | 666 | 22 937 | 40 471 | 28 966 | -29% |
| Net operational (Service) Expenditure | 648 | 22 912 | 40 446 | 28 964 | -29% |

| NOTE 2 Other comprises of the following : R'000 | | | |
|---|-----------------|-----------------|--------------------|
| | Original Budget | Adjusted Budget | Actual Expenditure |
| NONF:MRC | 1 036 | 10 928 | 4 179 |
| LEVS : MRC | 11 329 | 10 788 | 7 381 |
| TOTALS | 12 365 | 21 716 | 11 560 |

| CAPITAL EXPENDITURE: ICT SERVICES R'000 | | | | | |
|--|--------------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 6 105 | 25 516 | 25 516 | 0 | |
| Project A : COMPUTERS EQUIPMENT | 1 000 | 19 954 | 19 954 | 0 | 19 954 |
| Project B : BUILDINGS | 120 | 0 | 0 | 0 | 0 |
| Project C : FIBRE REPLACEMENT | 2 985 | 2 781 | 2 781 | 0 | 2 781 |
| Project D : LAN/WAN | 2 000 | 2 781 | 2 781 | 0 | 2 781 |

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The ICT unit continues to improve in providing the best service and support throughout the municipality as indicated above by the ICT infrastructure uptime and the Service Desk statistical report. The extension of the duration for the ICT interns has greatly assisted us in maintaining the smooth support service throughout the council. Also the interns have greatly benefited in the skills transfer program during this period.

5.3. LEGAL SERVICES

INTRODUCTION TO LEGAL SERVICES

The 2016-2017 performance targets incorporated aspects that are essential in providing an effective legal service.

The top 3 service delivery priorities were as follows:

- to provide legal advice and other legal services within a specified time period;
- to ensure that the Municipality's legal interests in civil and criminal litigation were protected; and
- to continue with a review of the bylaws.

During the 2016-2017 –financial year, there were mixed results in realizing the above priorities. Whilst legal representation is considered to have been at the required level, legal advice was not always provided within the required time periods.

To improve efficiency levels, professional staff were utilised irrespective of the strict boundaries of their job descriptions. In addition, Legal Interns were utilised to provide both administrative and legal support to professional staff.

SERVICE STATISTICS FOR LEGAL SERVICES

For the purpose of this document, emphasis will only be placed on Legal representation in litigation matters.

Work on these matters involves daily management of court pleadings and extensive legal processes, including 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. As at 30 June 2017, the list of open cases exceeded 300. Approaches to the High Court for interdicts to enforce the relevant town planning schemes have also increased dramatically. More than 60 such matters are currently earmarked for further prosecution. It ought to be emphasised that the pace of conducting litigation is determined by a number of factors, including the continued appetite for risk subsequent to the issuing of a summons.

As far as criminal litigation is concerned, 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. An additional 129 cases were added to the criminal roll during the period 1 July 2016 to 30 June 2017.

| LEGAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|-----------------------|---|-----------|--|---|------------------------------------|--|---|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | 2015/2016 | | | 2017/2018 |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| LGLO1 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | STRENGTHEN GOVERNANCE | BYLAWS | ALL | 6 x specified bylaws (1. Planning & land use management, 2. Amendment to public (environmental) health, 3. Libraries, 4. Problem building, 5. Events, 6. Cellular telecommunication infrastructure bylaws) produced and submitted to Full Council for adoption by the 31st of May 2017 | Amendment to Public (environmental) Health, Libraries, Events, and Cellular Telecommunication Infrastructure Bylaws referred to Full Council at its meeting of 31 May 2017 for further consideration. Bylaws referred back for further consideration by Committees. Problem Building and Planning & Land Use Management by-laws published in Gazette. | 3 (100% - 129%) | 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) | 4X SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2018 (Water Services Bylaws, Fireworks Bylaws, Debt Collection and Credit Control Bylaws and Rules of Order Bylaws) |
| LGLO3 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | LEGAL REPRESENTATION | PROVISION OF LEGAL REPRESENTATION | ALL | 100% provision of legal representation on behalf of council in all instances of civil and criminal litigation by the 30th of June 2017 | 100% provision of legal representation on behalf of Council in all instances of civil and criminal litigation by the 30th of June 2017 | 3 (100% - 129%) | 100% Provision of legal representation on behalf of Council in all instances of Civil and criminal Litigation matters by the 30th of June 2016 | 100% Provision of legal representation in all criminal and civil matters by the 30th of June 2018 |
| LGLO4 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | LEGAL COM-MENTS | PROVISION OF LEGAL ADVICE, OPINIONS, AND INPUTS | ALL | 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 2017 | Not all legal input provided into contracts within the required time periods. | 2 (70% - 99%) | 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 | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2018 |
| LGL06 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | LEGAL COM-MENTS | PROVISION OF LEGAL ADVICE, OPINIONS, AND INPUTS | ALL | 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 2017 | 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 2017 | 3 (100% - 129%) | 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 | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information applied by Legal Services by the 30th of June 2018 |

| EMPLOYEE: LEGAL SERVICES | | | | | |
|--------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 0 | 1 | 1 | 0 | 0 |
| T04-T08 | 3 | 1 | 0 | 1 | 100 |
| T09-T13 | 0 | 6 | 0 | 6 | 100 |
| T14-T18 | 3 | 11 | 4 | 7 | 65 |
| T19-T22 | 2 | 1 | 1 | 0 | 0 |
| T23-T25 | 0 | - | - | - | - |
| Total | 8 | 20 | 6 | 14 | 70 |

| FINANCIAL PERFORMANCE 2016/2017: LEGAL SERVICES (502) R'000 | | | | | |
|--|------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | -17 | -20 | -60 | -1 | -98 |
| Expenditure: | | | | | |
| Employees | 6 931 | 7 416 | 7 146 | 7 002 | -2% |
| Repairs and Maintenance | 0 | 0 | 0 | 0 | 0% |
| Other | -6 490 | 3 407 | 7 304 | 4 416 | -40% |
| Total Operational Expenditure | 441 | 10 823 | 14 450 | 11 418 | -21% |
| Net operational (Service) Expenditure | 424 | 10 803 | 14 390 | 11 417 | -21% |

| NOTE 3 Other comprises of the following: R'000 | | | |
|--|-----------------|-----------------|--------------------|
| | Original Budget | Adjusted Budget | Actual Expenditure |
| NONF:MRC | 24 | 20 | 23 |
| LEVS : MRC | 2 836 | 6 630 | 4 393 |
| MSVO:AH:MRC | 547 | 653 | 0 |
| TOTALS | 3 407 | 7 303 | 4 416 |

| CAPITAL EXPENDITURE: LEGAL SERVICES (502) R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 85 | 19 | 8 | -58% | |
| Project A : FURNITURE | 0 | 11 | 0 | -100% | 11 |
| Project B : BUILDINGS | 0 | 8 | 8 | 0% | 8 |

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL:

Legal Services did not fully attain its performance targets during the 2016-2017 financial year. It is foreseen that progressive filling of vacancies and improved work-flow management will result in positive results. In this regard, two administrative posts had been advertised, and should be filled by October 2017.

Legal Services was originally allocated an amount of some R2,2 million in respect of legal fees for the 2016/2017-financial year. This was later revised to R 9,209,192.00. The latest extract from SAP reflects that an amount of R 4,430,649.40 had been expended on legal fees during the 2016/2017-financial year. The variance is due to the unpredictability of future legal disputes.

During 2017-2018, Legal Services will improve Information Technology by the purchase of new computers at a cost of R60 000. It is also expected to make progress with the improvement of archives, which requires urgent attention.

5.4. ORGANIZATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION TO ORGANIZATIONAL DEVELOPMENT PERFORMANCE

During the 16/17 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.

The allocation of permanent employees to the new organizational structure was informed by Allocation Policy. The allocation of the employees was done by matching the job description of the post per the structure with the skills/competencies, qualifications, experience and existing job content of the employees. In 2014/15 financial year, Corporate Services conducted an HR and Qualifications Audit of all permanent employees, this data, together with that from the job descriptions was extracted to an allocation tool, facilitating the employee / position match.

The finalization of the allocation of permanent employees to the new structure provided the impetus for the permanent absorption of 1113 contract employees, those earning below the threshold of R172 000 per annum, and contracted within the Municipality for a period greater than three months, in compliance with the Basic Conditions of Employment Bill.

In terms of the provisions of the Staff Allocation Policy, the process of advertising new posts and major changed posts internally was initiated in the 2016/2017 financial year.

EMPLOYEE TOTALS, TURNOVERS & VACANCIES

| EMPLOYEES | | | | | |
|------------------------------------|---------------|--------------------|---------------|---------------|-------------|
| Description | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Approved Posts No. | Employees No. | Vacancies No. | Vacancies % |
| Water | 139 | 442 | 256 | 186 | 42 |
| Waste Water (Sanitation) | 39 | 173 | 80 | 93 | 54 |
| Electricity | 167 | 732 | 233 | 499 | 68 |
| Waste management | 342 | 480 | 355 | 125 | 26 |
| Housing | 11 | 70 | 33 | 37 | 53 |
| Waste Water (Stormwater) Drainage) | 88 | 345 | 168 | 177 | 51 |
| Roads | 101 | 122 | 108 | 14 | 11 |
| Transport | 34 | 118 | 48 | 70 | 59 |
| Planning | 8 | 55 | 19 | 36 | 65 |
| Local Economic Development | 15 | 34 | 16 | 18 | 53 |
| Planning (Strategic & Regulatory) | 17 | 43 | 7 | 36 | 84 |
| Community & Social Services | 30 | 183 | 55 | 128 | 70 |
| Environmental Protection | 30 | 13 | 7 | 10 | 77 |
| Health | 249 | 65 | 34 | 31 | 48 |
| Security & Safety | 37 | 691 | 438 | 253 | 37 |
| Sport & Recreation | 1215 | 901 | 519 | 382 | 42 |
| Corporate Policy Offices & other | 2522 | 1736 | 1095 | 641 | 37 |
| Totals: | 5044 | 6203 | 3471 | 2736 | 44 |

| VACANCY RATE 2016/2017 | | | |
|---|---------------------------|--|--|
| 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 | 1 | 100 |
| CFO | 1 | 0 | 0 |
| Other S57 Managers (Excl. Finance Posts) | 4 | 0 | 0 |
| Other S57 Managers (Finance Posts) | 0 | 0 | 0 |
| Traffic Officers | 83 | 46 | 55% |
| Fire Fighters | 146 | 58 | 40% |
| Senior Managers: Levels DU(T18) excl. Finance Posts) | 1 | 0 | 0% |
| Senior Managers: Levels DU(T18) (Finance Posts) | 0 | 0 | 0% |
| Highly skilled supervision: Lvl D1-D3 (T14-17) (excl. Finance) | 224 | 132 | 59% |
| Highly skilled supervision: Levels D1 – D3 (T14-17) (Finance Posts) | 31 | 16 | 52% |
| TOTAL: | 491 | 253 | 51% |

| TURN-OVER RATE | | | |
|----------------|--|--|-----------------|
| Details | Total appointments as of the beginning of financial year No. | Terminations during the financial year No. | Turn-over rate* |
| 2014/2015 | 115 | 158 | 6% |
| 2015/2016 | 131 | 160 | 6% |
| 2016/2017 | | | 6% |

COMMENT ON VACANCIES AND TURNOVER:

The Senior Managers posts were filled in the 2012/2013 financial year. The City Managers post was vacated the post in the latter part of 2016, the post has been advertised and the recruitment process has commenced to be filled in the 2017/2018 financial year.

MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MANAGING THE MUNICIPAL WORKFORCE

The Recruitment and Selection process is primarily aimed at procuring staff with the necessary competencies, thus enabling the organization to deliver on its strategic and operational priorities.

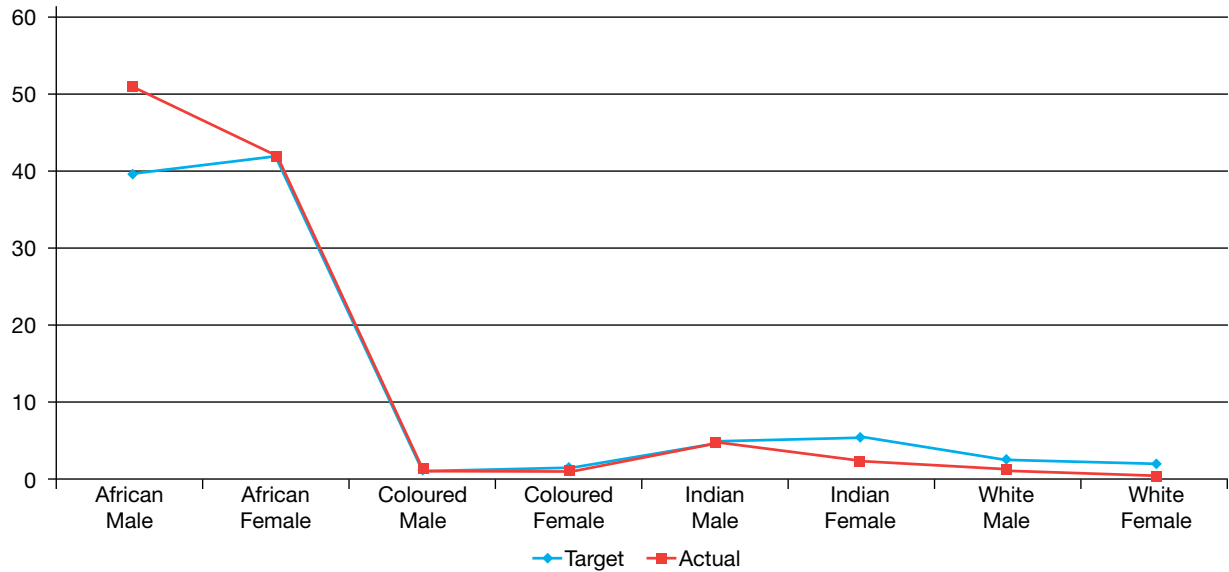
Current vacancy levels in the organization are at 46%. In this regard, the municipality will ensure that critical and priority vacant posts are identified and that the filling thereof is fast-tracked. Funded vacant posts will be filled within the budgeted financial year.

A uniform, competency-based approach to appointments will be established over the next 12 months, aligned to the Staff Allocation Policy, new and unchanged posts are first to be advertised internally and thereafter externally. To achieve its strategic objectives, it is just as crucial for the municipality to retain its competent staff. Competent staff from designated groups and staff in areas of scarce or critical skills are targeted.

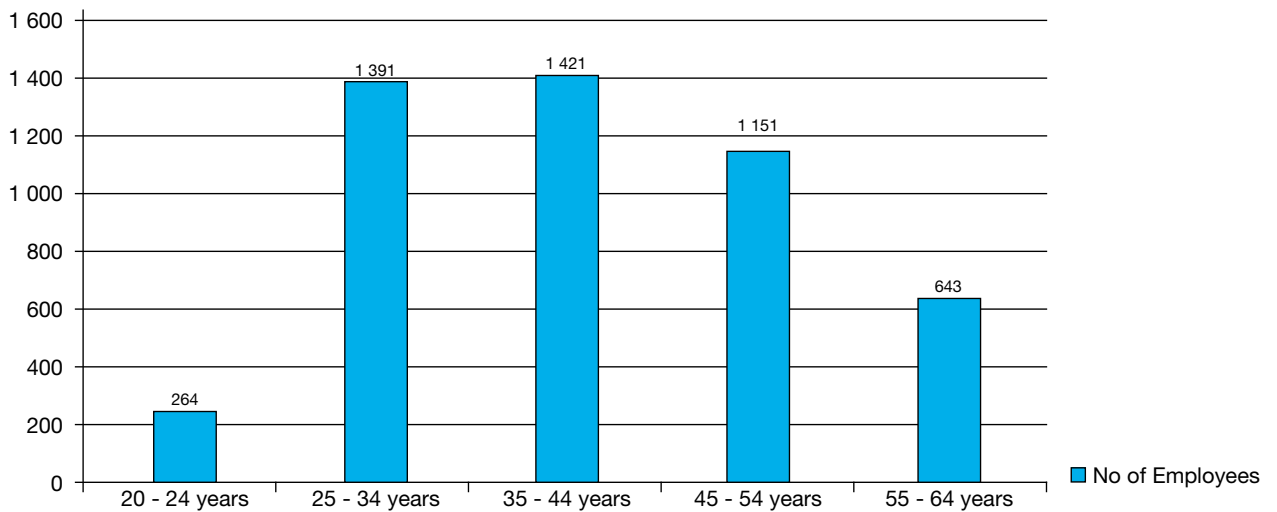
The Municipality pursues the equitable representation of designated groups in all occupational categories and levels in the workforce and actively supports an organizational culture and climate based on diversity, equality, mutual respect and dignity for all.

Whilst the Msunduzi Municipality has made significant progress in the level of representation of Blacks (Africans, Coloureds and Indians), the under-representation of women and persons with disabilities, especially at the senior levels in the organization, remain one of the major areas to be addressed.

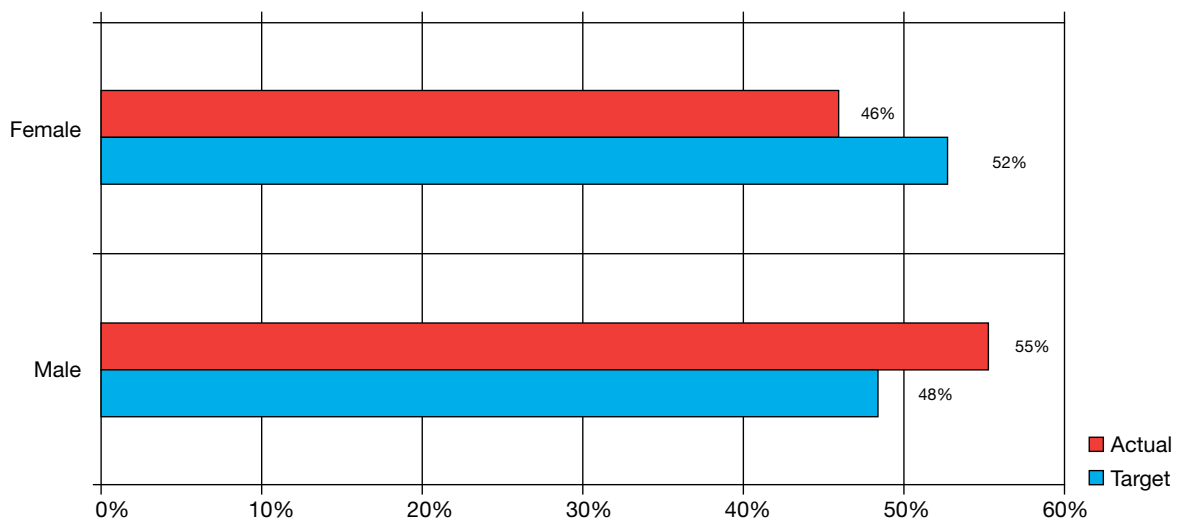
EMPLOYEE POPULATION DEMOGRAPHICS



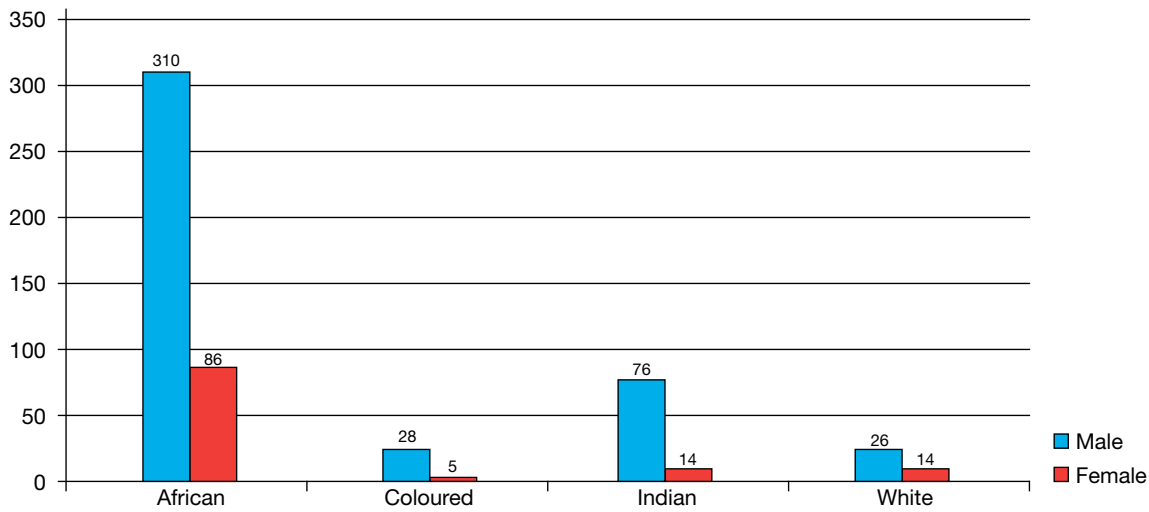
EMPLOYEE DISTRIBUTION: AGE GROUP



GENDER



RETIREMENT PLANNING: EMPLOYEES AGED 55 - 65



HUMAN RESOURCES POLICIES & PLANS 15/16 FINANCIAL YEAR

| | Name of Policy | Completed % | Date adopted by council |
|---|---------------------------|-------------|-------------------------|
| 1 | Acting Policy | 100 | 28/08/2016 |
| 2 | Leave Policy | 100 | 29/05/2016 |
| 3 | Records Management Policy | 100 | 01/03/2016 |
| 4 | Sexual Harassment Policy | 100 | 08/02/2016 |
| 5 | Transfer Policy | 100 | 04/01/2016 |

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Five (5) HR Policies were developed or reviewed and extensively consulted at Portfolio Committees and Local labour forum. 1 Policy was approved in the 2016/17 financial year.

INJURIES, SICKNESS AND SUSPENSIONS

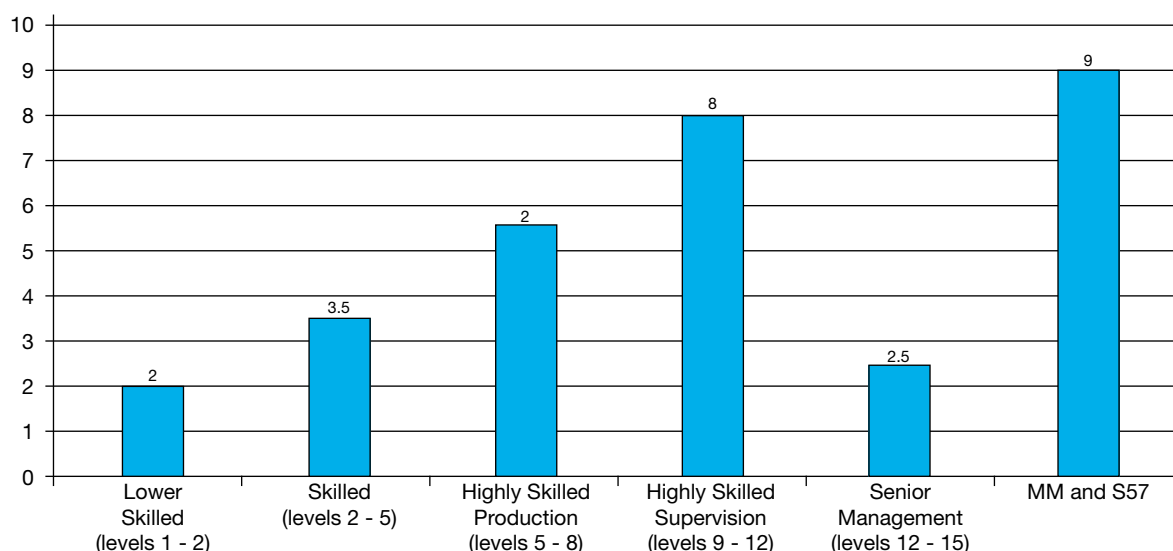
| NUMBER AND COST OF INJURIES ON DUTY | | | | | |
|---------------------------------------|-------------------------|----------------------------------|--------------------------------|---------------------------------------|----------------------------|
| Type of Injury | Injury Leave taken Days | Employees 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 | 0 | 45 | 0 | 0 | R132000 |
| Temporary total disablement | 332 | 26 | 17 | 3 | R178000 |
| Permanent Disablement | | 0 | 0 | 0 | 0 |
| Fatal | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 332 | 71 | 17 | 3 | R 310 000 |

WORKMAN'S COMPENSATION

| TEMPORARY TOTAL DISABLEMENT | |
|-----------------------------|---------------------|
| Months | Amount |
| July 2016 | 0 |
| August 2016 | 200245.08 |
| September 2016 | 0 |
| October 2016 | 448969.52 |
| November 2016 | 0 |
| December 2016 | 0 |
| January 2017 | 388801.62 |
| February 2017 | 0 |
| March 2017 | 853483.73 |
| April 2017 | 0 |
| May 2017 | 0 |
| June 2017 | 325117.78 |
| TOTAL | 2 2216978.45 |

| 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 T23 – T25 | 47 | 5 | 5 | 9 | 180972.38 |
| E1 – E2 T19 – T22 | 43 | 7 | 17 | 2.5 | 130609.36 |
| D1 – D4 T14 – T18 | 839 | 73 | 108 | 8 | 1375543.09 |
| C1 – C4 T09 – T13 | 1168 | 433 | 676 | 2 | 985724.79 |
| B1 – B5 T04 – T08 | 2963 | 574 | 837 | 3.5 | 1227614.16 |
| A1 – A4 T01 – T03 | 3132 | 763 | 1511 | 2 | 1024979.49 |
| | 8192 | 1855 | 3154 | 157.3 | 4925443.27 |

AVERAGE NUMBER OF DAYS SICK LEAVE (EXCL IOD)



COMMENT ON INJURY AND SICK LEAVE:

Reports off all injury on duty are compiled monthly and recommendations are made to prevent further accidents. All injury on duty sick leave is recommended by external doctors. The personal records are maintained though we have a problem of getting sick leave information from the departments.

NUMBER AND PERIOD OF SUSPENSIONS 2016/2017

| NUMBER AND PERIOD OF SUSPENSIONS | | |
|------------------------------------|------------------------------|--|
| Position | Nature of Alleged Misconduct | Details of Disciplinary Action taken or status of case and reasons why it is not finalized |
| Snr Manager: City Manager's Office | Misconduct | Investigation in progress |
| Snr Manager: Internal Audit | Misconduct | Investigation in progress |
| Snr Manager: Human Settlements | Misconduct | Investigation in progress |
| Manager: Valuations | Misconduct | Investigation in progress |
| Principal Clerk | Misconduct | Investigation in progress |
| Head: IRPTN | Misconduct | Investigation in progress |

NUMBER AND PERIOD OF SUSPENSIONS

| Position | Nature of Alleged Misconduct | Details of Disciplinary Action taken or status of case and reasons why it is not finalized |
|-------------------------|------------------------------|--|
| Finance Support Manager | Financial Misconduct | Investigation in progress |

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

| Position | Date Suspended | Business Unit | Reasons why it is not finalized |
|---------------------------------|-----------------------------|-------------------------|---------------------------------|
| Credit Controller | Suspended 11 March 2011 | Finance | Case not yet concluded |
| Supervisor Counter Enquiry | Suspended 7 March 2014 | Finance | Case not yet concluded |
| Admin Officer | Suspended 8 January 2015 | Community Services | Case not yet concluded |
| Snr. Manager: Human Settlements | Suspended 15 August 2016 | Sustainable Development | Investigation in progress |
| Landfill Site | Suspended 17 September 2015 | Community Services | Investigation in progress |
| Electricity Foreman | Suspended 5 December 2016 | Infrastructure employee | Investigation in progress |
| Contract Admin Officer | Suspended 7 December 2016 | Finance | Suspensions have been uplifted |
| Manager: Valuations | Suspended 7 December 2016 | Sustainable Development | Suspensions have been uplifted |

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

1 case remains outstanding from the period of Administration (2009) and is in the hearing stage. The organisation has an established Fraud and Corruption Hotline, Managers are being trained in Disciplinary Procedures, a disciplinary Process Manual has been developed and a specialised Legal team has been established to assist in ensuring that those employees disregard policies and procedures are held accountable

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 taking place 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.

COMMENTS ON PERFORMANCE REWARDS

The Municipality has implemented Performance Management to level 3 within the organization it is not currently linked to reward.

Performance management is not yet being cascaded to the employees beyond the third level of management. 2016/2017 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 2011/12 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 | 4 | 0 | - | 0 |
| | Male | 10 | 0 | - | 0 |
| MM and S57 | Female | 3 | 0 | - | 0 |
| | Male | 2 | 0 | - | 0 |
| Total: | | 19 | 0 | 0 | 0 |

THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Msunduzi Municipality, during 2016/2017, trained 655 employees, as part of a coordinated career development process, in support of the Skills Development Strategy, IDP & Sector Skills Priorities. Internship, Learnerships, Apprenticeships and community programmes undertaken in 2016/17 provided opportunities for improved employability of the youth and community. Skills programmes conducted for 27 of Msunduzi's Councillors encouraged skills enhancement within the political realm to promote democracy and decision making.

SKILLS DEVELOPMENT & TRAINING

| SKILLS MATRIX | | | | | | | | | | | |
|--|--------|--------------------------------------|--|---------------------|-------------|---|---------------------|-------------|-------------------------|---------------------|-------------|
| Management Level | Gender | Employees in post as at 30 June 2016 | Number of skilled employees required and actual as at 30 June 2017 | | | | | | | | |
| | | | Learnerships | | | Skills programmes and other short courses | | | Other forms of training | | |
| | | No. | Actual 30 June 2016 | Actual 30 June 2017 | Target 2018 | Actual 30 June 2016 | Actual 30 June 2017 | Target 2018 | Actual 30 June 2016 | Actual 30 June 2017 | Target 2018 |
| MM and S57 | Female | 3 | - | - | - | 2 | 2 | | 1 | 1 | 1 |
| | Male | 3 | - | - | - | 1 | 1 | | 1 | 2 | 1 |
| Councillors, Senior Officials & managers | Female | 53 | - | - | - | 28 | 23 | 25 | 1 | 2 | 3 |
| | Male | 90 | - | - | - | 45 | 44 | 40 | 2 | 1 | 3 |
| Technicians and associate professionals | Female | 52 | - | - | - | 25 | 11 | 20 | 8 | 4 | 5 |
| | Male | 133 | 30 | - | 15 | 143 | 34 | 50 | 11 | 6 | 5 |
| Professionals | Female | 165 | 8 | 8 | 6 | 68 | 14 | 60 | 5 | 5 | 5 |
| | Male | 160 | 7 | 7 | 9 | 89 | 15 | 60 | 5 | 5 | 5 |
| Sub-totals | Female | 273 | 8 | 8 | 6 | 123 | 50 | 105 | 15 | 12 | 14 |
| | Male | 386 | 37 | 7 | 24 | 278 | 94 | 150 | 19 | 14 | 14 |
| Totals | | 659 | 45 | 15 | 30 | 401 | 144 | 255 | 34 | 26 | 28 |

| 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 | 0 |
| Chief Financial Officer | 1 | 0 | 1 | 0 | 0 | 1 |
| Senior Managers | 5 | 0 | 5 | 0 | 5 | 4 |
| Any other financial officials | 235 | 0 | 235 | 0 | 0 | 27 |
| Supply Chain Management Officials | | | | | | 1 |
| Heads of supply chain management units | 3 | 0 | 1 | 0 | 0 | 1 |
| Supply chain management senior managers | 1 | 0 | 1 | 0 | 0 | 0 |
| TOTAL | 246 | 0 | 246 | 0 | 5 | 34 |

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 2017 | | | | | | | |
| | | | 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 | - | - | 35 000 | 35 000 | 20 000 | 20 000 | - | - |
| | Male | 3 | - | - | 20 000 | 18 000 | 20 000 | - | - | - |
| Legislators, Senior Officials & managers | Female | 229 | - | - | 300 000 | 390 000 | 20 000 | 20 000 | - | - |
| | Male | 305 | - | - | 780 000 | 391 500 | 40 000 | 20 000 | - | - |
| Professionals | Female | 188 | 195 000 | 143 200 | 200 000 | 201 200 | 60 000 | 60 000 | - | - |
| | Male | 160 | 171 000 | 125 300 | 600 000 | 250 100 | 60 000 | 60 000 | - | - |
| Technicians and associate professionals | Female | 29 | - | - | 400 000 | 349 256.86 | 40 000 | 40 000 | - | - |
| | Male | 133 | 195 626 | 625 500 | 780 000 | 780 600 | 80 000 | 80 000 | - | - |
| Clerks | Female | 311 | 171 173 | 143 200 | 200 000 | 350 000 | - | - | - | - |
| | Male | 237 | 130 120 | 125 300 | 300 000 | 280 500 | - | - | - | - |
| Service and sales workers | Female | 137 | - | - | 200 000 | 420 400 | - | - | - | - |
| | Male | 344 | - | - | 200 000 | 700 625 | - | - | - | - |
| Plant and machine operators & assemblers | Female | 21 | - | - | 200 000 | 376 800 | - | - | - | - |
| | Male | 249 | - | - | 400 000 | 789 980 | - | - | - | - |
| Elementary occupations | Female | 794 | - | - | 200 000 | 190 000 | - | - | - | - |
| | Male | 919 | - | - | 400 000 | 718 156.87 | - | - | - | - |
| Sub-totals | Female | 1702 | 366 173 | 286 400 | 1735000 | 2312656.86 | 140 000 | 140 000 | - | - |
| | Male | 2347 | 496 746 | 876 100 | 3480000 | 3929461.85 | 200 000 | 160 000 | - | - |
| Totals | | 4049 | 862 919 | 1162500 | 5215000 | 6242118.71 | 340 000 | 300 000 | - | - |

*% AND *R VALUE OF MUNICIPAL SALARIES (ORIGINAL BUDGET) ALLOCATED FOR WORKPLACE SKILLS PLAN

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

The lack of budgetary provision for internship and bursaries meant that these internal annual projects were not implemented in the 16/17 financial year. The Internship programme was however supplemented in partnership and workplace placement of externally funded learners. Training numbers planned were impacted by delays in the internal procurement and approval processes due to the lack of suitable providers sourced. These delays caused funding provision for the appointment of training providers to become exhausted and the training planned will hereafter only be implemented in the 2017/2018 Financial Year.

The Skills Development Unit has made application for relevant Discretionary Grants from the LGSETA to cover the costs of learnerships.

MANAGING THE WORKFORCE EXPENDITURE

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 | Occupation | Total |
| Skilled (Levels 3-5) | Call Centre Agent | 5 |
| | Clerk | 4 |
| | Handyman I | 1 |
| | Plant Operator | 2 |
| | Cleaning & Grounds Supervisor | 1 |
| | Driver | 5 |
| | Tree Cutter | 1 |
| | WCA/ Admin Clerk | 1 |
| | Snr Clerk | 2 |
| | Buyer | 1 |
| | ECC Controller | 6 |
| | Fire Fighter | 11 |
| | HCT Counsellor | 1 |
| | Nursing Assistant | 3 |
| | Ripening Room Controller | 1 |
| | Storeman | 5 |
| | Technical Clerk | 4 |
| | Weighbridge Controller | 2 |
| Highly skilled production (Levels 6-8) | Artisan/ Bricklayer | 1 |
| | Bricklayer | 1 |
| | Carpenter | 1 |
| | HR Officer | 1 |
| | Plans Examiner | 1 |
| | Plumber | 1 |
| | Vehicle Pool Controller | 1 |
| | Admin Officer | 3 |
| | Foreman | 5 |
| | Job Writer | 3 |
| | Monitoring Officer | 4 |
| | Primary Health Care Nurse | 1 |
| | Sub-Accountant | 1 |
| | Supervisor | 6 |
| Highly skilled production (Levels 9-12) | Auditor | 2 |
| | Community Development Facilitator | 2 |
| | Co-ordinator | 1 |
| | Environmental Health Practitioners | 3 |
| | Senior Liaison Officer | 1 |
| | Snr Education & Technical Officer | 1 |
| | Service Desk Officer | 1 |
| | Superintendent | 2 |
| | Electronic Engineer | 1 |
| | Security Superintendent | 1 |
| | Assistant Chief Fire Officer | 3 |
| | Chief Town Planner | 1 |
| Senior management (Levels 13-16) | Chief Audit Executive | 1 |
| | Senior Manager | 8 |
| MM and S57 | | 0 |

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION

| Occupation | No. of employees | Job evaluation level | Remuneration level | Reason for deviation |
|-----------------|------------------|----------------------|--------------------|---|
| Accountant | 1 | T12 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Admin Assistant | 1 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Admin Clerk | 9 | T6 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Admin Officer | 8 | T9 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Arboursists | 3 | T5 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Area Manager | 5 | T15 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation | No. of employees | Job evaluation level | Remuneration level | Reason for deviation |
|-----------------------------------|------------------|----------------------|--------------------|---|
| Artisan (Printing) | 2 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Audit Supervisor | 1 | T13 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Beneficiary Administrator | 1 | T11 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Building Inspector | 6 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Business Analyst | 2 | T12 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Buyer | 1 | T9 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Cable Layer | 1 | T5 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| CAD / GIS Operator | | T9 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Call Centre Agent | 4 | T6 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Capturing Clerk | 2 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Caretaker | 7 | T6 | B405 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Cashier | 26 | T5 | B100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Chief Accountant | 2 | T15 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Chief Building Inspector | 1 | T13 | D200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Clerk | 143 | T6 | B3/4 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Clerk of Works | 2 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Committee Officer | 14 | T10 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Community Development Facilitator | 6 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Community Liaison | 1 | T7 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Conservation Supervisor | 1 | T7 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Contract Admin Officer | 5 | T11 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Control Officer | 2 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Co-ordinator | 2 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Co-ordinator | 2 | T11 | D100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Co-ordinator | 3 | T14 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Crematoria Operators | 2 | T6 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Customer Liason Officer | 1 | T6 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Customer Service Officer | 1 | T11 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Data Capturer | 2 | T5 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Desktop Publisher | 1 | T9 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Desktop Support Technician | 3 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Disaster Management Assistant | 1 | T6 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| District Horticulturalist | 3 | T12 | D100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Driver | 11 | T4 | A400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Driver / VIP Protectors | 3 | T7 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| ECC Contoller | 1 | T9 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Economist | 1 | T15 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation | No. of employees | Job evaluation level | Remuneration level | Reason for deviation |
|--|------------------|----------------------|--------------------|---|
| Education & Training Co-ordinator | 1 | T13 | D200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Education Officer Art | 1 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Education, Development & Training Practitioner | 4 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Electrician | 21 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Engineer/ Technologist | 1 | T14 | D300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Exit Controller | 4 | T5 | B100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Faultsman | 1 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Field Hygiene Worker | 7 | T3 | A300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Financial Controller | 1 | T14 | D300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Financial Officer | 3 | T16 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Firefighter | 30 | T9 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Foreman | 7 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| General Assistant | 783 | T3 | A300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| GIS Technician | 1 | T9 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Hall Assistants | 8 | T3 | A300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Handyman | 16 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| High Speed Copier Op | 1 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| HIV / AIDS Counsellor & Trainer | 1 | T11 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Housing Officer | 1 | T9 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| HR Manager | 1 | T15 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| HR Officer | 1 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Hydrant Maintenance Inspector | 1 | T6 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| ICT Projects Administrator | 1 | T9 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Information Officer | 1 | T6 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Inspector | 13 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Installation Inspector | 1 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Interpreter / Translator | 9 | T10 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Legal Advisor: Bylaws and Policies | 2 | T17 | E200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Liaison Officer | 2 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Librarian | 12 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Library Assistant | 45 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Licensing Clerk | 1 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Licensing Inspector | 6 | T9 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Loss Officers | 1 | T7 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Maintenance Supervisor | 1 | T8 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Manager | 1 | T13 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Manager | 5 | T14 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation | No. of employees | Job evaluation level | Remuneration level | Reason for deviation |
|-------------------------------------|------------------|----------------------|--------------------|---|
| Manager | 16 | T15 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Market Controller | 1 | T5 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Market Inspector | 1 | T9 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Mechanic | 9 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Occupational Health Practitioner | 2 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Officer | 2 | T10 | D100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Officer | 4 | T12 | D300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Operations Controller | 1 | T7 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Operator | 1 | T4 | B500 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Personal Assistant | 10 | T7 | D100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Petrol Attendant | 3 | T3 | A300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Plans Examiner | 1 | T10 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Plant Operator | 2 | T6 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Plumber/ Fitter | 1 | T10 | B506 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Pool Attendants | 8 | T3 | A300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Pools Assistants | 3 | T3 | A300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Pools Supervisors | 6 | T9 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Accountant | 2 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Admin Officer | 2 | T11 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Survey CAD Operator | 1 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Technician | 2 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Printing Assistant | 1 | T4 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Promotions & Administration Officer | 1 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Receptionist | 7 | T5 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Records Controller | 1 | T7 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Recruitment Officer | 1 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Revenue Clearance Officer | 1 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Road Markers | 12 | T3 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Safety Officer | 1 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Secretary | 13 | T7 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Security Officers | 102 | T7 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Clerk (Benefits) | 1 | T9 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Librarian | 3 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Admin Officer | 4 | T10 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Building Inspector | 1 | T11 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Cashier | 1 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Clerk | 19 | T6 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation | No. of employees | Job evaluation level | Remuneration level | Reason for deviation |
|--|------------------|----------------------|--------------------|---|
| Senior Control Officer | 1 | T11 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Driver | 1 | T6 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Groundsman Central & Ashburton | 3 | T8 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Librarian | 4 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Library Assistant | 18 | T7 | B500 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Manager: Secretariat & Auxiliary Services | 1 | T16 | E200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Plant Operator | 3 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Project Officer | 1 | T14 | D300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Technician | 1 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Server Administrator | 1 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Serviceman | 3 | T7 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Signs Inspector | 2 | T7 | B500 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Snr Engineer: Design | 1 | T15 | DU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Snr Technician | 10 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Social Worker | 1 | T12 | D100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Storeman | 2 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Stores Clerk | 1 | T6 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Stores Controller: Dispatching | 1 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Summons Servers | 1 | T6 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Superintendent: Road Signs & Road Marking | 1 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Super-Users | 1 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Supervisor | 16 | T11 | D100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Survey Technician | 1 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Systems Operator | 1 | T9 | C100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Technical Clerk | 1 | T7 | B500 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Technical Officer Art | 1 | T10 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Technician / Snr Technician | 7 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Telephonist | 4 | T5 | B300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Town Planner | 4 | T12 | D100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Tractor Driver | 28 | T5 | B100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Traffic Officer | 42 | T9 | C200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Traffic Warden | 40 | T5 | B200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Truck Driver | 3 | T5 | B100 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Tyre Fitter | 1 | T4 | A400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Valuer | 2 | T12 | CU00 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Ward Strategy Facilitator | 2 | T11 | C300 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Water Services Authority Manager | 1 | T16 | E200 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation | No. of employees | Job evaluation level | Remuneration level | Reason for deviation |
|-----------------------|------------------|----------------------|--------------------|---|
| WCA/ Admin Clerk (OH) | 1 | T7 | B500 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Yard Supervisor | 1 | T6 | B400 | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS

| BUSINESS UNIT | POST TITLE | COMMENTS |
|-------------------------|------------------------------|---|
| Budget & Treasury | Fin.Support Service Manager | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury | Fin.Support Service Manager | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury | Principal Accountant | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury | Principal Clerk | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury | Fin.Support Service Manager | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury | Senior Systems Analyst | Employee unallocated to approved structure – Close match not identified |
| Community | Project Manager | Employee unallocated to approved structure – Close match not identified |
| Community | Senior Technician | Employee unallocated to approved structure – Close match not identified |
| Community | Professional Engineer | Employee unallocated to approved structure – Close match not identified |
| Community | Senior Technician | Employee unallocated to approved structure – Close match not identified |
| Community | Operations Manager (Waste M) | Employee unallocated to approved structure – Close match not identified |
| Community | Education Officer | Employee unallocated to approved structure – Close match not identified |
| Community | Plant Operator 1 | Employee unallocated to approved structure – Close match not identified |
| Community | Clerk 2 | Employee unallocated to approved structure – Close match not identified |
| Community | Hort. Supervisor | Employee unallocated to approved structure – Close match not identified |
| Community | Plumber | Employee unallocated to approved structure – Close match not identified |
| Community | Senior Groundsman | Employee unallocated to approved structure – Close match not identified |
| Community | Principal Admin Officer | Employee unallocated to approved structure – Close match not identified |
| Community | Sprayer | Employee unallocated to approved structure – Close match not identified |
| Community | Special Events Co-Ordinator | Employee unallocated to approved structure – Close match not identified |
| Community | Hort. Supervisor | Employee unallocated to approved structure – Close match not identified |
| Community | Sprayer | Employee unallocated to approved structure – Close match not identified |
| Community | Hort. Supervisor | Employee unallocated to approved structure – Close match not identified |
| Community | Hort. Supervisor | Employee unallocated to approved structure – Close match not identified |
| Community | Town Supervisor | Employee unallocated to approved structure – Close match not identified |
| Community | Handyman's Assistant | Employee unallocated to approved structure – Close match not identified |
| Community | Handyman's Assistant | Employee unallocated to approved structure – Close match not identified |
| Community | Principal Admin Officer | Employee unallocated to approved structure – Close match not identified |
| Community | Senior Library Assistant | Employee unallocated to approved structure – Close match not identified |
| Community | Senior Library Assistant | Employee unallocated to approved structure – Close match not identified |
| Community | Senior Library Assistant | Employee unallocated to approved structure – Close match not identified |
| Community | Senior Library Assistant | Employee unallocated to approved structure – Close match not identified |
| Community | Driver 1 | Employee unallocated to approved structure – Close match not identified |
| Community | Building Supervisor | Employee unallocated to approved structure – Close match not identified |
| Community | Administrative Officer 1 | Employee unallocated to approved structure – Close match not identified |
| Community | Clerk | Employee unallocated to approved structure – Close match not identified |
| Community | Executive Secretary | Employee unallocated to approved structure – Close match not identified |
| | | Employee unallocated to approved structure – Close match not identified |
| | | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Hr Support Services Manager | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Hr Support Services Manager | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Information Manager | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Idp Manager | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Systems & Remun Manager | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Employee Relations Manager | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Bakced Support Technician | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Service Desk Consultant | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Manager Hr & Administration | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Performance Management Prac | Employee unallocated to approved structure – Close match not identified |
| Corporate Services | Personnel Manager | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Manager Hr & Administration | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Admin. Officer | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Admin. Officer | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Technician | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Office Assistant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Assistant Records Controller | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Clerk 2 | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Clerk 2 | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Senior Messenger | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Clerk 2 | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Technician | Employee unallocated to approved structure – Close match not identified |

| EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS | | |
|--|------------------------------|---|
| BUSINESS UNIT | POST TITLE | COMMENTS |
| Infrastructure Services | Chief Accountant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Clerk 1 | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Handyman | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Trade-Hand (Mechanical) | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Trade-Hand (Mechanical) | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Artisan's Assistant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Artisan's Assistant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Fleet Maint Manager | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Trade-Hand (Mechanical) | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Clerk 1 | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Trade-Hand (Mechanical) | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Senior Artisan's Assistant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Semi-Skilled Worker | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Handyman 1 | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Senior Artisan's Assistant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Senior Artisan's Assistant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | It Specialist | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Manager Tariff Design & Met | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Accountant | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Service Applica Proces Clerk | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Senior Clerk | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Driver | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Technician | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Manager Customer Retention | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Supervis New Serv Reinsstate | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Prepayment Marketing Officer | Employee unallocated to approved structure – Close match not identified |
| Infrastructure Services | Chief O & D Officer | Employee unallocated to approved structure – Close match not identified |
| MM | Communications Officer | Employee unallocated to approved structure – Close match not identified |
| MM | I.D. Co-Ordinator | Employee unallocated to approved structure – Close match not identified |
| MM | Internal Auditor | Employee unallocated to approved structure – Close match not identified |
| MM | Caretaker 1 | Employee unallocated to approved structure – Close match not identified |
| Sustainable Development | Market Manager | Employee unallocated to approved structure – Close match not identified |
| Sustainable Development | Co-Coordinator-Pth | Employee unallocated to approved structure – Close match not identified |
| Sustainable Development | Executive Secretary | Employee unallocated to approved structure – Close match not identified |
| Sustainable Development | Town Planner | Employee unallocated to approved structure – Close match not identified |

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

The process of Job Evaluation was concluded in the 2015/2016 financial year. Grade anomalies across the organization are as a result of the monetary variance between TASK and Patterson Grading systems as well as the fact that before implementation of the 2013 structure, Msunduzi did not have graded posts and all employees were held against perceived grades which in some cases were escalated.

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 Centre 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.

| SERVICE STATISTICS FOR COUNCIL & EXECUTIVE 2016 / 2017 | | |
|--|--|--------|
| COUNCILLORS AND COMMITTEE MEETING DATA 2016 / 2017 | | NUMBER |
| Total number of Councillors | | 78 |
| Total number of Executive Committee Members | | 10 |
| Total number of wards | | 39 |
| Total number of ward committee meetings | | 146 |
| Total number of community meetings | | 87 |
| NUMBER AND TYPE OF COUNCIL COMMITTEE MEETINGS: | | |
| Full Council | | 12 |
| Executive Committee | | 26 |
| Corporate Services | | 8 |
| Financial Services | | 13 |
| Infrastructure Services | | 7 |
| Community Services | | 7 |
| Sustainable Development & City Entities | | 10 |
| Municipal Public Accounts Committee | | 11 |

Msunduzi Annual Report

2016/2017

| COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|---|---|---------------------------|---|--|------------------------------------|---|--|------------------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | | 2015/2016 | |
| | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| OTS 04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Transmission (forwarding) of service delivery requests to customer care | Reports | All service delivery requests reported per ward directly to the Office of the Speaker to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | All service delivery requests reported per ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | 3 (100% - 129%) | All service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | (16) service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | 3 (100% - 129%) |
| OTS 08 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Transmission (forwarding) of service delivery requests to customer care | Reports | All service delivery requests reported per ward received via ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | All service delivery requests reported per ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | 3 (100% - 129%) | All service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | (16) service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | 3 (100% - 129%) |
| MSP 01 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Mayoral Special Programmes | Annual Calendar of Events | Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval by the 31st of May 2017 | Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval by the 31st of May 2017 | 3 (100% - 129%) | Annual calendar of events for Mayoral Special Projects 2016/2017 financial year submitted to SMC for approval by the 31st of May 2016 | Annual calendar of events for Mayoral Special Projects 2016/2017 financial year submitted to SMC for approval by the 31st of May 2016 | 3 (100% - 129%) |
| MSP 03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Mayoral Special Programmes | Reports | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2017 | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2017 | 3 (100% - 129%) | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2016 | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2016 | 3 (100% - 129%) |

| COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|---|---|---------------------------|---|--|------------------------------------|---|--|------------------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | | 2015/2016 | |
| | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| OTS 04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Transmission (forwarding) of service delivery requests to customer care | Reports | All service delivery requests reported per ward directly to the Office of the Speaker to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | All service delivery requests reported per ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | 3 (100% - 129%) | All service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | (16) service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | 3 (100% - 129%) |
| OTS 08 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Transmission (forwarding) of service delivery requests to customer care | Reports | All service delivery requests reported per ward received via ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | All service delivery requests reported per ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | 3 (100% - 129%) | All service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | (16) service delivery requests reported per ward to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2016 | 3 (100% - 129%) |
| MSP 01 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Mayoral Special Programmes | Annual Calendar of Events | Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval by the 31st of May 2017 | Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval by the 31st of May 2017 | 3 (100% - 129%) | Annual calendar of events for Mayoral Special Projects 2016/2017 financial year submitted to SMC for approval by the 31st of May 2016 | Annual calendar of events for Mayoral Special Projects 2016/2017 financial year submitted to SMC for approval by the 31st of May 2016 | 3 (100% - 129%) |
| MSP 03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Mayoral Special Programmes | Reports | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2017 | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2017 | 3 (100% - 129%) | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2016 | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2016 | 3 (100% - 129%) |

| COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | | |
|--|--|---|-----------------------------|------|---|---|------------------------------------|--|--|------------------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | 2016/2017 | | | | 2015/2016 | | | | 2017/2018 |
| | | PROGRAMME | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| MSP 04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Back to Basics | Reporting | All | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2017 | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2017 | 3 (100% - 129%) | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2016 | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2016 | 3 (100% - 129%) |
| IDP01 | CROSS CUTTING ISSUES | Integrated Development Planning | Develop and review the IDP. | N/A | 1 x IDP Review 2017/2018 FY completed by the 31st of May 2017 | 1 x IDP Review 2017/2018 FY completed by the 30th of June 2017 | 3 (100% - 129%) | 2016-17 IDP review Developed and Submitted to Council for approval by the 30th of May 2016 | 2016-17 IDP review Developed and Submitted to Council for approval by the 30th of May 2016 | 3 (100% - 129%) |
| IDP02 | CROSS CUTTING ISSUES | Integrated Development Planning | Develop and review the IDP. | N/A | Draft IDP/Budget/PMS Process plan 2017/2018 FY developed and submitted to SMC by the 31st of August 2016 for approval and onwards submission to CoGTA | Draft IDP/Budget/PMS Process plan 2017/2018 FY developed and submitted to SMC by the 31st of August 2016 for approval and onwards submission to CoGTA | 3 (100% - 129%) | Draft IDP Process plan 2016/17 FY developed and submitted to SMC for approval for onwards submission to CoGTA by the 13th of July 2015 | Draft IDP Process plan 2016/17 FY developed and submitted to SMC for approval for onwards submission to CoGTA by the 13th of July 2015 | 3 (100% - 129%) |
| IDP03 | CROSS CUTTING ISSUES | Integrated Development Planning | Internal alignment session | N/A | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2017 | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2017 | 3 (100% - 129%) | 4 x IDP Internal Alignment working group sessions convened by the 30th of June 2016 | 4 x IDP Internal Alignment working group sessions convened by the 30th of June 2016 | 3 (100% - 129%) |
| MKT 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Events Management | Events Coordination | N/A | A Municipal Events Calendar 2017/2018 FY developed and submitted to SMC by the 30th of June 2017 for approval by Council | A Municipal Events Calendar 2017/2018 FY developed and submitted to SMC by the 30th of June 2017 for approval by Council | 3 (100% - 129%) | A Municipal Events Calendar for the 2016/2017 FY developed and submitted to SMC for approval by the 31st of May 2016 | A Municipal Events Calendar 2018/2019 FY developed and submitted to SMC by the 30th of June 2018 for approval by Council | 1 (69% & below) |
| MKT 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Municipal Publications | Internal Newsletter | N/A | 10 X Internal Newsletters published on Corporate Communications and Municipal Website by the 30th of June 2017 | 11X Internal Newsletters published on Corporate Communications and Municipal Website by the 30th of June 2017 | 3 (100% - 129%) | 11 X Internal Newsletters published on Corporate Communications and Municipal Website by the 30th of June 2016 | 11 X Internal Newsletters published on Corporate Communications and Municipal Website by the 30th of June 2016 | 3 (100% - 129%) |
| MKT 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Municipal Publications | External newsletter | N/A | 12 x Monthly Msunduzi Newspapers have been developed and published by the 30th of June 2017 | 12 x Monthly Msunduzi Newspapers have been developed and published by the 30th of June 2017 | 3 (100% - 129%) | 12 x Monthly Msunduzi Newspapers developed and published by the 30th of June 2016 | 12 x Monthly Msunduzi Newspapers developed and published by the 30th of June 2016 | 3 (100% - 129%) |
| MKT 04 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Review Marketing and Communication strategy | Strategy review | N/A | Reviewed Marketing and Communications Strategy developed and submitted to SMC by the 30th of June 2017 | Reviewed Marketing and Communications Strategy developed and submitted to SMC by the 30th of June 2017 | 3 (100% - 129%) | Draft Marketing and Communications strategy drafted, awaiting comments finalisation of Disaster Communication Plan. | Draft Marketing and Communications strategy drafted, awaiting comments finalisation of Disaster Communication Plan. | 1 (69% & below) |
| PMS 01 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | SDBIP | N/A | Draft SDBIP 2017/2018 submitted to the Mayor for approval within 28 days after the approval of the budget | Draft SDBIP 2017/2018 submitted to the Mayor for approval within 28 days after the approval of the budget (28 June 2017) | 3 (100% - 129%) | Draft SDBIP 2016/2017 submitted to the Mayor for approval within 28 days after the approval of the budget | Draft SDBIP 2016/2017 submitted to the Mayor for approval within 28 days after the approval of the budget | 3 (100% - 129%) |

| COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|--|--|--|-----------|--|--|--|--|------------------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | 2016/2017 | | | 2015/2016 | | |
| | | | | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| PMS 03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | Organizational performance management framework review | N/A | Annual organizational performance management framework 2017/2018 reviewed and submitted to SMC by the 31st of May 2017 | 3 (100% - 129%) | Annual organizational performance management framework 2016/2017 reviewed and submitted to SMC by the 31st of July 2015 | Annual organizational performance management framework 2016/2017 reviewed and submitted to SMC on the 23rd of June 2015 | 4 (130% - 149%) |
| PMS 05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Individual Performance Management | Individual performance management framework review | N/A | Annual individual performance management framework 2017/2018 reviewed and submitted to SMC by the 31st of May 2016 | 3 (100% - 129%) | Annual individual performance management framework 2016/2017 reviewed and submitted to SMC by the 31st of July 2015 | Annual individual performance management framework 2016/2017 reviewed and submitted to SMC on the 23rd of June 2015 | 4 (130% - 149%) |
| PMS 06 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | SDBIP | N/A | Approved SDBIP 2016/2017 made public on municipal website within 14 days after the approval by the mayor | 3 (100% - 129%) | Approved SDBIP made public on municipal website within 14 days after the approval by the mayor | Approved SDBIP made public on municipal website within 14 days after the approval by the mayor | 3 (100% - 129%) |
| SG 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Corporate Services Compliance and Risk Reduction | Minute Taking in Meetings | ALL | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2017 | 3 (100% - 129%) | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2016 | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2016 | 3 (100% - 129%) |
| SG 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Corporate Services Compliance and Risk Reduction | Making public Council and Council Committee | ALL | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2017 | 3 (100% - 129%) | 45 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2016 | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2018 | 3 (100% - 129%) |
| SG 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Corporate Services Compliance and Risk Reduction | Making public Council and Council Committee | ALL | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2017 | 3 (100% - 129%) | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2016 | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2016 | 3 (100% - 129%) |

| EMPLOYEE: CORPORATE BUSINESS UNIT | | | | | |
|-----------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level | 2015/2016 | 2016/2017 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03 | 10 | 8 | 5 | 3 | 38 |
| T04-T08 | 9 | 145 | 98 | 47 | 32 |
| T09-T13 | 10 | 32 | 9 | 23 | 72 |
| T14-T18 | 10 | 19 | 9 | 10 | 53 |
| T19-T22 | 3 | 2 | 1 | 1 | 50 |
| T23-T25 | 6 | 1 | 0 | 1 | 100 |
| Total | 48 | 207 | 122 | 85 | 41 |

| FINANCIAL PERFORMANCE 2016/2017: COUNCIL & EXECUTIVE R'000 | | | | | |
|---|----------------|-----------------|-------------------|----------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | | | | | |
| Expenditure: | | | | | |
| Employees | 28 828 | 75 955 | 98 513 | 82 050 | -16 |
| Repairs and Maintenance | 1 976 | 442 292 | 535 778 | 531 714 | -0.76 |
| Other | 104 454 | 53 319 | 86 218 | 63 228 | -26.6 |
| Total Operational Expenditure | 135 258 | 571 566 | 720 509 | 676 992 | -6.04 |
| Net operational (Service) Expenditure | - | - | - | - | - |

| CAPITAL EXPENDITURE: COUNCIL & EXECUTIVE R'000 | | | | | |
|---|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | | | | |
| A/101011.BZ5.A04 – Furn GL 0007000000 | - | 137 | 137 | 0 | 137 |
| A/101011.BZ5.A04 – Comp GL 0008000000 | - | 19 | 19 | 0 | 19 |
| A/101011.BZA.A12 Transp – GL 0006103000 | - | 3 637 | 3 553 | -2.3 | 3 553 |
| A/104013.BAH.A03 Comp GL 0008000000 | - | 40 | 39 | -2.5 | 39 |
| A/104016.BAH.A03 Comp GL 0008000000 | - | 23 | 19 | -17.3 | 19 |

| FINANCIAL PERFORMANCE 2016/2017: SECRETARIAT & AUXILIARY SERVICES (505/506/507) R'000 | | | | | |
|--|---------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | 2016/2017 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variances to Adjusted Budget % |
| Total Operational Revenue (excl. tariffs) | 0 | 0 | 0 | 0 | 0 |
| Expenditure: | | | | | |
| Employees | 18 188 | 19 638 | 21 621 | 21 487 | -0.6% |
| Repairs and Maintenance | 47 | 107 | 181 | 144 | -20% |
| Other | -20 038 | 1 474 | 4 166 | -2 914 | 30% |
| Total Operational Expenditure | -1 803 | 21 219 | 25 968 | 18 717 | -28% |
| Net operational (Service) Expenditure | -1 803 | 21 219 | 25 968 | 18 717 | -28% |

| NOTE 4 Other comprises of the following : R'000 | | | |
|---|-----------------|-----------------|--------------------|
| | Original Budget | Adjusted Budget | Actual Expenditure |
| NONF:MRC | 85 | 564 | -5 505 |
| LEVS : MRC | 1 389 | 3 466 | 2 523 |
| LEVS :AH:NIF:COMPUTER | 0 | 136 | 68 |
| TOTALS | 1 474 | 4 166 | -2 914 |

| CAPITAL EXPENDITURE: SOUND GOVERNANCE R'000 | | | | | |
|--|--------------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | 7 105 | 124 | 132 | 6% | |
| Project A : COMPUTER EQUIPMENT | 85 | 13 | 13 | 0% | 13 |
| Project B : MACHINERY AND EQUIPMENT | 0 | 58 | 58 | 0% | 58 |
| Project C : FURNITURE AND EQUIPMENT - PRINTING | 0 | 9 | 9 | 0% | 9 |
| Project D : FURNITURE - SECRETARIAT | 55 | 33 | 41 | 24% | 21 |

| CAPITAL EXPENDITURE: SOUND GOVERNANCE R'000 | | | | | |
|--|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Project E : COMPUTER SOFTWARE - SECRETARIAT | 70 | 0 | 0 | 0% | 0 |
| Project F : MACHINERY AND EQUIP - SECRETARIAT | 0 | 11 | 11 | 0% | 11 |
| Project G : JIKA JOE | 6895 | 0 | 0 | 0% | 0 |

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

In the 2016/2017 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 2015/2016, Annual Report 2015/2016, Oversight Report 2015/2016 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 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 are 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 may be selective.

A positive change has been realized through internal audit effort by changing the approach of auditing. The planning includes 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.

The internal audit unit established positive working relationships with its customers, 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.

Using a joint recommendation approach has been adopted between Internal Audit Unit and management, where management is advised to take full charge of findings and recommendations in order to derive the agreed action plan which reduces the risk exposure.

Audit Committee plays its oversight role and the General 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

Internal Audit Unit is guided by its Annual Audit Plan for 2016/17 on the assurance function as approved by the Audit Committee, anti-fraud and corruption strategy and risk management operations.

Forty four (44) audits were planned for the 2016/17 financial year. Overall performance was good even though there were challenges with the financial management system that is being implemented by the Municipality. During the 2016/17 financial year, the Internal Audit Unit also performed six (6) ad-hoc assignments which were not initially part of the plan. Internal Audit plan had an increased balanced coverage despite limited resources.

The Internal Audit Unit provided risk assurance on the SAP implementation project which was identified due to its high value to ensure that the Municipality is not disadvantaged and the project is completed within the set timeframes to avoid unnecessary cost escalations.

| INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|---|--|--------------------|--|------|---|--|------------------------------------|--|------------------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | 2016/2017 | | | | 2017/2018 ANNUAL TARGET |
| | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | 2015/2016 ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |
| IA01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Assurance Services | Development of an Annual Audit Plan | N/A | Development & submission of an Annual Audit plan for 2017/18 FY to the Audit Committee for approval by the 30th of June 2017 | Internal Audit Plan for the 17/18 financial year was submitted and approved by the Audit Committee on 2 June 2017. | 4 (130% -149%) | 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 | 3 (100% - 129%) |
| IA03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Assurance Services | Review of the Internal Audit charter | N/A | Internal Audit Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2017 | Internal Audit Charter was submitted and approved by the Audit Committee on 2 June 2017. | 4 (130% -149%) | Internal Audit Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2016 | 3 (100% - 129%) |
| IA04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Assurance Services | Review of the Audit Committee charter | N/A | Audit Committee Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2017 | Audit Committee Charter was submitted and approved by the Audit Committee on 2 June 2017. | 4 (130% -149%) | Audit Committee Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2016 | 3 (100% - 129%) |
| IA05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Assurance Services | Effective Independent Oversight by the Audit Committee | N/A | Audit Committee meetings facilitated by the Internal Audit Unit as per the approved work plan/ calendar of the Audit Committee by the 30th of June 2017 | 7 Audit Committee meetings have been held during the 2016/17 financial year. | 4 (130% -149%) | 6 x Audit Committee meetings facilitated by the Internal Audit Unit as per the approved work plan/ calendar of the Audit Committee by the 30th of June 2016 | 5 (150% - 167%) |
| Total | | | | | 14 | 64 | | | |

| EMPLOYEE: INTERNAL AUDIT | | | | |
|--------------------------|-------------------------|---|-------------------------------------|--|
| Job Level | 2015/2016 Employees No. | 2016/2017 Employees (fulltime equivalents No. | Vacancies (as a % of total posts) % | |
| T01-T03 | - | - | - | |
| T04-T08 | 1 | 1 | 50 | |
| T09-T13 | 1 | 12 | 75 | |
| T14-T18 | 3 | 1 | 33 | |
| T19-T22 | 1 | 0 | 0 | |
| T23-T25 | - | - | - | |
| Total | 6 | 14 | 64 | |

| FINANCIAL PERFORMANCE 2016/2017: INTERNAL AUDIT R'000 | | | | | |
|---|---------------|-----------------|-------------------|---------------|--------------------------------|
| Details | 2015/2016 | | 2016/2017 | | Variances to Adjusted Budget % |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue (excl. tariffs) | | | | | |
| Expenditure: | | | | | |
| Employees | 5 271 | 5 323 | 7 170 | 7 086 | -1.17 |
| Repairs and Maintenance | 0 | 0 | 0 | 0 | 0 |
| Other | 13 844 | 12 131 | 22 325 | 21 198 | -5.05 |
| Total Operational Expenditure | 19 115 | 17 454 | 29 495 | 28 284 | -4.11 |
| Net operational (Service) Expenditure | - | - | - | - | - |

| CAPITAL EXPENDITURE: INTERNAL AUDIT R'000 | | | | | |
|--|-----------|----------------------|-----------------------|-----------------------------------|------------------------|
| Details | 2016/2017 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| Total All | | | | | |
| A/103036.BZ5.A04 – Mach & Eqp GL 0006000000 | 7 | 7 | 7 | 0 | 7 |
| A/103036.BZ5.A04 – Furn GL 0007000000 | 161 | 161 | 161 | 0 | 161 |

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 2016/17 financial year. Internal Audit plan had an increased balanced coverage despite limited resources.

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 is continuing and managed independently by Deloitte.

The unit intends automating its methodology by acquiring internal audit software in the near future.

7. COMPONENT G: SAFE CITY – MUNICIPAL ENTITY – MSUNDUZI MUNICIPALITY

All relevant information relating to Safe City is included under chapter 5 of the Annual Report.

8. COMPONENT H: FINANCIAL PERFORMANCE

All relevant information relating to Financial Performance of Msunduzi Municipality & Safe City (Municipal Entity) 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 2016/17 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 2015/2016 were submitted to Council and are available on request.

During the Strategic Planning Process for the 2016/2017 financial year a management decision 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 2016/2017 financial year the SDBIP has been developed to focus on the service delivery indicators and the Operational Plan 2016/2017 has been developed to focus on operational, support and auxiliary services.

The SDBIP 2016/2017 contains Public Participation Units (Office of the Speaker, Office of the Mayor & Office of the Municipal Manager), Community Services Units (Area Based Management, Waste Management, Recreation & Facilities as well as Public Safety Enforcement and Disaster Management), Infrastructure Units (Water and Sanitation, Roads and Stormwater, Electricity & Mechanical Workshops) and Sustainable Development & City Enterprises Units (Economic Development, Town Planning and Environmental Management, City Entities & 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 fulfil this, SAFE CITY the only registered municipal entity; key performance indicators were also developed and inserted in the SDBIP 2016/2017.

All other units provide operational, support and auxiliary services to the Municipality and have been placed on the Operational Plan 2016/2017. The Operational Plan 2016/2017 contains the Corporate Business Units (Internal Audit, Communications & IGR, Integrated Development Plan and Organizational Compliance, Performance & Knowledge Management), Budget & Treasury Units (Budget, Revenue Management, Expenditure Management, Supply Chain Management, SCOA, SAP & Assets & Liabilities), Infrastructure Units (Project Management Office), Corporate Services Units (Legal Services, Information Communication Technology, Auxiliary Services & Secretariat and Human Resources) and Sustainable Development & City Enterprises (Economic Development, Town Planning and Environmental Management, City Entities & Human Settlements).

The graphical representations below illustrate the performance of the municipality, for the 2016/2017 financial year, as per the colour-coded dashboard.

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

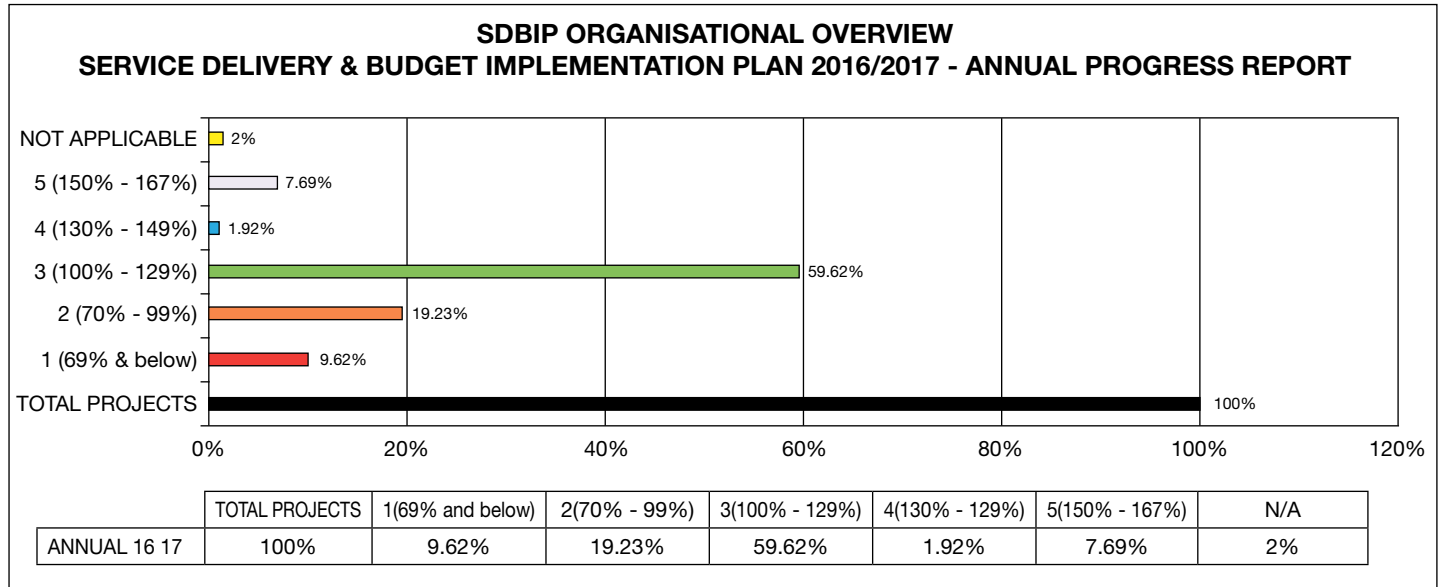
There were a total of 211 Key performance indicators on the SDBIP 2016/2017, 104 being operating projects and 107 being capital projects. There were a total of 220 Key performance indicators on the Operational Plan for 2016/2017.

SDBIP 2015/2016 ANNUAL PROGRESS REPORT

ORGANISATIONAL OVERVIEW

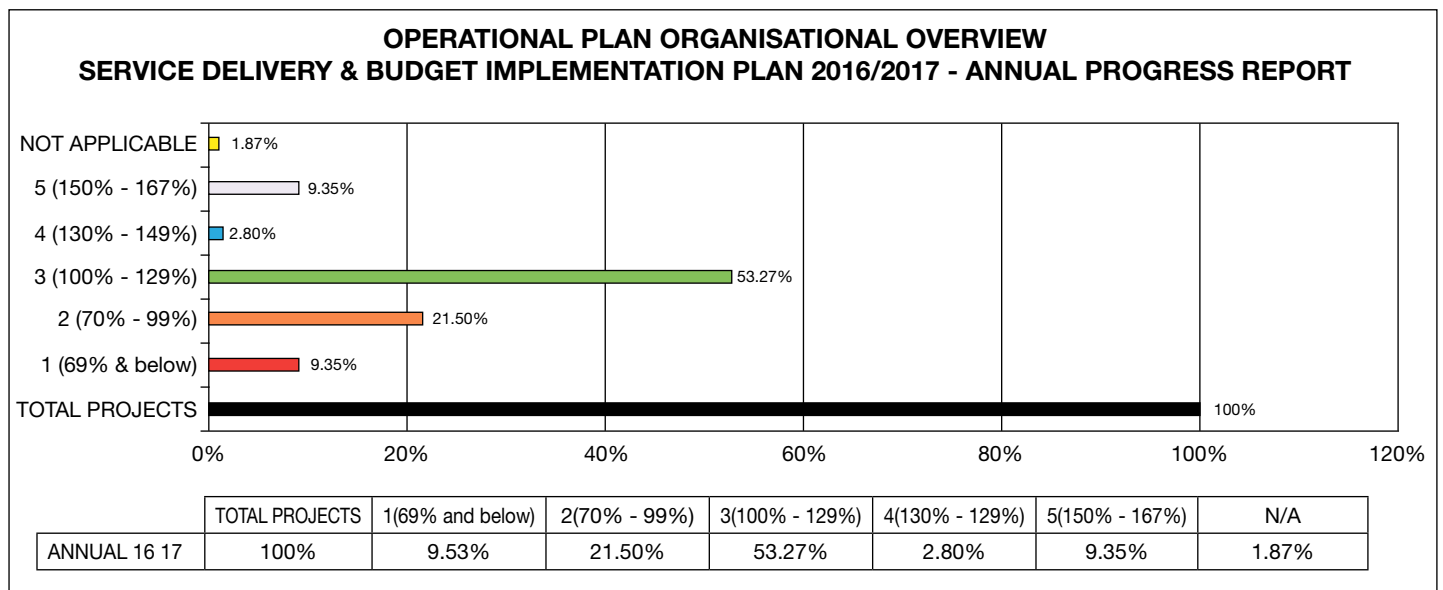
| | | |
|-----|----------------------------|------------|
| 1. | TOTAL PROJECTS: | 211 |
| 1.1 | OPERATING PROJECTS: | 104 |
| 1.2 | CAPITAL PROJECTS: | 107 |

GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- A total of 104 Operating Projects were reported on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 9.62% of the projects were reported as having achieved a 1 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 19.23% of the projects were reported as having achieved a 2 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 59.62% of the projects were reported as having achieved a 3 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.92% of the projects were reported as having achieved a 4 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 7.69% of the projects were reported as having achieved a 5 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 2% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT

GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

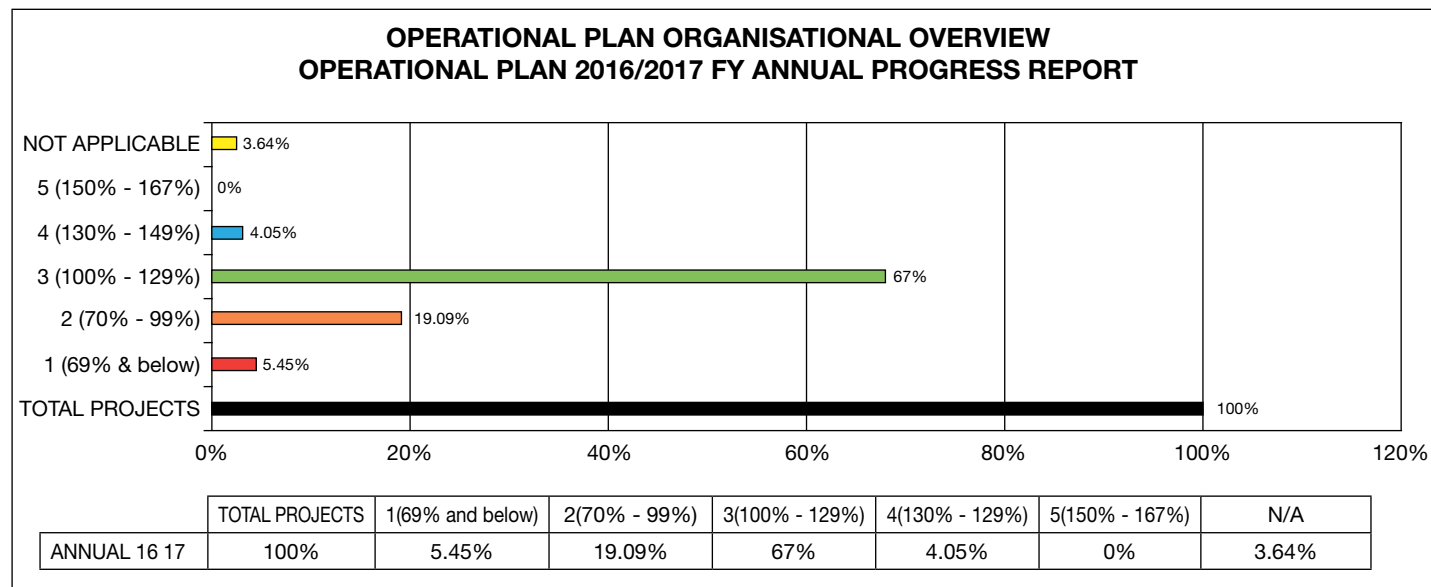


- A total of 107 Capital Projects were reported on the SDBIP for the 2016/2017 ANNUAL FY PROGRESS REPORT
- 9.35% of the projects were reported as having achieved a 1 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 21.50% of the projects were reported as having achieved a 2 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 53.27% of the projects were reported as having achieved a 3 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 2.80% of the projects were reported as having achieved a 4 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 9.35% of the projects were reported as having achieved a 5 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.87% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT

OPERATIONAL PLAN (OP) 2016/2017 ANNUAL PROGRESS REPORT ORGANISATIONAL OVERVIEW

1. TOTAL PROJECTS: 220
- 1.1 OPERATING PROJECTS: 220

2. GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- A total of 220 Operating Projects were reported on the Operational Plan ANNUAL 2016/2017 FY PROGRESS REPORT
- 5.45% of the projects were reported as having achieved a 1 on the Operational Plan for ANNUAL 2016/2017 FY PROGRESS REPORT
- 19.09% of the projects were reported as having achieved a 2 on the Operational Plan ANNUAL 2016/2017 FY PROGRESS REPORT
- 67% of the projects were reported as having achieved a 3 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT
- 4.09% of the projects were reported as having achieved a 4 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT
- 0% of the projects were reported as having achieved a 5 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT
- 3.64% of the projects were reported as not applicable due to not having any targets on the Operational Plan ANNUAL 2016/2017 FY

CONCLUSION:

This Annual Performance report reflects the performance of Business Units during the financial year 2016/2017.

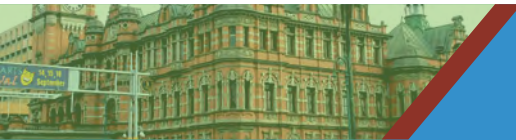
A number of systems, procedures and interventions were implemented during this period to assist with ensuring the alignment of the Integrated Development Plan, Budget & Service Delivery & Budget Implementation Plan (SDBIP) in order for the communities to receive quality services. The municipality also undertook several interventions to ensure that the communities it serves were continuously informed of matters pertaining to service delivery.

CHAPTER 4 – ANNUAL FINANCIAL STATEMENTS

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

General Information

| | |
|---|---|
| Legal form of entity | Category B Municipality in terms of section 1 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) read with section 155(1) of the Constitution of the Republic of South Africa (Act 108 of 1996) |
| Nature of business and principal activities | The primary function of the Msunduzi Municipality is to provide basic services i.e. water, electricity, sanitation and refuse to the Msunduzi jurisdiction. The Msunduzi Municipality is controlled by a Mayor, Deputy Mayor, the Accounting Officer, Speaker, ten Executive Committee members, and five General Managers who contribute to day-to-day management. |
| Grading of local authority | Category - B |
| Controlling entity | The Msunduzi Municipality |
| Municipal entity | Safe City Msunduzi NPC |
| Registered office | The City Hall 260 Church Street Pietermaritzburg 3201 |
| Business address | The City Hall 260 Church Street Pietermaritzburg 3201 |
| Postal address | The City Hall Private Bag x321 3200 |
| Telephone | (033)392 2206 |
| Facsimile | (033) 392 2208 |
| Bankers | First National Bank |
| Auditors | The Auditor General of South Africa |
| Website | www.msunduzi.gov.za |
| Acting Accounting Officer | Sizwe Hadebe |
| Chief Finance Officer (CFO) | Nelisiwe Margret Ngcobo |
| Executive Committee | Mayor - Njilo Mduduzi Jerome Deputy Mayor - Zuma Thobani Reginald Dlamini Tholakele Ignatia Khumalo Sphamandla Dennis Magubane Vusumuzi Truman Majola Jerome Sibongiseni Majola Nomagugu Eunice Mc Arthur Glenn Robert Msimang Prudence Nokuthula Ntombela Thinasonke Dennis Schalkwyk Mary Sithole Philisiwe |
| Councillors | Ahmed Najmah Banu Ahmed Rooksana Amod Michael Ismail Atwaru Naleni Chetty Claudell Milany Dlamini Ambrosia Sibongile Dlamini Godman Nkosivelile Dlamini Sandile Wellington Dlela Nomalady Eleanor Duma Prince Dumisa Gambu Nkosinathi Chasewell Goga Mohammed Salim Gwala Nelisiwe Jennet Gwala Sindisiwe Cydy Haswell Uraisha Jasomay Inderjit Manilal Jugmohan Renesha Lambert William Francis Lyne Sandra Patricia |



Madlala Linda Linford
Madlala Siphamandla Sydney
Madonda Sipho Innocent
Madondo Ignatia Thandiwe
Majola Sboniso Terrence
Mbanjwa Nkosinathi Maxwell
Mhlongo Snothi Raphael
Mkhize Dorcas Sibongile
Mkhize Mtuza Bhekthemba
Mncwango Gladness Sibongile
Molefe Thabiso Patrick
Mtshali Blessing Sbusiso
Ndawonde Siphiwe Caiphas
Ndlovu Nelisiwe Zanele
Nene Jabulani
Nene S'fiso Derrick
Ngcobo Jeffrey Mbuyiselwa
Ngcobo Kathrine Malindi
Ngongoma Xolani Ellington
Ngubane Sandile Duncan
Ngube Gugu Mary-Jane
Ngubo Jabulisile Joyce
Ngubo Manqoba
Nhlabathi Bongumusa Cyril
Niemand Rienus
Ntombela Ethel Zodwa
Ntshangase Ntuthuko
Oumar Mehmood-UI Hassan
Phungula Dumisani Bernard
Shange Sandile Cyril
Singh Melika
Sithole Thamsanqa Wonderboy
Sivnath Rajdave
Sokhela Balozile Cynthia
Sokhela Mansizwa Simon
Soobiah Rachel
Strachan Ross Bryan
Winterbach Ludwig Johann
Zondi Dolo Phillip
Zondi Hamilton Mlungisi
Zondo Makhosazane Precious
Zuma Bukelani Ephraim
Zuma Michael Bhekabantu
Zungu Ningi Jostinah
Zungu Thandiwe Rose

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The reports and statements set out below comprise the consolidated annual financial statements presented to the :

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| Abbreviations | |
| COID | Compensation for Occupational Injuries and Diseases |
| CRR | Capital Replacement Reserve |
| DBSA | Development Bank of South Africa |
| SA GAAP | South African Statements of Generally Accepted Accounting Practice |
| GRAP | Generally Recognised Accounting Practice |
| GAMAP | Generally Accepted Municipal Accounting Practice |
| HDF | Housing Development Fund |
| IAS | International Accounting Standards |
| IMFO | Institute of Municipal Finance Officers |
| IPSAS | International Public Sector Accounting Standards |
| ME's | Municipal Entities |
| MEC | Member of the Executive Council |
| MFMA | Municipal Finance Management Act |
| MIG | Municipal Infrastructure Grant (Previously CMIP) |

ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

Certification by the Acting City Manager

I am responsible for the preparation of these Consolidated Annual Financial Statements which set out on page 1 to 137, in terms of Section 126(1) of the Municipal Finance Management Act (56 of 2003) and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of councillors as disclosed in note 44 of these Consolidated Annual Financial Statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearer Act and the Minister of Provincial and Local Governments determination in accordance with this Act.

Sizwe Hadebe
Acting Accounting Officer

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

| Figures in Rand | Note(s) | Economic entity | | Controlling entity | |
|--|---------|----------------------|-----------------------|----------------------|-----------------------|
| | | 2017 | 2016 Restated* | 2017 | 2016 Restated* |
| Assets | | | | | |
| Current Assets | | | | | |
| Cash and cash equivalents | 3 | 679,176,103 | 971,060,564 | 677,947,469 | 969,623,952 |
| Consumer debtors | 4 | 1,013,846,913 | 1,112,206,494 | 1,013,846,913 | 1,112,206,494 |
| Inventories | 5 | 66,137,638 | 66,505,235 | 66,137,638 | 66,505,235 |
| Short term investment | 6 | 8,799,357 | 8,318,183 | 8,799,357 | 8,318,183 |
| Receivables from exchange transactions | 7 | 51,375,449 | 111,895,227 | 51,372,949 | 111,892,727 |
| Receivables from non-exchange transactions | 8 | 31,715,987 | 30,398,380 | 31,715,987 | 30,398,380 |
| VAT receivable | 22 | 9,430,832 | 14,986 | 9,430,832 | - |
| | | 1,860,482,279 | 2,300,399,069 | 1,859,251,145 | 2,298,944,971 |
| Non-Current Assets | | | | | |
| Agricultural assets | 9 | 54,067,683 | 54,275,801 | 54,067,683 | 54,275,801 |
| Heritage assets | 10 | 226,212,346 | 233,948,936 | 226,212,346 | 233,948,936 |
| Intangible assets | 11 | 50,602,956 | 39,881,947 | 50,602,956 | 39,881,947 |
| Investment property | 12 | 720,223,802 | 591,243,930 | 720,223,802 | 591,243,930 |
| Property plant and equipment | 13 | 6,876,074,290 | 6,848,958,327 | 6,862,667,396 | 6,834,781,494 |
| Other financial assets | 14 | 9,944,611 | 10,317,110 | 9,944,611 | 10,317,110 |
| | | 7,937,125,688 | 7,778,626,051 | 7,923,718,794 | 7,764,449,218 |
| Total Assets | | 9,797,607,967 | 10,079,025,120 | 9,782,969,939 | 10,063,394,189 |
| Liabilities | | | | | |
| Current Liabilities | | | | | |
| Consumer deposits | 15 | 101,381,633 | 93,516,204 | 101,381,633 | 93,516,204 |
| Finance lease obligation | 16 | 346,586 | 302,029 | 346,586 | 302,029 |
| Other financial liabilities | 17 | 79,368,332 | 67,761,975 | 79,368,332 | 67,761,975 |
| Trade payables from exchange transactions | 18 | 759,399,445 | 549,940,979 | 759,175,905 | 549,547,831 |
| Provisions | 19 | 7,540,923 | 6,977,878 | 7,177,630 | 6,690,279 |
| Retirement benefit obligation | 20 | 23,038,692 | 21,141,300 | 23,038,692 | 21,141,300 |
| Unspent conditional grants and receipts | 21 | 80,276,486 | 253,355,946 | 80,276,486 | 253,355,946 |
| VAT payable | 22 | 220,808 | 53,109,432 | - | 53,109,432 |
| | | 1,051,572,905 | 1,046,105,743 | 1,050,765,264 | 1,045,424,996 |
| Non-Current Liabilities | | | | | |
| Finance lease obligation | 16 | - | 3,116,878 | - | 3,116,878 |
| Provisions | 19 | 56,007,366 | 67,041,163 | 56,007,366 | 67,041,163 |
| Other financial liabilities | 17 | 535,738,525 | 568,133,347 | 535,738,525 | 568,133,347 |
| Retirement benefit obligation | 20 | 608,579,819 | 625,699,203 | 608,579,819 | 625,699,203 |
| | | 1,200,325,710 | 1,263,990,591 | 1,200,325,710 | 1,263,990,591 |
| Total Liabilities | | 2,251,898,615 | 2,310,096,334 | 2,251,090,974 | 2,309,415,587 |
| Net Assets | | | | | |
| Accumulated surplus | 23 | 7,250,819,631 | 7,488,338,476 | 7,236,989,244 | 7,473,388,292 |
| Capital replacement reserve | 24 | 164,290,005 | 151,935,999 | 164,290,005 | 151,935,999 |
| Housing development fund | 25 | 79,571,771 | 76,525,166 | 79,571,771 | 76,525,166 |
| Revaluation reserve | 26 | 51,027,945 | 52,129,145 | 51,027,945 | 52,129,145 |
| Total Net Assets | | 7,545,709,352 | 7,768,928,786 | 7,531,878,965 | 7,753,978,602 |

STATEMENT OF FINANCIAL PERFORMANCE

| Figures in Rand | Note(s) | Economic entity | | Controlling entity | |
|---|---------|------------------------|------------------------|------------------------|------------------------|
| | | 2017 | 2016 Restated* | 2017 | 2016 Restated* |
| Revenue | | | | | |
| Revenue from exchange transactions | | | | | |
| Agency services | 28 | 2,997,556 | 2,148,412 | 2,997,556 | 2,148,412 |
| Interest - consumer debtors and receivables | 29 | 96,347,327 | 80,450,051 | 96,347,327 | 80,450,051 |
| Interest - bank, call and investment accounts | 29 | 54,663,821 | 68,434,503 | 54,589,785 | 68,242,363 |
| Licences and permits | 30 | 520,627 | 272,395 | 520,627 | 272,395 |
| Operational revenue | 31 | 63,541,127 | 27,690,392 | 63,530,381 | 27,690,392 |
| Rental of facilities and equipment | 32 | 26,144,056 | 20,850,639 | 26,144,056 | 20,850,639 |
| Rendering of services | 33 | 11,165,945 | 9,169,185 | 11,165,945 | 9,169,185 |
| Sale of goods | 34 | 17,406,034 | 29,332,309 | 17,405,859 | 29,330,500 |
| Service charges | 35 | 2,539,976,104 | 2,482,050,261 | 2,540,096,629 | 2,482,198,877 |
| Total revenue from exchange transactions | | 2,812,762,597 | 2,720,398,147 | 2,812,798,165 | 2,720,352,814 |
| Revenue from non-exchange transactions | | | | | |
| Taxation revenue | | | | | |
| Property rates | 36 | 795,878,250 | 742,052,098 | 795,878,250 | 742,052,098 |
| Transfer revenue | | | | | |
| Fines, penalties and forfeits | 37 | 18,045,818 | 52,922,304 | 18,045,818 | 52,922,304 |
| Government grants & subsidies | 38 | 933,418,434 | 769,640,097 | 933,418,434 | 769,640,097 |
| Other transfers | 39 | 16,323,701 | 157,790 | 16,323,701 | 157,790 |
| Total revenue from non-exchange transactions | | 1,763,666,203 | 1,564,772,289 | 1,763,666,203 | 1,564,772,289 |
| Total revenue | | 4,576,428,800 | 4,285,170,436 | 4,576,464,368 | 4,285,125,103 |
| Expenditure | | | | | |
| Bad debts written off | 40 | (332,295,447) | (102,368,859) | (332,295,447) | (102,368,859) |
| Bulk purchases | 41 | (1,866,282,816) | (1,799,213,567) | (1,866,282,816) | (1,799,213,567) |
| Contracted services | 42 | (556,910,088) | (462,500,867) | (556,405,753) | (462,004,971) |
| Depreciation and amortisation | 43 | (598,014,010) | (505,151,071) | (597,067,585) | (504,289,145) |
| Employee related costs | 44 | (995,636,874) | (953,468,706) | (990,110,883) | (948,875,302) |
| Finance costs | 45 | (68,463,041) | (75,071,691) | (68,463,041) | (75,071,685) |
| Inventory consumed | 46 | (46,064,824) | (32,211,930) | (46,024,976) | (32,181,388) |
| Operational cost | 47 | (156,466,034) | (143,732,598) | (155,564,492) | (143,533,608) |
| Operating leases | 48 | (46,112,235) | (21,396,430) | (46,104,919) | (21,391,902) |
| Remuneration of councillors | 49 | (43,574,297) | (41,763,039) | (43,574,297) | (41,763,039) |
| Transfers and Subsidies | 50 | (29,605,861) | (20,870,828) | (36,447,089) | (26,543,828) |
| Total expenditure | | (4,739,425,527) | (4,157,749,586) | (4,738,341,298) | (4,157,237,294) |
| Operating (deficit) surplus | | (162,996,727) | 127,420,850 | (161,876,930) | 127,887,809 |
| Fair value adjustments on investment property | 51 | 128,979,872 | (769,277) | 128,979,872 | (769,277) |
| Impairment of consumer and traffic fines debtors | 52 | (172,835,820) | (33,269,597) | (172,835,820) | (33,269,597) |
| Impairment loss | 53 | (8,354,509) | (49,690,326) | (8,354,509) | (49,690,326) |
| Inventories losses/write-downs | 54 | (10,262,570) | 161,283 | (10,262,570) | 161,283 |
| (Losses)/gains on agricultural assets | 55 | (4,255,584) | 9,288,973 | (4,255,584) | 9,288,973 |
| Loss on disposal of assets | 56 | (1,304,192) | (1,144,226) | (1,304,192) | (1,144,226) |
| Residual on take on of forestry service | | (6,489,315) | - | (6,489,315) | - |
| | | (74,522,118) | (75,423,170) | (74,522,118) | (75,423,170) |
| (Deficit) surplus for the year | | (237,518,845) | 51,997,680 | (236,399,048) | 52,464,639 |

STATEMENT OF CHANGES IN NET ASSETS

| Figures in Rand | Share capital / contributions from owners | Housing development fund | Revaluation reserve | Capital replacement reserve | Total reserves | Accumulated surplus | Total net assets |
|---|---|--------------------------------|------------------------|-----------------------------------|--------------------|------------------------|----------------------|
| Economic entity | | | | | | | |
| Balance at 01 July 2015 | 100 | 53,882,712 | 52,129,145 | 151,935,999 | 257,947,856 | 7,613,182,963 | 7,871,130,919 |
| Changes in net assets | | | | | | | |
| Surplus for the year | - | - | - | - | - | 51,997,680 | 51,997,680 |
| Conversion from (Pty) Ltd to NPC | (100) | - | - | - | - | - | (100) |
| Adjustments | - | - | - | - | - | 11,899,597 | 11,899,597 |
| Transfer to HDF | - | 18,276,063 | - | - | 18,276,063 | (18,276,063) | - |
| Effects of prior period errors | - | - | - | - | - | (170,465,701) | (170,465,701) |
| Total changes | (100) | 18,276,063 | - | - | 18,276,063 | (124,844,487) | (106,568,524) |
| Restated* Balance at 01 July 2016 | - | 72,158,775 | 52,129,145 | 151,935,999 | 276,223,919 | 7,488,338,476 | 7,764,562,395 |
| Changes in net assets | | | | | | | |
| Transfer to HDF | - | 381,201 | - | - | 381,201 | - | 381,201 |
| Transfer out of revaluation reserve | - | - | (1,101,200) | - | (1,101,200) | - | (1,101,200) |
| Transfer into CRR | - | - | - | 12,354,006 | 12,354,006 | - | 12,354,006 |
| Net income (losses) recognised directly in net assets | - | 381,201 | (1,101,200) | 12,354,006 | 11,634,007 | - | 11,634,007 |
| Surplus for the year | - | - | - | - | - | (237,518,845) | (237,518,845) |
| Total recognised income and expenses for the year | - | 381,201 | (1,101,200) | 12,354,006 | 11,634,007 | (237,518,845) | (225,884,838) |
| Total changes | - | 381,201 | (1,101,200) | 12,354,006 | 11,634,007 | (237,518,845) | (225,884,838) |
| Balance at 30 June 2017 | - | 72,539,976 | 51,027,945 | 164,290,005 | 287,857,926 | 7,250,819,631 | 7,538,677,557 |
| Note(s) | | | 26 | | | | |
| Controlling entity | | | | | | | |
| Balance at 01 July 2015 | - | 53,882,711 | 52,129,145 | 151,935,999 | 257,947,855 | 7,605,572,689 | 7,863,520,544 |
| Changes in net assets | | | | | | | |
| Effects of prior period error | - | - | - | - | - | (178,463,022) | (178,463,022) |
| Adjustments | - | - | - | - | - | 12,090,049 | 12,090,049 |
| Transfer to HDF | - | 18,276,063 | - | - | 18,276,063 | (18,276,063) | - |
| Net income (losses) recognised directly in net assets | - | 18,276,063 | - | - | 18,276,063 | (184,649,036) | (166,372,973) |
| Surplus for the year | - | - | - | - | - | 52,464,639 | 52,464,639 |
| Total recognised income and expenses for the year | - | 18,276,063 | - | - | 18,276,063 | (132,184,397) | (113,908,334) |
| Total changes | - | 18,276,063 | - | - | 18,276,063 | (132,184,397) | (113,908,334) |
| Restated* Balance at 01 July 2016 | - | 72,158,774 | 52,129,145 | 151,935,999 | 276,223,918 | 7,473,388,292 | 7,749,612,210 |
| Changes in net assets | | | | | | | |
| Transfer to HDF | - | 381,201 | - | - | 381,201 | - | 381,201 |
| Transfer out of revaluation reserve | - | - | (1,101,200) | - | (1,101,200) | - | (1,101,200) |
| Transfer in to CRR | - | - | - | 12,354,006 | 12,354,006 | - | 12,354,006 |
| Net income (losses) recognised directly in net assets | - | 381,201 | (1,101,200) | 12,354,006 | 11,634,007 | - | 11,634,007 |
| Surplus for the year | - | - | - | - | - | (236,399,048) | (236,399,048) |
| Total recognised income and expenses for the year | - | 381,201 | (1,101,200) | 12,354,006 | 11,634,007 | (236,399,048) | (224,765,041) |
| Total changes | - | 381,201 | (1,101,200) | 12,354,006 | 11,634,007 | (236,399,048) | (224,765,041) |
| Balance at 30 June 2017 | - | 72,539,975 | 51,027,945 | 164,290,005 | 287,857,926 | 7,236,989,244 | 7,524,847,170 |
| Note(s) | | | 26 | | | | |

CASH FLOW STATEMENT

| Figures in Rand | Note(s) | Economic entity | | Controlling entity | |
|---|---------|------------------------|------------------------|------------------------|------------------------|
| | | 2017 | 2016 Restated* | 2017 | 2016 Restated* |
| Cash flows from operating activities | | | | | |
| Receipts | | | | | |
| Sale of goods and services | | 2,993,818,783 | 3,276,706,281 | 2,986,977,555 | 3,264,423,733 |
| Government grants & subsidies | 38 | 933,418,434 | 769,640,097 | 933,418,434 | 769,640,097 |
| Interest revenue | 29 | 151,011,148 | 148,884,554 | 150,937,112 | 148,692,414 |
| | | 4,078,248,365 | 4,195,230,932 | 4,071,333,101 | 4,182,756,244 |
| Payments | | | | | |
| Employee costs | | (995,653,036) | (953,358,403) | (990,110,891) | (948,875,302) |
| Suppliers | | (2,638,259,760) | (2,595,520,254) | (2,637,045,601) | (2,594,224,336) |
| Finance costs | 45 | (68,463,041) | (75,071,683) | (68,463,041) | (75,071,685) |
| | | (3,702,375,837) | (3,623,950,340) | (3,695,619,533) | (3,618,171,323) |
| Net cash flows from operating activities | 57 | 375,872,528 | 571,280,592 | 375,713,568 | 564,584,921 |
| Cash flows from investing activities | | | | | |
| Purchase of property plant and equipment | 13 | (267,224,474) | (132,068,960) | (267,047,988) | (125,200,186) |
| Capital work in progress | 13 | (360,169,915) | (326,798,179) | (360,169,915) | (326,798,179) |
| Increase in short term investments | 6 | (481,174) | (383,475) | (481,174) | (383,475) |
| Purchase of other intangible assets | 11 | (23,899,771) | (23,145,411) | (23,899,771) | (23,145,411) |
| Increase in other financial assets | 14 | 372,500 | (1,084,005) | 372,500 | (1,084,005) |
| Purchases of heritage assets | 10 | (168,340) | (157,790) | (168,340) | (157,790) |
| Net cash flows from investing activities | | (651,571,174) | (483,637,820) | (651,394,688) | (476,769,046) |
| Cash flows from financing activities | | | | | |
| Movement in borrowings | | (23,860,791) | 42,389,165 | (23,860,791) | 42,389,165 |
| Movement in consumer deposits | | 7,865,429 | 6,485,652 | 7,865,428 | 6,485,654 |
| Utilisation/receipt of unspent grant | | (190,452) | (6,609,548) | - | - |
| Buy back of shares | | - | (100) | - | - |
| Net cash flows from financing activities | | (16,185,814) | 42,265,169 | (15,995,363) | 48,874,819 |
| Net increase/(decrease) in cash and cash equivalents | | | | | |
| Cash and cash equivalents at the beginning of the year | | (291,884,460) | 129,907,941 | (291,676,483) | 136,690,694 |
| Cash and cash equivalents at the end of the year | 3 | 679,176,103 | 971,060,564 | 677,947,469 | 969,623,955 |

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

| | Approved budget | Adjustments | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|------------------------|----------------------|------------------------|------------------------------------|--|---|
| Figures in Rand | | | | | | |
| Economic entity | | | | | | |
| Statement of Financial Performance | | | | | | |
| Revenue | | | | | | |
| Revenue from exchange transactions | | | | | | |
| Agency services | 670,000 | 19,528,000 | 20,198,000 | 2,997,556 | (17,200,444) | Note 27 for variance on budget vs actual) |
| Interest - consumer debtors and receivables | 110,179,000 | 600,000 | 110,779,000 | 96,347,327 | (14,431,673) | |
| Interest - bank, call and investment accounts | 49,270,000 | - | 49,270,000 | 54,663,821 | 5,393,821 | |
| Licences and permits | 92,000 | (3,000) | 89,000 | 520,627 | 431,627 | |
| Operational revenue | 83,339,000 | 193,094,000 | 276,433,000 | 63,541,127 | (212,891,873) | |
| Rental of facilities and equipment | 43,809,000 | 4,384,000 | 48,193,000 | 26,144,056 | (22,048,944) | |
| Rendering of services | - | - | - | 11,165,945 | 11,165,945 | |
| Sale of goods | - | - | - | 17,406,034 | 17,406,034 | |
| Service charges | 2,878,830,000 | - | 2,878,830,000 | 2,539,976,104 | (338,853,896) | |
| Total revenue from exchange transactions | 3,166,189,000 | 217,603,000 | 3,383,792,000 | 2,812,762,597 | (571,029,403) | |
| Revenue from non-exchange transactions | | | | | | |
| Taxation revenue | | | | | | |
| Property rates | 798,728,000 | - | 798,728,000 | 795,878,250 | (2,849,750) | |
| Transfer revenue | - | - | - | - | - | |
| Fines, penalties and forfeits | 18,538,000 | 4,948,000 | 23,486,000 | 18,045,818 | (5,440,182) | |
| Government grants & subsidies | 936,329,000 | 69,713,000 | 1,006,042,000 | 933,418,434 | (72,623,566) | |
| Other transfers | - | - | - | 16,323,701 | 16,323,701 | |
| Total revenue from non-exchange transactions | 1,753,595,000 | 74,661,000 | 1,828,256,000 | 1,763,666,203 | (64,589,797) | |
| Total revenue | 4,919,784,000 | 292,264,000 | 5,212,048,000 | 4,576,428,800 | (635,619,200) | |
| Expenditure | | | | | | |
| Bad debts written off | (120,815,000) | - | (120,815,000) | (332,295,447) | (211,480,447) | |
| Bulk purchases | (1,936,708,000) | (27,115,000) | (1,963,823,000) | (1,866,282,816) | 97,540,184 | |
| Contracted services | (35,108,000) | (409,669,000) | (444,777,000) | (556,910,088) | (112,133,088) | |
| Depreciation and amortisation | (506,103,000) | - | (506,103,000) | (598,014,010) | (91,911,010) | |
| Employee related costs | (1,035,660,000) | (47,566,000) | (1,083,226,000) | (995,636,874) | 87,589,126 | |
| Finance costs | (65,460,000) | (1,670,000) | (67,130,000) | (68,463,041) | (1,333,041) | |
| Inventory consumed | - | - | - | (46,064,824) | (46,064,824) | |
| Operational cost | (561,162,000) | 195,477,000 | (365,685,000) | (156,466,034) | 209,218,966 | |
| Operating leases | - | - | - | (46,112,235) | (46,112,235) | |
| Remuneration of councillors | (43,033,000) | - | (43,033,000) | (43,574,297) | (541,297) | |
| Transfers and Subsidies | (148,325,000) | - | (148,325,000) | (29,605,861) | 118,719,139 | |
| Total expenditure | (4,452,374,000) | (290,543,000) | (4,742,917,000) | (4,739,425,527) | 3,491,473 | |
| Operating deficit | 467,410,000 | 1,721,000 | 469,131,000 | (162,996,727) | (632,127,727) | |
| Fair value adjustments on investment property | - | - | - | 128,979,872 | 128,979,872 | |
| Impairment of consumer and traffic debtors | - | - | - | (172,835,820) | (172,835,820) | |
| Impairment loss | - | - | - | (8,354,509) | (8,354,509) | |
| Inventories losses/write downs | - | - | - | (10,262,570) | (10,262,570) | |
| (Losses)/gains on agricultural assets | - | - | - | (4,255,584) | (4,255,584) | |
| Loss on disposal of assets | - | - | - | (1,304,192) | (1,304,192) | |
| Residual on take of forestry service | - | - | - | (6,489,315) | (6,489,315) | |
| | - | - | - | (74,522,118) | (74,522,118) | |
| Deficit before taxation | 467,410,000 | 1,721,000 | 469,131,000 | (237,518,845) | (706,649,845) | |
| Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement | 467,410,000 | 1,721,000 | 469,131,000 | (237,518,845) | (706,649,845) | |
| Statement of Financial Position | | | | | | |
| Assets | | | | | | |
| Current Assets | | | | | | |
| Cash and cash equivalents | 1,051,657,000 | - | 1,051,657,000 | 679,176,103 | (372,480,897) | |
| Consumer debtors | 965,247,000 | - | 965,247,000 | 1,013,846,913 | 48,599,913 | |
| Inventories | 741,893,000 | - | 741,893,000 | 66,137,638 | (675,755,362) | |
| Short term investment | - | 59,806,000 | 59,806,000 | 8,799,357 | (51,006,643) | |
| Receivables from exchange transactions | - | - | - | 51,375,449 | 51,375,449 | |
| Trade receivables from non-exchange transactions | 376,487,000 | - | 376,487,000 | 31,715,987 | (344,771,013) | |
| VAT receivable | - | - | - | 9,430,832 | 9,430,832 | |
| Total Current Assets | 3,135,284,000 | 59,806,000 | 3,195,090,000 | 1,860,482,279 | (1,334,607,721) | |
| Non-Current Assets | | | | | | |
| Agricultural assets | 46,520,000 | - | 46,520,000 | 54,067,683 | 7,547,683 | |
| Trade and other receivables | 9,455,000 | - | 9,455,000 | - | (9,455,000) | |
| Other non current assets | 179,008,000 | - | 179,008,000 | - | (179,008,000) | |
| Heritage assets | - | - | - | 226,212,346 | 226,212,346 | |
| Intangible assets | 27,283,000 | - | 27,283,000 | 50,602,956 | 23,319,956 | |
| Investment property | 356,914,000 | - | 356,914,000 | 720,223,802 | 363,309,802 | |
| Property plant and equipment | 7,021,207,000 | 63,716,000 | 7,084,923,000 | 6,876,074,290 | (208,848,710) | |
| Other financial assets | - | - | - | 9,944,611 | 9,944,611 | |
| Total Non-Current Assets | 7,640,387,000 | 63,716,000 | 7,704,103,000 | 7,937,125,688 | 233,022,688 | |
| Total Assets | 10,775,671,000 | 123,522,000 | 10,899,193,000 | 9,797,607,967 | (1,101,585,033) | |

Budget on Accrual Basis

| | Approved budget | Adjustments | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|------------------------|---------------------|------------------------|--|---|-----------|
| Figures in Rand | | | | | | |
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Consumer deposits | 92,798,000 | - | 92,798,000 | 101,381,633 | 8,583,633 | |
| Finance lease obligation | - | - | - | 346,586 | 346,586 | |
| Other financial liabilities | 67,762,000 | - | 67,762,000 | 79,368,332 | 11,606,332 | |
| Trade payables from exchange transactions | 1,152,457,000 | - | 1,152,457,000 | 759,399,445 | (393,057,555) | |
| Provisions | - | - | - | 7,540,923 | 7,540,923 | |
| Retirement benefit obligation | - | - | - | 23,038,692 | 23,038,692 | |
| Unspent conditional grants and receipts | - | - | - | 80,276,486 | 80,276,486 | |
| Provisions | 6,084,000 | - | 6,084,000 | 220,808 | (5,863,192) | |
| | 1,319,101,000 | - | 1,319,101,000 | 1,051,572,905 | (267,528,095) | |
| Non-Current Liabilities | | | | | | |
| Other financial liabilities | 511,999,000 | - | 511,999,000 | 535,738,525 | 23,739,525 | |
| Finance lease obligation | 743,548,000 | - | 743,548,000 | 56,007,366 | (687,540,634) | |
| Retirement benefit obligation | - | - | - | 608,579,819 | 608,579,819 | |
| | 1,255,547,000 | - | 1,255,547,000 | 1,200,325,710 | (55,221,290) | |
| Total Liabilities | 2,574,648,000 | - | 2,574,648,000 | 2,251,898,615 | (322,749,385) | |
| Net Assets | | | | | | |
| | 8,201,023,000 | 123,522,000 | 8,324,545,000 | 7,545,709,352 | (778,835,648) | |
| Net Assets | | | | | | |
| Net Assets Attributable to Owners of Controlling Entity | | | | | | |
| Reserves | | | | | | |
| Accumulated surplus | 8,028,109,000 | 123,522,000 | 8,151,631,000 | 7,250,819,631 | (900,811,369) | |
| Capital replacement reserve | - | - | - | 164,290,005 | 164,290,005 | |
| Housing development fund | - | - | - | 79,571,771 | 79,571,771 | |
| Revaluation reserve | - | - | - | 51,027,945 | 51,027,945 | |
| Reserves | 172,914,000 | - | 172,914,000 | - | (172,914,000) | |
| Total Net Assets | 8,201,023,000 | 123,522,000 | 8,324,545,000 | 7,545,709,352 | (778,835,648) | |
| Cash Flow Statement | | | | | | |
| Cash flows from operating activities | | | | | | |
| Receipts | | | | | | |
| Sale of goods and services | 3,413,696,000 | 10,000,000 | 3,423,696,000 | 2,987,136,515 | (436,559,485) | |
| Grants and subsidies | 937,464,000 | - | 937,464,000 | 933,418,434 | (4,045,566) | |
| Interest revenue | 107,717,000 | - | 107,717,000 | 150,937,112 | 43,220,112 | |
| | 4,458,877,000 | 10,000,000 | 4,468,877,000 | 4,071,492,061 | (397,384,939) | |
| Payments | | | | | | |
| Employee costs | (3,619,264,000) | 56,156,000 | (3,563,108,000) | (990,110,891) | 2,572,997,109 | |
| Suppliers | - | - | - | (2,637,045,601) | (2,637,045,601) | |
| Finance costs | (65,474,000) | - | (65,474,000) | (68,463,041) | (2,989,041) | |
| Government grants and subsidies | (191,000) | (7,799,000) | (7,990,000) | - | 7,990,000 | |
| | (3,684,929,000) | 48,357,000 | (3,636,572,000) | (3,695,619,533) | (59,047,533) | |
| Net cash flows from operating activities | 773,948,000 | 58,357,000 | 832,305,000 | 375,872,528 | (456,432,472) | |
| Purchase of property plant equipment | (617,305,000) | (63,716,000) | (681,021,000) | (267,224,474) | 413,796,526 | |
| Capital work in progress | - | - | - | (360,169,915) | (360,169,915) | |
| Increase in short term investment | - | - | - | (481,174) | (481,174) | |
| Purchase of heritage assets | - | - | - | (168,340) | (168,340) | |
| Purchase of other intangible assets | - | - | - | (23,899,771) | (23,899,771) | |
| Increase in other financial assets | - | - | - | 372,500 | 372,500 | |
| Net cash flows from investing activities | (617,305,000) | (63,716,000) | (681,021,000) | (651,571,174) | 29,449,826 | |
| Cash flows from financing activities | | | | | | |
| Movement in borrowings | (67,762,000) | - | (67,762,000) | (23,860,791) | 43,901,209 | |
| Movement in consumer deposits | 50,000,000 | - | 50,000,000 | 7,865,429 | (42,134,571) | |
| Utilisation/receipt of unspent grant | - | - | - | (190,452) | (190,452) | |
| Net cash flows from financing activities | (17,762,000) | - | (17,762,000) | (16,185,814) | 1,576,186 | |
| Net increase/(decrease) in cash and cash equivalents | 138,881,000 | (5,359,000) | 133,522,000 | (291,884,460) | (425,406,460) | |
| Cash and cash equivalents at the beginning of the year | 912,709,000 | - | 912,709,000 | 971,060,563 | 58,351,563 | |
| Cash and cash equivalents at the end of the year | 1,051,590,000 | (5,359,000) | 1,046,231,000 | 679,176,103 | (367,054,897) | |

| Figures in Rand | Original budget | Budget adjustments (i.t.o. s28 and s31 of the MFMA) | Final adjustments budget | Shifting of funds (i.t.o. s31 of the MFMA) | Virement (i.t.o. council approved policy) | Final budget | Actual outcome | Unauthorised expenditure | Variance | Actual outcome as % of final budget | Actual outcome as % of original budget |
|--|------------------------|---|--------------------------|--|---|------------------------|------------------------|--------------------------|----------------------|-------------------------------------|--|
| Economic entity - 2017 | | | | | | | | | | | |
| Financial Performance | | | | | | | | | | | |
| Property rates | 842,558,000 | - | 842,558,000 | - | - | 842,558,000 | 795,878,250 | - | (46,679,750) | 94% | 94% |
| Service charges | 2,878,830,000 | - | 2,878,830,000 | - | - | 2,878,830,000 | 2,539,976,104 | - | (338,853,896) | 88% | 88% |
| Investment revenue | 49,330,000 | - | 49,330,000 | - | - | 49,330,000 | 151,011,148 | - | 101,681,148 | 306% | 306% |
| Transfers recognised - operational | 489,491,000 | 57,753,000 | 547,244,000 | - | - | 547,244,000 | 497,277,040 | - | (49,966,960) | 91% | 102% |
| Other own revenue | 212,797,000 | 222,551,000 | 435,348,000 | - | - | 435,348,000 | 285,124,736 | - | (150,223,264) | 65% | 134% |
| Total revenue (excluding capital transfers and contributions) | 4,473,006,000 | 280,304,000 | 4,753,310,000 | - | - | 4,753,310,000 | 4,269,267,278 | - | (484,042,722) | 90% | 95% |
| Employee costs | (1,040,938,000) | (47,566,000) | (1,088,504,000) | - | - | (1,088,504,000) | (995,636,874) | - | 92,867,126 | 91% | 96% |
| Remuneration of councillors | (43,033,000) | - | (43,033,000) | - | - | (43,033,000) | (43,574,297) | - | (541,297) | 101% | 101% |
| Debt impairment | - | - | - | - | - | - | (332,295,447) | - | (332,295,447) | DIV/0% | DIV/0% |
| Depreciation and asset impairment | (507,298,000) | - | (507,298,000) | - | - | (507,298,000) | (606,368,519) | - | (99,070,519) | 120% | 120% |
| Finance charges | (65,474,000) | (1,670,000) | (67,144,000) | - | - | (67,144,000) | (68,463,041) | - | (1,319,041) | 102% | 105% |
| Materials and bulk purchases | (2,118,107,000) | 103,799,000 | (2,014,308,000) | - | - | (2,014,308,000) | (1,866,282,816) | - | 148,025,184 | 93% | 88% |
| Transfers and grants | (140,526,000) | - | (140,526,000) | - | - | (140,526,000) | (29,605,861) | - | 110,920,139 | 21% | 21% |
| Other expenditure | (538,193,000) | (345,106,000) | (883,299,000) | - | - | (883,299,000) | (1,000,700,662) | - | (117,401,662) | 113% | 186% |
| Total expenditure | (4,453,569,000) | (290,543,000) | (4,744,112,000) | - | - | (4,744,112,000) | (4,942,927,517) | - | (198,815,517) | 104% | 111% |
| Surplus/(Deficit) | 19,437,000 | (10,239,000) | 9,198,000 | - | - | 9,198,000 | (673,660,239) | - | (682,858,239) | (7,324)% | (7,324)% |
| Transfers recognised - capital | 447,414,000 | 11,960,000 | 459,374,000 | - | - | 459,374,000 | 436,141,394 | - | (23,232,606) | 95% | 97% |
| Surplus (Deficit) after capital transfers and contributions | 466,851,000 | 1,721,000 | 468,572,000 | - | - | 468,572,000 | (237,518,845) | - | (706,090,845) | (51)% | (51)% |
| Surplus/(Deficit) for the year | 466,851,000 | 1,721,000 | 468,572,000 | - | - | 468,572,000 | (237,518,845) | - | (706,090,845) | (51)% | (51)% |
| Capital expenditure and funds sources | | | | | | | | | | | |
| Total capital expenditure | 726,241,000 | 145,485,000 | 871,726,000 | - | - | 871,726,000 | 436,141,394 | - | (435,584,606) | 50% | 60% |
| Sources of capital funds | | | | | | | | | | | |
| Transfers recognised - capital | 447,973,000 | 11,401,000 | 459,374,000 | - | - | 459,374,000 | 400,234,108 | - | (59,139,892) | 87% | 89% |
| Borrowing | 158,268,000 | - | 158,268,000 | - | - | 158,268,000 | 40,245,431 | - | (118,022,569) | 25% | 25% |
| Internally generated funds | 120,000,000 | 134,084,000 | 254,084,000 | - | - | 254,084,000 | 208,705,170 | - | (45,378,830) | 82% | 174% |
| Total sources of capital funds | 726,241,000 | 145,485,000 | 871,726,000 | - | - | 871,726,000 | 649,184,709 | - | (222,541,291) | 74% | 89% |
| Cash flows | | | | | | | | | | | |
| Net cash from (used) operating | 773,947,000 | 58,357,000 | 832,304,000 | - | - | 832,304,000 | 375,872,528 | - | (456,431,472) | 45% | 49% |
| Net cash from (used) investing | (617,305,000) | (63,716,000) | (681,021,000) | - | - | (681,021,000) | (651,571,174) | - | 29,449,826 | 96% | 106% |
| Net cash from (used) financing | (17,762,000) | - | (17,762,000) | - | - | (17,762,000) | (16,185,814) | - | 1,576,186 | 91% | 91% |
| Net increase/(decrease) in cash and cash equivalents | 138,880,000 | (5,359,000) | 133,521,000 | - | - | 133,521,000 | (291,884,460) | - | (425,405,460) | (219)% | (210)% |
| Cash and cash equivalents at the beginning of the year | 912,709,000 | 65,233,000 | 977,942,000 | - | - | 977,942,000 | 971,060,563 | - | (6,881,437) | 99% | 106% |
| Cash and cash equivalents at year end | 1,051,589,000 | 59,874,000 | 1,111,463,000 | - | - | 1,111,463,000 | 679,176,103 | - | (432,286,897) | 61% | 65% |

APPROPRIATION STATEMENT

Figures in Rand

Economic entity - 2016 Financial Performance

| | Reported unauthorised expenditure | Expenditure authorised in terms of section 32 of MFMA | Balance to be recovered | Restated audited outcome |
|--|---|---|----------------------------|--------------------------------|
| Property rates | | | | 742,052,098 |
| Service charges | | | | 2,482,050,261 |
| Investment revenue | | | | 148,884,554 |
| Transfers recognised - operational | | | | 466,155,847 |
| Other own revenue | | | | 151,993,682 |
| Total revenue (excluding capital transfers and contributions) | | | | 3,991,136,442 |
| Employee costs | - | - | - | (953,468,706) |
| Remuneration of councillors | - | - | - | (41,763,039) |
| Debt impairment | - | - | - | (102,368,859) |
| Depreciation and asset impairment | - | - | - | (554,841,397) |
| Finance charges | - | - | - | (75,071,691) |
| Materials and bulk purchases | - | - | - | (1,799,213,567) |
| Transfers and grants | - | - | - | (20,870,828) |
| Other expenditure | - | - | - | (695,024,925) |
| Total expenditure | - | - | - | (4,242,623,012) |
| Surplus/(Deficit) | | | | (251,486,570) |
| Transfers recognised - capital | | | | 303,484,250 |
| Surplus (Deficit) after capital transfers and contributions | | | | 51,997,680 |
| Surplus/(Deficit) for the year | | | | 51,997,680 |
| Capital expenditure and funds sources | | | | |
| Total capital expenditure | | | | 476,286,307 |
| Sources of capital funds | | | | |
| Transfers recognised - capital | | | | 292,498,173 |
| Borrowing | | | | 62,181,455 |
| Internally generated funds | | | | 121,606,679 |
| Total sources of capital funds | | | | 476,286,307 |
| Cash flows | | | | |
| Net cash from (used) operating | | | | 571,280,592 |
| Net cash from (used) investing | | | | (483,637,820) |
| Net cash from (used) financing | | | | 42,265,169 |
| Net increase/(decrease) in cash and cash equivalents | | | | 129,907,941 |
| Cash and cash equivalents at the beginning of the year | | | | 841,152,623 |
| Cash and cash equivalents at year end | | | | 971,060,564 |

| Figures in Rand | Original budget | Budget adjustments (i.t.o. s28 and s31 of the MFMA) | Final adjustments budget | Shifting of funds (i.t.o. MFMA) | Virement (i.t.o. council approved policy) | Final budget | Actual outcome | Unauthorised expenditure | Variance | Actual outcome as % of final budget | Actual outcome as % of original budget |
|--|------------------------|---|--------------------------|---------------------------------|---|------------------------|------------------------|--------------------------|----------------------|-------------------------------------|--|
| Controlling entity - 2017 | | | | | | | | | | | |
| Financial Performance | | | | | | | | | | | |
| Property rates | 842,558,000 | - | 842,558,000 | - | - | 842,558,000 | 795,878,250 | - | (46,679,750) | 94% | 94% |
| Service charges | 2,878,830,000 | - | 2,878,830,000 | - | - | 2,878,830,000 | 2,540,096,629 | - | (338,733,371) | 88% | 88% |
| Investment revenue | 49,330,000 | - | 49,330,000 | - | - | 49,330,000 | 54,589,785 | - | 5,259,785 | 111% | 111% |
| Transfers recognised - operational | 489,491,000 | 57,753,000 | 547,244,000 | - | - | 547,244,000 | 497,277,040 | - | (49,966,960) | 91% | 102% |
| Other own revenue | 212,797,000 | 222,551,000 | 435,348,000 | - | - | 435,348,000 | 465,394,680 | - | 30,046,680 | 107% | 219% |
| Total revenue (excluding capital transfers and contributions) | 4,473,006,000 | 280,304,000 | 4,753,310,000 | - | - | 4,753,310,000 | 4,353,236,384 | - | (400,073,616) | 92% | 97% |
| Employee costs | (1,040,938,000) | (47,566,000) | (1,088,504,000) | - | - | (1,088,504,000) | (990,110,883) | - | 98,393,117 | 91% | 95% |
| Remuneration of councillors | (43,033,000) | - | (43,033,000) | - | - | (43,033,000) | (43,574,297) | - | (541,297) | 101% | 101% |
| Depreciation and asset impairment | (507,298,000) | - | (507,298,000) | - | - | (507,298,000) | (597,067,585) | - | (89,769,585) | 118% | 118% |
| Finance charges | (65,474,000) | (1,670,000) | (67,144,000) | - | - | (67,144,000) | (68,463,041) | - | (1,319,041) | 102% | 105% |
| Materials and bulk purchases | (2,118,107,000) | 103,799,000 | (2,014,308,000) | - | - | (2,014,308,000) | (1,866,282,816) | - | 148,025,184 | 93% | 88% |
| Transfers and grants PAID | (140,526,000) | - | (140,526,000) | - | - | (140,526,000) | (36,447,089) | - | 104,078,911 | 26% | 26% |
| Other expenditure | (538,193,000) | (345,106,000) | (883,299,000) | - | - | (883,299,000) | (1,417,341,800) | - | (534,042,800) | 160% | 263% |
| Total expenditure | (4,453,569,000) | (290,543,000) | (4,744,112,000) | - | - | (4,744,112,000) | (5,019,287,511) | - | (275,175,511) | 106% | 113% |
| Surplus/(Deficit) | 19,437,000 | (10,239,000) | 9,198,000 | - | - | 9,198,000 | (666,051,127) | - | (675,249,127) | (7,241)% | (3,427)% |
| Transfers recognised - capital | 447,414,000 | 11,960,000 | 459,374,000 | - | - | 459,374,000 | 436,141,394 | - | (23,232,606) | 95% | 97% |
| Surplus (Deficit) after capital transfers and contributions | 466,851,000 | 1,721,000 | 468,572,000 | - | - | 468,572,000 | (229,909,733) | - | (698,481,733) | (49)% | (49)% |
| Operating deficit (surplus) | - | - | - | - | - | - | 6,489,315 | - | 6,489,315 | DIV/0% | DIV/0% |
| Surplus/(Deficit) for the year | 466,851,000 | 1,721,000 | 468,572,000 | - | - | 468,572,000 | (236,399,048) | - | (704,971,048) | (50)% | (51)% |
| Capital expenditure and funds sources | | | | | | | | | | | |
| Total capital expenditure | 726,241,000 | 145,485,000 | 871,726,000 | - | - | 871,726,000 | 649,184,709 | - | (222,541,291) | 74% | 89% |
| Sources of capital funds | | | | | | | | | | | |
| Transfers recognised - capital National | 447,973,000 | 11,401,000 | 459,374,000 | - | - | 459,374,000 | 400,234,108 | - | (59,139,892) | 87% | 89% |
| Borrowing | 158,268,000 | - | 158,268,000 | - | - | 158,268,000 | 40,245,431 | - | (118,022,569) | 25% | 25% |
| Internally generated funds | 120,000,000 | 134,084,000 | 254,084,000 | - | - | 254,084,000 | 208,705,170 | - | (45,378,830) | 82% | 174% |
| Total sources of capital funds | 726,241,000 | 145,485,000 | 871,726,000 | - | - | 871,726,000 | 649,184,709 | - | (222,541,291) | 74% | 89% |
| Cash flows | | | | | | | | | | | |
| Net cash from (used) operating | 773,947,000 | 58,357,000 | 832,304,000 | - | - | 832,304,000 | 375,713,568 | - | (456,590,432) | 45% | 49% |
| Net cash from (used) investing | (617,305,000) | (63,716,000) | (681,021,000) | - | - | (681,021,000) | (651,394,688) | - | 29,626,312 | 96% | 106% |
| Net cash from (used) financing | (17,762,000) | - | (17,762,000) | - | - | (17,762,000) | (15,995,363) | - | 1,766,637 | 90% | 90% |
| Net increase/(decrease) in cash and cash equivalents | 138,880,000 | (5,359,000) | 133,521,000 | - | - | 133,521,000 | (291,676,483) | - | (425,197,483) | (218)% | (210)% |
| Cash and cash equivalents at the beginning of the year | 912,709,000 | 65,233,000 | 977,942,000 | - | - | 977,942,000 | 969,623,952 | - | (8,318,048) | 99% | 106% |
| Cash and cash equivalents at year end | 1,051,589,000 | 59,874,000 | 1,111,463,000 | - | - | 1,111,463,000 | 677,947,469 | - | 433,515,531 | 61% | 64% |

APPROPRIATION STATEMENT

| Figures in Rand | Reported unauthorised expenditure | Expenditure authorised in terms of section 32 of MFMA | Balance to be recovered | Restated audited outcome |
|--|---|--|----------------------------|-----------------------------|
| Controlling entity - 2016 | | | | |
| Financial Performance | | | | |
| Property rates | | | | 742,052,098 |
| Service charges | | | | 2,482,198,877 |
| Investment revenue | | | | 68,242,363 |
| Transfers recognised - operational | | | | 466,155,847 |
| Other own revenue | | | | 242,615,226 |
| Total revenue (excluding capital transfers and contributions) | | | | 4,001,264,411 |
| Employee costs | - | - | - | (948,875,302) |
| Remuneration of councillors | - | - | - | (41,763,039) |
| Depreciation and asset impairment | - | - | - | (504,289,145) |
| Finance charges | - | - | - | (75,071,683) |
| Materials and bulk purchases | - | - | - | (1,799,213,567) |
| Transfers and grants | - | - | - | (26,543,828) |
| Other expenditure | - | - | - | (856,527,458) |
| Total expenditure | - | - | - | (4,252,284,022) |
| Surplus/(Deficit) | | | | (251,019,611) |
| Transfers recognised - capital | | | | 303,484,250 |
| Surplus (Deficit) after capital transfers and contributions | | | | 52,464,639 |
| Surplus/(Deficit) for the year | | | | 52,464,639 |
| Capital expenditure and funds sources | | | | |
| Total capital expenditure | | | | 476,286,307 |
| Sources of capital funds | | | | |
| Transfers recognised - capital | | | | 292,498,173 |
| Borrowing | | | | 62,181,455 |
| Internally generated funds | | | | 121,606,679 |
| Total sources of capital funds | | | | 476,286,307 |
| Cash flows | | | | |
| Net cash from (used) operating | | | | 564,584,921 |
| Net cash from (used) investing | | | | (476,769,046) |
| Net cash from (used) financing | | | | 48,874,819 |
| Net increase/(decrease) in cash and cash equivalents | | | | 136,690,694 |
| Cash and cash equivalents at the beginning of the year | | | | 832,933,258 |
| Cash and cash equivalents at year end | | | | 969,623,952 |

ACCOUNTING POLICIES

1. Presentation of Consolidated Annual Financial Statements

The Consolidated Annual Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003). The reporting framework is as prescribed by the Accounting Standards Board in Directive 5.

These Consolidated Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These Consolidated Annual Financial Statements are presented in South African Rand, which is the functional currency of the economic entity.

1.2 Going concern assumption

These Consolidated Annual Financial Statements have been prepared based on the expectation that the economic entity will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgments and sources of estimation uncertainty

In preparing the Consolidated Annual Financial Statements, management is required to make estimates and assumptions that affect the amounts represented in the Consolidated Annual Financial Statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the Consolidated Annual Financial Statements.

Fair value estimation of financial instruments

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the economic entity is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The economic entity uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the economic entity for similar financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The reporting date reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors together with economic factors.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 19 - Provisions.

Useful lives of Property Plant and Equipment

The municipality's management determines the estimated useful lives and related depreciation charges for all assets. These estimates are based on National Treasury Guideline Template. Management will increase or decrease the depreciation charge where useful lives are less or more than previously estimated useful lives.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 20.

1.3 Significant judgments and sources of estimation uncertainty (Continued)

Effective interest rate

The economic entity used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On receivables an impairment loss is recognised in the surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Budget information

Deviation between budget and actual amounts exceeding 10 percent are obtained monthly for the preparation of the Section 71 reporting and used during the audit process.

1.4 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.5 Investments

Where the carrying amount of an investment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Consolidated Statement of Financial Performance.

1.6 Agricultural assets

The entity recognises agricultural assets or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the economic entity; and
- the fair value or cost of the asset can be measured reliably.

Agricultural assets are measured at their fair value less costs to sell.

The fair value of the tree plantations is based on the combined fair value of the land and the trees. The fair value of the raw land and land improvements is then deducted from the combined fair value to determine the fair value of the trees.

A gain or loss arising on initial recognition of agricultural assets or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of a agricultural assets is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable is used to determine fair value.

1.7 Heritage assets

Assets are resources controlled by an economic entity as a result of past events and from which future economic benefits or service potential are expected to flow to the economic entity.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an economic entity's operations that is shown as a single item for the purpose of disclosure in the consolidated annual financial statements.

1.7 Heritage assets (Continued)

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements

Recognition

The economic entity recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the economic entity, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

If at initial recognition the municipality cannot reliably measure its cost, the relevant and useful information about the heritage asset is disclosed in the notes to the Consolidated Annual Financial Statements.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If a heritage asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

Impairment

The economic entity assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the economic entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The economic entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised.

1.8 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the economic entity or from other rights and obligations.

The economic entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item | Depreciation method | Average useful life |
|---|---------------------|---------------------|
| Computer software, internally generated | Straight line | 3 - 5 years |
| Servitudes | Straight line | Indefinite |

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised.

1.9 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the economic entity, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the economic entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier).

1.9 Investment property (Continued)

If the economic entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the economic entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

1.10 Property plant and equipment

Property plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the economic entity; and
- the cost of the item can be measured reliably.

Property plant and equipment is initially measured at cost.

The cost of an item of property plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property plant and equipment have different useful lives, they are accounted for as separate items (major components) of property plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major inspection costs which are a condition of continuing use of an item of property plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The useful lives of items of property plant and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|------------------------------------|---------------------|---------------------|
| Land | Straight line | Infinite |
| Roads | Straight line | 5 - 100 years |
| System security | Straight line | 5 - 10 years |
| Storm water drainage | Straight line | 25 - 120 years |
| Airport infrastructure | Straight line | 20 years |
| Solid waste | Straight line | 5 - 50 years |
| Water and sanitation | Straight line | 10 - 100 years |
| Major substations:buildings | Straight line | 5 - 50 years |
| Transformers and related equipment | Straight line | 50 years |
| Mains | Straight line | 45 years |
| Street lighting | Straight line | 50 years |
| Buildings | Straight line | 5 - 50 years |
| Recreational facilities | Straight line | 5 - 50 years |
| Fresh produce and other markets | Straight line | 5 - 50 years |
| Fire engines | Straight line | 20 years |

| Item | Depreciation method | Average useful life |
|------------------------|---------------------|---------------------|
| Landfill site | Straight line | 5 - 50 years |
| Transport facilities | Straight line | 5 - 50 years |
| Fencing | Straight line | 10 years |
| Heavy and mobile plant | Straight line | 10 - 15 years |
| Furniture and fittings | Straight line | 7 - 10 years |
| Vehicles | Straight line | 5 - 10 years |
| Bins and containers | Straight line | 5 - 10 years |
| Plant and equipment | Straight line | 5 - 15 years |

1.10 Property plant and equipment (Continued)

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.11 Capital under construction

Incomplete construction work is recognised as capital under construction and measured at cost. Depreciation only commences when the asset is commissioned into use.

1.12 Commitments

A commitment is a binding agreement to undertake operating and capital expenditure at some set time in the future which has not yet become an actual liability.

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

1.13 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases

Finance leases are recognised as assets and liabilities in the Consolidated Statement of Financial Position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Consolidated Statement of Financial Position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of return on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

The Msunduzi Municipality is the lessee of all operating lease agreements.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.14 Conditional Grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with all of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder, it is recorded as part of the creditor. If it is the Municipality's interest, it is recognised as interest earned in the Consolidated Statement of Financial Performance.

Grants and receipts of a revenue nature: income is transferred as revenue to the Consolidated Statement of Financial Performance to the extent that the criteria, conditions or obligations have been met.

1.15 Impairment of non-cash-generating assets

Non-cash generating assets are those assets held by the Economic Entity without an intention of generating a commercial return and held primarily for service delivery purposes. The Economic Entity classifies all assets held with the primary objective of generating a commercial return as cash generating assets.

The Economic Entity will apply its judgment and disclose the criteria used in making such judgment in cases where it's not clear whether the primary objective is to generate a commercial return.

The Economic Entity assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Economic Entity determines the recoverable service amount of the asset. The recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

If the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired and is recognised immediately in the Consolidated Statement of Financial Performance. An impairment loss is when the asset's carrying amount exceeds its recoverable service amount and is recognised in the Consolidated Statement of Financial Performance.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in the Consolidated Statement of Financial Performance. The increase in the carrying amount of an asset due to the reversal of an impairment loss should not exceed what the carrying amount would have been if no impairment loss had been recognised. Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the Consolidated Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the economic entity; or
- (b) the number of production or similar units expected to be obtained from the asset by the economic entity.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The economic entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the economic entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

1.15 Impairment of non-cash-generating assets (Continued)

The replacement cost and reproduction cost of an asset is determined on an “optimised” basis. The rationale is that the economic entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the economic entity recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The economic entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the economic entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.16 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by an entity.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

1.17 Budget information

Economic Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by economic entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01-07-2016 to 30-06-2017.

The consolidated annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Consolidated Statement of Comparative and Actual information has been included in the consolidated annual financial statements as the recommended disclosure when the consolidated annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

Comparative information is not required.

1.18 Comparative figures

When the presentation or classification of items in the consolidated annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.19 First time adoption of Municipal Standard Chart of Accounts ("mSCOA")

The municipality adopted the Municipal Standard Chart of Accounts "mSCOA" from the 1 July 2016, and have prepared the Consolidated Annual Financial Statements for the year ended 30 June 2017, in accordance with the mSCOA classification as stipulated in version 5.4. The adoption of mSCOA is not a deviation of Generally Recognised Accounting Practice (GRAP). The adoption of the mSCOA classification resulted in the municipality having to restate the prior year figures in accordance with the mSCOA classification. The municipality has far as practicability possible restated the prior year figures in line with current mSCOA classification. The result of the above is that some of the prior year figures are not comparable, and do not have the level of detail as current year mSCOA classification.

1.20 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

The municipality provides retirement benefits for its employees and councillors. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the municipality's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The Natal Joint Provident, Dynamique Ambrella (Pietermaritzburg Provident Fund) and Umgeni Provident Fund are defined contribution plans. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable.

The Municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Municipality has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Post-employment benefits: Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The Natal Joint Pension Fund, Government Employees Pension Fund, Association Institution Pension Fund, South African Local Authorities Pension Fund and the Councillors Pension Fund are defined benefit. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

1.20 Employee benefits (Continued)

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Pension obligations

The Municipality's employees contribute to different Pension Funds, of which the Natal Joint Provident and Retirement Pension Fund cater for the majority of the staff.

The following are defined contribution and benefit funds:

- *The Natal Joint Provident fund,
- *Dynamique Ambrella (Pietermaritzburg Provident Fund),
- *Umgeni Water Provident Fund
- *Government Employees Pension Fund,
- *Association Institution Pension Fund,
- *South African Local Authorities Pension Fund and
- * Councillors Pension Fund
- *LGM retirement for Municipal Manager

Actuarial valuations are conducted on an interim basis each year with a statutory valuation undertaken every three years. Consideration is given to any extent that could impact the Funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The Municipality has both defined benefit and defined contribution plans.

The liability / asset recognized in the statement of financial position in respect of defined benefit pension plans is equal to the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Past-service costs are recognised immediately against revenue.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan. Natal Joint Retirement Funds, Government Employee Pension Fund and Associated Institution Pension Fund are defined benefit funds. The Natal Joint Provident Fund, Pietermaritzburg and South African Local Authority are defined contribution funds.

Other post retirement obligations

The municipality provides post-retirement health care benefits, upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period.

Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are charged or credited to revenue in the year that they arise.

Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are charged or credited to revenue in the year that they arise.

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

1.20 Employee benefits (Continued)

Post-employment benefit obligations are measured on a basis that reflects:

- * estimated future salary increases;
- * the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- * estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - * those changes were enacted before the reporting date; or
 - * past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels. Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

1.21 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered/goods sold, the value of which approximates the consideration received or receivable.

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed.

The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property based on category of property and the property value.

Service charges from sewerage and sanitation are based on water consumption and are levied monthly.

Interest and rentals are recognised on a time proportion basis.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue arising out of situations where the Municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the Municipality as compensation for executing the agreed services.

All other revenue is recognised as it accrues.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the economic entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the economic entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the economic entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the economic entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

1.21 Revenue from exchange transactions (Continued)

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

1.22 Revenue from non-exchange transactions

Refers to transactions where the Municipality received revenue from another entity without giving approximately equal value in exchange.

Revenue from non exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount and the effective interest rate applicable.

Fines constitute both spot fines and summons. Fines are recognised when the fines are issued.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, at the fair value of the consideration received or receivable.

Contributed property, plant and equipment is recognised when ownership of the items of property, plant and equipment is transferred to the Municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Income received from conditional grants, donations and subsidies is recognised to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised and funds are invested until utilised.

Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder, it is recorded as part of the creditor. If it is the Municipality's interest, it is recognised as interest earned in the Consolidated Statement of Financial Performance.

Grants and receipts of a revenue nature: income is transferred as revenue to the Consolidated Statement of Financial Performance to the extent that the criteria, conditions or obligations have been met.

The Municipality recognises the full amount of revenue of the fine issued at the transaction date when there is uncertainty about the Municipality's ability to collect such revenue from the fine, based on past history, the Municipality has an obligation to collect all revenue due to it.

Subsequent to initial recognition and measurement, the Municipality assess the collectability of the revenue and recognises an impairment loss where appropriate for example there the municipality may offer early settlement discounts or amnesty periods.

Where these reductions exist, the Municipality considers past history in assessing the likelihood of these discounts or reductions being taken up the debtors.

1.23 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003).

Unauthorised expenditure is accounted for as an expense in the Consolidated Statement of Financial Performance.

Where unauthorised expenditure is not approved, upon the finalisation of an investigation, it is recovered from the responsible person and the amount received is accounted for as revenue in the Consolidated Statement of Financial Performance.

1.24 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Consolidated statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Consolidated Statement of Financial Position.

1.25 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Consolidated Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Consolidated Statement of Financial Performance.

1.26 Provisions and contingencies

Provisions are recognised when:

- the economic entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 61.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the economic entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

1.27 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.28 Internal reserves

Capital replacement reserve (CRR)

The CRR is an asset financing source that represents an alternative to the other funding sources available to the Municipality namely external loans (interest bearing borrowings) and government grants & subsidies. It is a GRAP requirement that the balance on the CRR must always be represented by cash, which must be held in a separate identifiable investment account.

Subsequent to the implementation of GRAP in 2008, Reserves and Funds had to be discontinued as they are not permissible in terms of GRAP. However, the National Treasury determined that the CRR is one of the few funds and reserves that are allowed. Therefore, it is a requirement that since fund accounting is not allowed in terms of GRAP, for disclosure in the Consolidated Annual Financial Statements, CRR forms part of Accumulated Surplus and should not be disclosed on the face of the Consolidated Statement of Financial Position.

As a matter of principle, the focus is the manner in which these reserves are created and accounted for, which in this instance the capital replacement of major components of Infrastructure Assets in the event of technical failure.

For accounting purposes, the CRR will be created by transferring amounts out of Accumulated surpluses/deficits to the respective reserve account, or vice versa, in the Consolidated Statement of Changes in Net Assets. The net effect of these transfers will be nil in the Consolidated Statement of Changes in Net Assets, and will not affect the value of reserves in totality. It is the requirement of GRAP that no transactions should be accounted for, directly to the Consolidated Statement of Changes in Net Assets other than those specifically allowed in terms of GRAP, i.e. Revaluation Surplus Reserve. Therefore, situations should be avoided where reserves are created and accounted for, by taking amounts directly to the Consolidated Statement of Changes in Net Assets thereby circumventing the Consolidated Statement of Financial Performance.

The Economic Entity has determined a policy on the revenue sources that will be used to maintain or increase the balance of the CRR. These revenue sources include, but not limited to, the following:

- Interest earned by the municipality on the CRR investment account;
- Cash proceeds from the sale of any item of PPE or Investment Property;
- Percentage of amount that was utilised in the previous financial year for the purchase of items of PPE and
- VAT input recovered from SARS.

The CRR will only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and will not be used for the maintenance of such items.

Revaluation reserve

The surplus arising from the revaluation of heritage assets is credited to a non-distributable reserve. The revaluation surplus is realised as revalued artworks are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/deficit. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the Consolidated Statement of Financial Performance.

1.28 Internal reserves (Continued)

Self insurance reserve

The municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally (adapt to specific circumstances).

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

The municipality operates a self-insurance scheme under the Self-Insurance Reserve, which has a policy that is aligned with the practice in the Insurance Industry. The balance of the Self-Insurance Reserve is determined based on surpluses accumulated since inception.

These surpluses arise from the differences between premiums charged against claims paid and various administrative expenditure incurred.

At the end of each financial year the surplus as computed per above is transferred from accumulated surplus to Self-Insurance Reserve.

Premiums are calculated on past claims experienced and are charged to the various Clusters.

The balance of the self-insurance fund is fully cash backed and is invested in fixed and negotiable deposits.

Compensation for occupational injuries and diseases (COID) reserve

The Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993) is to provide for payment of medical treatment and compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases. The contribution to the COID fund is 0.75% of the salary expense. The municipality is an exempt employer in terms of Section 84 (1) (a)(ii) & (2) and as such does not pay any assessments to the COID Commissioner. In terms of the exempt status the municipality is mandated to establish its own fund and administers this fund in terms of the COID Act.

1.29 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The economic entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The economic entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the consolidated annual financial statements.

1.30 Related parties

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the economic entity.

Parties are considered to be related if one party directly or indirectly has the ability to control the other party or exercise significant influence over the party in making financial and operating decisions or is a member of the key management of the municipality or entity.

1.31 Offsetting

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP

1.32 Use of estimates

The preparation of Consolidated Annual Financial Statements in conformity with Generally Recognised Accounting Practice requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the municipality's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the annual financial statements are disclosed in the relevant sections of the consolidated annual financial statements. Although these estimates are based on management's best knowledge of current events and actions they may undertake in the future, actual results ultimately may differ from those estimates.

1.33 Change in accounting policy, estimates and errors

When accounting errors have been identified in the current year, the correction is applied retrospectively as far as it is practicable and the prior year comparatives are restated accordingly. When there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as it is practicable and the prior year comparative is restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustments is made retrospectively as far as is practicable and the prior year comparative are restated accordingly

1.34 Share capital / contributions from owners

An equity instrument is any contract that evidences a residual interest in the assets of an economic entity after deducting all of its liabilities.

1.35 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.36 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Financial instruments are initially recognised at fair value. In the case of a financial instrument not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instrument are added to the fair value.

Classification

Financial Instruments are categorised according to their nature as either financial instruments at fair value, held at amortised cost, or held at cost. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Trade and other receivables

Trade and other receivables are initially recognised at fair value plus any transaction costs and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of the trade and other receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Impairment losses are recognised in the Statement of Financial Performance.

An estimate is made for doubtful debts based on the categorisation of debts and a review of past trends in collection rates applied to all outstanding amounts at year-end.

Creditors

Trade payables are initially measured at fair value plus any transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

These are initially and subsequently recorded at fair value. For cash flow purposes cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred.

Loans and receivables

Loans and receivables are measured initially and subsequently at fair value, gains and losses arising from changes in fair value are included in the Statement of Financial Performance for the period. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

Fixed and negotiable deposits

Fixed and negotiable deposits are non-derivative financial assets with fixed or determinable payments and fixed maturities that the municipality will hold to maturity. Fixed and negotiable deposits are initially and subsequently measured at fair value which in the case of investments that have an original maturity date of less than 12 months equates the cost. Fixed and negotiable deposits held for greater than 12 months are fair valued annually and the difference recognised in the statement of financial performance.

On disposal of fixed and negotiable deposits, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

Classification

Receivables from exchange transactions
 Receivables from non-exchange transactions
 Bank, cash and cash equivalents – notice deposits
 Bank, cash and cash equivalents – call deposits
 Bank, cash and cash equivalents – bank
 Bank, cash and cash equivalents – cash
 Other financial asset²

Category

Financial asset measured at amortised cost
 Financial asset measured at amortised cost
 Financial asset measured at fair value
 Financial asset measured at fair value
 Financial asset measured at fair value
 Financial asset measured at fair value
 Financial asset measured at fair value

Class

Long term liabilities
 Payables from exchange transactions
 Payables from non exchange transactions
 Current portion of long-term liabilities

Category

Financial liability measured at amortised cost
 Financial liability measured at amortised cost
 Financial liability measured at amortised cost
 Financial liability measured at amortised cost

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

| Figures in Rand | 2017 | 2016 |
|-----------------|------|------|
|-----------------|------|------|

2. New standards and interpretations

2.1 Standards and interpretations issued and adopted

Entities are required to apply the standards of GRAP where the Minister has determined the effective date.

The Minister has determined the effective date for the following standards of GRAP:

| Reference | Topic |
|-----------|--|
| GRAP 1 | Presentation of Financial Statements |
| GRAP 2 | Cash Flow Statements |
| GRAP 3 | Accounting Policies, Changes in Accounting Estimates and Errors |
| GRAP 4 | The Effects of Changes in Foreign Exchange Rates |
| GRAP 5 | Borrowing Costs |
| GRAP 6 | Consolidated and Separate Financial Statements |
| GRAP 7 | Investments in Associates |
| GRAP 8 | Interests in Joint Ventures |
| GRAP 9 | Revenue from Exchange Transactions |
| GRAP 11 | Construction Contracts |
| GRAP 12 | Inventories |
| GRAP 13 | Leases |
| GRAP 14 | Events After the Reporting Date |
| GRAP 16 | Investment Property |
| GRAP 17 | Property, Plant and Equipment |
| GRAP 19 | Provisions, Contingent Liabilities and Contingent Assets |
| GRAP 21 | Impairment of Non-cash-generating Assets |
| GRAP 23 | Revenue from Non-exchange Transactions (Taxes and Transfers) |
| GRAP 24 | Presentation of Budget Information in Financial Statements |
| GRAP 25 | Employee Benefits |
| GRAP 26 | Impairment of Cash-generating Assets |
| GRAP 27 | Agriculture |
| GRAP 31 | Intangible Assets |
| GRAP 100 | Discontinued Operations |
| GRAP 103 | Heritage Assets |
| GRAP 104 | Financial Instruments |
| GRAP 105 | Transfers of Functions Between Entities Under Common Control |
| GRAP 106 | Transfers of Functions Between Entities Not Under Common Control |
| GRAP 107 | Mergers |

| | |
|----------|--|
| IGRAP 1 | Applying the Probability Test on Initial Recognition of Exchange Revenue |
| IGRAP 2 | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| IGRAP 3 | Determining whether an Arrangement Contains a Lease |
| IGRAP 4 | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| IGRAP 5 | Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies |
| IGRAP 6 | Loyalty Programmes |
| IGRAP 7 | The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |
| IGRAP 8 | Agreements for the Construction of Assets from Exchange Transactions |
| IGRAP 9 | Distributions of Non-cash Assets to Owners |
| IGRAP 10 | Assets Received from Customers |
| IGRAP 13 | Operating Leases – Incentives |
| IGRAP 14 | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |
| IGRAP 15 | Revenue – Barter Transactions Involving Advertising Services |
| IGRAP 16 | Intangible Assets – Website Costs |

2.2 Standards and interpretations issued, but not yet effective

Standards of GRAP approved but, for which the Minister of Finance has not yet determined an effective date , that have been early adopted by the municipality

| Reference | Topic |
|-----------|--|
| GRAP 18 | Segment Reporting |
| GRAP 20 | Related Party Disclosures |
| GRAP 32 | Service Concession Arrangements: Grantor |
| GRAP 108 | Statutory Receivables |
| IGRAP 17 | Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset |

| Figures in Rand | Economic entity | | Controlling entity | |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| 3. Cash and cash equivalents | | | | |
| Cash and cash equivalents consist of: | | | | |
| Cash on hand | 65,732 | 54,491 | 58,301 | 51,485 |
| Bank balances | 9,427,753 | 83,806,714 | 8,206,550 | 82,373,108 |
| Short term deposits - call | 455,728,289 | 577,199,359 | 455,728,289 | 577,199,359 |
| Short term deposits - fixed | 213,954,329 | 310,000,000 | 213,954,329 | 310,000,000 |
| | 679,176,103 | 971,060,564 | 677,947,469 | 969,623,952 |
| Average rate of return | 7.15 | 10.00 | 7.15 | 10.00 |

Due to the short term nature of these investments no amortisation was performed.
Fair value is taken at face value.
No cash and cash equivalents were pledged as security for any financial liabilities.
No restrictions exist with regard to the use of cash.
No portion is past due or impaired.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. Although credit quality can be assessed, the Municipality did not apply any methods to evaluate the credit quality.

The municipality had the following bank accounts

| First National Bank | Bank statement balances | | | Cash book balances | | |
|---|-------------------------|--------------------|--------------------|--------------------|-------------------|-------------------|
| | 30 June 2017 | 30 June 2016 | 30 June 2015 | 30 June 2017 | 30 June 2016 | 30 June 2015 |
| Acc. No: 5094187782 (Primary) | 72,518,159 | 111,808,444 | 101,639,370 | 47,982,680 | 109,201,902 | 78,153,399 |
| FNB - No: 50940058750 (Electronic transfers) | - | - | - | (59,603,247) | (46,141,172) | (43,925,777) |
| Acc. No: 62058007264 (Slum clearance) | - | - | 19,031,558 | - | - | 19,380,206 |
| Acc. No: 50941840627 (Market) | 1,984,088 | 3,207,458 | 5,097,926 | 6,778,723 | 3,180,472 | 2,440,056 |
| Acc. No: 62069378539 (Pietermaritzburg Airport) | 7,337,308 | 4,409,873 | 3,244,011 | 7,316,438 | 4,409,873 | 3,244,011 |
| Acc. No: 50930082248 (Forestry) | - | 63,225 | 72,177 | - | 63,225 | 72,177 |
| Acc. No: 62003432846 (Salaries PACs no.1) | 68,195 | 181,002 | 149,813 | 4,099,149 | 181,002 | 149,813 |
| Acc. No: 62279194650 (Forestry) | - | 11,658,008 | 5,127,561 | - | 11,658,008 | 5,127,561 |
| Acc. No : 62006041157 (Post Office) | - | - | - | 1,632,807 | - | - |
| Acc No : 62035942392 (Safe City Msunduzi NPC) | 1,169,207 | 1,238,742 | 8,122,716 | 1,169,207 | 1,238,742 | 8,122,716 |
| Acc No : 62035467978 (Safe City Msunduzi NPC) | 51,996 | 139,891 | 94,964 | 51,996 | 139,891 | 94,964 |
| Total | 83,128,953 | 132,706,643 | 142,580,096 | 9,427,753 | 83,931,943 | 72,859,126 |

The Electronic bank account (50940058750) is swept daily into the primary bank account and is reflected as an aggregated balance.

The municipality uses a prepaid electricity vendors, who provides a facility to the value of R 295,000 for the municipality to issue prepaid electricity tokens. This facility works on an imprest system.

4. Consumer debtors

Gross balances

| | | | | |
|-----------------|----------------------|----------------------|----------------------|----------------------|
| Electricity | 579,699,153 | 599,219,229 | 579,699,153 | 599,219,229 |
| Property rental | 35,355,674 | 37,475,507 | 35,355,674 | 37,475,507 |
| Rates | 507,446,169 | 471,904,659 | 507,446,169 | 471,904,659 |
| Refuse | 80,120,473 | 82,552,107 | 80,120,473 | 82,552,107 |
| Sanitation | 147,924,105 | 154,894,593 | 147,924,105 | 154,894,593 |
| Water | 725,873,655 | 729,590,146 | 725,873,655 | 729,590,146 |
| | 2,076,419,229 | 2,075,636,241 | 2,076,419,229 | 2,075,636,241 |

Less: Allowance for impairment

| | | | | |
|-----------------|------------------------|----------------------|------------------------|----------------------|
| Electricity | (305,064,512) | (272,503,137) | (305,064,512) | (272,503,137) |
| Property rental | (18,382,501) | (16,837,935) | (18,382,501) | (16,837,935) |
| Rates | (270,530,912) | (244,503,750) | (270,530,912) | (244,503,750) |
| Refuse | (43,777,979) | (40,099,590) | (43,777,979) | (40,099,590) |
| Sanitation | (78,417,837) | (71,828,877) | (78,417,837) | (71,828,877) |
| Water | (346,398,575) | (317,656,458) | (346,398,575) | (317,656,458) |
| | (1,062,572,316) | (963,429,747) | (1,062,572,316) | (963,429,747) |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Net balance | | | | |
| Electricity | 274,634,641 | 326,716,092 | 274,634,641 | 326,716,092 |
| Property rental | 16,973,173 | 20,637,572 | 16,973,173 | 20,637,572 |
| Rates | 236,915,257 | 227,400,909 | 236,915,257 | 227,400,909 |
| Refuse | 36,342,494 | 42,452,517 | 36,342,494 | 42,452,517 |
| Sanitation | 69,506,268 | 83,065,716 | 69,506,268 | 83,065,716 |
| Water | 379,475,080 | 411,933,688 | 379,475,080 | 411,933,688 |
| | 1,013,846,913 | 1,112,206,494 | 1,013,846,913 | 1,112,206,494 |
| Included in above is receivables from exchange transactions | | | | |
| Electricity | 274,634,641 | 326,716,092 | 274,634,641 | 326,716,092 |
| Property rental | 16,973,173 | 20,637,572 | 16,973,173 | 20,637,572 |
| Refuse | 36,342,494 | 42,452,517 | 36,342,494 | 42,452,517 |
| Sanitation | 69,506,268 | 83,065,716 | 69,506,268 | 83,065,716 |
| Water | 379,475,080 | 411,933,688 | 379,475,080 | 411,933,688 |
| | 776,931,656 | 884,805,585 | 776,931,656 | 884,805,585 |
| Included in above is receivables from non-exchange transactions (taxes and transfers) | | | | |
| Rates | 236,915,257 | 227,400,909 | 236,915,257 | 227,400,909 |
| Net balance | 1,013,846,913 | 1,112,206,494 | 1,013,846,913 | 1,112,206,494 |
| Rates | | | | |
| Current (0 -30 days) | 91,256,484 | 54,246,731 | 91,256,484 | 54,246,731 |
| 31 - 60 days | 15,510,440 | 25,614,226 | 15,510,440 | 25,614,226 |
| 61 - 90 days | 13,756,436 | 12,116,706 | 13,756,436 | 12,116,706 |
| 91 - 120 days | 12,452,993 | 9,030,477 | 12,452,993 | 9,030,477 |
| 121 - 365 days | 8,728,638 | 25,433,276 | 8,728,638 | 25,433,276 |
| > 365 days | 365,741,178 | 345,463,243 | 365,741,178 | 345,463,243 |
| | 507,446,169 | 471,904,659 | 507,446,169 | 471,904,659 |
| Electricity | | | | |
| Current (0 -30 days) | 286,651,020 | 174,545,364 | 286,651,020 | 174,545,364 |
| 31 - 60 days | 28,877,163 | 68,223,513 | 28,877,163 | 68,223,513 |
| 61 - 90 days | 10,384,336 | 23,501,402 | 10,384,336 | 23,501,402 |
| 91 - 120 days | 7,061,091 | 6,497,356 | 7,061,091 | 6,497,356 |
| 121 - 365 days | 3,130,715 | 18,244,826 | 3,130,715 | 18,244,826 |
| > 365 days | 243,594,828 | 308,206,768 | 243,594,828 | 308,206,768 |
| | 579,699,153 | 599,219,229 | 579,699,153 | 599,219,229 |
| Water | | | | |
| Current (0 -30 days) | 48,806,005 | 46,694,902 | 48,806,005 | 46,694,902 |
| 31 - 60 days | 30,839,163 | 29,647,055 | 30,839,163 | 29,647,055 |
| 61 - 90 days | 20,084,681 | 19,022,079 | 20,084,681 | 19,022,079 |
| 91 - 120 days | 19,505,686 | 18,622,500 | 19,505,686 | 18,622,500 |
| 121 - 365 days | 52,132,511 | 53,952,387 | 52,132,511 | 53,952,387 |
| > 365 days | 554,501,441 | 561,651,223 | 554,501,441 | 561,651,223 |
| | 725,869,487 | 729,590,146 | 725,869,487 | 729,590,146 |
| Sanitation | | | | |
| Current (0 -30 days) | 21,100,794 | 11,924,372 | 21,100,794 | 11,924,372 |
| 31 - 60 days | 4,610,064 | 5,737,078 | 4,610,064 | 5,737,078 |
| 61 - 90 days | 4,509,204 | 3,313,548 | 4,509,204 | 3,313,548 |
| 91 - 120 days | 4,134,947 | 3,192,557 | 4,134,947 | 3,192,557 |
| 121 - 365 days | 3,163,207 | 8,731,953 | 3,163,207 | 8,731,953 |
| > 365 days | 110,405,889 | 121,995,085 | 110,405,889 | 121,995,085 |
| | 147,924,105 | 154,894,593 | 147,924,105 | 154,894,593 |

| Figures in Rand | Economic entity | | Controlling entity | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Refuse | | | | |
| Current (0 -30 days) | 11,620,445 | 6,856,608 | 11,620,445 | 6,856,608 |
| 31 - 60 days | 2,188,433 | 3,641,932 | 2,188,433 | 3,641,932 |
| 61 - 90 days | 2,028,994 | 1,719,857 | 2,028,994 | 1,719,857 |
| 91 - 120 days | 1,936,125 | 1,638,908 | 1,936,125 | 1,638,908 |
| 121 - 365 days | 1,706,686 | 4,606,650 | 1,706,686 | 4,606,650 |
| > 365 days | 60,639,790 | 64,088,152 | 60,639,790 | 64,088,152 |
| | 80,120,473 | 82,552,107 | 80,120,473 | 82,552,107 |
| Property rental | | | | |
| Current (0 -30 days) | 613,771 | 658,999 | 613,771 | 658,999 |
| 31 - 60 days | 547,018 | 606,105 | 547,018 | 606,105 |
| 61 - 90 days | 509,997 | 575,328 | 509,997 | 575,328 |
| 91 - 120 days | 509,956 | 566,289 | 509,956 | 566,289 |
| 121 - 365 days | 1,510,010 | 1,669,929 | 1,510,010 | 1,669,929 |
| > 365 days | 31,664,922 | 33,398,857 | 31,664,922 | 33,398,857 |
| | 35,355,674 | 37,475,507 | 35,355,674 | 37,475,507 |
| Summary by customer classification | | | | |
| Consumers | | | | |
| Current (0 -30 days) | 208,185,708 | 121,464,794 | 208,185,708 | 121,464,794 |
| 31 - 60 days | 44,632,241 | 66,254,678 | 44,632,241 | 66,254,678 |
| 61 - 90 days | 41,978,010 | 40,436,495 | 41,978,010 | 40,436,495 |
| 91 - 120 days | 37,335,297 | 39,174,706 | 37,335,297 | 39,174,706 |
| 121 - 365 days | 29,911,949 | 114,420,552 | 29,911,949 | 114,420,552 |
| > 365 days | 1,154,680,915 | 1,170,617,613 | 1,154,680,915 | 1,170,617,613 |
| | 1,516,724,120 | 1,552,368,838 | 1,516,724,120 | 1,552,368,838 |
| Less: Allowance for impairment | (849,718,964) | (670,610,061) | (849,718,964) | (670,610,061) |
| | 667,005,156 | 881,758,777 | 667,005,156 | 881,758,777 |
| Industrial/ commercial | | | | |
| Current (0 -30 days) | 248,818,019 | 158,376,771 | 248,818,019 | 158,376,771 |
| 31 - 60 days | 26,930,019 | 63,252,618 | 26,930,019 | 63,252,618 |
| 61 - 90 days | 8,113,675 | 26,078,869 | 8,113,675 | 26,078,869 |
| 91 - 120 days | 6,253,246 | 7,109,206 | 6,253,246 | 7,109,206 |
| 121 - 365 days | 3,559,499 | 19,170,580 | 3,559,499 | 19,170,580 |
| > 365 days | 129,532,434 | 150,964,947 | 129,532,434 | 150,964,947 |
| | 423,206,892 | 424,952,991 | 423,206,892 | 424,952,991 |
| Less: Allowance for impairment | (212,833,235) | (200,312,096) | (212,833,235) | (200,312,096) |
| | 210,373,657 | 224,640,895 | 210,373,657 | 224,640,895 |
| National and provincial government | | | | |
| Current (0 -30 days) | 42,870,003 | 25,421,050 | 42,870,003 | 25,421,050 |
| 31 - 60 days | 4,789,563 | 14,048,546 | 4,789,563 | 14,048,546 |
| 61 - 90 days | 4,706,574 | 3,466,154 | 4,706,574 | 3,466,154 |
| 91 - 120 days | 4,617,199 | 2,769,675 | 4,617,199 | 2,769,675 |
| 121 - 365 days | 2,020,896 | 6,322,334 | 2,020,896 | 6,322,334 |
| > 365 days | 77,483,982 | 46,286,653 | 77,483,982 | 46,286,653 |
| | 136,488,217 | 98,314,412 | 136,488,217 | 98,314,412 |
| Total | | | | |
| Current (0 -30 days) | 499,873,730 | 305,262,615 | 499,873,730 | 305,262,615 |
| 31 - 60 days | 76,351,823 | 143,555,843 | 76,351,823 | 143,555,843 |
| 61 - 90 days | 54,798,260 | 69,981,518 | 54,798,260 | 69,981,518 |
| 91 - 120 days | 48,205,742 | 49,053,587 | 48,205,742 | 49,053,587 |
| 121 - 365 days | 35,492,345 | 139,913,466 | 35,492,345 | 139,913,466 |
| > 365 days | 1,361,697,329 | 1,367,869,212 | 1,361,697,329 | 1,367,869,212 |
| | 2,076,419,229 | 2,075,636,241 | 2,076,419,229 | 2,075,636,241 |

| Figures in Rand | Economic entity | | Controlling entity | |
|---|------------------------|----------------------|------------------------|----------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Reconciliation of allowance for impairment | | | | |
| Balance at beginning of the year | (963,429,747) | (973,291,016) | (963,429,747) | (973,291,016) |
| Contributions to allowance | (99,142,569) | - | (99,142,569) | - |
| Reversal of allowance | - | 9,861,269 | - | 9,861,269 |
| | (1,062,572,316) | (963,429,747) | (1,062,572,316) | (963,429,747) |

5. Inventories

| | | | | |
|------------------------|-------------------|-------------------|-------------------|-------------------|
| Agricultural | 1,097,461 | 1,020,854 | 1,097,461 | 1,020,854 |
| Consumables | 20,366,799 | 21,138,274 | 20,366,799 | 21,138,274 |
| Materials and supplies | 37,755,373 | 37,827,466 | 37,755,373 | 37,827,466 |
| Water | 6,918,005 | 6,518,641 | 6,918,005 | 6,518,641 |
| | 66,137,638 | 66,505,235 | 66,137,638 | 66,505,235 |

Inventories has been recorded using the weighted average cost method.

Inventories are carried at lower of cost or net realisable value.

Impairment of inventories includes redundant and obsolete stock of R34 434 428 (2016:Rnil)

Inventories written up during the year amounted to R24 171 858 (2016:R161 283).

6. Short term investment

| | | | | |
|---|------------------|------------------|------------------|------------------|
| COID short term investment invested at 7.15% (2016: 8.9%) | 8,799,357 | 8,318,183 | 8,799,357 | 8,318,183 |
|---|------------------|------------------|------------------|------------------|

7. Receivables from exchange transactions

| | | | | |
|-------------------------------|-------------------|--------------------|-------------------|--------------------|
| Accrued revenue | 360,455 | - | 360,455 | - |
| Fuel deposit | 2,500 | 2,500 | - | - |
| Housing debtors | - | 1,334,595 | - | 1,334,595 |
| Insurance claims | 4,039,047 | 4,045,661 | 4,039,047 | 4,045,661 |
| Land sale debtors | 66,386 | 66,386 | 66,386 | 66,386 |
| Market | 2,676,290 | 2,204,302 | 2,676,290 | 2,204,302 |
| Overpayment of contractors | 5,235,380 | 5,235,380 | 5,235,380 | 5,235,380 |
| Prepaid electricity | 2,335,192 | - | 2,335,192 | - |
| Skills development accrual | 2,526,420 | 5,348,374 | 2,526,420 | 5,348,374 |
| Water meter refunds | 18,493 | - | 18,493 | - |
| Independent Development Trust | 34,115,286 | 93,658,029 | 34,115,286 | 93,658,029 |
| | 51,375,449 | 111,895,227 | 51,372,949 | 111,892,727 |

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired.

Housing debtors

The housing debtors has been reclassified as part of consumer debtors for the current year.

8. Receivables from non-exchange transactions

| | | | | |
|-------|------------|------------|------------|------------|
| Fines | 31,715,987 | 30,398,380 | 31,715,987 | 30,398,380 |
|-------|------------|------------|------------|------------|

Receivables from non-exchange transactions pledged as security

Receivables from non exchange transactions were not pledged as security for overdraft facilities.

Credit quality of trade receivables from non-exchange transactions

Although credit quality can be assessed the municipality did not apply any methods to evaluate the credit quality.

In terms of IGRAP 1(Applying the probability test on initial recognition of evenue) trade and other receivables from non exchange transactions are accounted for on an accrual basis.

9. Agricultural assets

| Economic entity | 2017 | | | 2016 | | |
|--------------------|------------|----------------------------|----------------|------------|----------------------------|----------------|
| | Valuation | Nett movement for the year | Carrying value | Valuation | Nett movement for the year | Carrying value |
| Plantation forest | 54,275,801 | (208,118) | 54,067,683 | 44,831,368 | 9,444,433 | 54,275,801 |
| Controlling entity | 2017 | | | 2016 | | |
| | Valuation | Nett movement for the year | Carrying value | Valuation | Nett movement for the year | Carrying value |
| Plantation forest | 54,275,801 | (208,118) | 54,067,683 | 44,831,368 | 9,444,433 | 54,275,801 |

Reconciliation of agricultural assets - Economic entity - 2017

| | Opening balance | Gains or losses arising from changes in fair value | Total |
|-------------------|-----------------|--|------------|
| Plantation forest | 54,275,801 | (208,118) | 54,067,683 |

Reconciliation of agricultural assets - Economic entity - 2016

| | Opening balance | Nett increase in value | Total |
|-------------------|-----------------|------------------------|------------|
| Plantation forest | 44,831,368 | 9,444,433 | 54,275,801 |

Reconciliation of agricultural assets - Controlling entity - 2017

| | Opening balance | Nett decrease in value | Total |
|-------------------|-----------------|------------------------|------------|
| Plantation forest | 54,275,801 | (208,118) | 54,067,683 |

Reconciliation of agricultural assets - Controlling entity - 2016

| | Opening balance | Nett increase in value | Total |
|-------------------|-----------------|------------------------|------------|
| Plantation forest | 44,831,368 | 9,444,433 | 54,275,801 |

Pledged as security

No agricultural assets have been pledged as security

Other information

The agricultural assets have been measured at fair value less costs to sell in accordance with GRAP 20.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

10. Heritage assets

| Economic entity | 2017 | | | 2016 | | |
|--------------------|------------------|-------------------------------|----------------|------------------|-------------------------------|----------------|
| | Valuation | Accumulated impairment losses | Carrying value | Cost / Valuation | Accumulated impairment losses | Carrying value |
| Heritage assets | 233,039,049 | (6,826,703) | 226,212,346 | 233,971,909 | (22,973) | 233,948,936 |
| Controlling entity | 2017 | | | 2016 | | |
| | Cost / Valuation | Nett movement for the year | Carrying value | Cost / Valuation | Nett movement for the year | Carrying value |
| Heritage assets | 233,039,049 | (6,826,703) | 226,212,346 | 233,971,909 | (22,973) | 233,948,936 |

Reconciliation of heritage assets Economic entity - 2017

| | Opening balance | Donated | Devaluation | Impairment loss | Total |
|-----------------|-----------------|---------|-------------|-----------------|-------------|
| Heritage assets | 233,948,935 | 168,341 | (1,101,200) | (6,803,730) | 226,212,346 |

Reconciliation of heritage assets Economic entity - 2016

| | Opening balance | Donation received | Reclassification | Total |
|-----------------|-----------------|-------------------|------------------|-------------|
| Heritage assets | 232,025,463 | 157,791 | 1,765,682 | 233,948,936 |

Reconciliation of heritage assets Controlling entity - 2017

| | Opening balance | Donated | Devaluation | Impairment losses | Total |
|-----------------|-----------------|---------|-------------|-------------------|-------------|
| Heritage assets | 233,948,935 | 168,341 | (1,101,200) | (6,803,730) | 226,212,346 |

Reconciliation of heritage assets Controlling entity - 2016

| | Opening balance | Donation received | Reclassification | Total |
|-----------------|-----------------|-------------------|------------------|-------------|
| Heritage assets | 232,025,463 | 157,791 | 1,765,682 | 233,948,936 |

Pledged as security

No heritage assets have been pledged as security for any financial liabilities.

Other information

The Msunduzi Municipality has elected to use the cost model when accounting for heritage assets, except for artworks.

Artworks whose fair value can be measured reliably are carried at the revalued amount, being their fair value at the date of valuation less any subsequent impairment losses.

Artworks were last valued in the 2014/2015 financial year. According to Msunduzi Municipality's accounting policy, artworks are being revalued after every 4 years.

The value of buildings measured using the cost model that are included in the above disclosure note is R39 710 389 (2016: R39 710 389).

The value of artworks measured using the revaluation model is R193 181 020 (2016: R193 181 020).

List of heritage assets where the values cannot be determined

1. Legal Deposit collection at the Bessie Head Library

In 1916, the Natal Society Library (now the Msunduzi Municipal Library – Bessie Head Library) was identified as one of 5 libraries in South Africa accorded Legal Deposit status. This privilege helped make it into one of South Africa's major research and information libraries. Legal Deposit Libraries play a unique and very important role as custodians, in perpetuity, of this country's cultural wealth and information. They also have to make this information available, as widely as possible, to the citizens of South Africa. The Legal Deposit Collection has become an important asset. Since 1916, the Msunduzi Municipal Library has amassed a huge collection of South African books, pamphlets, periodicals, maps and newspapers which it has to preserve for future generations.

Due to the nature of the class of heritage assets the Department of Arts and Culture has confirmed that there is no monetary value as there is no active market.

| | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| Figures in Rand | 2017 | 2016 | 2017 | 2016 |

Expenditure incurred to repair and maintain heritage assets

Expenditure incurred to repair and maintain heritage assets included in Statement of Financial Performance

| | | | | |
|---------------------|--------|---|--------|---|
| Contracted services | 14,846 | - | 14,846 | - |
|---------------------|--------|---|--------|---|

11. Intangible assets

| Economic entity | 2017 | | | 2016 | | |
|-------------------|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
| | Cost | Nett movement for the year | Carrying value | Cost | Nett movement for the year | Carrying value |
| Computer software | 85,628,394 | (35,829,284) | 49,799,110 | 61,728,623 | (22,650,522) | 39,078,101 |
| Servitudes | 803,846 | - | 803,846 | 803,846 | - | 803,846 |
| Total | 86,432,240 | (35,829,284) | 50,602,956 | 62,532,469 | (22,650,522) | 39,881,947 |

| Controlling entity | 2017 | | | 2016 | | |
|--------------------|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
| | Cost | Nett movement for the year | Carrying value | Cost | Nett movement for the year | Carrying value |
| Computer software | 85,628,394 | (35,829,284) | 49,799,110 | 61,728,623 | (22,650,522) | 39,078,101 |
| Servitudes | 803,846 | - | 803,846 | 803,846 | - | 803,846 |
| Total | 86,432,240 | (35,829,284) | 50,602,956 | 62,532,469 | (22,650,522) | 39,881,947 |

Reconciliation of intangible assets - Economic entity - 2017

| | Opening balance | Additions | Amortisation | Impairment loss | Total |
|-------------------|-------------------|-------------------|---------------------|------------------|-------------------|
| Computer software | 39,078,101 | 23,899,771 | (13,078,423) | (100,339) | 49,799,110 |
| Servitudes | 803,846 | - | - | - | 803,846 |
| | 39,881,947 | 23,899,771 | (13,078,423) | (100,339) | 50,602,956 |

Reconciliation of intangible assets - Economic entity - 2016

| | Opening balance | Restatement of opening balance due to prior period error | Additions | Reclassification | Amortisation | Total |
|-------------------|-------------------|--|-------------------|------------------|------------------|-------------------|
| Computer software | 16,407,753 | 363,383 | 23,145,411 | (56,298) | (782,148) | 39,078,101 |
| Servitudes | 803,846 | - | - | - | - | 803,846 |
| | 17,211,599 | 363,383 | 23,145,411 | (56,298) | (782,148) | 39,881,947 |

Reconciliation of intangible assets - Controlling entity - 2017

| | Opening balance | Additions | Amortisation | Impairment loss | Total |
|-------------------|-------------------|-------------------|---------------------|------------------|-------------------|
| Computer software | 39,078,101 | 23,899,771 | (13,078,423) | (100,339) | 49,799,110 |
| Servitudes | 803,846 | - | - | - | 803,846 |
| | 39,881,947 | 23,899,771 | (13,078,423) | (100,339) | 50,602,956 |

Reconciliation of intangible assets - Controlling entity - 2016

| | Opening balance as previously reported | Restatement of opening balance due to prior period error | Additions | Reclassification | Amortisation | Total |
|-------------------|--|--|-------------------|------------------|------------------|-------------------|
| Computer software | 16,407,753 | 363,383 | 23,145,411 | (56,298) | (782,148) | 39,078,101 |
| Servitudes | 803,846 | - | - | - | - | 803,846 |
| | 17,211,599 | 363,383 | 23,145,411 | (56,298) | (782,148) | 39,881,947 |

The prior period error relates to the correction of the ICT network that were previously treated as operating leases.

Pledged as security

No intangible assets have been pledged as security for any financial liabilities.

12. Investment property

| Economic entity | 2017 | | | 2016 | | |
|---------------------|-------------|----------------------------|----------------|-------------|----------------------------|----------------|
| | Valuation | Nett movement for the year | Carrying value | Valuation | Nett movement for the year | Carrying value |
| Investment property | 591,243,930 | 128,979,872 | 720,223,802 | 581,953,954 | 9,289,976 | 591,243,930 |
| Controlling entity | 2017 | | | 2016 | | |
| | Valuation | Nett movement for the year | Carrying value | Valuation | Nett movement for the year | Carrying value |
| Investment property | 591,243,930 | 128,979,872 | 720,223,802 | 581,953,954 | 9,289,976 | 591,243,930 |

Reconciliation of investment property - Economic entity - 2017

| | Opening balance | Fair value adjustments | Total |
|---------------------|-----------------|------------------------|-------------|
| Investment property | 591,243,930 | 128,979,872 | 720,223,802 |

Reconciliation of investment property - Economic entity - 2016

| | Opening balance | Restatement of opening balance to prior period error | Disposals | Fair value adjustments | Total |
|---------------------|-----------------|--|-------------|------------------------|-------------|
| Investment property | 647,118,664 | (65,164,710) | (1,740,000) | 11,029,976 | 591,243,930 |

Reconciliation of investment property - Controlling entity - 2017

| | Opening balance | Fair value adjustments | Total |
|---------------------|-----------------|------------------------|-------------|
| Investment property | 591,243,930 | 128,979,872 | 720,223,802 |

Reconciliation of investment property - Controlling entity - 2016

| | Opening balance as previously reported | Restatement of opening balance due to prior period error | Disposals | Fair value adjustments | Total |
|---------------------|--|--|-------------|------------------------|-------------|
| Investment property | 647,118,664 | (65,164,710) | (1,740,000) | 11,029,976 | 591,243,930 |

Pledged as security

No investment property has been pledged as security for any financial liabilities.

The municipality appointed Metgovis Integrated Property Solutions, DDP and Ducharme Consulting to perform deeds searches to confirm ownership of Msunduzi properties in 2016/17 financial year. However due to incomplete information of property ownership obtained from Windeed searches, 170 properties to the value of R13 489 890 were still under investigation at year end. The investigation of assets not yet verified at year end will be finalised during the 2017/18 financial year.

The Msunduzi Municipality has adopted the fair value model in accounting for investment properties.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Investment property has been accounted for in terms of GRAP 16 comprises land and buildings owned by the Msunduzi Municipality.

Investment property is not depreciated but valued annually at year end in order to determine their fair value as prescribed in GRAP 16.

The valuation at 30 June 2017 was performed by BGP Mass Appraisal (Pty) Ltd, independent valuers.

These are independent valuers that are not related to the municipality.

The valuations conform to South African Valuations standards and were arrived at by reference to market evidence of transaction prices for similar properties.

Adjustments to valuation in the reconciliation above are attributable to :

* change in market value of investment property

13. Property plant and equipment

| | 2017 | | | | 2016 | | | |
|---------------------------|-----------------------|----------------------------|----------------------|----------------------|----------------------------|----------------------|----------------------|----------------------------|
| | Cost / Valuation | Nett movement for the year | Carrying value | Cost / Valuation | Nett movement for the year | Carrying value | Cost / Valuation | Nett movement for the year |
| Economic entity | | | | | | | | |
| Biological assets | 769,726 | - | 769,726 | 936,220 | (155,460) | 780,760 | 936,220 | (155,460) |
| Community | 737,996,077 | (317,093,444) | 420,902,633 | 672,896,515 | (271,380,463) | 401,516,052 | 672,896,515 | (271,380,463) |
| Finance leases | 4,765,630 | (2,990,413) | 1,775,217 | 4,431,140 | (2,507,049) | 1,924,091 | 4,431,140 | (2,507,049) |
| Infrastructure | 7,102,680,594 | (2,525,574,444) | 4,577,106,150 | 6,635,472,089 | (2,073,505,003) | 4,561,967,086 | 6,635,472,089 | (2,073,505,003) |
| Land and buildings | 1,713,665,679 | (246,888,599) | 1,466,777,080 | 1,655,421,302 | (225,848,865) | 1,429,572,437 | 1,655,421,302 | (225,848,865) |
| Other assets | 957,303,472 | (548,559,988) | 408,743,484 | 934,816,319 | (481,618,418) | 453,197,901 | 934,816,319 | (481,618,418) |
| Total | 10,517,181,178 | (3,641,106,888) | 6,876,074,290 | 9,903,973,585 | (3,055,015,258) | 6,848,958,327 | 9,903,973,585 | (3,055,015,258) |
| Controlling entity | | | | | | | | |
| | | | | | | | | |
| Biological assets | 769,726 | - | 769,726 | 936,220 | (155,460) | 780,760 | 936,220 | (155,460) |
| Community | 737,996,077 | (317,093,444) | 420,902,633 | 672,896,515 | (271,380,463) | 401,516,052 | 672,896,515 | (271,380,463) |
| Finance leases | 4,765,630 | (2,990,413) | 1,775,217 | 4,431,140 | (2,507,049) | 1,924,091 | 4,431,140 | (2,507,049) |
| Infrastructure | 7,102,680,594 | (2,525,574,444) | 4,577,106,150 | 6,635,472,089 | (2,073,505,003) | 4,561,967,086 | 6,635,472,089 | (2,073,505,003) |
| Land and buildings | 1,713,665,679 | (246,888,599) | 1,466,777,080 | 1,655,421,302 | (225,848,865) | 1,429,572,437 | 1,655,421,302 | (225,848,865) |
| Other assets | 936,557,255 | (541,220,665) | 395,336,590 | 914,246,588 | (475,225,520) | 439,021,068 | 914,246,588 | (475,225,520) |
| Total | 10,496,434,961 | (3,633,767,565) | 6,862,667,396 | 9,883,403,854 | (3,048,622,360) | 6,834,781,494 | 9,883,403,854 | (3,048,622,360) |

Reconciliation of property plant and equipment - Economic entity - 2017

| | Opening balance | Additions | Capitalised | Capital under construction | Disposals | Depreciation | Donation received | Impairment loss | Total |
|--------------------|----------------------|--------------------|----------------------|----------------------------|--------------------|----------------------|-------------------|--------------------|----------------------|
| Biological assets | 780,760 | (11,034) | - | - | - | - | - | - | 769,726 |
| Community | 401,516,052 | 15,560,096 | (15,491,854) | 60,060,767 | - | (45,343,270) | 4,970,553 | (369,711) | 420,902,633 |
| Finance leases | 1,924,091 | 334,495 | - | - | - | (483,369) | - | - | 1,775,217 |
| Infrastructure | 4,561,967,086 | 127,814,642 | (43,920,253) | 383,285,758 | - | (451,923,073) | 28,358 | (146,368) | 4,577,106,150 |
| Land and buildings | 1,429,572,437 | 42,775,719 | (18,431,990) | 33,889,048 | (22,000) | (21,034,068) | 33,600 | (5,666) | 1,466,777,080 |
| Other assets | 453,197,901 | 52,006,988 | (39,221,560) | - | (1,282,191) | (66,151,809) | 11,122,850 | (928,695) | 408,743,484 |
| | 6,848,958,327 | 238,480,906 | (117,065,657) | 477,235,573 | (1,304,191) | (584,935,589) | 16,155,361 | (1,450,440) | 6,876,074,290 |

Reconciliation of property plant and equipment - Economic entity - 2016

| | Opening balance | Restatement of opening balance due to correction of prior period errors | Additions | Capital under construction | Reclassification | Disposals | Depreciation | Depreciation disposal | Impairment loss | Total |
|--------------------|----------------------|---|--------------------|----------------------------|--------------------|---------------------|----------------------|-----------------------|---------------------|----------------------|
| Biological assets | 936,220 | - | (155,460) | - | (3,054,499) | (172,061) | (27,294,272) | 496,763 | (1,452,753) | 401,516,052 |
| Community | 393,138,595 | 55,421 | 7,545,093 | 32,253,765 | (3,054,499) | (172,061) | (27,294,272) | 496,763 | (1,452,753) | 401,516,052 |
| Finance lease | 2,778,847 | - | - | - | - | - | (854,756) | - | - | 1,924,091 |
| Infrastructure | 4,644,641,847 | 11,717,511 | 79,402,777 | 270,270,348 | (100,834) | (10,486,312) | (385,579,232) | (30,007) | (47,869,012) | 4,561,967,086 |
| Land and buildings | 1,547,758,135 | (94,864,280) | 4,809,682 | - | (1,773,891) | (674,503) | (25,278,252) | - | (404,454) | 1,429,572,437 |
| Other assets | 456,093,321 | (1,505,554) | 40,311,408 | 24,274,066 | 3,219,840 | (3,718,065) | (65,362,411) | (150,597) | 35,893 | 453,197,901 |
| | 7,045,346,965 | (84,596,902) | 131,913,500 | 326,798,179 | (1,709,384) | (15,050,941) | (504,368,923) | 316,159 | (49,690,326) | 6,848,958,327 |

Reconciliation of property plant and equipment - Controlling entity - 2017

| | Opening balance | Additions | Capitalised | Capital under construction | Disposals | Depreciation | Donation received | Impairment loss | Total |
|--------------------|----------------------|--------------------|----------------------|----------------------------|--------------------|----------------------|-------------------|--------------------|----------------------|
| Biological assets | 780,760 | (11,034) | - | - | - | - | - | - | 769,726 |
| Community | 401,516,052 | 15,560,096 | (15,491,854) | 60,060,767 | - | (45,343,270) | 4,970,553 | (369,711) | 420,902,633 |
| Finance leases | 1,924,091 | 334,495 | - | - | - | (483,369) | - | - | 1,775,217 |
| Infrastructure | 4,561,967,086 | 127,814,642 | (43,920,253) | 383,285,758 | - | (451,923,073) | 28,358 | (146,368) | 4,577,106,150 |
| Land and buildings | 1,429,572,437 | 42,775,719 | (18,431,990) | 33,889,048 | (22,000) | (21,034,068) | 33,600 | (5,666) | 1,466,777,080 |
| Other assets | 439,021,068 | 51,830,502 | (39,221,560) | - | (1,282,191) | (65,205,384) | 11,122,850 | (928,695) | 395,336,590 |
| | 6,834,781,494 | 238,304,420 | (117,065,657) | 477,235,573 | (1,304,191) | (583,989,164) | 16,155,361 | (1,450,440) | 6,862,667,396 |

Reconciliation of property plant and equipment - Controlling entity - 2016

| | Opening balance | Restatement of opening balance due to correction of prior period errors | Additions | Capital under construction | Reclassification | Disposals | Depreciation | Depreciation disposal | Impairment loss | Total |
|--------------------|----------------------|---|--------------------|----------------------------|--------------------|---------------------|----------------------|-----------------------|---------------------|----------------------|
| Biological assets | 936,220 | - | (155,460) | - | - | - | - | - | - | 780,760 |
| Community | 393,138,595 | 55,421 | 7,545,093 | 32,253,765 | (3,054,499) | (172,061) | (27,294,272) | 496,763 | (1,452,753) | 401,516,052 |
| Finance leases | 2,778,847 | - | - | - | - | - | (854,756) | - | - | 1,924,091 |
| Infrastructure | 4,644,641,847 | 11,717,511 | 79,402,777 | 270,270,348 | (100,834) | (10,486,312) | (385,579,232) | (30,007) | (47,869,012) | 4,561,967,086 |
| Land and buildings | 1,547,758,135 | (94,864,280) | 4,809,682 | - | (1,773,891) | (674,503) | (25,278,252) | - | (404,454) | 1,429,572,437 |
| Other assets | 447,923,336 | (1,505,554) | 33,442,634 | 24,274,066 | 3,219,840 | (3,718,065) | (64,500,485) | (150,597) | 35,893 | 439,021,068 |
| | 7,037,176,980 | (84,596,902) | 125,044,726 | 326,798,179 | (1,709,384) | (15,050,941) | (503,506,997) | 316,159 | (49,690,326) | 6,834,781,494 |

Pledged as security

No property, plant and equipment has been placed as security for financial liabilities.

Refer to Appendix B for the detailed property plant and equipment schedule.

The Msunduzi Municipality has elected the cost model when accounting for property, plant and equipment with the exception of biological assets which are measured at fair value annually.

For the financial periods 2013/2014 to 2016/17, the municipality undertook conditional assessment of community and infrastructure assets, which culminated in the additional decrease in remaining useful lives of assets.

This also resulted in the significant increase in depreciation.

The municipality applies the depreciated replacement cost method to calculate impairment.

The impairment loss is as stated in notes above.

The municipality is required to measure the residual value of all items of property, plant and equipment.

Management has determined that none of its infrastructure assets has any active market value, and the net carrying value at the end of their useful lives would therefore be nil or insignificant during the current financial year.

During the current financial year, the municipality reviewed the estimated useful lives and residual values of property, plant and equipment, where appropriate.

The Municipality has appointed Metgovis Integrated Property Solutions and Ducharme to perform deed searches of all Msunduzi properties.

The properties with total value of R293 051 755 were de-recognised in the asset register, due to the fact that were registered in the name of private owners.

The physical verification is performed annually in compliance with GRAP. During the 2016/2017 financial year, 7784 assets with a net carrying amount of R 68 822 724.50 were not verified at year end. These assets were still under investigation which will be finalised during the 2017/2018 financial year.

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| | 2017 | 2016 | 2017 | 2016 |

Reconciliation of Work-in-Progress Controlling entity - 2017

| | Included within Infrastructure | Included within Community | Included within Other PPE | Total |
|--------------------------------|--------------------------------|---------------------------|---------------------------|--------------------|
| Opening balance | 435,274,049 | 87,650,918 | 26,141,841 | 549,066,808 |
| Additions/capital expenditure | 444,191,470 | 58,949,712 | 71,405,653 | 574,546,835 |
| Prior period error | (4,385,965) | - | (350,430) | (4,736,395) |
| Transferred to completed items | (116,257,479) | (15,560,097) | (71,144,681) | (202,962,257) |
| | 758,822,075 | 131,040,533 | 26,052,383 | 915,914,991 |

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

| | | | | |
|---------------------------------|--------------------|----------|--------------------|----------|
| Contracted services | 65,307,125 | - | 65,307,125 | - |
| Cleaning services | 382,470 | - | 382,470 | - |
| Computer service | 11,608,447 | - | 11,608,447 | - |
| Consumables | 531,230 | - | 531,230 | - |
| Internal charges - labour | 15,452,430 | - | 15,452,430 | - |
| Operating leases | 10,003,064 | - | 10,003,064 | - |
| Uniform and protective clothing | 362 | - | 362 | - |
| Material and supplies | 2,138,155 | - | 2,138,155 | - |
| Preservation and restoration | 593,510 | - | 593,510 | - |
| | 106,016,793 | - | 106,016,793 | - |

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

14. Other financial assets

At amortised cost

| | | | | |
|--|-----------|------------|-----------|------------|
| Housing | 9,944,611 | 10,317,110 | 9,944,611 | 10,317,110 |
| Refer to table below on disclosure relating to housing loans per scheme. | | | | |

Non-current assets

| | | | | |
|-------------------|-----------|------------|-----------|------------|
| At amortised cost | 9,944,611 | 10,317,110 | 9,944,611 | 10,317,110 |
|-------------------|-----------|------------|-----------|------------|

Financial assets at amortised cost

| Schemes | Average loan period | Average interest rate | Average purchase price | Loan balance | Arrears |
|----------------------------|---------------------|-----------------------|------------------------|-------------------|------------------|
| Woodlands 7 | 31 | 14 | 7,940 | 1,881,661 | 64,422 |
| Woodlands 8 | 30 | 14 | 6,830 | 33,183 | 56,112 |
| Woodlands 9 | 30 | 14 | 6,830 | 104,699 | 11,817 |
| Northdale 9 | 30 | 13 | 28,966 | 764,378 | 47,765 |
| Northdale 10 | 30 | 14 | 13,779 | 488,193 | 207,312 |
| Northdale 11 | 11 | 11 | 13,120 | 57,765 | 3,757 |
| Northdale 12 | 30 | 15 | 31,485 | 156,201 | 19,795 |
| Eastwood 1 | 29 | 14 | 12,802 | 1,071,580 | 70,333 |
| Eastwood 2 | 30 | 14 | 10,594 | 946,620 | 104,264 |
| Woodland 3 | 30 | 15 | 7,498 | 27,088 | 8,400 |
| Northdale 1 sub - economic | 30 | 14 | 16,487 | 75,997 | 1,178 |
| Glenwood | 31 | 14 | 29,163 | 1,933,586 | 117,808 |
| Glenwood self - help | 29 | 14 | 21,871 | 3,696,487 | 634,673 |
| Riverbend 1 | 30 | 15 | 17,665 | 55,114 | 305 |
| | | | | 11,292,552 | 1,347,941 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|--------------------|-------------------|--------------------|-------------------|
| | 2017 | 2016 | 2017 | 2016 |
| 15. Consumer deposits | | | | |
| Buildings plans and wayleaves | 483 | 10,000 | 483 | 10,000 |
| Electricity | 79,529,953 | 73,463,011 | 79,529,953 | 73,463,011 |
| Rates | 180,785 | 180,785 | 180,785 | 180,785 |
| Rental properties | 1,921,669 | 1,715,719 | 1,921,669 | 1,715,719 |
| Valuation appeals | 8,907 | 6,714 | 8,907 | 6,714 |
| Water | 19,739,836 | 18,139,975 | 19,739,836 | 18,139,975 |
| | 101,381,633 | 93,516,204 | 101,381,633 | 93,516,204 |
| Guarantees in lieu of electricity and water deposits | 15,090,470 | 4,297,516 | 15,090,470 | 4,297,516 |
| 16. Finance lease obligation | | | | |
| Minimum lease payments due | | | | |
| - within one year | 389,172 | 3,251,483 | 389,172 | 3,251,483 |
| - in second to fifth year inclusive | - | 389,170 | - | 389,170 |
| | 389,172 | 3,640,653 | 389,172 | 3,640,653 |
| less: future finance charges | (42,586) | (221,746) | (42,586) | (221,746) |
| Present value of minimum lease payments | 346,586 | 3,418,907 | 346,586 | 3,418,907 |
| Present value of minimum lease payments due | | | | |
| - within one year | 346,586 | 3,072,323 | 346,586 | 3,072,323 |
| - in second to fifth year inclusive | - | 346,584 | - | 346,584 |
| | 346,586 | 3,418,907 | 346,586 | 3,418,907 |
| Non-current liabilities | - | 3,116,878 | - | 3,116,878 |
| Current liabilities | 346,586 | 302,029 | 346,586 | 302,029 |
| | 346,586 | 3,418,907 | 346,586 | 3,418,907 |
| The average lease term was 36 months and the average effective borrowing rate was 26% (2016: 9%). | | | | |
| Refer to Appendix A for further details on finance lease obligations. | | | | |
| 17. Other financial liabilities | | | | |
| At amortised cost | | | | |
| External loans | 535,738,525 | 568,133,347 | 535,738,525 | 568,133,347 |
| DBSA - funding required for capital expenditure. Loans bear an interest rate between 6.75% and 16.50% (2016: 6.75% and 16.50%). Loans are repayable over a period between 10 to 20 years, repayments are made quarterly and bi-annually. | | | | |
| During the reporting period the municipality did not default on any of the interest or capital repayments of the external loans. | | | | |
| Refer to Appendix A for further details on other financial liabilities. | | | | |
| Non-current liabilities | | | | |
| At amortised cost | 535,738,525 | 568,133,347 | 535,738,525 | 568,133,347 |
| Current liabilities | | | | |
| At amoritsed cost | 79,368,332 | 67,761,975 | 79,368,332 | 67,761,975 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| 18. Trade payables from exchange transactions | | | | |
| Accrued Interest | 2,966,048 | 3,630,763 | 2,966,048 | 3,630,763 |
| Accrued leave pay | 77,081,475 | 67,457,966 | 76,885,066 | 67,330,445 |
| Advance payments | 3,052,163 | 4,277,192 | 3,052,163 | 4,086,740 |
| Auditor General and other audit service providers | 70,883 | 122,686 | 70,885 | 122,685 |
| Debtors with credit balances | 82,324,083 | 71,804,680 | 82,324,083 | 71,804,680 |
| Electricity bulk purchases | 200,363,475 | 183,732,052 | 200,363,475 | 183,732,052 |
| Payables and accruals | 125,581,179 | 137,906,351 | 125,554,046 | 137,831,177 |
| Retentions | 8,665,453 | 15,143,278 | 8,665,453 | 15,143,278 |
| Salary control | 2,429,250 | 6,227,413 | 2,429,250 | 6,227,413 |
| Trade payables | 177,894,548 | 9,442,616 | 177,894,548 | 9,442,616 |
| Unallocated deposits | 28,202,854 | 14,358,590 | 28,202,854 | 14,358,590 |
| Water bulk purchases | 50,768,034 | 35,837,392 | 50,768,034 | 35,837,392 |
| | 759,399,445 | 549,940,979 | 759,175,905 | 549,547,831 |

19. Provisions

Reconciliation of provisions - Economic entity - 2017

| | Opening Balance | Additions | Change in discount factor | Reduction due to re-measurement | Total |
|-------------------------|-------------------|----------------|---------------------------|---------------------------------|-------------------|
| Annual bonus | 253,749 | 65,516 | - | - | 319,265 |
| Landfill rehabilitation | 67,041,163 | - | 1,543,381 | (12,577,178) | 56,007,366 |
| Long service awards | 6,690,279 | 487,351 | - | - | 7,177,630 |
| Performance bonus | 33,850 | 10,178 | - | - | 44,028 |
| | 74,019,041 | 563,045 | 1,543,381 | (12,577,178) | 63,548,289 |

Reconciliation of provisions - Economic entity - 2016

| | Opening Balance | Additions | Change in discount factor | Reduction due to re-measurement | Total |
|-------------------------|-------------------|----------------|---------------------------|---------------------------------|-------------------|
| Annual bonus | - | 253,749 | - | - | 253,749 |
| Landfill rehabilitation | 61,849,677 | - | 6,094,651 | (903,165) | 67,041,163 |
| Long service awards | 6,029,351 | 660,928 | - | - | 6,690,279 |
| Performance bonus | - | 33,850 | - | - | 33,850 |
| | 67,879,028 | 948,527 | 6,094,651 | (903,165) | 74,019,041 |

Reconciliation of provisions - Controlling entity - 2017

| | Opening Balance | Additions | Change in discount factor | Reduction due to re-measurement | Total |
|-------------------------|-------------------|----------------|---------------------------|---------------------------------|-------------------|
| Landfill rehabilitation | 67,041,163 | - | 1,543,381 | (12,577,178) | 56,007,366 |
| Long service awards | 6,690,279 | 487,351 | - | - | 7,177,630 |
| | 73,731,442 | 487,351 | 1,543,381 | (12,577,178) | 63,184,996 |

Reconciliation of provisions - Controlling entity - 2016

| | Opening Balance | Additions | Change in discount factor | Reduction due to re-measurement | Total |
|-------------------------|-------------------|----------------|---------------------------|---------------------------------|-------------------|
| Landfill rehabilitation | 61,849,677 | - | 6,094,651 | (903,165) | 67,041,163 |
| Long service awards | 6,029,351 | 660,928 | - | - | 6,690,279 |
| | 67,879,028 | 660,928 | 6,094,651 | (903,165) | 73,731,442 |

| Figures in Rand | Economic entity | | Controlling entity | |
|-------------------------|-------------------|-------------------|--------------------|-------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Non-current liabilities | 56,007,336 | 67,041,163 | 56,007,366 | 67,041,163 |
| Current liabilities | 7,540,923 | 6,977,878 | 7,177,630 | 6,690,279 |
| | 63,548,259 | 74,019,041 | 63,184,996 | 73,731,442 |

Landfill rehabilitation

The landfill site provision represents management's best estimate of the municipality's rehabilitation liability based on a valuation provided by an external consultant on the remaining useful life of the landfill site.

One Pangaea Financials was appointed to provide the provision for the programme for closure of the New England Road landfill site.

Alien vegetation provision

According to the National Environmental Management Act, 1998 (Act No. 107 of 1998) the municipality was encouraged to recognise a provision in this regard.

The Department of Agriculture has since 2006 provided considerable support to the Msunduzi Municipality in terms of clearing listed alien invasive plants.

The Msunduzi Municipality's involvement and responsibility is effectively operational support to the Department of Agriculture for the of clearing listed alien invasive plants.

During the last reporting period work was carried out in the following area:

* Sickle bush : +/- 4HA in Bisley Valley Nature Reserve

An amount of R 59 904 was spent on wages for 8 contracted staff.

An amount of R 50 000 was utilised for the purchase of herbicide, equipment and personal protective clothing for the project.

No work has been carried out during the current reporting period.

The amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement.

Long service awards

The long service award provision is created to ensure adherence to SALGA's collective agreement requirements. The estimate is based on the monthly salaries rate at 30 June 2017.

20. Retirement benefit obligations

Defined contribution benefit plan

The Council provides retirement benefits to its employees by contributing to either a pension or provident fund.

Membership to either a pension or provident fund is compulsory for all permanent employees.

The majority of the members and the Council contributes to the Natal Joint Municipal Pension and Provident funds (NJMP), employees contributes to the South African Local Authorities Pension Fund (SALA) and, Associated Institution Pension Fund (AIPF), Pietermaritzburg Provident Fund and Government Employees Pension Fund (GEPF). Employees contributing to SALA, AIPF, Pietermaritzburg Provident Fund and GEPF make up the minority of members contribution to the pension funds.

The Msunduzi Municipality's liability in these funds cannot be determined owing mainly to the assets not being allocated to each employer and one set of financial's being compiled for each fund and not for each contributing employer.

Defined contribution plan:

The majority of personnel are members of the following pension funds:

Kwa-Zulu-Natal Joint Municipal Provident Fund

An actuarial valuation was performed on 31 March 2016 by Argen Actuarial Solutions.

Results of the valuation

The Fund self-insures its risk benefits in excess of the full benefit. It therefore maintains a Risk Reserve Account as a measure of protection against volatility in claims experience. The amount of R 19 739 000 required to be held in the Risk Reserve Account.

The Fund is financially sound as at the valuation date.

Benefits of the fund:

- * Pension age - 65 years
- * Earliest retirement age - 58 years (55 years if more than 10 years continuous service)
- * Full benefit - Initial transfer plus member's contributions plus employer's contributions for full benefits plus investment earnings and bonuses.
- * Member's portion of full benefits - Initial transfer plus members contributions plus local authorities contributions for full benefits plus interim, special and final bonuses.
- * Benefit on retirement after earliest retirement age or pension age - full benefit.
- * Benefit on retirement because of ill health - full benefit.
- * Benefit on death in service - Full benefit plus 0.7% of annual pensionable salary for each month of potential service to a maximum of 2.1 years salary.

Contributions to the fund:

Members contributions

Members may choose to contribute at a rate of 5%, 7% or 9.25% of their pensionable emoluments in terms of regulation 14(a).

Local Authorities Contributions

Participating employers contribute at a rate of 1.95 times of the rate of members contribution in terms of regulation 17(1)(b).

Benchmark:

Investments:

| | |
|---------------------------|---------------|
| Domestic Investments | 2,426,410,000 |
| International Investments | 702,054,000 |
| Risk Reserve Account | 19,739,000 |
| Membership | 13,117 |

Natal Joint Municipal Pension Fund: (Superannuation) actuarial valuation

An actuarial valuation was performed on 31 March 2016 by Argen Actuarial Solutions.

The market value of the Fund's assets was R 10,505,210,000 as at 31 March 2016.

The regulations of the fund have been amended with effect from 1 July 2004, so that the Committee of Management is able to levy a separate surcharge on local authorities which grant excessive salary increases, thereby causing a financial strain on the Fund to the detriment of other stakeholders.

The employers are no longer permitting members to join the Fund, so that it is effectively closed to new members. This means that the average age will increase over time which, in turn, means that the required rate of contribution will also increase. Thus, once the surcharge ceases, the underlying rate of contribution will not be sufficient to meet the cost of the benefits. It is necessary to set aside a reserve to hold assets equal to the expected shortfall. For this reason a "Contribution Reserve is held equal to the present value of the shortfall in terms of the Financial Services Board's Circular PF117 for the 5 years to 2015 when it is expected that the surcharge will cease.

Benefits of the fund:

- * Members Contributions - 9.25% of pensionable salaries.
- * Pension age 65 years
- * Final average salary - average annual pensionable salaries during the last year of service.
- * Pension on retirement at pension age - 2.2% of final average emoluments per year of continuous service.
- * Lump sum on retirement at pension age - 8.25% of final average emoluments per year of service.
- * Pension on retirement because of ill-health (minimum ten years continuous service) - pension as for retirement at pension age
- * Lump sum on retirement because of ill-health (minimum 10 years continuous service) - lump sum as for retirement at pension age.
- * Lump sum on retirement because of ill health (less than ten years continuous service) - the greater of the resignation benefit or twice the members contributions.
- * Surviving Spouses pension on death in service - 1,2% of final average emoluments per year of continuous service that the member would have had at the pension age.
- * Surviving Spouses pension on death of pensioner - 1,22% (0,77% in the case of a pensioner who retired before 1 July 1999) of final average emoluments per year of continuous service
- * Lump sum on death in service - Annual pensionable emoluments.10.75% of final average salaries
- * Withdrawal - members contribution plus 5/12% for each month of continuous service (the addition is approximately equal to compound interest at 10% a year) and increased by 5% for each complete year of service up to a maximum of 20 years.

Benchmark:

Investments

| | |
|---------------|---------------|
| Domestic | 7,983,640,000 |
| International | 2,650,168,000 |
| Membership | 4,485 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| The employees of the Council as well as the Council as employer contribute to municipal pension, retirement and various provident funds as listed below | | | | |
| Associated Institution pension Fund | 122,366 | 153,176 | 122,366 | 153,176 |
| Councillors Pension Fund | 7,434,693 | 6,555,569 | 7,434,693 | 6,555,569 |
| Dynamique Ambrella (Pietermaritzburg Provident Fund) | 393,299 | 470,409 | 393,299 | 470,409 |
| Government Employees Pension Fund | 3,462,375 | 3,816,124 | 3,462,375 | 3,816,124 |
| LGM retirement for Municipal Manager | 95,903 | 191,807 | 95,903 | 191,807 |
| Natal Joint Pension Fund | 100,878,861 | 100,069,414 | 100,878,861 | 100,069,414 |
| Natal Joint Provident Fund | 79,946,814 | 51,340,121 | 79,946,814 | 51,340,121 |
| South African Local Authorities Pension Fund | 337,266 | 380,714 | 337,266 | 380,714 |
| Umgeni Water Provident Fund | - | 25,376 | - | 25,376 |
| | 192,671,577 | 163,002,710 | 192,671,577 | 163,002,710 |

Post retirement medical aid plan

The municipality operates on 6 accredited medical aid schemes, namely:

- * Bonitas,
- * Discovery Health,
- * Hosmed,
- * Key-Health,
- * LA Health and
- * SAMWU Med,

Pensioners continue on the option they belonged to on the day of their retirement

An actuarial valuation was performed by Arch Actuarial Consulting for the period ended 30 June 2017.

The valuation undertaken in accordance with the requirements of Professional Guidance Note (PPN) 301 of the Actuarial Society of South Africa.

According to the last valuation the accrued liability amounted to R 631 618 511 (2016: R 646 840 503).

A reconciliation of Msunduzi's accrued liability for the year ending 30 June 2017 is set out below:

The amounts recognised in the Statement of Financial Position are as follows:

| | | | | |
|---|--------------------|--------------------|--------------------|--------------------|
| Carrying value | | | | |
| Present value of the defined benefit obligation-wholly unfunded | 631,618,511 | 646,840,503 | 631,618,511 | 646,840,503 |
| Non-current liabilities | 608,579,819 | 625,699,203 | 608,579,819 | 625,699,203 |
| Current liabilities | 23,038,692 | 21,141,300 | 23,038,692 | 21,141,300 |
| | 631,618,511 | 646,840,503 | 631,618,511 | 646,840,503 |

Changes in the present value of the defined benefit obligation are as follows:

| | | | | |
|---|--------------------|--------------------|--------------------|--------------------|
| Opening balance | 646,840,503 | 609,937,137 | 646,840,503 | 609,937,137 |
| Net (gains)/loss recognised in the statement of financial performance | (15,221,992) | 36,903,366 | (15,221,992) | 36,903,366 |
| | 631,618,511 | 646,840,503 | 631,618,511 | 646,840,503 |

Net expense recognised in the statement of financial performance

| | | | | |
|--------------------------------|------------------|-------------------|------------------|-------------------|
| Current service cost | 19,368,373 | 21,484,513 | 19,368,373 | 21,484,513 |
| Interest cost | 59,781,354 | 52,709,999 | 59,781,354 | 52,709,999 |
| Actuarial (gains) / losses | (73,230,418) | (19,253,454) | (73,230,418) | (19,253,454) |
| Expected return on plan assets | - | (18,037,692) | - | (18,037,692) |
| | 5,919,309 | 36,903,366 | 5,919,309 | 36,903,366 |

Changes in the present value of plan assets are as follows:

| | | | | |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| Opening balance | 696,929,274 | 660,025,908 | 696,929,274 | 660,025,908 |
| Contributions by employer | 5,919,309 | 36,903,366 | 5,919,309 | 36,903,366 |
| | 702,848,583 | 696,929,274 | 702,848,583 | 696,929,274 |

Key assumptions used

The projected unit credit method is used as the standard valuation methodology for the valuation done during the reporting period.

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| | 2017 | 2016 | 2017 | 2016 |

The basis used to determine the overall expected rate of return on assets is as follow:

| | | | | |
|-----------------------------------|-------|-------|-------|-------|
| Discount rates used | 9.62% | 9.39% | 9.62% | 9.39% |
| Expected rate of return on assets | 7.90% | 8.45% | 7.90% | 8.45% |
| Expected pension increases | 5.55% | 5.96% | 5.55% | 5.96% |

Other assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

| | One percentage point increase | One percentage point decrease | One percentage point increase | One percentage point decrease |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Effect on the aggregate of the service cost and interest cost | 683,720,000 | 570,935,000 | 683,720,000 | 570,935,000 |
| Expected rate of return on assets | 551,907,000 | 731,241,000 | 551,907,000 | 731,241,000 |
| Effect on defined benefit obligation | 650,957,000 | - | 650,957,000 | - |

Amounts for the current and previous four years are as follows:

The employees of the Council as well as employer contributes to the municipal medical aids as listed below:

| | | | | |
|------------|--------------------|-------------------|--------------------|-------------------|
| Bonitas | 20,434,109 | 2,322,466 | 20,434,109 | 2,322,466 |
| Discovery | 160,080 | 559,757 | 160,080 | 559,757 |
| Hosmed | 606,410 | 145,740 | 606,410 | 145,740 |
| Key Health | 29,204,736 | 18,577,945 | 29,204,736 | 18,577,945 |
| LA Health | 48,982,527 | 45,055,204 | 48,982,527 | 45,055,204 |
| Samwmed | 5,787,395 | 30,538,349 | 5,787,395 | 30,538,349 |
| | 105,175,257 | 97,199,461 | 105,175,257 | 97,199,461 |

21. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

| | | | | |
|---|-------------------|--------------------|-------------------|--------------------|
| Electricity | 4,569 | 4,264 | 4,569 | 4,264 |
| Electricity Smart Grids | 247,097 | 230,783 | 247,097 | 230,783 |
| Expanded Public Works Programme | 2,896,487 | - | 2,896,487 | - |
| Development of a Single Scheme | 1,004,504 | - | 1,004,504 | - |
| Greater Edendale Development Initiative | 1,896,942 | 9,995,256 | 1,896,942 | 9,995,256 |
| Housing | 151,416 | 171,967 | 151,416 | 171,967 |
| Housing Accreditation funding | 33,846,353 | 38,147,554 | 33,846,353 | 38,147,554 |
| Integrated National Electrification Programme | 3,885,494 | 551,299 | 3,885,494 | 551,299 |
| Market | 940,793 | 878,636 | 940,793 | 878,636 |
| Manaye Area Precinct Upgrade | 4,350,712 | - | 4,350,712 | - |
| Municipal Infrastructure Grant | 1,063,876 | 1,097,944 | 1,063,876 | 1,097,944 |
| Municipal Systems Improvement Grant | - | 3,797 | - | 3,797 |
| Municipal Water Services Infrastructure Grant | - | 1,299,742 | - | 1,299,742 |
| Neighbourhood Development Partnership Grant | 20,154,850 | 29,767,728 | 20,154,850 | 29,767,728 |
| Operation Dlulisumlando | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Public Transportation Infrastructure | - | 165,183,494 | - | 165,183,494 |
| Library | 495,876 | 4,064,345 | 495,876 | 4,064,345 |
| Pietermaritzburg Airport | (1,417,762) | - | (1,417,762) | - |
| Publicity House Renovations | 2,906 | 2,714 | 2,906 | 2,714 |
| Spoornet | - | 429,454 | - | 429,454 |
| Tatham Art Gallery | - | 26,969 | - | 26,969 |
| Youth Enterprise Park | 9,252,373 | - | 9,252,373 | - |
| | 80,276,486 | 253,355,946 | 80,276,486 | 253,355,946 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|-------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Movement during the year | | | | |
| Balance at the beginning of the year | 253,355,946 | 134,856,624 | 253,355,946 | 134,856,624 |
| Funds paid back to National Treasury / grant provider | (196,604,262) | (63,249,000) | (196,604,262) | (63,249,000) |
| Current year receipts | 520,537,644 | 570,146,557 | 520,537,644 | 570,146,557 |
| Prior period error - interest not capitalised to housing accreditation grant | - | 3,415,128 | - | 3,415,128 |
| Current year interest received | 4,543,092 | 1,899,066 | 4,543,092 | 1,899,066 |
| Transfer to Municipal Housing Operating Account | (444,499) | (27,308,334) | (444,499) | (27,308,334) |
| VAT recovered from National grants as per MFMA circular 58 | (36,068,797) | (14,471,095) | (36,068,797) | (14,471,095) |
| Conditions met - transferred to revenue | (465,042,638) | (351,933,000) | (465,042,638) | (351,933,000) |
| | 80,276,486 | 253,355,946 | 80,276,486 | 253,355,946 |

Unfulfilled conditions and other contingencies attaching to government assistance has been recognised as a liability in the Statement of Financial Performance.

The extent of government grants recognised in the statement of financial performance relates to the portion of the grant where the conditions have been fulfilled.

Due to the delay in receiving funding in respect to Pietermaritzburg Airport Grant from KZN Treasury, council funding was used to complete the projects. Funds were received subsequent to year end in the months of July and August 2017 to reimburse council funding.

Refer to Appendix E for details of Unspent Conditional Grants, Receipts and Transfers from National, Provincial, Government and other departments.

22. VAT receivable and payable

| | | | | |
|----------------|-----------|------------|-----------|------------|
| VAT receivable | 9,430,832 | 14,986 | 9,430,832 | - |
| VAT payable | 220,808 | 53,109,432 | - | 53,109,432 |

VAT is payable on the receipt and payment basis.

VAT is only declared to SARS on receipt of payments from consumers.

23. Accumulated surplus

Ring-fenced internal funds and reserves within accumulated surplus - Economic entity - 2017

| | Accumulated surplus | Insurance reserve | COID reserve | Total |
|--|----------------------|-------------------|------------------|----------------------|
| Opening balance | 7,433,609,391 | 46,892,076 | 7,837,009 | 7,488,338,476 |
| Interest earned | - | - | 481,174 | 481,174 |
| Deficit for the year, excluding interest capitalised | (238,000,019) | - | - | (238,000,019) |
| | 7,195,609,372 | 46,892,076 | 8,318,183 | 7,250,819,631 |

Ring-fenced internal funds and reserves within accumulated surplus - Controlling entity - 2017

| | Accumulated surplus | Insurance reserve | COID reserve | Total |
|--|----------------------|-------------------|------------------|----------------------|
| Opening balance | 7,418,659,207 | 46,892,076 | 7,837,009 | 7,473,388,292 |
| Interest earned | - | - | 481,174 | 481,174 |
| Deficit for the year, excluding interest capitalised | (236,880,222) | - | - | (236,880,222) |
| | 7,181,778,985 | 46,892,076 | 8,318,183 | 7,236,989,244 |

24. Capital replacement reserve

Based on the approval by the strategic management committee on the 7th April 2015 the CRR was created by transferring funds of R 151 935 999 from the accumulated surplus.

This reserve will be used for the funding of property, plant and equipment.

Included in the reserve is an amount of R12 354 006 of interest earned on the reserve.

The CRR is a cash backed reserve.

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Opening balance | 151,935,999 | 151,935,999 | 151,935,999 | 151,935,999 |
| Interest earned | 12,354,006 | - | 12,354,006 | - |
| | 164,290,005 | 151,935,999 | 164,290,005 | 151,935,999 |

25. Housing development fund

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Unappropriated surplus | 45,314,879 | 42,268,273 | 45,314,879 | 42,268,273 |
| Loans extinguished by Government on 1 April 1998 | 34,256,892 | 34,256,892 | 34,256,892 | 34,256,892 |
| | 79,571,771 | 76,525,165 | 79,571,771 | 76,525,165 |

The housing development fund is represented by the following assets and liabilities

| | | | | |
|------------------------------|-------------------|-------------------|-------------------|-------------------|
| Bank and cash | 34,305,288 | 35,347,990 | 34,305,288 | 35,347,990 |
| Housing selling scheme loans | 9,944,610 | 10,317,110 | 9,944,610 | 10,317,110 |
| Trade and other receivables | 35,321,873 | 30,860,065 | 35,321,873 | 30,860,065 |
| Assets | 79,571,771 | 76,525,165 | 79,571,771 | 76,525,165 |

26. Revaluation reserve

The municipality has elected to adopt the revaluation model when accounting for heritage assets - artworks , due to their nature.

| | | | | |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Opening balance | 52,129,145 | 52,129,145 | 52,129,145 | 52,129,145 |
| Transfers out | (1,101,200) | - | (1,101,200) | - |
| | 51,027,945 | 52,129,145 | 51,027,945 | 52,129,145 |

Artwork was devalued during the current year due to water damage on some of the artwork.

27. Variance analysis comparison budget against actual

| Account Balance / Transaction / Disclosure | Current year-to-date actual amount as at: 30 June 2017 | Current year budget amount, as per approved budget | Difference between current year actual and budget - R | Difference between current year actual and budget - % | Explanation for significant fluctuations |
|---|--|--|---|---|--|
| Classes of income | | | | | |
| Service charges | 2,539,976,104.00 | 2,878,830,000.00 | -338,853,896.00 | -12% | Revenue from Service Charges is based on consumption levels. The consumption level was a bit lower than anticipated |
| Interest received - trade and other receivables | 96,347,327.00 | 110,779,000.00 | -14,431,673.00 | -13% | The increase in bad debts written off resulted in a decrease in interest on trade and other receivables |
| Interest received - external investment | 54,663,821.00 | 49,270,000.00 | 5,393,821.00 | 11% | The increase is due to the delay in implementation of internally funded projects. The delay meant funds remained unused and generated interest |
| Operational revenue | 63,541,127.00 | 276,433,000.00 | -212,891,873.00 | -77% | This is due to classification of items in terms of mSCOA |
| Classes of expenditure | | | | | |
| Bad debts written off | 332,295,447.00 | 120,815,000.00 | 211,480,447.00 | 175% | This is due to the increase debts written off during the year |
| Contracted services | 556,910,088.00 | 444,777,000.00 | 112,133,088.00 | 25% | More and more items have been classified as contracted services as per mSCOA |
| Depreciation and amortisation | 598,014,010.00 | 506,103,000.00 | 91,911,010.00 | 18% | This is due to the increase in assets value due to new acquisitions and increased depreciated replacement costs values |

| Account Balance / Transaction / Disclosure | Current year-to-date actual amount as at: 30 June 2017 | Current year budget amount, as per approved budget | Difference between current year actual and budget - R | Difference between current year actual and budget - % | Explanation for significant fluctuations |
|--|--|--|---|---|---|
| Inventory consumed | 46,064,824.00 | - | 46,064,824.00 | 100% | This item wasn't budgeted for as a stand alone item but was budgeted for under various individual items |
| Operational cost | 156,466,034.00 | 365,685,000.00 | -209,218,966.00 | -57% | This due to mSCOA reclassification of items. Some items which fell under this item are now under contracted services. |
| Operating leases | 46,112,235.00 | - | 46,112,235.00 | 100% | This item was budgeted for under contracted services |

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| | 2017 | 2016 | 2017 | 2016 |

28. Agency services

| | | | | |
|---|------------------|------------------|------------------|------------------|
| Driver license renewals | 2,729,560 | 1,880,416 | 2,729,560 | 1,880,416 |
| Umgungundlovu District Municipality - Fire services | 267,996 | 267,996 | 267,996 | 267,996 |
| | 2,997,556 | 2,148,412 | 2,997,556 | 2,148,412 |

29. Interest

Interest - consumer debtors and other receivables

| | | | | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Electricity | 6,427,389 | 11,136,170 | 6,427,389 | 11,136,170 |
| Merchandising, jobbing and contracts | 262,964 | 2,395,652 | 262,964 | 2,395,652 |
| Rates | 27,666,061 | 20,236,112 | 27,666,061 | 20,236,112 |
| Refuse | 4,687,999 | 3,799,539 | 4,687,999 | 3,799,539 |
| Sanitation | 9,212,729 | 7,729,417 | 9,212,729 | 7,729,417 |
| South African Revenue Services | 1,469,613 | - | 1,469,613 | - |
| Water | 46,620,572 | 35,153,161 | 46,620,572 | 35,153,161 |
| | 96,347,327 | 80,450,051 | 96,347,327 | 80,450,051 |

Interest revenue

| | | | | |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| Call and investment accounts | 51,226,255 | 66,073,097 | 51,226,255 | 66,073,097 |
| Current bank account | 3,437,566 | 2,361,406 | 3,363,530 | 2,169,266 |
| | 54,663,821 | 68,434,503 | 54,589,785 | 68,242,363 |
| | 151,011,148 | 148,884,554 | 150,937,112 | 148,692,414 |

30. License and permits

| | | | | |
|-------------------------------|----------------|----------------|----------------|----------------|
| Abnormal loads | 144,896 | - | 144,896 | - |
| Hoarding (collecting/storing) | 103,370 | 90,168 | 103,370 | 90,168 |
| Market porters | 38,600 | - | 38,600 | - |
| Taxi ranks | 141,320 | 182,227 | 141,320 | 182,227 |
| Trading | 92,441 | - | 92,441 | - |
| | 520,627 | 272,395 | 520,627 | 272,395 |

31. Operational revenue

| | | | | |
|--|------------|-------------|------------|-------------|
| Administration and handling fees | 2,126,835 | 362,815 | 2,126,835 | 362,815 |
| Breakages and losses recovered | 1,667 | - | 1,667 | - |
| Bursary refund | 2,950 | - | 2,950 | - |
| Collection charges | 6,034,828 | - | 6,034,828 | - |
| Commission - insurance | 196,463 | - | 196,463 | - |
| Commission - transaction handling fees | 20,410,431 | 20,206,823 | 20,410,431 | 20,206,823 |
| Cost of free basic services | - | (3,140,466) | - | (3,140,466) |
| Discount and early settlement | 6,021 | 808,711 | 6,021 | 808,711 |
| Incidental cash surplus | 702,802 | 38,547 | 702,802 | 38,547 |
| Inspection fees facilities | 525 | - | 525 | - |
| Insurance refund | 3,933,520 | - | 3,922,774 | - |
| Landing fees | 3,309,797 | 2,912,410 | 3,309,797 | 2,912,410 |
| Merchandising, jobbing and contracts | 19,842,006 | 1,749,459 | 19,842,006 | 1,749,459 |
| Passenger levy | 4,945,442 | 4,368,604 | 4,945,442 | 4,368,604 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|-------------------|-------------------|--------------------|-------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Request for information - Plan printing and duplicates | 64,197 | - | 64,197 | - |
| Request for information - Municipal information/stats | 1,095 | 9,463 | 1,095 | 9,463 |
| Sale of property | 4,698 | - | 4,698 | - |
| Skills Development Levy refund | 1,784,327 | 370,086 | 1,784,327 | 370,086 |
| Staff recoveries | 173,523 | 3,940 | 173,523 | 3,940 |
| | 63,541,127 | 27,690,392 | 63,530,381 | 27,690,392 |

32. Rental of facilities and equipment

Premises

| | | | | |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Non-residential | 18,034,977 | 14,225,211 | 18,034,977 | 14,225,211 |
| Residential | 7,353,958 | 6,030,720 | 7,353,958 | 6,030,720 |
| | 25,388,935 | 20,255,931 | 25,388,935 | 20,255,931 |

Facilities and equipment

| | | | | |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| Adhoc rentals | 579,730 | 455,783 | 579,730 | 455,783 |
| Recreational facilities | 175,391 | 138,925 | 175,391 | 138,925 |
| | 755,121 | 594,708 | 755,121 | 594,708 |
| | 26,144,056 | 20,850,639 | 26,144,056 | 20,850,639 |

33. Rending of services

| | | | | |
|------------------------------|-------------------|------------------|-------------------|------------------|
| Advertising | 607,186 | 183,902 | 607,186 | 183,902 |
| Building plan approval | 1,913,392 | 2,129,161 | 1,913,392 | 2,129,161 |
| Cemetery and burial fees | 3,107,048 | 2,478,548 | 3,107,048 | 2,478,548 |
| Encroachment fees | 745,165 | 455,588 | 745,165 | 455,588 |
| Entrance fees | 281,068 | 434,220 | 281,068 | 434,220 |
| Fire services | 256,119 | 278,296 | 256,119 | 278,296 |
| Housing administration fees | 115,200 | - | 115,200 | - |
| GIS data fees | - | 1,355 | - | 1,355 |
| Legal fees | 1,345 | 16,936 | 1,345 | 16,936 |
| Management fees | 24,415 | 543 | 24,415 | 543 |
| Rates clearance certificates | 1,174,990 | 1,081,696 | 1,174,990 | 1,081,696 |
| Removal of restrictions | 177,700 | - | 177,700 | - |
| Parking fees | 2,098,967 | 1,573,400 | 2,098,967 | 1,573,400 |
| Town planning and servitudes | 574,215 | 267,647 | 574,215 | 267,647 |
| Traffic control | 76,892 | 267,893 | 76,892 | 267,893 |
| Wayleave tariffs | 12,243 | - | 12,243 | - |
| | 11,165,945 | 9,169,185 | 11,165,945 | 9,169,185 |

34. Sale of goods

| | | | | |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| Posters and charts | 94 | 4,896 | 94 | 4,896 |
| Sale of scrap and waste | 38,730 | 520,318 | 38,555 | 518,509 |
| Sub-division and consolidation | 21,452 | 126,025 | 21,452 | 126,025 |
| Tender documents | 629,026 | 682,282 | 629,026 | 682,282 |
| Timber sales | 15,782,869 | 27,998,788 | 15,782,869 | 27,998,788 |
| Valuation services | 16 | - | 16 | - |
| Waste paper | 933,847 | - | 933,847 | - |
| | 17,406,034 | 29,332,309 | 17,405,859 | 29,330,500 |

35. Service charges

| | | | | |
|-------------|----------------------|----------------------|----------------------|----------------------|
| Electricity | 1,865,037,594 | 1,798,399,142 | 1,865,158,119 | 1,798,547,758 |
| Refuse | 88,928,099 | 84,239,599 | 88,928,099 | 84,239,599 |
| Sanitation | 121,806,043 | 126,390,682 | 121,806,043 | 126,390,682 |
| Water | 464,204,368 | 473,020,838 | 464,204,368 | 473,020,838 |
| | 2,539,976,104 | 2,482,050,261 | 2,540,096,629 | 2,482,198,877 |

Service charges is net of revenue forgone.

| Figures in Rand | Economic entity | | Controlling entity | |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| 36. Property rates | | | | |
| Rates received | | | | |
| Commercial | 392,809,776 | 381,155,011 | 392,809,776 | 381,155,011 |
| Communal land other | 8,482,806 | 2,608,956 | 8,482,806 | 2,608,956 |
| Farm properties | 933,886 | 822,227 | 933,886 | 822,227 |
| Mining | 79,420 | - | 79,420 | - |
| Multiple purposes | 2,170,638 | - | 2,170,638 | - |
| Public benefit organisations | 24,650 | - | 24,650 | - |
| Residential | 386,505,082 | 353,286,250 | 386,505,082 | 353,286,250 |
| Small home business | 2,085,867 | 1,956,112 | 2,085,867 | 1,956,112 |
| Unauthorised use | 2,786,125 | 2,223,542 | 2,786,125 | 2,223,542 |
| | 795,878,250 | 742,052,098 | 795,878,250 | 742,052,098 |

Valuations

| | Rate per category | 2017 | 2016 |
|-------------------------------|-------------------|-----------------------|-----------------------|
| Agriculture | 0.0029 | 323,483,000 | 306,323,000 |
| Commercial | - | 21,211,122,624 | 20,482,892,624 |
| Municipal properties | - | 273,989,000 | 1,152,932,000 |
| Residential | 0.0119 | 36,937,211,527 | 37,624,058,102 |
| Rural communal land | 0.0162 | 523,630,000 | 523,630,000 |
| Public benefit organisation | 0.0029 | 650,810,000 | 629,090,000 |
| Public service infrastructure | 0.0029 | 108,831,000 | 108,831,000 |
| Vacant land | 0.0216 | 1,240,112,000 | 1,184,130,000 |
| | | 61,269,189,151 | 62,011,886,726 |

General valuations on properties are performed every 4 years in terms of the Municipal Property Rates Act. The last general valuation came into effect on 1 July 2014. Supplementary valuations are take place on an annual basis to take into account building additions, changes, sub divisions and consolidations.

The valuation roll came into effect on 1 July 2014.

37. Fines, penalties and forfeits

| | | | | |
|-------------------|-------------------|-------------------|-------------------|-------------------|
| Buildings | 163,165 | - | 163,165 | - |
| Law enforcement | 17,757,971 | 52,834,045 | 17,757,971 | 52,834,045 |
| Overdue books | 43,735 | - | 43,735 | - |
| Pound fees | 77,438 | 88,259 | 77,438 | 88,259 |
| Tender with-drawl | 3,509 | - | 3,509 | - |
| | 18,045,818 | 52,922,304 | 18,045,818 | 52,922,304 |

In November 2015 the Director: Public Prosecution KwaZulu-Natal removed the delegation in respect to speed prosecution by camera from the Municipality. This resulted in the revenue loss from law enforcement activities.

38. Government grants and subsidies

| | | | | |
|---|--------------------|--------------------|--------------------|--------------------|
| Operating grants | | | | |
| Equitable share | 432,307,000 | 395,786,000 | 432,307,000 | 395,786,000 |
| Electricity | - | 106,146 | - | 106,146 |
| Expanded Public Works Programme | 3,912,513 | 4,032,001 | 3,912,513 | 4,032,001 |
| Finance Management | 1,625,000 | 1,600,000 | 1,625,000 | 1,600,000 |
| Greater Edendale Development Initiative | 3,619,817 | 7,017,013 | 3,619,817 | 7,017,013 |
| Housing | 20,551 | 106,008 | 20,551 | 106,008 |
| Housing Accreditation Funding | 8,014,173 | 3,270,246 | 8,014,173 | 3,270,246 |
| Library | 15,386,462 | 9,939,791 | 15,386,462 | 9,939,791 |
| Library Subsidies | - | 7,450,000 | - | 7,450,000 |
| Manaye Area Precinct Upgrade | 799,519 | - | 799,519 | - |
| Municipal Infrastructure | 15,036,282 | 8,690,153 | 15,036,282 | 8,690,153 |
| Municipal Systems Improvement | - | 482,290 | - | 482,290 |
| Pietermaritzburg Airport | 1,075,059 | - | 1,075,059 | - |
| Public Transportation Infrastructure | 15,108,200 | 27,408,365 | 15,108,200 | 27,408,365 |
| Tatham Art Gallery | 26,969 | 267,834 | 26,969 | 267,834 |
| Youth Enterprise Park | 345,495 | - | 345,495 | - |
| | 497,277,040 | 466,155,847 | 497,277,040 | 466,155,847 |

| Figures in Rand | Economic entity | | Controlling entity | |
|---|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Capital grants | | | | |
| Electricity Smart Grids | - | 4,385,965 | - | 4,385,965 |
| Energy Efficiency Demand Side Management | 8,000,000 | - | 8,000,000 | - |
| Greater Edendale Development Initiative | 5,115,210 | 4,809,683 | 5,115,210 | 4,809,683 |
| Housing Accreditation Funding | 9,431,221 | 5,795,300 | 9,431,221 | 5,795,300 |
| Integrated National Electrification Programme | 4,114,506 | 9,448,701 | 4,114,506 | 9,448,701 |
| Library | 8,597,776 | 3,539,919 | 8,597,776 | 3,539,919 |
| Market and Freedom Square Tourism Hub | - | 250,538 | - | 250,538 |
| Municipal Infrastructure | 174,516,842 | 182,668,484 | 174,516,842 | 182,668,484 |
| Municipal Systems Improvement | - | 443,913 | - | 443,913 |
| Municipal Water Infrastructure | 1,299,742 | 57,033,258 | 1,299,742 | 57,033,258 |
| Neighbourhood Development Partnership | 1,955,150 | 11,114,249 | 1,955,150 | 11,114,249 |
| Pietermaritzburg Airport | 1,467,147 | 1,004,166 | 1,467,147 | 1,004,166 |
| Public Transport Infrastructure | 184,922,800 | 20,679,382 | 184,922,800 | 20,679,382 |
| Publicity House Renovations | - | 25,709 | - | 25,709 |
| Tatham Art Gallery | - | 94,783 | - | 94,783 |
| Urban Renewal | - | 2,190,200 | - | 2,190,200 |
| Water Services Infrastructure | 36,721,000 | - | 36,721,000 | - |
| | 436,141,394 | 303,484,250 | 436,141,394 | 303,484,250 |
| | 933,418,434 | 769,640,097 | 933,418,434 | 769,640,097 |

Government Grants and Subsidies

Included in above are the following grants and subsidies received:

| | | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| Equitable share | 432,307,000 | 395,786,000 | 432,307,000 | 395,786,000 |
| Operating grants | 62,765,910 | 59,434,827 | 62,765,910 | 59,434,827 |
| Library subsidies | - | 7,450,000 | - | 7,450,000 |
| Capital grants | 402,276,729 | 292,498,173 | 402,276,729 | 292,498,173 |
| VAT recovered from National grants - operating | 2,204,130 | 3,485,020 | 2,204,130 | 3,485,020 |
| VAT recovered from National grants - capital | 33,864,665 | 10,986,077 | 33,864,665 | 10,986,077 |
| | 933,418,434 | 769,640,097 | 933,418,434 | 769,640,097 |

Equitable Share

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Current year receipts | 432,307,000 | 395,786,000 | 432,307,000 | 395,786,000 |
| Conditions met - transferred to revenue | (432,307,000) | (395,786,000) | (432,307,000) | (395,786,000) |
| | - | - | - | - |

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Finance Management Grant

| | | | | |
|--|-------------|-------------|-------------|-------------|
| Current-year receipts | 1,625,000 | 1,600,000 | 1,625,000 | 1,600,000 |
| Conditions met - transferred to revenue | (1,620,433) | (1,474,690) | (1,620,433) | (1,474,690) |
| VAT recovered from grant as per MFMA Circular 58 | (4,567) | (125,310) | (4,567) | (125,310) |
| | - | - | - | - |

The purpose of this grant is to promote and support reforms in financial management by building capacity in Local Government to implement the Local Government: Municipal Finance Management Act (MFMA).

Integrated National Electrification Programme

| | | | | |
|--|------------------|----------------|------------------|----------------|
| Balance unspent at beginning of year | 551,299 | 25,345,276 | 551,299 | 25,345,276 |
| Current-year receipts | 8,000,000 | 10,000,000 | 8,000,000 | 10,000,000 |
| Grant paid back to National Treasury | (551,299) | (25,345,275) | (551,299) | (25,345,275) |
| Conditions met - transferred to revenue | (3,960,459) | (8,770,830) | (3,960,459) | (8,770,830) |
| VAT recovered from grant as per MFMA Circular 58 | (154,047) | (677,872) | (154,047) | (677,872) |
| | 3,885,494 | 551,299 | 3,885,494 | 551,299 |

Conditions still to be met - remain liabilities (see note 21).

To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.

| Figures in Rand | Economic entity | | Controlling entity | |
|--|------------------|------------------|--------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Municipal Infrastructure Grant | | | | |
| Balance unspent at beginning of year | 1,097,944 | 581 | 1,097,944 | 581 |
| Current-year receipts | 190,617,000 | 192,456,000 | 190,617,000 | 192,456,000 |
| Grant paid back to National Treasury | (1,097,944) | - | (1,097,944) | - |
| Conditions met - transferred to revenue | (166,947,282) | (191,358,637) | (166,947,282) | (191,358,637) |
| VAT recovered from grant as per MFMA Circular 58 | (22,605,842) | - | (22,605,842) | - |
| | 1,063,876 | 1,097,944 | 1,063,876 | 1,097,944 |

Conditions still to be met - remain liabilities (see note 21).

The funding has been provided for addressing specific capital projects for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.

Municipal Water Services Infrastructure Grant

| | | | | |
|--|-------------|------------------|-------------|------------------|
| Balance unspent at beginning of year | 1,299,742 | - | 1,299,742 | - |
| Current-year receipts | - | 58,333,000 | - | 58,333,000 |
| Conditions met - transferred to revenue | (1,140,125) | (50,176,099) | (1,140,125) | (50,176,099) |
| VAT recovered from grant as per MFMA Circular 58 | (159,617) | (6,857,159) | (159,617) | (6,857,159) |
| | - | 1,299,742 | - | 1,299,742 |

Conditions still to be met - remain liabilities (see note 21).

To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to those communities identified not receiving basic water supply service.

Neighbourhood Development Partnership Grant

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Balance unspent at beginning of year | 29,767,728 | 9,304,976 | 29,767,728 | 9,304,976 |
| Current-year receipts | 22,110,000 | 31,577,000 | 22,110,000 | 31,577,000 |
| Grant paid back to National Treasury | (29,767,728) | - | (29,767,728) | - |
| Conditions met - transferred to revenue | (1,652,961) | (10,231,474) | (1,652,961) | (10,231,474) |
| VAT recovered from grant as per MFMA Circular 58 | (302,189) | (882,774) | (302,189) | (882,774) |
| | 20,154,850 | 29,767,728 | 20,154,850 | 29,767,728 |

Conditions still to be met - remain liabilities (see note 21).

Funding provided for to support and facilitate the planning and development of neighbourhood development programs and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted underserved neighbourhoods.

Public Transportation Infrastructure Grant

| | | | | |
|--|---------------|--------------------|---------------|--------------------|
| Balance unspent at beginning of year | 165,183,494 | 37,903,968 | 165,183,494 | 37,903,968 |
| Current-year receipts | 200,031,000 | 213,271,000 | 200,031,000 | 213,271,000 |
| Grant paid back to National Treasury | (165,183,494) | (37,903,726) | (165,183,494) | (37,903,726) |
| Conditions met - transferred to revenue | (191,342,358) | (42,230,642) | (191,342,358) | (42,230,642) |
| VAT recovered from grant as per MFMA Circular 58 | (8,688,642) | (5,857,106) | (8,688,642) | (5,857,106) |
| | - | 165,183,494 | - | 165,183,494 |

Conditions still to be met - remain liabilities (see note 21).

Funding provided for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.

Housing Accreditation Funding

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Balance unspent at beginning of year | 38,147,554 | 25,973,801 | 38,147,554 | 25,973,801 |
| Current-year receipts | 10,189,200 | 17,824,170 | 10,189,200 | 17,824,170 |
| Conditions met - transferred to revenue | (17,445,394) | (9,065,545) | (17,445,394) | (9,065,545) |
| Prior period error - interest not capitalised to housing accreditation grant | - | 3,415,128 | - | 3,415,128 |
| Current year - interest received | 2,954,993 | - | 2,954,993 | - |
| | 33,846,353 | 38,147,554 | 33,846,353 | 38,147,554 |

Conditions still to be met - remain liabilities (see note 21).

Funding provided for Level 1 accreditation subsidy for the operation of the Housing Delivery Unit within Msunduzi Municipality.

| Figures in Rand | Economic entity | | Controlling entity | |
|--|------------------|------------------|--------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Greater Edendale Development Initiative | | | | |
| Balance unspent at beginning of year | 9,995,256 | 2,812,008 | 9,995,256 | 2,812,008 |
| Current-year receipts | - | 18,194,256 | - | 18,194,256 |
| Conditions met - transferred to revenue | (8,735,026) | (11,826,696) | (8,735,026) | (11,826,696) |
| Current year - interest received | 636,712 | 815,688 | 636,712 | 815,688 |
| | 1,896,942 | 9,995,256 | 1,896,942 | 9,995,256 |

Conditions still to be met - remain liabilities (see note 21).

The funding was provided from the Department of Human Settlements to provide the following:

- * To support GIS with the interrogation of housing layout against services in Edendale.
- * Support the finalisation of the town planning scheme.
- * Development of an integrated land use management system for Edendale.
- * To value additional properties which are not within the 5 priority housing projects.
- * Advertising costs for expropriation of properties.
- * Costs relating to tenure conflicts, cadastral and deed office rectification.
- * Increasing the resources for sales administration with regard to drawing up, signing and managing sales agreement.
- * Provision of further training for personnel using GIS and property tracking systems.
- * Employment of two planning interns to be employed by the Land Legal Committee for a period of two years.

Library

| | | | | |
|---|----------------|------------------|----------------|------------------|
| Balance unspent at beginning of year | 4,064,345 | 639,567 | 4,064,345 | 639,567 |
| Current-year receipts | 19,896,000 | 16,159,000 | 19,896,000 | 16,159,000 |
| Conditions met - transferred to revenue | (23,984,238) | (13,479,710) | (23,984,238) | (13,479,710) |
| Current year - interest received | 519,769 | 745,488 | 519,769 | 745,488 |
| | 495,876 | 4,064,345 | 495,876 | 4,064,345 |

Conditions still to be met - remain liabilities (see note 21).

Funds provided by the Provincial Department of Arts and Culture for Libraries.

Market

| | | | | |
|---|----------------|----------------|----------------|----------------|
| Balance unspent at beginning of year | 878,636 | 1,086,743 | 878,636 | 1,086,743 |
| Conditions met - transferred to revenue | - | (250,538) | - | (250,538) |
| Current year - interest received | 62,157 | 42,431 | 62,157 | 42,431 |
| | 940,793 | 878,636 | 940,793 | 878,636 |

Conditions still to be met - remain liabilities (see note 21).

Funds received from Department of Co-operative Governance and Traditional Affairs for the market. The purpose of this grant is for the renovations and improvement of the fresh produce market which entails short term repairs, maintenance and the upgrading of existing facilities.

Publicity House Renovations

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Balance unspent at beginning of year | 2,714 | 27,781 | 2,714 | 27,781 |
| Current year - interest received | 192 | 642 | 192 | 642 |
| Conditions met - transferred to revenue | - | (25,709) | - | (25,709) |
| | 2,906 | 2,714 | 2,906 | 2,714 |

Conditions still to be met - remain liabilities (see note 21).

Funds received from Co-operative Governance and Traditional Affairs to be used for the upgrade of the publicity house due to the building being structurally deteriorated.

Manaye Area Precinct Upgrade

| | | | | |
|---|------------------|----------|------------------|----------|
| Current-year receipts | 5,000,000 | - | 5,000,000 | - |
| Conditions met - transferred to revenue | (799,519) | - | (799,519) | - |
| Current year - interest received | 150,231 | - | 150,231 | - |
| | 4,350,712 | - | 4,350,712 | - |

Conditions still to be met - remain liabilities (see note 21).

Funds received from Co-operative Governance and Traditional Affairs for the Manaye Area Precinct Upgrade.

| Figures in Rand | Economic entity | | Controlling entity | |
|---|------------------|----------|--------------------|----------|
| | 2017 | 2016 | 2017 | 2016 |
| Youth Enterprise Park | | | | |
| Current-year receipts | 9,415,000 | - | 9,415,000 | - |
| Conditions met - transferred to revenue | (345,495) | - | (345,495) | - |
| Current year - interest received | 182,868 | - | 182,868 | - |
| | 9,252,373 | - | 9,252,373 | - |

Conditions still to be met - remain liabilities (see note 21).

Funds received from Co-operative Governance and Traditional Affairs for Youth Enterprise Park which emerged to address the challenges of finding appropriate localities for businesses. The concept of the park will be to cluster a purpose built park of 30 to 50 container enterprises in a particular locality either in community, small town or rural district or as part of urban or rural renewal programmes. The programme will also offer on site training facilities and support micro enterprises that operate within the park. The idea is to create a purpose built precinct at scale where the local community is able to take up local economic community opportunities to establish businesses. The Youth Enterprise Park should fundamentally be able to reconnect the economy with communities whose needs offer economic opportunity for its local entrepreneurs.

Expanded Public Works Programme

| | | | | |
|---|------------------|-------------|------------------|-------------|
| Current-year receipts | 6,809,000 | 4,032,000 | 6,809,000 | 4,032,000 |
| Conditions met - transferred to revenue | (3,912,513) | (4,032,000) | (3,912,513) | (4,032,000) |
| | 2,896,487 | - | 2,896,487 | - |

Conditions still to be met - remain liabilities (see note 21).

To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP Guidelines:

- * road maintenance and the maintenance of buildings * low traffic volume roads and rural roads
- * basic services infrastructure, including water and sewer reticulation, sanitation and pipelines (excluding bulk infrastructure)*-
- * other economic and social infrastructure
- * tourism and cultural industries
- * waste management
- * parks and beautification
- * sustainable land-based livelihoods
- * social services programmes
- * health service programmes
- * community safety.

Energy Efficiency and Demand Side Management Grant

| | | | | |
|--|-------------|----------|-------------|----------|
| Current-year receipts | 8,000,000 | - | 8,000,000 | - |
| Conditions met - transferred to revenue | (7,920,146) | - | (7,920,146) | - |
| VAT recovered from grant as per MFMA Circular 58 | (79,854) | - | (79,854) | - |
| | - | - | - | - |

The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.

Municipal Systems Improvement Grant

| | | | | |
|--|----------|--------------|----------|--------------|
| Balance unspent at beginning of year | 3,797 | - | 3,797 | - |
| Current-year receipts | - | 930,000 | - | 930,000 |
| Grant paid back to National Treasury | (3,797) | - | (3,797) | - |
| Conditions met - transferred to revenue | - | (855,327) | - | (855,327) |
| VAT recovered from grant as per MFMA Circular 58 | - | (70,876) | - | (70,876) |
| | - | 3,797 | - | 3,797 |

Conditions still to be met - remain liabilities (see note 21).

Funding provided to assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation.

Housing

| | | | | |
|--|----------------|----------------|----------------|----------------|
| Balance unspent at beginning of year | 171,967 | 27,561,119 | 171,967 | 27,561,119 |
| Current year - interest received | - | 25,190 | - | 25,190 |
| Conditions met - transferred to revenue | (20,551) | (106,008) | (20,551) | (106,008) |
| Transfer to Municipal Housing Operating Account (MHOA) | - | (27,308,334) | - | (27,308,334) |
| | 151,416 | 171,967 | 151,416 | 171,967 |

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| | 2017 | 2016 | 2017 | 2016 |

Conditions still to be met - remain liabilities (see note 21).

Funds received from Department of Human Settlements to provide funding for the creation of sustainable human settlements.

Water Services Infrastructure Grant

| | | | | |
|--|--------------|---|--------------|---|
| Current-year receipts | 36,721,000 | - | 36,721,000 | - |
| Conditions met - transferred to revenue | (32,646,964) | - | (32,646,964) | - |
| VAT recovered from grant as per MFMA Circular 58 | (4,074,036) | - | (4,074,036) | - |
| | - | - | - | - |

To facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and improve the sustainability of services in prioritised district municipalities, especially in rural municipalities. Provide interim, intermediate water and sanitation services that ensure provision of services to identified and prioritised communities, including through spring protection, drilling, testing and equipping of boreholes and on-site solutions. To support drought relief projects in affected municipalities.

Electricity Smart Grids

| | | | | |
|---|----------------|----------------|----------------|----------------|
| Balance unspent at beginning of year | 230,783 | - | 230,783 | - |
| Current-year receipts | - | 4,385,965 | - | 4,385,965 |
| Conditions met - transferred to revenue | - | (4,385,965) | - | (4,385,965) |
| Current year - interest received | 16,314 | 230,783 | 16,314 | 230,783 |
| | 247,097 | 230,783 | 247,097 | 230,783 |

Conditions still to be met - remain liabilities (see note 21).

The funding has been provided for the deployment of smart grid solutions to deal with municipal revenue enhancement and public building energy efficiency, data acquisition, collection, modelling and management together with the over-arching facilitation of stakeholder participation and collaboration, cognisant of human capital development and knowledge sharing or transfer to improve the application, adaptability and scalability of such technologies.

Pietermaritzburg Airport

| | | | | |
|---|--------------------|-------------|--------------------|-------------|
| Current-year receipts | 1,124,444 | 1,004,166 | 1,124,444 | 1,004,166 |
| Conditions met - transferred to revenue | (2,542,206) | (1,004,166) | (2,542,206) | (1,004,166) |
| | (1,417,762) | - | (1,417,762) | - |

The funding has been provided for the development and construction of a Pietermaritzburg Technology (Science) Park at the Pietermaritzburg Airport.

Due to the delay in receiving funding from KZN Treasury council funding was used to complete the projects.

Operation Dlulisumlando

| | | | | |
|--------------------------------------|-----------|-----------|-----------|-----------|
| Balance unspent at beginning of year | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
|--------------------------------------|-----------|-----------|-----------|-----------|

Conditions still to be met - remain liabilities (see note 21).

Funds provided by the Office of the Premier to support both the establishment and implementation of the Dlulisumlando Project, a national historical development initiative and imperative.

Electricity Grant - COGTA

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Balance unspent at beginning of year | 4,264 | 105,421 | 4,264 | 105,421 |
| Current year - interest received | 305 | 4,990 | 305 | 4,990 |
| Conditions met - transferred to revenue | - | (106,147) | - | (106,147) |
| | 4,569 | 4,264 | 4,569 | 4,264 |

Conditions still to be met - remain liabilities (see note 21).

Funding provided by Corporate Governance and Traditional Affairs for the replacement of transformers and installation of solar powered street and traffic lighting.

Library Subsidies

| | | | | |
|---|---|-------------|---|-------------|
| Current-year receipts | - | 7,450,000 | - | 7,450,000 |
| Conditions met - transferred to revenue | - | (7,450,000) | - | (7,450,000) |
| | - | - | - | - |

Library subsidies are used to pay for a portion of salaries at the library.

| Figures in Rand | Economic entity | | Controlling entity | |
|---|-----------------|-------------|--------------------|-------------|
| | 2017 | 2016 | 2017 | 2016 |
| Urban Renewal | | | | |
| Balance unspent at beginning of year | - | 2,190,200 | - | 2,190,200 |
| Conditions met - transferred to revenue | - | (2,190,200) | - | (2,190,200) |
| | - | - | - | - |

Funds received from Cooperative Governance and Traditional Affairs for the upgrading of sidewalks, street furniture, landscaping, pedestrian and special features.

Development of a Single Scheme

| | | | | |
|----------------------------------|------------------|---|------------------|---|
| Current-year receipts | 1,000,000 | - | 1,000,000 | - |
| Current year - interest received | 4,504 | - | 4,504 | - |
| | 1,004,504 | - | 1,004,504 | - |

Conditions still to be met - remain liabilities (see note 21).

Funding provided by Co-operative Governance and Traditional Affairs for the replacement of transformers and installation of solar powered street and traffic lighting.

Spoornet

| | | | | |
|--|-----------|----------------|-----------|----------------|
| Balance unspent at beginning of year | 429,454 | 403,381 | 429,454 | 403,381 |
| Current year - interest received | 15,045 | 26,073 | 15,045 | 26,073 |
| Transfer to Municipal Housing Operating Account (MHOA) | (444,499) | - | (444,499) | - |
| | - | 429,454 | - | 429,454 |

Conditions still to be met - remain liabilities (see note 21).

Tatham Art Gallery

| | | | | |
|---|----------|---------------|----------|---------------|
| Balance unspent at beginning of year | 26,969 | 1,802 | 26,969 | 1,802 |
| Current-year receipts | - | 380,000 | - | 380,000 |
| Conditions met - transferred to revenue | (26,969) | (362,617) | (26,969) | (362,617) |
| Current year - interest received | - | 7,784 | - | 7,784 |
| | - | 26,969 | - | 26,969 |

Conditions still to be met - remain liabilities (see note 21).

Funds provided by the Provincial Department of Arts and Culture for Tatham Art Gallery to provide financial support to the municipality with a focus on the development and maintenance of museum care and preservation of our culture heritage.

39. Other transfers

| | | | | |
|---------------------------------------|-------------------|----------------|-------------------|----------------|
| Artwork - various donors | 168,341 | 157,790 | 168,341 | 157,790 |
| Ingwe Municipality | 4,975,330 | - | 4,975,330 | - |
| KwaZulu Natal Department of Transport | 11,122,850 | - | 11,122,850 | - |
| Noshezi recreation facilities | 57,180 | - | 57,180 | - |
| | 16,323,701 | 157,790 | 16,323,701 | 157,790 |

40. Bad debt written off

| | | | | |
|-------------|--------------------|--------------------|--------------------|--------------------|
| Electricity | 146,892,877 | 99,436,304 | 146,862,877 | 99,436,304 |
| Rates | 6,827,859 | 3,296,142 | 6,827,859 | 3,296,142 |
| Water | 178,604,711 | (363,587) | 178,604,711 | (363,587) |
| | 332,325,447 | 102,368,859 | 332,295,447 | 102,368,859 |

Debt Recovery Plan

The debt that has been written off in the current financial year includes debts that relates to the previous financial years.

The Msunduzi Municipality has embarked on a debt recovery plan that is focusing on the key Industrial, Commercial and Government debtor categories. The approach is based on the fact that these categories of debtors have a greater potential to pay their service debts that are due enhancing the municipalities cash flow situation.

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| | 2017 | 2016 | 2017 | 2016 |

The Revenue Enhancement process deals with the escalating debtor's book in the following manner:

*Analysis of our debtor's book to ascertain that there is no existence of debtor accounts balances with prescribed debt. All prescribed debt will be reviewed for its existence and valuation to establish if a consumer is consuming the services and are benefiting but not paying with an understanding that the municipality will write off the debt.

*Converting indigent customer's meters into prepaid meters.

*Illegal tampering by customers will result in immediate disconnection of services.

*A dedicated team to handle disconnection services.

*Installation of all new services installations will be strictly done through prepaid meters

*Implementation of Msunduzi Municipality approved credit control policies The Msunduzi Municipality has embarked on a debt recovery plan that is focusing on the key Industrial, Commercial and Government debtor categories. The approach is based on the fact that these categories of debtors have a greater potential to pay their service debts that are due enhancing the municipalities cash flow situation.

*The Revenue Enhancement process deals with the escalating debtor's book in the following manner:

*Analysis of our debtor's book to ascertain that there is no existence of debtor accounts balances with prescribed debt. Allu prescribed debt will be reviewed for its existence and valuation to establish if a consumer is consuming the services and are benefiting but not paying with an understanding that the municipality will write off the debt.

*Converting indigent customer's meters into prepaid meters.

*Illegal tampering by customers will result in immediate disconnection of services.

*A dedicated team to handle disconnection services.

*Installation of all new services installations will be strictly done through prepaid meters

*Implementation of Msunduzi Municipality approved credit control policies

41. Bulk purchases

| | | | | |
|-------------|----------------------|----------------------|----------------------|----------------------|
| Electricity | 1,479,188,329 | 1,337,393,951 | 1,479,188,329 | 1,337,393,951 |
| Water | 387,094,487 | 461,819,616 | 387,094,487 | 461,819,616 |
| | 1,866,282,816 | 1,799,213,567 | 1,866,282,816 | 1,799,213,567 |

42. Contracted services

| | | | | |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|
| Consultants and professional fees | 60,955,689 | 101,558,496 | 60,951,939 | 101,553,696 |
| Contracted services | 254,449,755 | 95,437,254 | 254,167,159 | 95,189,034 |
| Outsourced services | 241,504,644 | 265,505,117 | 241,286,655 | 265,262,241 |
| | 556,910,088 | 462,500,867 | 556,405,753 | 462,004,971 |

Break down of contracted services - consultants and professional services

| | | | | |
|-----------------------------|-------------------|--------------------|-------------------|--------------------|
| Business and advisory | 41,323,922 | 6,802,365 | 41,323,922 | 6,802,365 |
| Infrastructure and planning | 629,640 | 73,364,194 | 629,640 | 73,364,194 |
| Laboratory services | 275,656 | 360,006 | 275,656 | 360,006 |
| Legal costs | 18,726,471 | 21,031,931 | 18,722,721 | 21,027,131 |
| | 60,955,689 | 101,558,496 | 60,951,939 | 101,553,696 |

Break down of contracted services

| | | | | |
|---|-------------|------------|-------------|------------|
| Artists and performers | 383,000 | 199,999 | 383,000 | 199,999 |
| Building | 3,377,196 | - | 3,377,196 | - |
| Catering services | 256,375 | 29,854 | 256,375 | - |
| Electrical | 179,006 | - | 179,006 | - |
| Employee wellness | 105,998 | 176,779 | 69,115 | 176,779 |
| Event promoters | 4,203,457 | 1,510,180 | 4,203,457 | 1,510,180 |
| Fire protection and services | 4,587 | - | 4,587 | - |
| Gas | 591 | - | 591 | - |
| Graphic designers | 156,861 | - | 156,861 | - |
| Haulage | 7,858,407 | - | 7,858,407 | - |
| Maintenance of buildings and facilities | 27,151,137 | - | 27,151,137 | - |
| Maintenance of equipment | 41,305,335 | 1,786,898 | 41,059,623 | 1,568,532 |
| Maintenance of unspecified assets | 55,752,376 | - | 55,752,376 | - |
| Medical services | 2,606,901 | 177,102 | 2,606,901 | 177,102 |
| Pest control and fumigation | 135,643 | 144,652 | 135,643 | 144,652 |
| Plant, flowers and other decorations | 7,984 | - | 7,984 | - |
| Prepaid electricity vendors | 2,541,861 | 1,917,485 | 2,541,861 | 1,917,485 |
| Preservation/ restoration/ dismantling/ cleaning services | 593,510 | - | 593,510 | - |
| Safeguard and security | 1,840,428 | - | 1,840,428 | - |
| Sewerage services | 102,750,181 | 89,043,112 | 102,750,181 | 89,043,112 |
| Sport and recreation | 132,846 | - | 132,846 | - |
| Stage and sound crew | 71,290 | - | 71,290 | - |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|---------------------|--------------------|---------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Stream cleaning and ditching | 10,315 | - | 10,315 | - |
| Traffic and street lights | 1,534,113 | 329,942 | 1,534,113 | 329,942 |
| Transportation | 1,490,357 | 121,251 | 1,490,356 | 121,251 |
| | 254,449,755 | 95,437,254 | 254,167,159 | 95,189,034 |
| Break down of contracted services - outsourced services | | | | |
| Administrative and support staff | 2,618,670 | 2,841,287 | 2,618,670 | 2,747,073 |
| Alien vegetation control | 58,887 | - | 58,887 | - |
| Animal care | 1,113,166 | 1,323,398 | 1,113,166 | 1,323,398 |
| Burial services | 260,764 | 233,982 | 260,764 | 233,982 |
| Business and advisory - Business and financial management | 82,049,177 | 105,602,179 | 82,049,177 | 105,601,361 |
| Business and advisory - Accounting and auditing | 1,132,505 | - | 1,120,801 | - |
| Business and advisory - Communications | 1,665,952 | - | 1,665,952 | - |
| Business and advisory - Human resources | 9,329,218 | - | 9,254,590 | - |
| Business and advisory - Organisational | 215,000 | 144,611 | 215,000 | - |
| Business and advisory - Project management | 9,237,163 | - | 9,237,163 | - |
| Business and advisory - Quality control | 210,277 | - | 186,228 | - |
| Business and advisory - Research and advisory | 1,046,750 | - | 1,046,750 | - |
| Business and advisory - Valuer | 4,876 | - | 4,876 | - |
| Catering services | 7,572 | - | 6,962 | - |
| Cleaning services | 4,010,411 | 62,320,474 | 4,010,411 | 62,317,241 |
| Clearing and grass cutting services | 3,210,741 | - | 3,210,741 | - |
| Connection/ dis-connection | 4,152,805 | 15,787,914 | 4,152,805 | 15,787,914 |
| Hygiene services | 941,095 | - | 938,487 | - |
| Personnel and labour | 35,921 | - | 35,921 | - |
| Professional staff | 153,291 | - | 133,100 | - |
| Refuse removal | 6,735,827 | 6,718,765 | 6,735,827 | 6,718,765 |
| Security services | 112,679,021 | 70,532,507 | 112,679,021 | 70,532,507 |
| Traffic fines management | 635,555 | - | 551,356 | - |
| | 241,504,644 | 265,505,117 | 241,286,655 | 265,262,241 |
| 43. Depreciation and amortisation | | | | |
| Community | 45,343,272 | 27,294,272 | 45,343,272 | 27,294,272 |
| Computer software | 13,078,423 | 782,148 | 13,078,423 | 782,148 |
| Finance leases | 483,365 | 854,757 | 483,365 | 854,757 |
| Infrastructure | 451,923,073 | 385,579,232 | 451,923,073 | 385,579,232 |
| Property plant and equipment | 21,034,068 | 25,278,252 | 21,034,068 | 25,278,252 |
| Other assets | 66,151,809 | 65,368,401 | 65,205,384 | 64,500,484 |
| | 598,014,010 | 505,151,071 | 597,067,585 | 504,289,145 |
| 44. Employee related costs | | | | |
| Basic | 659,804,964 | 625,114,930 | 655,679,095 | 621,617,307 |
| Contributions for pensions and medical aids | 204,055,881 | 150,236,133 | 203,386,811 | 149,747,714 |
| Contributions for UIF, WCA and SALBC levy | 5,691,352 | 11,520,643 | 5,691,352 | 11,520,643 |
| Defined benefit plan expenses | (15,219,185) | 36,903,366 | (15,219,185) | 36,903,366 |
| Housing benefits and allowances | 4,904,272 | 4,475,167 | 4,904,272 | 4,475,167 |
| Long-service awards | 15,040,914 | 22,244,365 | 15,040,914 | 22,244,365 |
| Overtime payments | 57,304,260 | 49,716,393 | 56,664,108 | 49,204,731 |
| Travel, motor car, accommodation, subsistence and other allowances | 64,054,416 | 53,257,709 | 63,963,516 | 53,162,009 |
| | 995,636,874 | 953,468,706 | 990,110,883 | 948,875,302 |
| Defined benefit plan (gains)/loss breakdown | | | | |
| Actuarial medical contributions | (21,141,300) | (18,037,692) | (21,141,300) | (18,037,692) |
| Current service costs | 19,368,373 | 21,484,513 | 19,368,373 | 21,484,513 |
| Interest costs | 59,784,161 | 52,709,099 | 59,784,161 | 52,709,099 |
| Net actuarial gains | (73,230,419) | (19,253,454) | (73,230,419) | (19,253,454) |
| | (15,219,185) | 36,902,466 | (15,219,185) | 36,902,466 |

The municipality's staff complement as at 30 June 2017 was 5,791(2016: 6,135)

| Figures in Rand | Economic entity | | Controlling entity | |
|---|------------------|------------------|--------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Remuneration of Municipal Manager (MA Nkosi) | | | | |
| Annual Remuneration | 743,656 | 1,410,625 | 743,656 | 1,410,625 |
| Car Allowance | 110,308 | 267,288 | 110,308 | 267,288 |
| Cellphone allowance | 9,000 | 18,000 | 9,000 | 18,000 |
| Contributions to UIF, Medical and Pension Funds | 97,568 | 187,506 | 97,568 | 187,506 |
| Housing subsidy | 90,000 | 180,000 | 90,000 | 180,000 |
| | 1,050,532 | 2,063,419 | 1,050,532 | 2,063,419 |
| Remuneration of Acting Municipal Manager | | | | |
| Annual Remuneration | 1,606,269 | - | 1,606,269 | - |
| Car Allowance | 102,399 | - | 102,399 | - |
| Cellphone | 26,400 | - | 26,400 | - |
| Contributions to UIF, Medical and Pension Funds | 158,396 | - | 158,396 | - |
| Housing subsidy | 216,000 | - | 216,000 | - |
| | 2,109,464 | - | 2,109,464 | - |
| Remuneration of Chief Financial Officer | | | | |
| Annual Remuneration | 1,206,717 | 1,263,575 | 1,206,717 | 1,263,575 |
| Car Allowance | 166,502 | 185,467 | 166,502 | 185,467 |
| Cellphone | 14,400 | 14,400 | 14,400 | 14,400 |
| Contributions to UIF, Medical and Pension Funds | 113,589 | 119,367 | 113,589 | 119,367 |
| Housing subsidy | 180,000 | 90,000 | 180,000 | 90,000 |
| | 1,681,208 | 1,672,809 | 1,681,208 | 1,672,809 |
| Remuneration of Deputy Municipal Manager Community Services | | | | |
| Annual Remuneration | 1,281,423 | 1,272,018 | 1,281,423 | 1,272,018 |
| Car Allowance | 120,048 | 108,455 | 120,048 | 108,455 |
| Cellphone allowance | 14,400 | 14,400 | 14,400 | 14,400 |
| Contributions to UIF, Medical and Pension Funds | 187,769 | 176,060 | 187,769 | 176,060 |
| Housing subsidy | 82,680 | 69,314 | 82,680 | 69,314 |
| | 1,686,320 | 1,640,247 | 1,686,320 | 1,640,247 |
| Remuneration of Deputy Municipal Manager Corporate Services | | | | |
| Annual Remuneration | 1,304,257 | 1,302,471 | 1,304,257 | 1,302,471 |
| Car Allowance | 132,215 | 61,369 | 132,215 | 61,369 |
| Cellphone allowance | 14,400 | 14,400 | 14,400 | 14,400 |
| Contributions to UIF, Medical and Pension Funds | 248,118 | 238,821 | 248,118 | 238,821 |
| | 1,698,990 | 1,617,061 | 1,698,990 | 1,617,061 |
| Remuneration of Deputy Municipal Manager Infrastructure Services | | | | |
| Annual Remuneration | 1,165,493 | 1,226,406 | 1,165,493 | 1,226,406 |
| Car Allowance | 216,536 | 173,829 | 216,536 | 173,829 |
| Cellphone allowance | 18,000 | 16,500 | 18,000 | 16,500 |
| Contributions to UIF, Medical and Pension Funds | 165,756 | 126,515 | 165,756 | 126,515 |
| Housing subsidy | 120,000 | 60,000 | 120,000 | 60,000 |
| Long service | - | 36,533 | - | 36,533 |
| | 1,685,785 | 1,639,783 | 1,685,785 | 1,639,783 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|-------------------|-------------------|--------------------|-------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Remuneration of Deputy Municipal Manager Development Services | | | | |
| Annual Remuneration | 1,171,044 | 1,236,540 | 1,171,044 | 1,236,540 |
| Car Allowance | 199,803 | 202,117 | 199,803 | 202,117 |
| Cellphone allowance | 14,400 | 14,400 | 14,400 | 14,400 |
| Contributions to UIF, Medical and Pension Funds | 116,054 | 123,751 | 116,054 | 123,751 |
| Housing subsidy | 180,000 | 90,000 | 180,000 | 90,000 |
| | 1,681,301 | 1,666,808 | 1,681,301 | 1,666,808 |
| Remuneration of Executive Manager Internal Audit | | | | |
| Annual Remuneration | 826,350 | 741,072 | 826,350 | 741,072 |
| Car Allowance | 153,262 | 153,262 | 153,262 | 153,262 |
| Cellphone allowance | 9,000 | 9,000 | 9,000 | 9,000 |
| Contributions to UIF, Medical and Pension Funds | 177,995 | 126,412 | 177,995 | 126,412 |
| Housing subsidy | 8,904 | 8,400 | 8,904 | 8,400 |
| | 1,175,511 | 1,038,146 | 1,175,511 | 1,038,146 |
| Corporate and human resources (corporate services) | | | | |
| 45. Finance costs | | | | |
| Finance leases | 374,461 | 688,482 | 374,461 | 688,482 |
| Non-current borrowings | 68,067,562 | 74,179,394 | 68,067,562 | 74,179,396 |
| Trade and other payables | 21,018 | 203,815 | 21,018 | 203,807 |
| | 68,463,041 | 75,071,691 | 68,463,041 | 75,071,685 |
| 46. Inventory consumed | | | | |
| Consumables | 39,602,686 | 32,211,930 | 39,562,838 | 32,181,388 |
| Finished goods | 26,302 | - | 26,302 | - |
| Materials and supplies | 6,435,836 | - | 6,435,836 | - |
| | 46,064,824 | 32,211,930 | 46,024,976 | 32,181,388 |
| 47. Operational cost | | | | |
| Achievements and awards | 4,894 | - | 4,894 | - |
| Advertising, publicity and marketing | 25,649,170 | 24,859,577 | 25,648,889 | 24,824,384 |
| Bank charges, facility and card fees | 6,061,038 | 5,822,904 | 6,049,555 | 5,810,988 |
| Bursaries (employees) | 461,351 | 1,411,206 | 461,351 | 1,411,206 |
| Cash discount | 12,148,636 | 7,092 | 12,148,636 | 7,092 |
| Catering municipal activities | 6,050,597 | 1,091,401 | 6,050,597 | 1,091,401 |
| Cleaning services | 23,926 | - | 23,926 | - |
| Commission | 11,408,978 | - | 11,408,978 | - |
| Communication | 12,677,430 | 12,293,504 | 12,626,504 | 12,246,815 |
| Deed searches | 1,528 | 95,434 | 1,528 | 95,434 |
| Departmental charges | - | 19,192,200 | - | 19,192,200 |
| Drivers licences and permits | 8,953 | 5,885 | 8,953 | 5,885 |
| Entertainment | 131,625 | 315,939 | 131,625 | 310,800 |
| External audit fees | 5,479,920 | 4,069,459 | 4,973,649 | 4,019,991 |
| External computer service | 15,854,095 | 10,371,375 | 15,854,095 | 10,371,375 |
| Insurance underwriting | 8,262,938 | 10,924,793 | 7,952,521 | 10,919,058 |
| Learnerships and internships | 3,609,937 | 1,319,142 | 3,609,937 | 1,319,142 |
| Licences | 2,745,645 | 2,427,429 | 2,745,645 | 2,427,429 |
| Management fee | 1,131,166 | 4,577,196 | 1,131,166 | 4,577,196 |
| Office Decorations | 48,862 | 34,824 | 48,862 | 34,824 |
| Printing, publications and books | 5,701,711 | 12,547,570 | 5,701,711 | 12,547,570 |
| Professional bodies, membership and subscription | 10,846,812 | - | 10,846,812 | - |
| Registration fees | 2,437,455 | 12,100,021 | 2,437,455 | 12,100,021 |
| Remuneration to ward committees | 36,800 | 4,655,183 | 36,800 | 4,655,183 |
| Servitudes and land surveys | 456,636 | 186,134 | 456,636 | 186,134 |
| Signage | 482,948 | - | 482,948 | - |

| Figures in Rand | Economic entity | | Controlling entity | |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Skills Development Fund Levy | 5,687,842 | 7,879,244 | 5,687,842 | 7,879,244 |
| Toll gate fees | 3,438 | - | 3,438 | - |
| Travel agency fees | 343,527 | - | 343,527 | - |
| Travel and subsistence | 10,957,896 | 2,650,711 | 10,957,896 | 2,645,875 |
| Uniform and protective clothing | 5,740,748 | 4,877,156 | 5,734,738 | 4,854,361 |
| Vehicle tracking | 1,453,100 | - | 1,453,100 | - |
| Workmen's Compensation Fund | 556,432 | 17,219 | 540,278 | - |
| | 156,466,034 | 143,732,598 | 155,564,492 | 143,533,608 |

48. Operating lease

| | | | | |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| Buildings | 1,688,100 | 19,968,536 | 1,688,100 | 19,968,536 |
| Machinery and equipment | 12,735,784 | 1,427,894 | 12,728,468 | 1,423,366 |
| Transport | 31,688,351 | - | 31,688,351 | - |
| | 46,112,235 | 21,396,430 | 46,104,919 | 21,391,902 |

49. Remuneration of councillors

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Basic | 33,615,942 | 26,038,203 | 33,615,942 | 26,038,203 |
| Cell phone and other allowances | 5,415,102 | 11,071,349 | 5,415,102 | 11,071,349 |
| Contribution for pensions and medical aids | 4,543,253 | 4,653,487 | 4,543,253 | 4,653,487 |
| | 43,574,297 | 41,763,039 | 43,574,297 | 41,763,039 |

In-kind benefits

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time councillors. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor and the Deputy Mayor each have the use of separate Council owned vehicles for official duties.

The Mayor has three full-time bodyguards . The Deputy Mayor and speaker have two full-time bodyguards.

50. Transfers and Subsidies

Other subsidies

| | | | | |
|--------------------------|-------------------|-------------------|-------------------|-------------------|
| Grants in aid | 1,550,000 | 238,128 | 1,550,000 | 238,128 |
| Injury on duty | 4,356,584 | - | 4,356,584 | - |
| Post retirement benefits | 23,699,277 | 20,632,700 | 23,699,277 | 20,632,700 |
| Safe City | - | - | 6,841,228 | 5,673,000 |
| | 29,605,861 | 20,870,828 | 36,447,089 | 26,543,828 |

51. Fair value adjustments - investment property

| | | | | |
|------------------------------|--------------------|------------------|--------------------|------------------|
| Gains on investment property | 188,741,552 | (769,277) | 188,741,552 | (769,277) |
| Loss on investment property | (59,761,680) | - | (59,761,680) | - |
| | 128,979,872 | (769,277) | 128,979,872 | (769,277) |

52. Impairment of consumer, IDT and traffic fines debtors

| | | | | |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|
| Electricity | 32,561,375 | (2,831,170) | 32,561,375 | (2,831,170) |
| Independent Development Trust | 59,542,743 | - | 59,542,743 | - |
| Rates | 27,571,728 | (2,681,279) | 27,571,728 | (2,681,279) |
| Refuse | 3,678,390 | (406,284) | 3,678,390 | (406,284) |
| Traffic fines | 14,150,507 | 43,130,866 | 14,150,507 | 43,130,866 |
| Santitation | 6,588,960 | (727,762) | 6,588,960 | (727,762) |
| Water | 28,742,117 | (3,214,774) | 28,742,117 | (3,214,774) |
| | 172,835,820 | 33,269,597 | 172,835,820 | 33,269,597 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|---------------------|---------------------|---------------------|---------------------|
| | 2017 | 2016 | 2017 | 2016 |
| 53. Impairment loss | | | | |
| Impairments | | | | |
| Property plant and equipment | (8,254,170) | (49,690,326) | (8,254,170) | (49,690,326) |
| Property, plant and equipment The procedure used to determine if the asset was impaired was to physically inspect the asset and determine if the asset was impaired and what factors contributed to the impairment and then comparing the condition, age and cost of the asset to the current records in the asset register and if there was a change this was then adjusted accordingly | | | | |
| Intangible assets | (100,339) | - | (100,339) | - |
| The impairment is in respect to software that were utilised by various business unit that are now redundant due to purchase of SAP ERP by the municipality. | | | | |
| | (8,354,509) | (49,690,326) | (8,354,509) | (49,690,326) |
| 54. Inventories (losses)/gains | | | | |
| Inventories losses | (34,434,428) | (312,033) | (34,434,428) | (312,033) |
| Inventories gains | 24,171,858 | 473,316 | 24,171,858 | 473,316 |
| | (10,262,570) | 161,283 | (10,262,570) | 161,283 |
| 55. (Losses)/ gains on agricultural assets | | | | |
| Gains on valuation of agricultural assets | (4,255,584) | 9,288,973 | (4,255,584) | 9,288,973 |
| 56. Loss on disposal of assets | | | | |
| Land and building | (22,000) | (371,400) | (22,000) | (371,400) |
| Other assets | (1,282,192) | (772,826) | (1,282,192) | (772,826) |
| | (1,304,192) | (1,144,226) | (1,304,192) | (1,144,226) |
| 57. Cash generated from operations | | | | |
| (Deficit) surplus | (237,518,845) | 58,607,228 | (236,399,048) | 52,464,639 |
| Adjustments for: | | | | |
| Depreciation and amortisation | 598,014,010 | 505,151,071 | 597,067,585 | 504,289,145 |
| Gain or loss on sale of assets | - | (9,288,973) | - | (9,288,973) |
| Loss on non current assets | 5,559,776 | 1,144,226 | 5,559,776 | 1,144,226 |
| Fair value adjustments | (128,979,872) | 769,277 | (128,979,872) | 769,277 |
| Impairment of inventory | 10,262,570 | - | 10,262,570 | - |
| Impairment of assets | 8,354,508 | 49,690,326 | 8,354,508 | 49,690,326 |
| Write up of inventory | - | (161,283) | - | (161,283) |
| Movements in retirement benefit obligation | (15,221,992) | 36,903,366 | (15,221,992) | 36,903,366 |
| Movements in current provisions | 631,928 | 1,076,048 | 487,351 | 660,928 |
| Movement in non current provisions | (11,033,797) | 5,191,486 | (11,033,797) | 5,191,486 |
| Movement on housing development fund | 14,299,411 | 22,642,454 | 14,299,411 | 22,642,454 |
| Other non-cash items | (620,618) | (31,372,392) | (620,618) | (31,558,227) |
| Changes in working capital: | | | | |
| Inventories | 367,597 | (22,797,437) | 367,597 | (22,797,437) |
| Payables from exchange transactions | 209,800,845 | (17,451,684) | 209,628,075 | (16,556,871) |
| Trade and other receivables from exchange transactions | 60,534,764 | 605,107,289 | 60,519,778 | 605,122,275 |
| Trade and other receivables from non exchange transactions | (1,317,607) | 346,159,571 | (1,317,607) | 346,159,571 |
| Consumer debtors | 98,359,580 | (1,112,206,494) | 98,359,581 | (1,112,206,494) |
| VAT | (62,540,270) | 13,617,191 | (62,540,270) | 13,617,191 |
| Unspent conditional grants and receipts | (173,079,460) | 118,499,322 | (173,079,460) | 118,499,322 |
| | 375,872,528 | 571,280,592 | 375,713,568 | 564,584,921 |

| Figures in Rand | Economic entity | | Controlling entity | |
|---|-----------------|----------------|--------------------|----------------|
| | 2017 | 2016 | 2017 | 2016 |
| 58. Additional disclosure in terms of Municipal Finance Management Act | | | | |
| Contributions to SALGA / Kwanaloga | | | | |
| Current year subscription / fee | 849,157 | 489,187 | 849,157 | 489,187 |
| Amount paid - current year | (849,157) | (489,187) | (849,157) | (489,187) |
| | - | - | - | - |
| Audit fees | | | | |
| Opening balance | 122,684 | 184,404 | 122,684 | 184,404 |
| Audit fee invoiced | 4,914,429 | 4,019,990 | 4,914,429 | 4,019,990 |
| Amount paid - current year | (4,974,940) | (4,081,710) | (4,974,940) | (4,081,710) |
| | 62,173 | 122,684 | 62,173 | 122,684 |
| PAYE and UIF | | | | |
| Current year subscription / fee | 140,297,512 | 134,118,729 | 140,297,512 | 134,118,729 |
| Amount paid - current year | (140,297,512) | (134,118,729) | (140,297,512) | (134,118,729) |
| | - | - | - | - |
| Pension and Medical Aid Deductions | | | | |
| Current year payroll deductions | 297,846,833 | 257,182,171 | 297,846,833 | 257,182,171 |
| Amount paid - current year | (297,846,833) | (257,182,171) | (297,846,833) | (257,182,171) |
| | - | - | - | - |
| VAT | | | | |
| VAT receivable | 9,430,832 | 14,986 | 9,430,832 | - |
| VAT payable | 220,808 | 53,109,432 | - | 53,109,432 |
| | - | - | - | - |

VAT output payables and VAT input receivables are shown in note 22.

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

Normal credit control procedures have been applied for the recovery of all outstanding debt.

Councillors have made arrangements to re-pay outstanding debt.

The following Councillors had arrear accounts outstanding for more than 90 days as at :

| 30 June 2017 | Outstanding more than 90 days R |
|----------------------------|------------------------------------|
| Ahmed Najmah Banu | 8,851 |
| Dlamini Sandile Wellington | 17,482 |
| Magubane Vusumuzi Truman | 58,334 |
| Mbanjwa Nkosinathi Maxwell | 2,532 |
| Madondo Ignatia Thandiwe | 1,553 |
| Mkhize Dorcas Sibongile | 62,363 |
| Msimang Prudence Nokuthula | 4,235 |
| Ndawonde Siphiwe Caiphas | 73,686 |
| Ntombela Thinasonke Dennis | 2,532 |
| Njilo Mduduzi Jerome | 16,083 |
| Phungula Dumisani Bernard | 4,680 |
| Zungu Thandiwe Rose | 2,789 |
| | 255,120 |

30 June 2016**Outstanding more than 90 days
R**

| | |
|---------------------------|----------------|
| Dlamini Tholakele Ignatia | 3,441 |
| Magubane Vusumuzi Truman | 20,679 |
| Thokozani Magwaza | 1,462 |
| Ndawonde Sipiwe Caiphas | 135,482 |
| Zungu Thandiwe Rose | 638 |
| | 161,702 |

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| | 2017 | 2016 | 2017 | 2016 |

59. Deviation from supply chain management regulations

Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to “dispense with official procurement processes established by the policy and to procure any required goods or services through any convenient process”.

This would typically include urgent and emergency cases, single-source goods, and any other cases where it impractical to follow normal SCM process. In the event of such a decision, the Accounting Officer is required to report this to the next Council meeting for noting. The expenses incurred as listed below have been written off.

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Computer expenditure | 2,542,026 | - | 2,542,026 | - |
| Installation of property plant and equipment | - | 6,609,548 | - | - |
| Legal | 420,276 | - | 420,276 | - |
| Library | - | 3,026,428 | - | 3,026,428 |
| Other | 1,188,076 | - | 1,188,076 | - |
| Repairs and maintenance | 135,972 | - | 135,972 | - |
| Repairs to motor vehicles | 6,864,235 | 7,744,925 | 6,864,235 | 7,744,925 |
| Repairs to property, plant and equipment | 5,034,494 | - | 4,876,125 | - |
| Service delivery | 4,081,054 | - | 4,081,054 | - |
| Water quality testing | 109,632 | - | 109,632 | - |
| | 20,375,765 | 17,380,901 | 20,217,396 | 10,771,353 |

Regulation 45

Awards to close family members of persons in the service of the state .

| Employee name | Job title | Amount paid |
|-----------------------|---|-------------|
| Mchunu Nomvula Teresa | General worker infrastructure business unit | 446,183 |

60. Commitments**Authorised capital expenditure****Already contracted for but not provided for**

| | | | | |
|----------------------|--------------------|-------------------|--------------------|-------------------|
| • Cameras | - | 189,633 | - | - |
| • Electricity | 33,185,010 | 81,144,065 | 33,185,010 | 81,144,065 |
| • Information system | 34,292,271 | - | 34,292,271 | - |
| • Refuse | 11,612,462 | - | 11,612,462 | - |
| • Roads | 124,200,669 | 597,902 | 124,200,669 | 597,902 |
| • Sanitation | 58,911,835 | 941,542 | 58,911,835 | 941,542 |
| • Water | 24,734,764 | 9,793,554 | 24,734,764 | 9,793,554 |
| | 286,937,011 | 92,666,696 | 286,937,011 | 92,477,063 |

Total capital commitments

| | | | | |
|---|-------------|------------|-------------|------------|
| Already contracted for but not provided for | 286,937,011 | 92,666,696 | 286,937,011 | 92,477,063 |
|---|-------------|------------|-------------|------------|

Authorised operational expenditure**Total commitments****Total commitments**

| | | | | |
|--------------------------------|-------------|------------|-------------|------------|
| Authorised capital expenditure | 286,937,011 | 92,666,696 | 286,937,011 | 92,477,063 |
|--------------------------------|-------------|------------|-------------|------------|

This committed expenditure relates to property and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

| Figures in Rand | Economic entity | | Controlling entity | |
|---|-----------------|-----------|--------------------|-----------|
| | 2017 | 2016 | 2017 | 2016 |
| Operating leases - as lessee (expense) | | | | |
| Minimum lease payments due | | | | |
| - within one year | - | 6,046,218 | - | 6,046,218 |

Operating lease payments represents rentals payable to:

- * Xtec (Pty) Ltd for the rental of photocopies and fax machines and
- * Merchant West for computer servers and the leasing of ICT networks.

No contingent rent is payable.

61. Contingencies

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Refer to Appendix F for a detailed listing to contingent liabilities | 38,970,191 | 41,619,628 | 38,970,191 | 41,619,628 |
| Performance bonuses for senior management | - | 1,456,896 | - | 1,456,896 |
| | 38,970,191 | 43,076,524 | 38,970,191 | 43,076,524 |

62. Related Parties

Safe City NPC has been formed as partnership with the business community to combat crime in the city. Council allocates a grant in aid to the entity.

Related party balances

| | | |
|---|-----------|-----------|
| Grant paid to Safe City Msunduzi NPC | 6,841,228 | 5,673,000 |
| Conditional Grant paid to Safe City Msunduzi NPC | | 190,452 |
| Electricity and Water paid to Msunduzi Municipality | 120,525 | 148,616 |

Awards to close family members of persons in the service of the state

Contract value

| | | |
|------------------|---------|---------|
| Enforce Security | 886,175 | 382,000 |
|------------------|---------|---------|

The director of the company is married to Ms Dube MEC for Local Government and Traditional Affairs

Key management information

Remuneration of management

Councillors that were not re-elected

Councillors paid for the period 1 July 2017 to 31 August 2017 that were not re-elected.

| Full Names | Basic salary | Transport | Cellphone allowance | Data card | Pension | Basic non retirement funding | Medical Aid | Total |
|-----------------------------|--------------|-----------|---------------------|-----------|---------|------------------------------|-------------|---------|
| Ashe Rodger Pryor | 31,852 | 12,210 | 2,311 | 399 | 4,778 | - | - | 51,550 |
| Baijoo Vidyavrata | 85,246 | 17,777 | 4,631 | 399 | 3,164 | - | 12,166 | 123,383 |
| Bhengu Patric | 74,372 | 26,041 | 2,311 | 399 | 2,585 | - | 6,368 | 112,076 |
| Bradley Chris | 29,458 | 12,210 | 2,311 | 399 | 4,419 | - | 4,144 | 52,941 |
| Buthlezi Dorren | 30,112 | 12,210 | 2,311 | 399 | 4,517 | - | 3,012 | 52,561 |
| Buthlezi Mercy Thandiwe | 29,968 | 12,210 | 2,311 | 399 | 4,495 | - | 3,259 | 52,642 |
| Dlamini Pretty Nokzwazi | 28,600 | 12,210 | 2,311 | 399 | 4,290 | - | 5,627 | 53,437 |
| Dlomo Armstrong Bongani | 31,851 | 12,210 | 2,311 | 399 | 4,778 | - | - | 51,549 |
| Govender Soobramoney | 32,874 | 12,210 | 2,311 | 399 | 1,220 | - | 5,651 | 54,665 |
| Gumede Noxolo Faith | 34,543 | 4,884 | 2,311 | 399 | 5,181 | - | 3,184 | 50,502 |
| Jaca Patrick Vela | 31,852 | 12,210 | 2,311 | 399 | 4,778 | - | - | 51,550 |
| Lawrence Judith Marry | 89,489 | 1,250 | 2,311 | 399 | 13,423 | - | - | 106,872 |
| Magwaza Thokozani Shakesper | 29,069 | 12,210 | 2,311 | 399 | 4,360 | - | 4,816 | 53,165 |
| Makhathini Falakhe Michael | 27,378 | 12,210 | 2,311 | 399 | 4,107 | - | 7,742 | 54,147 |
| Maphumulo Msawenkosi | 32,398 | 12,210 | 2,311 | 399 | 1,202 | - | 6,368 | 54,888 |
| Matiwane Thandi | 42,469 | - | 2,311 | 399 | 6,370 | - | - | 51,549 |
| Mbanjwa Amos Lucky | 28,600 | 12,210 | 2,311 | 399 | 4,290 | - | 5,627 | 53,437 |
| Mbatha Faith Ntombizonke | 35,693 | 5,128 | 2,311 | 399 | 5,354 | - | 4,011 | 52,896 |
| Mkhize Mantombi Agness | 31,851 | 12,210 | 2,311 | 399 | 4,778 | - | - | 51,549 |
| Mkhize Mbusiswa Henceforth | 28,956 | 12,210 | 2,311 | 399 | 4,344 | - | 5,010 | 53,230 |
| Mkhize Sbusiso Alfred | 29,262 | 12,210 | 2,311 | 399 | 4,389 | - | 4,483 | 53,054 |

| Full Names | Basic salary | Transport | Cellphone allowance | Data card | Pension | Basic non retirement funding | Medical Aid | Total |
|----------------------------|------------------|----------------|---------------------|---------------|----------------|------------------------------|----------------|------------------|
| Mlete Vusumuzi Garnet | 21,385 | 8,861 | 1,086 | 187 | 3,208 | - | 3,184 | 37,911 |
| Ndlela Chris Juba | 117,310 | - | 4,631 | 399 | 17,597 | - | 4,011 | 143,948 |
| Ndlovu Mandlenkosi David | 28,940 | 12,210 | 2,311 | 399 | 4,341 | - | 5,038 | 53,239 |
| Ndlovu Thandi Patience | 45,753 | 18,378 | 3,478 | 600 | 6,863 | - | 2,517 | 77,589 |
| Ngcobo Bethwell Bhekumuzi | 31,580 | 9,768 | 2,311 | 399 | 4,737 | - | 4,144 | 52,939 |
| Ngcobo Lindiwe Conellia | 28,381 | 12,210 | 2,311 | 399 | 4,257 | - | 6,008 | 53,566 |
| Ngcobo Msizi Alex | 40,729 | - | 2,311 | 399 | 6,109 | - | 3,012 | 52,560 |
| Ngcobo Thulisile Penelope | 28,956 | 12,210 | 2,311 | 399 | 4,344 | - | 5,010 | 53,230 |
| Ngidi Philani Goodwill | 22,661 | 9,189 | 1,739 | 300 | 3,399 | - | 1,506 | 38,794 |
| Ryder David Francis | 36,629 | 12,210 | 2,311 | 399 | 1,359 | - | - | 52,908 |
| Shozi Phillip Bonga | 38,222 | 4,884 | 2,311 | 399 | 5,733 | - | - | 51,549 |
| Sikhakhane Lungisni Nkhaso | 31,851 | 12,210 | 2,311 | 399 | 4,778 | - | - | 51,549 |
| Singh Jaiheen | 30,397 | 12,210 | 2,311 | 399 | 4,560 | - | 2,517 | 52,394 |
| Singh Radhia Bee | 42,469 | - | 2,311 | 399 | 6,370 | - | - | 51,549 |
| Tarr Michael Ashton | 78,120 | 26,041 | 2,311 | 399 | 2,899 | - | - | 109,770 |
| Xulu Thulani Vincent | 102,160 | - | 2,311 | 399 | 3,792 | - | 3,012 | 111,674 |
| | 1,541,436 | 388,611 | 89,517 | 14,653 | 181,168 | - | 121,427 | 2,336,812 |

Key management information

Remuneration of management

Newly appointed and Re-elected councillors

*Newly elected councillors received their remuneration from 24 August 2017 to 30 June 2017

| Full Names | Basic salary | Transport | Cellphone allowance | Data card | Pension | Basic non retirement funding | Medical Aid | Total |
|--------------------------------|--------------|-----------|---------------------|-----------|---------|------------------------------|-------------|---------|
| Ahmed Najma Banu | 316,690 | 61,529 | 20,973 | 2,400 | 43,443 | 8,693 | 14,349 | 468,077 |
| Ahmed Roosana | 275,140 | 102,547 | 20,973 | 2,400 | 37,744 | 7,671 | 17,170 | 463,645 |
| * Amod Michael Ismail | 317,484 | 44,425 | 18,753 | 2,017 | 41,952 | 15,535 | 13,838 | 454,004 |
| Atwaru Naleni | 323,297 | 46,514 | 20,973 | 2,400 | 50,785 | 50,705 | 31,262 | 525,936 |
| * Chetty Claudell Milany | 381,476 | 25,428 | 18,753 | 2,017 | - | 18,651 | - | 446,325 |
| * Dlamini Ambrosia Sibongile | 343,386 | - | 18,753 | 2,017 | 45,402 | 17,439 | 15,295 | 442,292 |
| * Dlamini Nkosivelile Godman | 347,513 | - | 18,753 | 2,017 | 41,905 | 17,439 | 2,637 | 430,264 |
| * Dlamini Sandile Wellington | 338,852 | 18,163 | 18,753 | 2,017 | 44,831 | 16,567 | - | 439,183 |
| Dlamini Tholakele Ignatia | 549,849 | 219,232 | 32,757 | 2,400 | 76,507 | -10,396 | 31,262 | 901,611 |
| * Dlela Nomalady Eleanor | 307,642 | 90,816 | 18,753 | 2,017 | - | 15,041 | - | 434,269 |
| * Duma Prince Dumisa | 356,687 | - | 18,753 | 2,017 | 47,190 | 17,439 | - | 442,086 |
| * Gambu Nkosinathi Nhlakanipho | 356,686 | - | 18,753 | 2,017 | 47,190 | 17,439 | - | 442,085 |
| * Goga Mohamed Salim | 264,672 | 90,816 | 22,753 | 2,017 | 34,125 | 12,839 | - | 427,222 |
| * Gwala Nelisiwe Jannet | 267,515 | 90,816 | 18,753 | 2,017 | 35,393 | 13,079 | - | 427,573 |
| Gwala Sindisiwe Cyndy | 273,805 | 102,547 | 20,973 | 2,400 | 37,561 | 7,670 | 20,333 | 465,289 |
| Haswell Urashia Jasomay | 297,020 | 96,706 | 20,973 | 2,400 | 40,743 | 7,819 | - | 465,661 |
| Inderjit Manilal | 393,765 | 42,899 | 20,973 | 2,400 | 55,818 | 17,893 | 22,725 | 556,473 |
| * Jugmohan Renesha | 346,735 | 18,878 | 18,753 | 2,017 | 28,880 | 17,126 | 14,324 | 446,713 |
| * Khumalo Sphamandla Dennis | 674,835 | 82,739 | 18,592 | 2,017 | 97,129 | 28,067 | - | 903,379 |
| Lambert William Francis | 468,787 | 9,297 | 20,973 | 2,400 | 12,985 | 19,486 | - | 533,928 |
| * Lotz Clive Otis | 98,942 | 7,853 | 5,308 | 916 | 13,608 | 8,225 | - | 134,852 |
| Lyne Sandra Patric | 291,486 | 102,547 | 20,973 | 2,400 | 39,983 | 7,670 | - | 465,059 |
| Madlala Linda Linford | 273,805 | 102,547 | 20,973 | 2,400 | 37,561 | 7,670 | 20,333 | 465,289 |
| * Madlala Siphomandla Sydney | 266,081 | 84,170 | 31,501 | 2,017 | 33,350 | 15,522 | - | 432,641 |
| Madonda Siphon Innocent | 295,956 | 61,528 | 20,973 | 2,400 | 40,601 | 8,693 | 37,554 | 467,705 |
| * Madondo Ignatia Thandiwe | 250,982 | 90,816 | 18,753 | 2,017 | 33,195 | 13,079 | 19,013 | 427,855 |
| Magubane Truman Vusumuzi | 719,839 | 94,068 | 20,812 | 2,400 | 107,976 | - | 18,797 | 963,892 |
| * Majola Jerome Sibongiseni | 550,893 | 206,848 | 18,592 | 2,017 | 79,220 | 23,389 | 13,191 | 894,150 |
| Majola Nomagugu Eunice | 485,824 | 40,763 | 13,912 | 2,400 | 72,874 | - | 27,659 | 643,432 |
| Majola Sboniso Terence | 278,028 | 102,547 | 20,973 | 2,400 | 38,139 | 7,670 | 15,477 | 465,234 |
| * Mbanjwa Nkosinathi Maxwell | 345,287 | 36,326 | 18,753 | 2,017 | - | 14,865 | 27,068 | 444,316 |
| McArthur Glen Robert | 693,390 | 19,113 | 20,812 | 2,400 | 104,588 | 3,860 | - | 844,163 |
| * Mhlongo Snothi Raphael | 267,515 | 90,816 | 18,753 | 2,017 | 35,393 | 13,079 | - | 427,573 |
| * Mkhize Dorcas Sibongiseni | 342,960 | - | 18,753 | 2,017 | 45,344 | 17,439 | 15,785 | 442,298 |

| Full Names | Basic salary | Transport | Cellphone allowance | Data card | Pension | Basic non retirement funding | Medical Aid | Total |
|-------------------------------|-------------------|------------------|---------------------|----------------|------------------|------------------------------|----------------|-------------------|
| Mkhize Muntuza Bhekithemba | 272,608 | 102,547 | 20,973 | 2,400 | 37,397 | 7,671 | 21,709 | 465,305 |
| * Mncwango Gladness Sibongile | 257,086 | 74,981 | 18,753 | 2,017 | 33,911 | 15,841 | 30,370 | 432,959 |
| * Molefe Thabiso Patrick | 254,301 | 90,816 | 18,753 | 2,017 | 30,662 | 13,079 | 7,598 | 417,226 |
| Msimang Prudence Nokuthula | 732,927 | 131,539 | 20,812 | 2,400 | - | -4,900 | 31,262 | 914,040 |
| * Mtshali Blessing Sbusiso | 356,687 | - | 18,753 | 2,017 | 47,190 | 17,439 | - | 442,086 |
| Ndawonde Siphiwe Caiphas | 350,476 | - | 22,261 | 2,400 | 49,685 | 10,227 | 43,359 | 478,408 |
| Ndlovu Nelisiwe Zanele | 269,722 | 102,547 | 20,973 | 2,400 | 37,001 | 7,670 | 25,029 | 465,342 |
| * Nene Jabulani | 356,687 | - | 18,753 | 2,017 | 46,837 | 17,439 | 2,705 | 444,438 |
| * Nene Sfiso Derrick | 353,490 | 2,765 | 18,753 | 2,017 | 46,844 | 16,462 | - | 440,331 |
| Ngcobo Jeffrey Mbuyiselwa | 291,487 | 102,547 | 20,973 | 2,400 | 39,983 | 7,670 | - | 465,060 |
| Ngcobo Kathrine Malindi | 213,162 | 102,547 | 20,973 | 2,400 | 37,418 | 67,479 | 21,294 | 465,273 |
| * Ngongoma Xolani Ellington | 356,687 | - | 18,753 | 2,017 | 47,190 | 17,439 | - | 442,086 |
| * Ngubane Sandile Duncan | 318,683 | - | 31,501 | 2,017 | 40,010 | 17,439 | 33,346 | 442,996 |
| * Ngube Gugu Marry-Jane | 247,281 | 90,816 | 18,753 | 2,017 | 32,384 | 17,019 | 25,773 | 434,043 |
| Ngubo Jabulisile Joyce | 825,611 | 72,000 | 40,478 | 2,400 | 81,573 | -6,942 | - | 1,015,120 |
| * Ngubo Manqoba | 288,289 | 74,981 | 18,753 | 2,017 | 33,991 | 17,306 | - | 435,337 |
| * Ngubo Regina Zinhle | 346,090 | - | 18,753 | 2,017 | 45,726 | 17,439 | 12,986 | 443,011 |
| * Nhlabathi Bongumusa Cyril | 267,515 | 90,816 | 18,753 | 2,017 | 35,393 | 13,079 | - | 427,573 |
| * Niemand Rienus | 361,371 | 15,290 | 18,753 | 2,017 | 16,866 | 19,735 | 8,727 | 442,759 |
| * Njilo Mduduzi Jerome | 1,112,211 | - | 37,997 | 2,017 | - | 47,216 | 30,535 | 1,229,976 |
| Ntombela Dennis Thinasonke | 572,542 | 219,232 | 20,812 | 2,400 | 83,718 | - | 15,861 | 914,565 |
| * Ntombela Ethel Zodwa | 244,042 | 90,816 | 18,753 | 2,017 | 31,905 | 15,848 | 30,178 | 433,559 |
| * Ntshangase Ntuthuko | 270,289 | 74,981 | 18,753 | 2,017 | 35,873 | 15,841 | 15,187 | 432,941 |
| * Oumar Mehmood-UI-Hassan | 307,642 | 90,816 | 18,753 | 2,017 | - | 15,041 | - | 434,269 |
| Phungula Dumisani Bernard | 251,093 | 102,547 | 20,973 | 2,400 | 34,429 | 7,670 | 46,452 | 465,564 |
| Schalkwyk Mary | 553,307 | 235,170 | 20,812 | 2,400 | 87,923 | 32,846 | 31,434 | 963,892 |
| * Shange Sandile Cyril | 356,687 | - | 18,753 | 2,017 | 47,190 | 17,439 | - | 442,086 |
| * Singh Melika | 381,476 | 25,428 | 18,753 | 2,017 | - | 18,651 | - | 446,325 |
| Sithole Piliwise | 706,906 | 78,130 | 20,812 | 2,400 | 102,142 | -14,423 | 15,709 | 911,676 |
| * Sithole Thamsanqa Wonderboy | 267,515 | 90,816 | 18,753 | 2,017 | 35,393 | 13,079 | - | 427,573 |
| * Sivnath Rajdave | 356,687 | - | 18,753 | 2,017 | 47,190 | 17,439 | - | 442,086 |
| Sokhela Balozile Cynthia | 339,679 | 38,968 | 14,618 | 2,400 | 46,604 | 12,188 | 12,595 | 467,052 |
| Sokhela Mansizwa Simon | 273,651 | 102,547 | 20,973 | 2,400 | 34,237 | 7,670 | 16,750 | 458,228 |
| Soobiah Rachel | 291,487 | 102,547 | 20,973 | 2,400 | 39,983 | 7,670 | - | 465,060 |
| * Strachan Ross | 395,160 | - | 18,753 | 2,017 | - | 21,574 | 13,510 | 451,014 |
| Winterbach Lubwig Johann | 291,486 | 105,120 | 22,100 | 2,400 | 40,990 | 7,670 | - | 469,766 |
| Zondi Dolo Philip | 330,350 | 61,528 | 20,973 | 2,400 | 45,315 | 8,693 | - | 469,259 |
| * Zondi Hamilton Mlungisi | 335,983 | - | 18,753 | 2,017 | 44,118 | 14,670 | 26,993 | 442,534 |
| * Zondo Precious Makhosazane | 356,686 | - | 18,753 | 2,017 | 47,190 | 17,439 | - | 442,085 |
| Zuma Bukelani Ephraim | 291,486 | 102,547 | 20,973 | 2,400 | 39,983 | 7,670 | - | 465,059 |
| Zuma Michael Bhekabantu | 277,826 | 102,547 | 20,973 | 2,400 | 38,112 | 7,670 | 15,709 | 465,237 |
| Zuma Thobani Reginald | 732,913 | 160,543 | 43,020 | 2,400 | 109,937 | - | - | 1,048,813 |
| Zungu Ningi Jostinah | 227,455 | 102,547 | 20,973 | 2,400 | 39,983 | 71,702 | - | 465,060 |
| Zungu Thandiwe Rosemary | 277,826 | 102,547 | 20,973 | 2,400 | 38,112 | 7,670 | 15,709 | 465,237 |
| | 28,885,369 | 5,226,863 | 1,618,996 | 170,013 | 3,311,803 | 1,124,887 | 928,852 | 41,266,783 |

Municipal Entity

Remuneration of management

Safe City NPC - Management

| Full Names | Basic salary | Transport | Cellphone allowance | Data card | Pension | Basic non retirement funding | Medical Aid | Total |
|----------------------|----------------|---------------|---------------------|-----------|---------------|------------------------------|---------------|------------------|
| Holtzhausen Lucas | 447,000 | 18,000 | 3,600 | - | - | - | 21,580 | 490,180 |
| Holtzhausen Riaan | 293,033 | 18,000 | 3,600 | - | 15,620 | - | 21,580 | 351,833 |
| Holtzhausen Charlene | 127,210 | 18,000 | 8,624 | - | - | - | 13,392 | 167,226 |
| | 867,243 | 54,000 | 15,824 | - | 15,620 | - | 56,552 | 1,009,239 |

63. Events after the reporting date

No events to report on after the reporting date.

| Figures in Rand | Economic entity | | Controlling entity | |
|-----------------|-----------------|------|--------------------|------|
| | 2017 | 2016 | 2017 | 2016 |

64. Prior period errors

The comparative statements for 2015 / 2016 financial year have been restated to recognise the amendments relating to all of the errors below.

The effects of the changes are detailed below:

Statement of Financial Position

Property plant and equipment

Land and buildings

Land that was not owned by the municipality was incorrectly included in the Fixed Asset Register. The municipality conducted deeds search and identified that the land was never owned by the municipality.

Operating expenses was incorrectly included in Work in Progress in the previous financial period.

Depreciation for Bank Charter Housing that was incorrectly classified as other assets

| | | | | |
|---|---|---------------|---|---------------|
| Restated balance previously reported | - | 1,547,758,135 | - | 1,547,758,135 |
|---|---|---------------|---|---------------|

Depreciation for Bank Charter Housing that was incorrectly classified as other assets.

| | | | | |
|------------------------------------|---|--------------|---|--------------|
| Recognition of land not recognised | - | (78,318,719) | - | (78,318,719) |
|------------------------------------|---|--------------|---|--------------|

| | | | | |
|--|---|-------------|---|-------------|
| The Land not owned by the Municipality have been removed from the Fixed Asset Register | - | (2,219,300) | - | (2,219,300) |
|--|---|-------------|---|-------------|

| | | | | |
|---|---|--------------|---|--------------|
| Land was duplicated on the fixed asset register | - | (13,969,000) | - | (13,969,000) |
|---|---|--------------|---|--------------|

| | | | | |
|--|---|-----------|---|-----------|
| Buildings operating costs included in the work in progress | - | (350,430) | - | (350,430) |
|--|---|-----------|---|-----------|

| | | | | |
|--|---|---------|---|---------|
| Depreciation for Bank Charter Housing reclassified (buildings) | - | (6,831) | - | (6,831) |
|--|---|---------|---|---------|

| | | | | |
|-------------------------|---|----------------------|---|----------------------|
| Restated balance | - | 1,452,893,855 | - | 1,452,893,855 |
|-------------------------|---|----------------------|---|----------------------|

Infrastructure assets

Work in Progress that was not recorded in the previous financial period due to accruals that were not recognized.

Bank Charter Housing infrastructure was incorrectly classified.

| | | | | |
|--------------------------------------|---|---------------|---|---------------|
| Restated balance previously reported | - | 4,644,641,847 | - | 4,644,641,847 |
|--------------------------------------|---|---------------|---|---------------|

| | | | | |
|-----------------------------------|---|------------|---|------------|
| Accruals that were not recognized | - | 11,414,663 | - | 11,414,663 |
|-----------------------------------|---|------------|---|------------|

| | | | | |
|--|---|---------|---|---------|
| Bank Charter Housing infrastructure that was incorrectly classified. | - | 302,848 | - | 302,848 |
|--|---|---------|---|---------|

| | | | | |
|-------------------------|---|----------------------|---|----------------------|
| Restated balance | - | 4,656,359,358 | - | 4,656,359,358 |
|-------------------------|---|----------------------|---|----------------------|

Other assets

Bank Charter, finance lease assets and brush cutters that were not recorded in the previous financial year

| | | | | |
|--------------------------------------|---|-------------|---|-------------|
| Restated balance previously reported | - | 456,093,321 | - | 447,923,336 |
|--------------------------------------|---|-------------|---|-------------|

| | | | | |
|--|---|-------------|---|-------------|
| Other assets incorrectly recognised or not previously recognised | - | (1,505,554) | - | (1,505,554) |
|--|---|-------------|---|-------------|

| | | | | |
|---|---|-----------|---|---|
| Correction of the transfer of assets from Msunduzi to Safe City in 2015 which was initially recognised at carrying value. | - | 7,977,698 | - | - |
|---|---|-----------|---|---|

The subsequent correction has adjusted the cost of the assets, additions the depreciation.

| | | | | |
|------------------|---|-------------|---|-------------|
| Restated balance | - | 462,565,465 | - | 446,417,782 |
|------------------|---|-------------|---|-------------|

Community assets

Work in Progress was not recorded in the previous financial period.

| | | | | |
|--------------------------------------|---|-------------|---|-------------|
| Restated balance previously reported | - | 393,138,595 | - | 393,138,595 |
|--------------------------------------|---|-------------|---|-------------|

| | | | | |
|---|---|--------|---|--------|
| Community Assets Work In Progress not previously recognised | - | 55,421 | - | 55,421 |
|---|---|--------|---|--------|

| | | | | |
|------------------|---|-------------|---|-------------|
| Restated balance | - | 393,194,016 | - | 393,194,016 |
|------------------|---|-------------|---|-------------|

| Figures in Rand | Economic entity | | Controlling entity | |
|--|-----------------|--------------|--------------------|--------------|
| | 2017 | 2016 | 2017 | 2016 |
| Investment property | | | | |
| Investment property (land) that is not owned by the municipality was incorrectly included in the Fixed Asset Register. The municipality conducted deeds search and identified that the Investment property was never owned by the municipality. | | | | |
| Restated balance previously reported | - | 656,408,640 | - | 656,408,640 |
| Land was duplicated on the fixed asset register | - | (27,889,000) | - | (27,889,000) |
| Land not owned by the Municipality | - | (18,066,800) | - | (18,066,800) |
| Land not owned by the Municipality | - | (3,158,910) | - | (3,158,910) |
| Land was duplicated on the fixed asset register | - | (16,050,000) | - | (16,050,000) |
| Restated balance | - | 591,243,930 | - | 591,243,930 |
| Intangible assets | | | | |
| Development cost incorrectly capitalised | | | | |
| Balance previously reported | - | 39,518,564 | - | 39,518,564 |
| Development cost incorrectly capitalised | - | 363,383 | - | 363,383 |
| Restated balance | - | 39,881,947 | - | 39,881,947 |
| Inventory | | | | |
| Write up of inventory due to understatement during the take on of inventory onto SAP | | | | |
| Balance previously reported | - | 65,151,366 | - | 65,151,366 |
| Inventory has been understated | - | 1,353,869 | - | 1,353,869 |
| Restated balance | - | 66,505,235 | - | 66,505,235 |
| Receivables from non exchange transactions | | | | |
| During the 2015/16 the Municipality erroneously disclosed the balance of the prepayment to IDT as trade receivable from non exchange transactions instead of disclosing it as a contingent asset. | | | | |
| Prepaid vendor cash float recognised as a debtor. | | | | |
| Restated balance previously reported | - | 370,234,597 | - | 370,234,597 |
| Prepaid vendor cash float incorrectly recognised as a debtor | - | (245,000) | - | (245,000) |
| Restated balance | - | 369,989,597 | - | 369,989,597 |
| Unspent government grants | | | | |
| During the 2014/2015 and 2015/2016 financial years interest received on the housing accreditation funding investment was not capitalised to the housing accreditation grant. | | | | |
| Restated balance previously reported | - | 249,940,818 | - | 249,940,818 |
| Interest not capitalised on grant | - | 3,415,128 | - | 3,415,128 |
| Restated balance | - | 253,355,946 | - | 253,355,946 |
| Trade payables from exchange transactions | | | | |
| Accrual for estimated unused electricity purchased via prepaid tokens | | | | |
| Accrual for unrecorded expenditure relating to the prior year. | | | | |
| Restated balance previously reported | - | 540,482,321 | - | 540,089,172 |
| Accrual for estimated electricity | - | 1,359,459 | - | 1,359,459 |
| Accrual for unrecorded expenditure | - | 8,099,199 | - | 8,099,200 |
| Restated balance | - | 549,940,979 | - | 549,547,831 |
| Finance lease obligation | | | | |
| Derecognition of finance lease as lease option to purchase the asset was elected. | | | | |
| Restated balance previously reported | - | 1,216,793 | - | 1,216,793 |
| Recognition of assets due to end of finance lease | - | (1,518,822) | - | (1,518,822) |
| Restated balance | - | 302,029 | - | 302,029 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|-----------------|---------------|--------------------|---------------|
| | 2017 | 2016 | 2017 | 2016 |
| Provisions | | | | |
| Recognition of provisions for performance bonus and 13th cheque. | | | | |
| Restated balance previously reported | - | 127,521 | - | - |
| Recognition of provision | - | 287,599 | - | - |
| Restated balance | - | 415,120 | - | - |
| Accumulated surplus | | | | |
| Balance previously reported | - | 7,659,111,402 | - | 7,651,851,316 |
| Recognition of land not recognised | - | (78,318,719) | - | (78,318,719) |
| The land not owned by the Municipality have been removed from the Fixed Asset Register | - | (2,775,300) | - | (2,775,300) |
| Land was duplicated on the fixed asset register | - | (13,413,000) | - | (13,413,000) |
| Buildings operating costs included in the work in progress | - | (350,430) | - | (350,430) |
| Depreciation for Bank Charter Housing reclassified (buildings) | - | (6,831) | - | (6,831) |
| Bank Charter Housing infrastructure that was incorrectly classified. | - | 302,848 | - | 302,848 |
| Other assets incorrectly recognised or not previously recognised | - | (1,505,554) | - | (1,505,554) |
| Community Assets Work In Progress not previously recognised | - | 55,421 | - | 55,421 |
| Land was duplicated on the fixed asset register | - | (27,889,000) | - | (27,889,000) |
| Land not owned by the Municipality | - | (18,066,800) | - | (18,066,800) |
| Land not owned by the Municipality | - | (3,158,910) | - | (3,158,910) |
| Land was duplicated on the fixed asset register | - | (16,050,000) | - | (16,050,000) |
| Development cost incorrectly capitalised | - | 363,383 | - | 363,383 |
| Inventory has been understated | - | 1,353,869 | - | 1,353,869 |
| Interest capitalised to Housing Development Fund | - | (4,366,394) | - | (4,366,394) |
| Prepaid vendor cash float incorrectly recognised as debtor | - | (245,000) | - | (245,000) |
| Interest not capitalised on grant | - | (3,415,128) | - | (3,415,128) |
| Accrual for estimated electricity | - | (1,359,459) | - | (1,359,459) |
| Accrual for unrecorded expenditure | - | (8,099,199) | - | (8,099,199) |
| Recognition of assets due to end of finance lease | - | (1,518,822) | - | (1,518,822) |
| Assets incorrectly recognised at carrying value | - | 7,977,698 | - | - |
| Recognition of provisions | - | (287,599) | - | - |
| Restated balance | - | 7,488,338,476 | - | 7,473,388,292 |
| Housing development fund | | | | |
| Restated balance previously reported | - | 72,158,774 | - | 72,158,774 |
| Interest capitalised | - | 4,366,391 | - | 4,366,391 |
| Restated balance | - | 76,525,165 | - | 76,525,165 |

65. Change in estimate

Property plant and equipment

Review of useful life for fully depreciated assets according to GRAP 17 and the reclassification of property, plant and equipment to investment property. The effect of this revision has increased the depreciation by R 155 619 105.

Provisions

The leave pay provision is created to ensure adherence to SALGA collective agreement requirements. It states that at the end of a leave cycle, an employee may not have more than 48 days annual leave to his credit. The effect of this revision has increased the provision by R 9 623 503.

The long service award provision is created to ensure adherence to SALGA collective agreement requirements. The estimate is based on the monthly salaries rate at 30 June 2016. The effect of this revision has decreased the provision by R487 351.

66. Irregular expenditure

| | | | | |
|---|--------------------|--------------------|--------------------|--------------------|
| Opening balance | 232,001,605 | 13,845,402 | 231,583,669 | 13,845,402 |
| Add: Irregular Expenditure - current year | 150,207,118 | 218,156,203 | 150,103,360 | 217,738,267 |
| | 382,208,723 | 232,001,605 | 381,687,029 | 231,583,669 |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|--------------------|--------------------|--------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Analysis of expenditure awaiting condonation per age classification | | | | |
| 2008 / 2009 | 4,077,827 | 4,077,827 | 4,077,827 | 4,077,827 |
| 2009 / 2010 | 5,458,355 | 5,458,355 | 5,458,355 | 5,458,355 |
| 2010 / 2011 | 3,551,576 | 3,551,576 | 3,551,576 | 3,551,576 |
| 2011 / 2012 | 38,200 | 38,200 | 38,200 | 38,200 |
| 2013 / 2014 | 11,000 | 11,000 | 11,000 | 11,000 |
| 2014 / 2015 | 708,444 | 708,444 | 708,444 | 708,444 |
| 2015 / 2016 | 218,156,203 | 218,156,203 | 217,738,267 | 217,738,267 |
| 2016 / 2017 | 150,207,118 | - | 150,103,360 | - |
| | 382,208,723 | 232,001,605 | 381,687,029 | 231,583,669 |

Irregular expenditure not yet written off

Section 32(4) of the Municipal Finance Management Act requires that Council can deal with these matters in the manner prescribed.

In the case of irregular and fruitless and wasteful expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by Council hence there were no movement between financial years 2008/2009 to 2014/2015 as the investigations are still open and as soon as they are closed Council will write off this expenditure

Details of irregular expenditure – current year

| | |
|------------------------------------|--------------------|
| Service of the state | 863,165 |
| Service of the auditee | 308,800 |
| Expired contracts | 12,306,711 |
| Contractors | 92,082,776 |
| Bids not advertised within 30 days | 36,015,926 |
| CIDB registration -NRB | 8,059,033 |
| No proof of tender register | 466,949 |
| Three quotations not obtained | 103,758 |
| | 150,207,118 |

67. Comparative figures

Certain comparative figures have been reclassified due to corrections being made relating to prior period errors and reclassification due to adoption Municipal Standard Chart of Accounts (mSCOA).

The effects of the reclassification are as follows:

| | As previously reported | Restated opening balance | Prior year error accruals | mSCOA classification consumer debtors | mSCOA classification consumer debtors | Restated 2016 |
|--|------------------------|--------------------------|---------------------------|---------------------------------------|---------------------------------------|---------------|
| Non-current Assets | | | | | | |
| Property, plant and equipment | - | - | 11,414,662 | - | - | 11,414,662 |
| Current Assets | | | | | | |
| Consumer debtors | - | - | - | 1,112,206,494 | - | 1,112,206,494 |
| Trade and receivables from exchange transactions | - | 899,150,116 | - | (875,299,872) | (5,615,546) | 18,234,698 |
| Trade and other receivables from non exchange transactions | - | 258,033,437 | - | (236,906,622) | 9,271,565 | 30,398,380 |
| | - | - | - | - | 3,656,019 | - |
| Current Liabilities | | | | | | |
| Consumer deposits | - | 92,378,188 | - | - | 1,138,016 | 93,516,204 |
| Payables from exchange transactions | - | 551,609,925 | 11,414,662 | - | (4,794,035) | 558,230,552 |
| VAT payable | 55,841,372 | - | - | - | - | 55,841,372 |
| | - | - | - | - | (3,656,019) | - |

The municipality early adopted Municipal Standard Chart of Accounts (mSCOA) from 1 July 2016. The municipality restated, revenue, expenditure and gains or losses in line with mSCOA. The overall impact was nil as the surplus for the year of R 51 997 680 was not adjusted.

| | 2016 Audited | 2016 Restated | Variance |
|---|------------------------|------------------------|---------------------|
| Revenue | | | |
| Revenue from exchange transactions | | | |
| Agency services | 532,141 | 2,148,412 | 1,616,271 |
| Interest - consumer debtors and receivables | 68,242,363 | 80,450,051 | 12,207,688 |
| Interest - bank, call and investment accounts | 60,213,939 | 68,434,503 | 8,220,564 |
| Licences and permits | 90,168 | 272,395 | 182,227 |
| Operational revenue | | 27,690,392 | 27,690,392 |
| Other revenue | 87,807,692 | | (87,807,692) |
| Rental of facilities and equipment | 20,222,252 | 20,850,639 | 628,387 |
| Rendering of services | | 9,169,185 | 9,169,185 |
| Sale of goods | | 29,332,309 | 29,332,309 |
| Service charges | 2,468,236,938 | 2,482,050,261 | 13,813,323 |
| Total revenue from exchange transactions | 2,705,345,493 | 2,720,398,147 | 15,052,654 |
| Revenue from non-exchange transactions | | | |
| Taxation revenue | | | |
| Property rates | 742,052,098 | 742,052,098 | - |
| Property rates - penalties imposed | 20,236,112 | | (20,236,112) |
| Transfer revenue | | | |
| Fines, penalties and forfeits | 52,657,723 | 52,922,304 | 264,581 |
| Government grants and subsidies | 769,640,097 | 769,640,097 | - |
| Other transfers | | 157,790 | 157,790 |
| Total revenue from non-exchange transactions | 1,584,586,030 | 1,564,772,289 | (19,813,741) |
| Total revenue | 4,289,931,523 | 4,285,170,436 | (4,761,087) |
| Expenditure | | | |
| Bad debts written off | | (102,368,859) | (102,368,859) |
| Bulk purchases | (1,799,213,567) | (1,799,213,567) | - |
| Contracted services | (65,468,010) | (462,500,867) | (397,032,857) |
| Depreciation and amortisation | (504,289,144) | (505,151,071) | (861,927) |
| Employee related costs | (938,283,004) | (953,468,706) | (15,185,702) |
| Finance costs | (75,094,944) | (75,071,691) | 23,253 |
| Inventory consumed | | (32,211,930) | (32,211,930) |
| Operational costs | | (143,732,598) | (143,732,598) |
| Operating leases | | (21,396,430) | (21,396,430) |
| Remuneration of councillors | (41,763,039) | (41,763,039) | - |
| Impairment of assets | (50,002,359) | | 50,002,359 |
| Conditional grant expenditure | (73,364,194) | | 73,364,194 |
| Debt impairment | (92,507,590) | | 92,507,590 |
| Collection costs | (12,528,519) | | 12,528,519 |
| Repairs and maintenance | (151,360,353) | | 151,360,353 |
| Grants and subsidies paid | (5,911,128) | | 5,911,128 |
| General expenses | (435,687,609) | | 435,687,609 |
| Transfers and subsidies | | (20,870,828) | (20,870,828) |
| Total expenditure | (4,245,473,460) | (4,157,749,586) | 87,723,874 |
| Operating (deficit) / surplus | 44,458,063 | 127,420,850 | 82,962,787 |
| Fair value adjustment of investment properties | 11,029,976 | (769,277) | (11,799,253) |
| Impairment of consumer and traffic debtors | | (33,269,597) | (33,269,597) |
| Impairment loss | | (49,690,326) | (49,690,326) |
| Inventory write up or (write downs) | 473,316 | 161,283 | (312,033) |
| Gain or (Loss) on agricultural assets | 9,288,973 | 9,288,973 | - |
| Loss on disposal of assets | | (1,144,226) | (1,144,226) |
| Gain or (Loss) on movable assets | (1,291,947) | | 1,291,947 |
| Gain or (Loss) on immovable assets | (11,799,253) | | 11,799,253 |
| Gain or (Loss) on donated assets | 156,182 | | (156,182) |
| Gain or (Loss) on disposal of assets | 149,329 | | (149,329) |
| | 8,006,576 | (75,423,170) | (83,429,746) |
| Surplus for the year | 52,464,639 | 51,997,680 | (466,959) |

| Figures in Rand | Economic entity | | Controlling entity | |
|--|-------------------|------------------|--------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| 68. Fruitless and wasteful expenditure | | | | |
| Fruitless and wasteful expenditure | 16,094,523 | 4,823,989 | 16,080,807 | 4,810,273 |
| Reconciliation of fruitless and wasteful expenditure | | | | |
| Opening balance | 4,823,989 | 4,581,004 | 4,810,273 | 4,567,296 |
| Add: Fruitless and wasteful expenditure current year | 11,270,534 | 242,985 | 11,270,534 | 242,977 |
| Fruitless and wasteful expenditure awaiting to be written off / recovered | 16,094,523 | 4,823,989 | 16,080,807 | 4,810,273 |
| Interest on : Late payment of Eskom accounts | 3,790 | 2,770 | 3,790 | 2,770 |
| Interest on : Late payment of Telkom accounts | 9,341 | 139 | 9,341 | 139 |
| Cancellation of tenders | 211,997 | 240,000 | 211,997 | 240,000 |
| Interest on : Late payment of SABC TV license | - | 53 | - | 53 |
| Interest on : Late payment of Auditor General and accountants | 7,887 | 8 | 7,887 | - |
| Interest on : Late payment to Umgungundlovu District Municipality | - | 15 | - | 15 |
| Employees salaries and wages that are on suspension and unresolved within prescribed time frame. | 11,037,519 | - | 11,037,519 | - |
| | 11,270,534 | 242,985 | 11,270,534 | 242,977 |

A system has been put in place to stream-line the payment process to ensure non occurrence of interest costs. Staff have been advised on possible recovery of costs due to negligence.

69. Unauthorised expenditure

| | | | | |
|---|--------------------|------------------|--------------------|------------------|
| Unauthorised expenditure | 402,022,709 | 5,234,379 | 402,022,709 | 5,234,379 |
| Opening balance | 5,234,379 | 12,197,882 | 5,234,379 | 12,197,882 |
| Add: Year end entries in respect of bad debts resulted in this amount being disclosed in the income statement. Previously this amount was credited against the Trade Debtors in the statement of financial position but this year, there has been a change in approach which is informed by mSCOA and GRAP. | 332,295,447 | - | 332,295,447 | - |
| Less: amounts recovered from Fairfields Developments | (1,500,000) | (3,000,000) | (1,500,000) | (3,000,000) |
| Less: amounts still to be recovered from Fairfield Developments | (1,763,503) | (3,963,503) | (1,763,503) | (3,963,503) |
| Add: Change in treatment of the IDT outstanding payment resulted in an impairment amount which resulted in the budget not being sufficient | 59,542,743 | - | 59,542,743 | - |
| Add: Expenditure not budgeted | 8,213,643 | - | 8,213,643 | - |
| | 402,022,709 | 5,234,379 | 402,022,709 | 5,234,379 |

70. Electricity and water losses

| | | | | |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
| Electricity losses | | | | |
| Units purchased - kWh | 1,790,378,694 | 1,760,184,665 | 1,790,378,694 | 1,760,184,665 |
| Units sold - kWh | (1,509,681,276) | (1,552,064,288) | (1,509,681,276) | (1,552,064,288) |
| Loss - kWh | 280,697,418 | 207,580,377 | 280,697,418 | 207,580,377 |
| Electricity loss as a percentage | 15.68 | 11.82 | 15.68 | 11.82 |
| Costs per kWh in cents | 0.93477 | 0.87660 | 0.93477 | 0.87660 |
| Electricity loss in rand value | 279,122,476 | 181,961,139 | 279,122,476 | 181,961,139 |
| | - | - | - | - |

The significant electricity losses of 280 697 418 kWh (2016 : 207 580 377 kWh) occurred during the year under review, which resulted in material revenue losses to the municipality.

The acceptable norm of electricity loss is between 7% and 10% as per MFMA circular 71 dated January 2014.

The increase in the loss is due to illegal connections to consumers.

| | | | | |
|----------------------|--------------|--------------|--------------|--------------|
| Water losses | | | | |
| Units purchased - kl | 62,562,814 | 7,025,603 | 62,562,814 | 70,025,603 |
| Units sold - kl | (44,499,100) | (48,110,888) | (44,499,100) | (48,110,888) |
| Losses - kl | 13,367,148 | 16,216,889 | 13,367,148 | 16,216,889 |
| Apparent losses - kl | 4,696,566 | 5,697,826 | 4,696,566 | 5,697,826 |
| Real losses - kl | 18,063,714 | 21,914,715 | 18,063,714 | 21,914,715 |

| Figures in Rand | Economic entity | | Controlling entity | |
|----------------------------|-----------------|-------------|--------------------|-------------|
| | 2017 | 2016 | 2017 | 2016 |
| Water loss as a percentage | 28.9 | 31.3 | 28.9 | 31.3 |
| Costs per kl in cents | 6.04600 | 5.46300 | 6.04600 | 5.46300 |
| Water loss in rand value | 109,213,215 | 119,720,088 | 109,213,215 | 119,720,088 |
| | - | - | - | - |

For the 2016/2017 reporting period there has been a change in the methodology for the calculation of the water losses as per MFMA circular dated January 2014.

The accepted norm as per the Financial Norms and Standards circular for Water Losses is between 15% and 30%.

A material water loss of 18 063 714 kl (2016: 21 914 715 kl) occurred during the year under review.

A contributing factor to the increase in the water losses is the aging and fragile water pipeline infrastructure.

In regards to significant burst water mains; 2 138 were reported during the year under review (2016/2017) and 2 138 were attended to and repaired/replaced.

9.4 km of water mains were replaced during the year under review. This contributed to significantly reducing the burst frequency.

1 076 water meters were replaced. This measure increased the accuracy in meter reading and billing which subsequently contributed to increase in revenue for water sales.

71. Risk management

Financial risk management

The Municipality's activities expose it to the following financial risks:

- * Market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk).
- * Credit risk and
- * Liquidity risk.

The Municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Municipality's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Municipality's risk to liquidity is a result of the funds available to cover future commitments. The Municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

| | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years | Column heading | Total |
|------------------------|---------------------|--------------------------|--------------------------|-------------------|----------------------|
| At 30 June 2017 | | | | | |
| Borrowings | 79,368,332 | 405,418,032 | 130,320,492 | - | 615,106,856 |
| At 30 June 2016 | | | | | |
| Borrowings | 67,758,162 | 381,631,317 | 186,505,843 | - | 635,895,322 |
| | 147,126,494 | 787,049,349 | 316,826,335 | - | 1,251,002,178 |

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and receivables. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

The municipality as part of its credit policy performs a credit risk profile of each debtor.

Market risk

Interest rate risk

The Municipality has significant interest-bearing assets, the Municipality's income and operating cash flows are not substantially independent of changes in market interest rates.

The Municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the Municipality to fair value interest rate risk.

72. Going concern

The Consolidated Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY | | | | | | |
|--|-------------|------------|-----------------------|----------------------------|--|-----------------------|
| APPENDIX A - SCHEDULE OF EXTERNAL LOANS | | | | | | |
| SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2017 | | | | | | |
| EXTERNAL LOANS | Loan Number | Redeemable | Balance at 30/06/2016 | Received during the period | Redeemed written off during the period | Balance at 30/06/2017 |
| LONG-TERM LOANS | | | R | R | R | R |
| DBSA - 15.5% | 11158 | 30/09/2018 | 4,491,967 | - | 1,599,569 | 2,892,398 |
| DBSA - 15.5% | 11159 | 31/03/2019 | 6,301,714 | - | 1,796,975 | 4,504,738 |
| DBSA - 15.5% | 11160 | 31/03/2019 | 5,370,669 | - | 1,531,482 | 3,839,188 |
| DBSA - 16.5% | 13446 | 31/03/2020 | 12,216,093 | - | 2,372,058 | 9,844,035 |
| DBSA - 16.5% | 13447 | 31/03/2020 | 5,207,242 | - | 1,011,116 | 4,196,126 |
| DBSA - 16.5% | 13448 | 31/03/2020 | 7,710,017 | - | 1,497,092 | 6,212,926 |
| DBSA - 14.27% | 102091 | 11/02/2020 | 2,668,714 | - | 441,895 | 2,226,818 |
| DBSA - 14.27% | 102416 | 28/06/2021 | 25,309,533 | - | 3,832,371 | 21,477,162 |
| DBSA - 9.31% | 101922 | 30/09/2020 | 11,456,998 | - | 2,166,231 | 9,290,767 |
| DBSA - 8.7% | 102797 | 30/09/2022 | 52,928,046 | - | 6,365,591 | 46,562,455 |
| DBSA - 10.79% | 103059/1 | 30/09/2023 | 43,982,226 | - | 4,062,922 | 39,919,304 |
| DBSA - 6.75% | 103059/2 | 30/09/2023 | 9,949,743 | - | 1,058,339 | 8,891,404 |
| DBSA - 12.02% | 103594/1 | 31/12/2024 | 85,633,982 | - | 6,247,049 | 79,386,933 |
| DBSA - 6.75% | 103594/2 | 31/12/2024 | 25,641,682 | - | 2,321,356 | 23,320,325 |
| DBSA - 12.10% | 103721 | 31/03/2025 | 155,703,027 | - | 10,731,411 | 144,971,615 |
| DBSA - 9.19% | 61007262 | 31/03/2025 | 181,323,669 | 50,000,000 | 23,753,008 | 207,570,661 |
| DBSA Total | | | 635,895,322 | 50,000,000 | 70,788,465 | 615,106,856 |
| Total Long-term Loans | | | 635,895,322 | 50,000,000 | 70,788,465 | 615,106,856 |
| | | | | | | |
| LEASE LIABILITY | | | | | | |
| Nedbank - 10.500% | Nedbank 12 | 30/06/2017 | 302,030 | - | 302,030 | - |
| Nedbank Total | | | 302,030 | - | 302,030 | - |
| Total lease liability | | | 302,030 | - | 302,030 | - |
| | | | | | | |
| Finance lease Computer equipment | | | 3,200,154 | - | 2,853,570 | 346,584.81 |
| TOTAL EXTERNAL LOANS | | | 639,397,506 | 50,000,000 | 73,944,065 | 615,453,441 |

| THE INSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY | | | | | | | | | | | | | | | |
|--|-------------------------|---------------------|--------------------|----------------------------|----------|--|----------------|----------------|----------------------|--------------------------|--------------------------|-----------------------|-----------------------------|----------------|----------------------|
| ANALYSIS OF ALL NON-CURRENT ASSETS CLASSIFICATION AS AT 30 JUNE 2017 | | | | | | | | | | | | | | | |
| | Opening Balance | Restated Balance | Additions | Cost | | Capitalised capital under construction | Donated Assets | Disposals | Closing Balance | Accumulated Depreciation | | | | Carrying Value | |
| | | | | Capital under Construction | | | | | | Restated Balance | Additions (Depreciation) | Disposals adjustments | Disposals Acc. Depreciation | | Impairment |
| LAND AND BUILDINGS | | | | | | | | | | | | | | | |
| Land Buildings | 1,312,762,799.07 | -291,538,019 | -600,476 | 0 | 0 | -18,431,990 | 33,600 | -22,000 | 1,020,602,304 | 0 | 0 | 0 | 0 | 0 | 1,020,602,304 |
| | 437,515,952.56 | -350,430 | 43,376,196 | 33,889,047 | 0 | 0 | 0 | 0 | 496,032,375 | 6,830 | 21,034,068 | 0 | 0 | 5,666 | 249,143,776 |
| Total Land and Buildings | 1,750,278,751.63 | -291,888,450 | 42,775,720 | 33,889,047 | 0 | -18,431,990 | 33,600 | -22,000 | 1,516,634,679 | 6,830 | 21,034,068 | 0 | 0 | 5,666 | 1,269,746,080 |
| ELECTRICITY | | | | | | | | | | | | | | | |
| HV Overhead Lines | 66,159,099.64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 66,159,100 | 0 | 4,574,752 | 0 | 0 | 0 | 24,338,400 |
| HV Substations | 296,492,691.72 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 296,492,692 | 0 | 11,418,849 | 0 | 0 | 0 | 96,656,685 |
| HV Underground Cables | 15,087,569.28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,087,569 | 0 | 662,727 | 0 | 0 | 0 | 6,473,549 |
| Electricity reticulation | 95,406,405.17 | -4,385,965 | 4,019,438 | 53,651,615 | 0 | 0 | 0 | 0 | 148,691,493 | 0 | 40,107 | 0 | 0 | 0 | 148,651,386 |
| LV Street Lighting | 95,802,768.53 | 0 | 17,934,485 | 14,920,596 | 0 | -17,934,485 | 0 | 0 | 110,723,365 | 0 | 5,165,590 | 0 | 0 | 0 | 19,806,305 |
| MV Ground Mounted Transformers | 65,579,520.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 65,579,520 | 0 | 2,706,980 | 0 | 0 | 0 | 9,676,630 |
| MV Mini Substations | 121,149,406.36 | 0 | 3,840,335 | 0 | 0 | -780,864 | 0 | 0 | 124,208,877 | 0 | 7,049,987 | 16,726 | 0 | 0 | 36,843,880 |
| MV Overhead Lines | 24,804,369.14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24,804,369 | 0 | 2,408,745 | 0 | 0 | 0 | 12,758,956 |
| MV Substations | 144,280,212.10 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 144,280,212 | 0 | 6,180,010 | -16,983 | 0 | 0 | 39,072,963 |
| MV Underground Cables | 706,464,739.69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 706,464,740 | 0 | 44,784,298 | 0 | 0 | 0 | 473,346,730 |
| MV Pole Mounted Transformers | 33,099,296.03 | 0 | 1,267,435 | 0 | 0 | 34,366,731 | 0 | 0 | 34,366,731 | 0 | 1,189,956 | 0 | 0 | 0 | 5,472,778 |
| MV Ring Main Unit | 32,550,780.06 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32,550,780 | 0 | 8,173,399 | -142 | 0 | 0 | 22,883,954 |
| | 1,696,876,857.72 | -4,385,965 | 27,061,692 | 68,572,211 | 0 | -18,715,348 | 0 | 0 | 1,769,409,448 | 406,250,529 | 88,105,492 | 1 | 0 | 0 | 1,275,053,426 |
| ROADS | | | | | | | | | | | | | | | |
| Overhead Gantry | 130,000.00 | 0 | 0 | 595,810 | 0 | 0 | 0 | 0 | 725,810 | 20,035 | 5,237 | 0 | 0 | 0 | 700,538 |
| Concrete Roads | 38,386,053.46 | 6,013,922 | 0 | 0 | 0 | 0 | 0 | 0 | 44,399,975 | 8,580,891 | 2,503,273 | 0 | 0 | 0 | 30,708,929 |
| Flexible Roads | 1,877,725,746.29 | 10,011,933 | 51,223,807 | 11,580,241 | 0 | -21,948,554 | 0 | 0 | 1,928,593,173 | 739,701,452 | 102,793,359 | 29,775 | 0 | 0 | 1,085,462,370 |
| Unpaved Roads | 132,448,299.25 | 0 | 0 | 31,363,147 | 0 | 0 | 0 | 0 | 163,811,446 | 87,809,710 | 6,551,466 | 0 | 0 | 0 | 69,450,270 |
| Other Roads | 145,222,256.47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 145,222,256 | 24,027,185 | 4,320,270 | 0 | 0 | 0 | 116,874,802 |
| Structures | 237,933,672.36 | 0 | 1,020,025 | 177,442,552 | 0 | 0 | 0 | 0 | 416,396,249 | 35,302,884 | 11,968,669 | 0 | 0 | 0 | 28,347,455 |
| Signalized Intersections | 47,557,826.31 | 0 | 1,039,328 | 23,000 | 0 | 0 | 0 | 0 | 25,688,178 | 25,688,178 | 3,433,637 | 0 | 0 | 0 | 19,288,339 |
| Airport Runway | 71,403,797.44 | 0 | 2,170,588 | 0 | 0 | -2,170,588 | 0 | 0 | 48,990,154 | 17,138,506 | 4,572,945 | 0 | 0 | 0 | 29,301,815 |
| | 2,550,777,651.68 | 16,025,854 | 55,453,748 | 221,004,750 | 0 | -24,119,143 | 0 | 0 | 2,619,142,861 | 938,448,841 | 136,252,465 | 29,775 | 0 | 0 | 1,741,302,290 |
| SANITATION | | | | | | | | | | | | | | | |
| Sewer Treatment Works | 2,034,057.77 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,034,058 | 1,062,151 | 114,498 | 0 | 0 | 0 | 857,409 |
| Pump Stations | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bulk Sewers | 63,876,412.38 | 0 | 0 | 0 | 0 | 63,876,412 | 0 | 0 | 63,876,412 | 18,835,530 | 2,713,713 | 0 | 0 | 0 | 42,327,169 |
| Sewer Reticulation | 511,046,142.73 | 628,700 | 0 | 38,515,963 | 0 | 550,190,805 | 0 | 0 | 550,190,805 | 107,397,175 | 261,694 | 15,511,700 | 0 | 0 | 427,020,237 |
| | 576,956,612.88 | 628,700 | 0 | 38,515,963 | 0 | 616,101,275 | 0 | 0 | 616,101,275 | 127,294,856 | 261,694 | 18,339,911 | 0 | 0 | 470,204,815 |
| WATER | | | | | | | | | | | | | | | |
| Water Reticulation | 854,178,941.08 | 2,820,106 | 3,375,020 | 46,220,299 | 0 | 0 | 0 | 0 | 906,594,366 | 225,015,685 | 21,865,154 | 0 | 0 | 0 | 659,713,527 |
| Pump Stations | 16,207,288.61 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,207,289 | 8,520,613 | 523,773 | 0 | 0 | 0 | 7,123,006 |
| Reservoirs | 168,405,737.30 | 0 | 38,533,825 | 0 | 0 | 0 | 0 | 0 | 206,939,582 | 53,452,690 | 16,976,600 | 0 | 0 | 0 | 136,403,800 |
| Water Supply Bulk Water Pipelines | 447,373,773.76 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 447,373,774 | 220,861,912 | 156,898,849 | 0 | 0 | 0 | 377,760,761 |
| Water Supply Pressure Reduce | 3,917,229.66 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,917,230 | 2,257,438 | 1,613,185 | 0 | 0 | 0 | 66,607 |
| Valves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Water Meters | 43,042,614.84 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 43,042,615 | 1,107,739 | 2,671,934 | 0 | 0 | 0 | 39,262,942 |
| | 1,533,125,565.45 | 2,820,106 | 41,908,845 | 46,220,299 | 0 | 0 | 0 | 0 | 1,624,074,835 | 511,216,077 | 200,549,496 | 0 | 0 | 0 | 912,162,895 |
| SECURITY | | | | | | | | | | | | | | | |
| Fencing | 4,806,891.44 | 0 | 0 | 0 | 0 | 0 | 28,358 | 0 | 4,835,250 | 3,639,364 | 280 | 0 | 0 | 0 | 1,195,606 |
| Security Systems | 22,754,227.91 | 0 | 38,631 | 29,639 | 0 | -18,425 | 0 | 0 | 22,904,073 | 18,091,351 | 1,111,549 | 0 | 0 | 0 | 3,601,173 |
| Access Control | 276,177.53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 276,178 | 191,123 | 21,524 | -6,830 | 0 | 0 | 70,360 |
| | 27,837,296.88 | 0 | 38,631 | 29,639 | 0 | -18,425 | 28,358 | 0 | 27,915,500 | 21,921,838 | 1,133,353 | -6,830 | 0 | 0 | 23,048,361 |
| STORMWATER | | | | | | | | | | | | | | | |
| Major Culverts | 43,186,172.48 | 0 | 413,560 | 0 | 0 | 0 | 0 | 0 | 43,599,732 | 7,133,857 | 928,718 | -22,945 | 0 | 0 | 8,039,630 |
| Minor Culverts | 662,608.48 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 662,608 | 112,800 | 7,478 | 0 | 0 | 0 | 35,560,103 |
| Kerb Inlets | 87,153,218.58 | 0 | 1,644,160 | 0 | 0 | 0 | 0 | 0 | 88,797,379 | 29,027,221 | 3,240,239 | 0 | 0 | 0 | 542,330 |
| Manholes | 56,558,788.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56,558,788 | 18,855,292 | 2,094,958 | 0 | 0 | 0 | 56,529,919 |
| Open Channels | 26,961,325.33 | 0 | 226,668 | 0 | 0 | 0 | 0 | 0 | 27,187,993 | 2,956,100 | 602,751 | 0 | 0 | 0 | 35,608,539 |
| Reticulation | 349,482.65 | 0 | 0 | 534,394 | 0 | 0 | 0 | 0 | 883,876 | 0 | 0 | 0 | 0 | 0 | 23,629,142 |
| Head and Wingwalls | 5,754,519.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,754,519 | 1,858,456 | 215,429 | 0 | 0 | 0 | 883,876 |
| | 220,626,114.52 | 0 | 2,284,387 | 534,394 | 0 | 0 | 0 | 0 | 223,444,896 | 59,943,726 | 7,089,573 | -22,945 | 0 | 0 | 156,434,542 |
| RAILWAY LINES | | | | | | | | | | | | | | | |
| Railway Lines | 3,509,480.47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,509,480 | 1,977,451 | 123,922 | 0 | 0 | 0 | 2,101,373 |
| | 3,509,480.47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,509,480 | 1,977,451 | 123,922 | 0 | 0 | 0 | 1,408,108 |
| SOLID WASTE | | | | | | | | | | | | | | | |
| Garden Refuse | 2,597,445.27 | 0 | 529,339 | 0 | 0 | -529,339 | 0 | 0 | 2,597,445 | 1,341,235 | 87,405 | 0 | 0 | 0 | 1,168,806 |
| Landfill Site | 8,075,607.10 | 0 | 0 | 7,803,294 | 0 | 15,884,901 | 0 | 0 | 15,884,901 | 1,739,065 | 232,411 | 0 | 0 | 0 | 13,913,425 |
| Sorting Stations | 740.94 | 0 | 538,000 | 599,209 | 0 | -538,000 | 0 | 0 | 599,209 | 202 | 9,045 | 0 | 0 | 0 | 590,703 |
| | 10,673,793.31 | 0 | 1,067,339 | 8,408,503 | 0 | -1,067,339 | 0 | 0 | 19,082,297 | 3,080,502 | 328,861 | 0 | 0 | 0 | 15,672,934 |
| Total Infrastructure Assets | 6,620,383,392.81 | 15,068,695 | 127,814,642 | 383,285,759 | 0 | -43,920,255 | 28,358 | 0 | 7,102,680,593 | 2,070,133,818 | 3,371,184 | 451,923,072 | 2 | 0 | 4,577,106,149 |

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY APPENDIX B ANALYSIS OF ALL NON-CURRENT ASSETS CLASSIFICATION AS AT 30 JUNE 2017

| | Cost | | | | | Accumulated Depreciation | | | | | Carrying Value | | | |
|--|-----------------|------------------|-------------|----------------------------|--|--------------------------|------------|-----------------|-----------------|--------------------------|----------------|-----------------------|-----------------------------|-------------|
| | Opening Balance | Restated Balance | Additions | Capital under Construction | Capitalised capital under construction | Donated Assets | Disposals | Closing Balance | Revised Balance | Additions (Depreciation) | | Disposals adjustments | Disposals Acc. Depreciation | Impairment |
| COMMUNITY ASSETS | | | | | | | | | | | | | | |
| Community Buildings | | | | | | | | | | | | | | |
| Fire Stations | 23,464,095.15 | 0 | 0 | 0 | 0 | 0 | 0 | 23,464,095 | 0 | 622,143 | 0 | 0 | 0 | 12,781,161 |
| Stadiums | 236,946,437.00 | 55,421 | 15,377,271 | 39,787,084 | -15,377,271 | 1,260,405 | 0 | 278,049,348 | 0 | 22,174,110 | 0 | 0 | 0 | 132,942,623 |
| Public Conveniences | 31,788,789.25 | 0 | 0 | 0 | 0 | 548,538 | 0 | 32,337,327 | 0 | 1,252,673 | 0 | 0 | 0 | 15,126,548 |
| Clinics | 29,442,063.10 | 0 | 0 | 0 | 0 | 0 | 0 | 29,442,063 | 0 | 775,872 | 0 | 0 | 0 | 14,350,830 |
| Libraries | 82,385,494.76 | 0 | 0 | 6,647,711 | 0 | 0 | 0 | 89,033,206 | 0 | 3,396,859 | 0 | 0 | 0 | 41,112,287 |
| Community Centres | 95,238,586.45 | 0 | 0 | 3,884,226 | 0 | 3,161,609 | 0 | 102,284,421 | 0 | 8,867,808 | 0 | 0 | 369,711 | 53,059,348 |
| Cemeteries | 7,349,338.65 | 0 | 114,584 | 675,500 | -114,584 | 0 | 0 | 8,024,838 | 0 | 92,985 | 0 | 0 | 2,924,977 | 5,099,862 |
| Civic Theatres | 13,733,671.63 | 0 | 0 | 0 | 0 | 0 | 0 | 13,733,672 | 0 | 1,663,022 | 0 | 0 | 9,259,969 | 4,473,703 |
| | 520,348,475.99 | 55,421 | 15,491,855 | 50,994,522 | -15,491,855 | 4,970,553 | 0 | 576,368,971 | 0 | 38,845,472 | 0 | 0 | 369,711 | 281,557,742 |
| | | | | | | | | | | | | | | 294,811,229 |
| Community Recreational Facilities | | | | | | | | | | | | | | |
| Swimming Pools | 45,847,917.90 | 0 | 68,241 | 8,066,282 | 0 | 0 | 0 | 53,982,441 | 0 | 4,627,556 | 0 | 0 | 0 | 23,645,783 |
| Sports Facilities | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Squash Courts | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Parks | 106,644,700.09 | 0 | 0 | 999,965 | 0 | 0 | 0 | 107,644,665 | 0 | 1,870,242 | 0 | 0 | 0 | 11,889,918 |
| Sports Grounds | 152,492,617.99 | 0 | 68,241 | 9,066,246 | 0 | 0 | 0 | 161,627,105 | 0 | 6,497,798 | 0 | 0 | 0 | 35,535,702 |
| | 672,841,093.98 | 55,421 | 15,500,096 | 60,060,768 | -15,491,855 | 4,970,553 | 0 | 737,996,076 | 0 | 45,343,270 | 0 | 0 | 369,711 | 317,083,443 |
| Total Community Assets | | | | | | | | | | | | | | 420,902,633 |
| OTHER ASSETS | | | | | | | | | | | | | | |
| Other Properties | | | | | | | | | | | | | | |
| Housing Schemes | 140,639,469 | -8,115,419 | 0 | 0 | 0 | 0 | 0 | 132,524,050 | -3,378,014 | 2,472,839 | 0 | 0 | 0 | 45,944,500 |
| Markets | 236,963,857 | 0 | 0 | 0 | 0 | 0 | 0 | 236,963,857 | 0 | 5,973,420 | 0 | 0 | 0 | 99,894,460 |
| Sewerage works and Dump Site | 796,654 | 0 | 0 | 0 | 0 | 0 | 0 | 796,654 | 0 | 7,797 | 0 | 0 | 0 | 607,678 |
| Workshops and Depots | 31,508,703 | 0 | 0 | 0 | 0 | 0 | 0 | 31,508,703 | 0 | 1,062,170 | 0 | 0 | 0 | 18,745,662 |
| Hotels | 1,557,482 | 0 | 0 | 0 | 0 | 0 | 0 | 1,557,482 | 0 | 36,354 | 0 | 0 | 0 | 1,010,695 |
| Training Centre | 4,296,468 | 0 | -12,577,178 | 0 | 0 | 0 | 0 | 4,296,468 | 0 | 170,178 | 0 | 0 | 0 | 2,339,400 |
| Landfill Site | 55,143,932 | 0 | 0 | 0 | 0 | 0 | 0 | 55,143,932 | 0 | 7,116,956 | 0 | 0 | 0 | 18,954,105 |
| Beer Halls | 1,299,999.96 | 0 | 0 | 0 | 0 | 0 | -1,300,000 | 42,566,754 | 11,837,149 | 31,217 | 0 | -59,886 | 0 | 0 |
| Old Age Homes | 924,086 | 0 | 0 | 0 | 0 | 0 | 0 | 924,086 | 594,670 | 22,387 | 0 | 0 | 0 | 617,057 |
| Transport Facility | 38,249,531 | 498,509 | 0 | 0 | -498,509 | 0 | 0 | 38,249,531 | 15,925,665 | 2,393,100 | 0 | 0 | 0 | 18,318,765 |
| Crematoriums | 7,004,221 | 0 | 0 | 0 | 0 | 0 | 0 | 7,004,221 | 2,962,764 | 575,581 | 0 | 0 | 0 | 3,538,345 |
| Nurseries | 10,666,675 | 0 | 168,828 | 0 | -168,828 | 0 | 0 | 10,666,675 | 6,278,454 | 456,570 | 0 | 0 | 0 | 6,735,024 |
| Airport Buildings | 13,966,567.00 | 13,993 | 0 | 0 | -13,993 | 0 | 0 | 13,966,567 | 3,492,654 | 933,008 | 0 | 0 | 0 | 4,425,662 |
| Creches | 15,717,655 | 0 | 0 | 0 | 0 | 0 | 0 | 15,717,655 | 6,129,066 | 393,138 | 0 | 0 | 0 | 9,195,451 |
| Substations | | | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Assets | 558,737,310.37 | -8,115,419 | -11,895,848 | 0 | -681,330 | 0 | -1,300,000 | 536,744,713 | -3,378,014 | 21,644,715 | 0 | -59,886 | 0 | 284,828,494 |
| | | | | | | | | | | | | | | 271,916,220 |
| Plant and Equipment | | | | | | | | | | | | | | |
| Graders | 5,286,964 | 0 | 3,965,659 | 0 | 0 | 0 | 0 | 5,286,964 | 4,614,581 | 15,994 | 0 | 0 | 17,859 | 4,648,434 |
| Tractors | 9,081,024 | 0 | 0 | 0 | 0 | 0 | 0 | 13,046,663 | 7,772,491 | 185,957 | 0 | 0 | 40,589 | 638,529 |
| Farm Equipment | 18,270.00 | 8,359 | 555,762 | 0 | 0 | 0 | 0 | 16,845 | 16,845 | 475 | 0 | 0 | 0 | 5,047,645 |
| Lawnmowers | 2,749,223 | 0 | 0 | 0 | 0 | 0 | -85,071 | 3,228,273 | 1,890,129 | 378,3 | 0 | -65,747 | 0 | 1,076,714 |
| Compressors | 88,423 | 0 | 0 | 0 | 0 | 0 | 0 | 88,423 | 87,109 | 254 | 0 | 0 | 0 | 87,363 |
| Laboratory Equipment | 618,220 | 23,226 | 0 | 0 | 0 | 0 | 0 | 641,446 | 568,254 | 8,908 | 0 | 0 | 0 | 577,162 |
| Radio Equipment | 1,729,239 | 0 | 0 | 0 | 0 | 0 | 0 | 1,729,239 | 970,882 | 181,680 | 0 | 0 | 190 | 1,152,752 |
| Firearms | 640,484 | 0 | 0 | 0 | 0 | 0 | 0 | 640,484 | 33,351 | 122,979 | 0 | 0 | 0 | 156,330 |
| Telecommunication | 5,993,292 | 0 | 0 | 0 | 0 | 0 | 0 | 5,993,292 | 4,978,689 | 417,322 | 0 | 0 | 0 | 536,011 |
| Plant and Equipment | 41,917,371 | 24,765 | 6,489,460 | 0 | -38,289,690 | 0 | -17,400 | 10,124,506 | 20,496,988 | 6,619,911 | 0 | -8,783 | 399 | 27,110,388 |
| Cremators | | | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 |
| | 68,122,510.76 | 33,124 | 11,034,107 | 0 | -38,289,690 | 0 | -102,471 | 40,797,580 | 41,429,319 | 5,656 | 0 | -74,530 | 59,038 | 49,356,357 |
| | | | | | | | | | | | | | | -9,558,777 |
| Office Equipment | | | | | | | | | | | | | | |
| Computer Hardware | 48,803,192 | 6,246,486 | 24,339,937 | 0 | 0 | 0 | -18,655 | 79,370,980 | 23,436,478 | 12,651,896 | 0 | 0 | 14,073 | 39,144,551 |
| Computer Hardware(Finance Lease) | 4,431,140.24 | 0 | 334,490 | 0 | 0 | 0 | 0 | 4,765,630 | 2,507,049 | 483,365 | 0 | -4,518 | 0 | 2,985,896 |
| Office Machines | 5,508,463 | 0 | 409,244 | 0 | 0 | 0 | 0 | 5,917,707 | 3,420,990 | 942,752 | 0 | 0 | 556 | 4,364,298 |
| Airconditioners | 16,342,878.34 | 0 | 1,020,892 | 0 | 0 | 0 | 0 | 17,363,770 | 97,32,091 | 2,806,355 | 0 | 0 | 0 | 12,538,446 |
| | 75,085,673.25 | 6,246,486 | 26,104,563 | 0 | 0 | 0 | -18,655 | 107,415,068 | 39,096,608 | 16,884,368 | 0 | -4,518 | 14,629 | 59,033,191 |
| | | | | | | | | | | | | | | 48,384,877 |
| Furniture and Fittings | | | | | | | | | | | | | | |
| Chairs | 7,565,325 | 0 | 740,282 | 0 | 0 | 0 | 0 | 8,305,607 | 5,088,675 | 597,712 | 0 | 0 | 0 | 5,686,387 |
| Tables and Desks | 6,786,403 | 0 | 719,756 | 0 | 0 | 0 | 0 | 7,506,159 | 5,100,652 | 366,640 | 0 | 0 | 0 | 2,038,867 |
| Cabinets and Cupboards | 9,364,712.48 | 0 | 178,870 | 0 | 0 | 0 | 0 | 9,543,583 | 0 | 1,066,144 | 0 | 0 | 0 | 5,467,292 |
| Furniture and Fittings Other | 4,252,209 | 0 | 114,674 | 0 | 0 | 0 | 0 | 4,366,883 | 9,589,058 | 1,066,144 | 0 | 0 | 107 | 10,655,309 |
| | 27,968,649.66 | 0 | 1,753,582 | 0 | 0 | 0 | 0 | 29,722,231 | 19,778,384 | 2,030,496 | 0 | 0 | 107 | 21,808,987 |
| | | | | | | | | | | | | | | 7,913,244 |
| Containers | | | | | | | | | | | | | | |
| Household Refuse Bins | 114,337 | 0 | 0 | 0 | 0 | 0 | 0 | 114,337 | 106,677 | 2,622 | 0 | 0 | 0 | 109,299 |
| Bulk Containers | 2,145,543.16 | 0 | 0 | 0 | 0 | 0 | 0 | 2,145,543 | 838,339 | 166,412 | 0 | 0 | 0 | 1,004,751 |

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY APPENDIX B ANALYSIS OF ALL NON-CURRENT ASSETS CLASSIFICATION AS AT 30 JUNE 2017

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY | | | | | | | | | | | | | |
|--|--------------------------|---------------------|--------------------|----------------------------|--|-------------------|-------------------|-----------------------|--------------------|-----------------------|-----------------------------|----------------------|----------------------|
| ANALYSIS OF ALL NON-CURRENT ASSETS CLASSIFICATION AS AT 30 JUNE 2017 | | | | | | | | | | | | | |
| | Cost | | | | Accumulated Depreciation | | | | Carrying Value | | | | |
| | Opening Balance | Restated Balance | Additions | Capital under Construction | Capitalised capital under construction | Donated Assets | Disposals | Closing Balance | | Disposals adjustments | Disposals Acc. Depreciation | Impairment | Closing Balance |
| Fire and Medical Equipment | 2,259,879.73 | 0 | 0 | 0 | 0 | 0 | 0 | 2,259,880 | 0 | 0 | 0 | 1,114,049 | 1,145,830 |
| Fire Equipment | 3,795,902 | 0 | 1,177,462 | 0 | -250,538 | 0 | 0 | 4,722,826 | 0 | 0 | 0 | 2,479,112 | 2,243,714 |
| Medical Equipment Clinics | 573,480 | 0 | 12,882 | 0 | 586,363 | 0 | 0 | 1,174 | 29,265 | 0 | 0 | 460,439 | 125,924 |
| | 4,369,361.71 | 0 | 1,190,344 | 0 | -250,538 | 0 | 0 | 5,309,188 | 201,266 | 0 | 0 | 2,939,551 | 2,369,637 |
| Motor Vehicles | | | | | | | | | | | | | |
| Fire Engines | 27,775,658 | 0 | 0 | 0 | 0 | 0 | 0 | 27,775,658 | 0 | 0 | 87,768 | 12,074,377 | 15,701,280 |
| Buses | 2,165,154.10 | 0 | 0 | 0 | 0 | 0 | 0 | 2,165,154 | 0 | 0 | 0 | 625,493 | 1,539,661 |
| Motor Vehicles | 22,539,285 | 0 | 9,379,246 | 0 | 0 | 0 | 0 | 31,918,531 | 0 | 0 | 307,526 | 19,807,146 | 12,111,385 |
| Motor Cycles | 1,373,277 | 0 | 660,449 | 0 | 0 | 0 | 0 | 2,033,726 | 0 | 0 | 4,306 | 1,044,184 | 989,542 |
| Trucks and Bakkies | 128,556,145 | 0 | 13,938,550 | 0 | 0 | 11,122,850 | 0 | 153,617,545 | 0 | 0 | 444,575 | 110,042,708 | 43,574,837 |
| Trailers | 1,560,611 | 0 | 0 | 0 | 0 | 0 | 0 | 1,560,615 | 0 | 0 | 10,747 | 1,536,540 | 24,071 |
| | 183,970,130.58 | 0 | 23,978,244 | 0 | 0 | 11,122,850 | 0 | 219,071,225 | 16,821,976 | 0 | 854,921 | 145,130,449 | 73,940,776 |
| Biological Assets | | | | | | | | | | | | | |
| Biological Assets | 780,760.00 | 0 | -11,034 | 0 | 0 | 0 | 0 | 769,726 | 0 | 0 | 0 | 0 | 769,726 |
| | 780,760.00 | 0 | -11,034 | 0 | 0 | 0 | 0 | 769,726 | 0 | 0 | 0 | 0 | 769,726 |
| Total Movable Assets | | | | | | | | | | | | | |
| | 920,513,536.06 | -1,835,809 | 52,164,992 | 0 | -39,221,559 | 11,122,850 | -1,421,126 | 941,322,885 | 65,688,749 | 0 | -138,934 | 544,211,079 | 397,111,806 |
| TOTAL PPE | 9,964,797,534.48 | -278,580,142 | 238,304,416 | 477,235,574 | -117,065,659 | 16,155,361 | -1,443,126 | 10,299,403,959 | 583,988,159 | 2 | -138,934 | 3,633,767,565 | 6,665,636,394 |
| Heritage Assets | | | | | | | | | | | | | |
| Artworks | 193,181,021.15 | 0 | -1,101,200 | 0 | 0 | 168,340 | 0 | 192,080,161 | 0 | 0 | 6,803,730 | 6,826,703 | 185,421,458 |
| Mayoral Chain | 133,500.00 | 0 | 0 | 0 | 0 | 0 | 0 | 133,500 | 0 | 0 | 0 | 0 | 133,500 |
| Highfield Road - Site no. 166 | 1,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 | 0 | 0 | 1,000 | 0 | 1,000 |
| City Hall Surrounding Gardens and Memorial Plaque | 1,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 1,000 |
| Mahatma Gandhi Statue | 925,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 925,000 | 0 | 0 | 0 | 0 | 925,000 |
| Stadiums | 3,961,962.71 | 0 | 0 | 0 | 0 | 0 | 0 | 3,961,963 | 0 | 0 | 0 | 0 | 3,961,963 |
| Swimming Pool | 1,785,373.32 | 0 | 0 | 0 | 0 | 0 | 0 | 1,785,373 | 0 | 0 | 0 | 0 | 1,785,373 |
| Museums and Art Gallery | 17,315,795.90 | 0 | 0 | 0 | 0 | 0 | 0 | 17,315,796 | 0 | 0 | 0 | 0 | 17,315,796 |
| Parks | 2,485,907.87 | 0 | 0 | 0 | 0 | 0 | 0 | 2,485,908 | 0 | 0 | 0 | 0 | 2,485,908 |
| Crematorium | 8,181,347.71 | 0 | 0 | 0 | 0 | 0 | 0 | 8,181,348 | 0 | 0 | 0 | 0 | 8,181,348 |
| Land (heritage) | 6,000,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 6,000,000 | 0 | 0 | 0 | 0 | 6,000,000 |
| | 233,971,908.66 | 0 | -1,101,200 | 0 | 0 | 168,340 | 0 | 233,039,049 | 0 | 0 | 6,803,730 | 6,826,703 | 226,212,346 |
| Total Heritage assets | | | | | | | | | | | | | |
| Investment Property | | | | | | | | | | | | | |
| Building | 72,280,000.39 | 0 | 120,369,872 | 0 | 0 | 0 | 0 | 192,649,872 | 0 | 0 | 0 | 0 | 192,649,872 |
| Land | 584,128,640.00 | -73,849,320 | 8,610,000 | 0 | 0 | 0 | 0 | 518,889,320 | 0 | 0 | 0 | 0 | 518,889,320 |
| | 656,408,640.39 | -73,849,320 | 128,979,872 | 0 | 0 | 0 | 0 | 711,539,192 | 0 | 0 | 0 | 0 | 711,539,192 |
| Intangible Assets | | | | | | | | | | | | | |
| Computer Software | 47,260,724.68 | 682,279 | 245,577 | 0 | 0 | 0 | 0 | 48,188,581 | 12,868,187 | 0 | 21,663 | 22,329,361 | 25,859,220 |
| Intangible Assets/software | 13,785,621.30 | 0 | 23,654,193 | 0 | 0 | 0 | 0 | 37,439,815 | 210,236 | 0 | 78,675 | 13,499,823 | 23,939,892 |
| | 61,046,345.98 | 682,279 | 23,899,771 | 0 | 0 | 0 | 0 | 85,628,395 | 13,078,423 | 0 | 100,339 | 35,829,284 | 49,799,112 |
| Total Intangible Assets | | | | | | | | | | | | | |
| | 803,846.28 | 0 | 0 | 0 | 0 | 0 | 0 | 803,846 | 0 | 0 | 0 | 0 | 803,846 |
| Services | | | | | | | | | | | | | |
| | 803,846.28 | 0 | 0 | 0 | 0 | 0 | 0 | 803,846 | 0 | 0 | 0 | 0 | 803,846 |
| Agricultural assets | | | | | | | | | | | | | |
| Plantation | 54,275,800.56 | 0 | -208,124 | 0 | 0 | 0 | 0 | 54,067,677 | 0 | 0 | 0 | 0 | 54,067,677 |
| | 54,275,800.56 | 0 | -208,124 | 0 | 0 | 0 | 0 | 54,067,677 | 0 | 0 | 0 | 0 | 54,067,677 |
| Grand Total Assets | 10,971,304,076.35 | -351,747,183 | 389,874,735 | 477,235,574 | -117,065,659 | 16,323,701 | -1,443,126 | 11,384,482,118 | 597,067,582 | 2 | -138,934 | 3,676,423,552 | 7,708,058,566 |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY SEGMENTAL ANALYSIS OF ALL NON-CURRENT ASSETS CLASSIFICATION AS AT 30 JUNE 2017 | | | | | | | | | | | | | | | | |
|--|----------------------|---------------------|----------------|------------------------|------------------------|--------------------------|-------------------|--------------------|--------------------|---------------------|-----------------|-----------|----------------------|-----------------------------|-------------------|--------------------|
| DESCRIPTION | HISTORICAL COSTS | | | | | ACCUMULATED DEPRECIATION | | | | | NET BOOK VALUE | | | | | |
| | OPENING BAL- ANCE | RESTATED BALANCE | ADDITIONS | UNDERCON- STRUCTION | UNDERCON- STRUCTION | DISPOSALS | DONATED ASSETS | CLOSING BALANCE | OPENING BALANCE | RESTATED BALANCE | | ADDITIONS | DEPRE- ADJUSTMENT | DEPRE- DISPOSALS CURR | IMPAIRMENT | CLOSING BALANCE |
| Executive and Council | 65,916,650.00 | 18,376,550.75 | 188,295.86 | 33,889,047.08 | -57,403,010.92 | 0.00 | 0.00 | 60,967,532.77 | -36,844,507 | -3,360,999.13 | -14,354,890.69 | 0.00 | 0.00 | -28,254 | -54,588,650.77 | 6,378,882.00 |
| Finance and Administration | 2,294,875,780.97 | -365,387,339.22 | 0.00 | 0.00 | 0.00 | 0 | 0.00 | 1,929,488,441.75 | -183,634,466 | -1,872.64 | -33,140,714.32 | 0.00 | 73,187 | -860,897 | -217,564,782.77 | 1,711,923,678.98 |
| Planning and Development | 16,870,333.75 | 0.00 | 183,835 | 0.00 | 0.00 | 0.00 | 0.00 | 17,054,168.35 | -8,103,997 | 0.00 | -1,130,926.25 | 0.00 | 0.00 | -325 | -9,235,248.08 | 7,818,920.27 |
| Health | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Community and Social Services | 785,565,643.77 | 0.00 | 4,343,616 | 0.00 | -16,809,732.08 | -1,405,895 | 16,323,700.00 | 788,017,332.43 | -213,129,617.08 | 0.00 | -44,506,129.03 | 0.00 | 34,835 | -7,227,031 | -264,827,942.18 | 523,189,380.25 |
| Housing | 12,324,519.16 | 0.00 | 589,444.78 | 0.00 | 0.00 | 0.00 | 0.00 | 12,913,963.94 | -4,912,806 | 0.00 | -528,654.18 | 0.00 | 0.00 | 0.00 | -5,441,460.03 | 7,472,503.91 |
| Public Safety | 49,438,912.53 | 0.00 | 1,283,352 | 0.00 | -18,424.80 | 0.00 | 0.00 | 50,703,839.69 | -36,655,217 | 0.00 | -3,225,413.34 | 0.00 | 0.00 | -4,693 | -39,885,323.52 | 10,818,516.17 |
| Sport and Recreation | 262,965,677.69 | 0.00 | 4,619,350 | 0.00 | 0.00 | -29,823 | 0.00 | 267,555,405.62 | -129,767,791 | -3,783.37 | -24,603,376.18 | 0.00 | 24,525.00 | -5,810 | -154,356,235.17 | 113,199,170.45 |
| Road Transport | 3,054,089,309.21 | 0.00 | 27,976,673 | 281,065,517.65 | -24,119,142.74 | -7,609 | 0.00 | 3,339,004,748.39 | -1,081,695,442 | 0.00 | -154,295,821.82 | 0.00 | 6,388.00 | -2,188 | -1,235,987,064.02 | 2,103,017,684.37 |
| Environmental Protection | 895,929.85 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 895,929.85 | -451,618 | 0.00 | -74,053.05 | 0.00 | 0.00 | 0.00 | -525,670.86 | 370,258.99 |
| Water | 1,071,083,017.00 | 0.00 | 1,170,440.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,072,253,457.00 | -450,125,642.00 | 0.00 | -155,609,280.91 | 0.00 | 0.00 | -117,832.00 | -605,852,754.91 | 466,400,702.09 |
| Waste Water Management | 497,562,674.14 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 497,562,674.14 | -134,394,192.00 | 0.00 | -19,443,285.19 | 0.00 | 0.00 | -39,897 | -153,877,374.00 | 343,685,300.14 |
| Electricity | 1,632,650,752.00 | 0.00 | 0.00 | 68,572,211.41 | -18,715,348.46 | 0.00 | 0.00 | 1,682,507,614.95 | -428,360,337.00 | 0.00 | -118,257,380.86 | 0.00 | 0.00 | -61,916 | -546,679,633.81 | 1,135,827,981.14 |
| Other | 1,227,064,876.80 | -4,736,395 | 349,519,730 | 93,708,797.63 | 0.00 | 0 | 0.00 | 1,665,557,009.13 | -359,698,105 | 0.00 | -27,897,656.60 | 0.00 | 0.00 | -5,667 | -387,601,428.35 | 1,277,955,580.78 |
| TOTALS | 10,971,304,076.87 | -351,747,183.75 | 389,874,736.33 | 477,235,573.77 | -117,065,659.00 | -1,443,126.21 | 16,323,700.00 | 11,384,482,118.01 | -3,067,773,737.27 | -3,366,655.14 | -597,067,582.42 | 0.00 | 138,935.30 | -8,354,508.94 | -3,676,423,548.47 | 7,708,058,569.54 |

THE MSUNDUZI MUNICIPALITY AND

| Description | 2017 | 2017 | 2017 | 2017 | 2017 | Explanation of Significant Variances greater than 5% versus Budget |
|-------------------------------|-------------|-------------|-----------------------|-----------|---------------|--|
| | Budget | Actual | Under construction | Additions | Variance | |
| | R | R | R | R | R | |
| | | | | | % | |
| | | | | | | |
| Executive and Council | 27,327,324 | 188,296 | 33,889,047 | - | 27,139,028 | 1 |
| Finance and Administration | 31,245,768 | - | - | - | 31,245,768 | 1 |
| Planning and Development | 30,192,645 | 183,835 | - | - | 30,008,810 | 1 |
| Public Safety | 1,399,928 | 1,283,352 | - | - | 116,576 | 0 |
| Community and Social Services | 57,279,014 | 4,343,616 | - | - | 52,935,398 | 1 |
| Health | 1,316,638 | - | - | - | 1,316,638 | 1 |
| Sport and Recreation | 52,192,266 | 4,619,350 | - | - | 47,572,915 | 1 |
| Road Transport | 101,923,241 | 27,976,673 | 281,065,518 | - | 73,946,568 | 1 |
| Water | 97,790,631 | 1,170,440 | - | - | 96,620,191 | 1 |
| Waste Water Management | 42,513,641 | - | - | - | 42,513,641 | 1 |
| Electricity | 204,415,132 | - | 68,572,211 | - | 204,415,132 | 1 |
| Housing | 30,407,710 | 589,445 | - | - | 29,818,265 | 1 |
| Other | 198,952,011 | 349,519,730 | 93,708,798 | - | (150,567,719) | (1) |
| Environment Protection | - | - | - | - | - | - |
| | | | | | | |
| TOTALS | 876,955,950 | 389,874,736 | 477,235,574 | - | 487,081,213 | 1 |

NOTE : Total additions included donated assets

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX E

DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2017

| Account Description | Unspent balance @ 01 July 2016 | Transfers to Income | Prior period error | Inter project/trf to MHOA/Prior Period Error | Funds paid back to National Treasury | VAT recovered from NT grants | Current year interest earned | Current year receipts | Unspent balance @ 30 June 2017 | Source Code |
|----------------------|--------------------------------|---------------------|--------------------|--|--------------------------------------|------------------------------|------------------------------|-----------------------|--------------------------------|------------------------------------|
| GRANTS:CP-NT-INEP | -551,299 | 3,960,459 | | | 551,299 | 154,047 | | -8,000,000 | -3,885,494 | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:CP-NT-MWIG | -1,299,742 | 1,140,125 | | | | 159,617 | | | - | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:CP-NT-NDPG | -29,767,728 | 1,652,961 | | | 29,767,728 | 302,189 | | -22,110,000 | -20,154,850 | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:CP-NT-WSIG | - | 32,646,964 | | | | 4,074,036 | | -36,721,000 | - | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:OP-NT-EPWP | - | 3,912,513 | | | | | | -6,809,000 | -2,896,487 | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:OP-NT-FMG | - | 1,620,433 | | | | 4,567 | | -1,625,000 | - | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:OP-NT-MSIG | -3,797 | | | | 3,797 | | | | - | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:CP-NT-EEDG | - | 7,920,146 | | | | 79,854 | | -8,000,000 | - | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:CP-NT-PTCG | -164,535,876 | 177,229,127 | | -4,891,800 | 164,535,876 | 7,693,673 | | -180,031,000 | - | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:OP-NT-PTCG | -647,618 | 14,113,230 | | 4,891,800 | 647,618 | 994,970 | | -20,000,000 | - | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:CP-NT-MIG | -1,097,944 | 169,115,594 | | 5,318,236 | 1,097,944 | 21,155,481 | | -180,653,187 | -1,063,876 | UNSPENT CG - NATIONAL GOVERNMENT |
| GRANTS:OP-NT-MIG | 13,831,689 | | | -5,318,236 | | 1,450,361 | | -9,963,813 | 0 | UNSPENT CG - NATIONAL GOVERNMENT |
| | -197,904,003 | 411,143,240 | - | - | 196,604,262 | 36,068,794 | - | -473,913,000 | -28,000,707 | |
| GRANTS:OP-KZ-DEV OF | - | | | | | | -4,504 | -1,000,000 | -1,004,504 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-HOUSING | -171,967 | 20,551 | | | | | -192 | | -151,416 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:CP-KZ-P/HOUSE | -2,714 | | | | | | -305 | | -2,906 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:CP-KZ-S/LIGHT | -4,264 | | | | | | -62,158 | | -4,569 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-MARKET | -878,636 | | | | | | | | -940,793 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-TAG | -26,969 | 26,969 | | | | | | | - | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-GEVDI | -1,880,030 | 3,619,817 | | -2,500,000 | | | -150,379 | | -910,592 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:CP-KZ-GEVDI | -8,115,226 | 5,115,210 | | 2,500,000 | | | -486,333 | | -986,349 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-LIBRARY | -3,800,554 | 8,597,776 | | 6,654,740 | | | -408,340 | -11,088,290 | -44,668 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-LIBRARY | -263,791 | 15,386,462 | | -6,654,740 | | | -111,430 | -8,807,710 | -451,209 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:CP-KZ-ACCRED | -1,500,000 | 9,431,221 | | | | | -156,699 | -10,189,000 | -2,414,478 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-ACCRED | -33,232,426 | 8,014,173 | -3,415,128 | | | | -2,798,294 | -200 | -31,431,875 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-MANAYE | - | | | | | | -111,874 | -3,700,000 | -3,811,874 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-MANAYE | - | 799,519 | | | | | -38,357 | -1,300,000 | -538,838 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-YOUTH | - | | | | | | -157,568 | -8,415,000 | -8,572,568 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-YOUTH | - | 345,495 | | | | | -25,301 | -1,000,000 | -679,806 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:CP-KZ-AIRPORT | - | 1,467,147 | | | | | | | 1,467,147 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZNPMBAIRP | - | 1,075,059 | | | | | | -1,124,444 | -49,385 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-DLULIS | -1,000,000 | | | | | | | | -1,000,000 | UNSPENT CG - PROVINCIAL GOVERNMENT |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY APPENDIX E DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2017 | | | | | | | | | | |
|--|--------------------------------|---------------------|--------------------|--|--------------------------------------|------------------------------|------------------------------|-----------------------|--------------------------------|------------------------------------|
| Account Description | Unspent balance @ 01 July 2016 | Transfers to income | Prior period error | Inter project/trf to MHOA/Prior Period Error | Funds paid back to National Treasury | VAT recovered from NT grants | Current year interest earned | Current year receipts | Unspent balance @ 30 June 2017 | Source Code |
| GRANTS:OP-KZ-DLULIS: | -500,000 | 53,899,398 | -3,415,128 | - | - | - | -4,511,733 | -46,624,644 | -500,000 | UNSPENT CG - PROVINCIAL GOVERNMENT |
| | -51,376,577 | | | | | | | | -52,028,683 | |
| GRANTS:OP-KZ-SANEDI | -230,783 | | | | | | -16,314 | | -247,097 | UNSPENT CG - OTHER |
| GRANTS:OP-KZ-SP/NET | -429,454 | | | 444,499 | | | -15,045 | | - | UNSPENT CG - OTHER |
| | -660,236 | - | - | 444,499 | | - | -31,359 | - | -247,097 | |
| | | | | | | | | | | |
| | -249,940,816 | 465,042,638 | -3,415,128 | 444,499 | 196,604,262 | 36,068,794 | -4,543,082 | -520,537,644 | -80,276,488 | |

| THE MSUNDUZI MUNICIPALITY APPENDIX F1 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2017 | | | | | | | | |
|---|--|--|----------------|--|--|--------------|------------------------|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 31 July 2017 and quantum, where applicable | Amount | Probability of outflow | DISCLOSURE |
| 2 | Kheswa v. Msunduzi Municipality | Delictual Claim: The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle. | 2009 | Internal | Ongoing. | 35,470.12 | Not probable | CONTINGENT LIABILITY |
| 3 | Orion Telecom v. Msunduzi Municipality | Contractual Claim: Plaintiff sued the Municipality for outstanding fees in terms of a contract. | 2007 | Internal | Plea filed. Plaintiff did not proceed any further. | 115,236.90 | Not probable | CONTINGENT LIABILITY |
| 4 | Nzaba IN v Msunduzi Municipality | Delictual Claim. The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle. | 2008 | File retrieved from Bhamjee Attorneys | Set down for trial was part-heard. Ongoing. | 73,500.00 | Not probable | CONTINGENT LIABILITY |
| 5 | Thuthugisa Contracting Enterprise v. Msunduzi municipality | Memorandum of Agreement Dispute. Plaintiff owed monies by the Municipality in terms of a contract. | 2007 | Internal | In court. | 210,749.00 | Not probable | CONTINGENT LIABILITY |
| 6 | Hampton College v. Msunduzi Muni | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality on the validity of training courses provided by the Plaintiff. | 2007 | Afzal Akoo and Partners Tel: 033 394 7274 Fax: 033 345 0938. Physical Address 187 Boshoff Street, Pietermaritzburg, 3201. Postal Address PO Box 7836, Cumberwood, 3235. and Kruger Ngcobo Inc. Tel 031 306 4352 Fax: 031 305 4340 Physical Address 25 Field Street, Suite 1102, Durban Postal Address PO Box 49467 Qualbert 4078. and ADV Flemming Tel: 033 845 3576 Fax: 033 394 8374. Physical Address Advocates Chambers, Block B3 17 Prince Edward Street, Pietermaritzburg, 3201. | Part - heard. Ongoing. | 85,470.00 | Not probable | CONTINGENT LIABILITY |
| 7 | Chetty K. v. Msunduzi Municipality | Delictual Claim. The claim herein arises from a motor vehicle collision involving Plaintiffs vehicle and a Municipal vehicle. | 2006 | Internal | Ongoing. | 26,169.86 | Not probable | CONTINGENT LIABILITY |
| 8 | R. Terty v Msunduzi Municipality | Delictual Claim: The claim arises from a cremation that was allegedly not done correctly. The Plaintiff's are suing for the trauma they were subjected to. | 2007 | Insurance | Ongoing | 50,000.00 | Not probable | CONTINGENT LIABILITY |
| 9 | Terwolbeek PJ v Msunduzi Municipality | Delictual Claim: A water pipe allegedly causing flooding at Plaintiff's property and damaging his household appliances. | 2008 | Insurance | Ongoing. | 1,121,620.00 | Not probable | CONTINGENT LIABILITY |
| 10 | Govender RS v Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | 2008 | Internal | A discovery affidavit has been filed. The matter is ongoing. | 75,000.00 | Not probable | CONTINGENT LIABILITY |
| 11 | A and F Mall v Msunduzi Municipality | Disputed Electricity Account. | 2007 | Internal | Various correspondence exchanged between attorneys of record. The matter is ongoing. | 17,181.33 | Not probable | CONTINGENT LIABILITY |
| 12 | Mkungisa E v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle as a result of a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee within the course and scope of his employment. | 2007 | Internal | Part-heard. The Defendant filed an amended plea (defence). The matter is ongoing. | 6,213.00 | Not probable | CONTINGENT LIABILITY |
| 13 | F. Osman V Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | 2007 | Internal | A defendants plea has been filed. The matter is ongoing. | 306,666.44 | Not probable | CONTINGENT LIABILITY |
| 14 | Zulu TE v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to his vehicle as a result of a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2007 | Internal | Correspondence exchanged between attorneys of record. The matter is ongoing. | 8,709.22 | Not probable | CONTINGENT LIABILITY |
| 15 | Rabikisoan R v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained during a fall on an uneven pavement on Retief Street. | 2007 | Internal | Ongoing. | 20,000.00 | Not probable | CONTINGENT LIABILITY |
| 16 | Zuma NG v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers. | 2008 | Internal | Correspondence exchanged between attorneys of record. The matter is ongoing. | 100,000.00 | Not probable | CONTINGENT LIABILITY |

| <p align="center">THE MSUNDUZI MUNICIPALITY APPENDIX F1 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2017</p> | | | | | | | | |
|--|--|--|----------------|--|---|------------|------------------------|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 31 July 2017 and quantum, where applicable | Amount | Probability of outflow | DISCLOSURE |
| 17 | Van Straaten W(DR) v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2008 | Internal | Ongoing. | 96,401.43 | Not probable | CONTINGENT LIABILITY |
| 18 | Majozi NV v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained due to a fall on an uneven pavement in Retief Street. | 2007 | Uys Matyeka Schwartz: Tel 031 312 2064 Fax: 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | Part-heard.CURRENT STATUS : This matter has been archived. | 110,046.28 | Not probable | CONTINGENT LIABILITY |
| 19 | Zondi PS v Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2007 | Internal | The matter is ongoing. | 15,080.00 | Not probable | CONTINGENT LIABILITY |
| 20 | Omarjee M. v Msunduzi Municipality | Delictual Claim: The plaintiff is suing the Municipality because of injuries sustained due to an act of assault by Municipal Traffic Officers in the course and scope of their employment. | 2005 | Internal | Settlement negotiations have been initiated. The matter is ongoing. | 31,000.00 | Not probable | CONTINGENT LIABILITY |
| 21 | Painter LV v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to his vehicle after a tree had fallen on top of Plaintiff's vehicle. | 2006 | Internal | Pre-trial notices have been exchanged. The matter is ongoing. | 45,361.38 | Not probable | CONTINGENT LIABILITY |
| 22 | Dladla G v Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | 2006 | Internal | Further particulars were requested from Plaintiff. The matter is ongoing. | 20,000.00 | Not probable | CONTINGENT LIABILITY |
| 23 | Roelelse v Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for injuries sustained due to a fall on an uneven pavement in Drumond Street. | 2002 | Internal | A defendant's plea was filed. The matter is ongoing. | 41,032.58 | Not probable | CONTINGENT LIABILITY |
| 24 | Premier of KZN v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to its property as a result of a tree that had fallen. | 2003 | Internal | Various correspondence exchanged between attorneys of record. Ongoing. | 11,340.00 | Not probable | CONTINGENT LIABILITY |
| 25 | Sulaiman R v Msunduzi Municipality | Delictual Claim: Plaintiff fell into a manhole when its cover caved in under her foot and sustained injuries. | 1998 | Internal | Pre-trial notices have been exchanged. The matter is ongoing. | 50,000.00 | Not probable | CONTINGENT LIABILITY |
| 26 | Haffejee RB v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2004 | Internal | Ongoing | 98,800.00 | Not probable | CONTINGENT LIABILITY |
| 28 | Zondi M. v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for alleged unlawful arrest and detention by Municipal Traffic Officers. | 2006 | Internal | Matter set down. Part-heard. Unlawful arrest. | 50,000.00 | Not probable | CONTINGENT LIABILITY |
| 35 | Ngcobo RB v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2003 | Internal | Matter ongoing. | 11,375.27 | Not probable | CONTINGENT LIABILITY |
| 37 | Mamusa Marketing v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after having been involved in a collision with a Municipal vehicle driven by an employee in the course and scope of his employment. | 2007 | Internal | The matter is part-head. | 9,823.48 | Not probable | CONTINGENT LIABILITY |
| 39 | Ogilvie I v Msunduzi Municipality | Delictual claim. Plaintiff suing the Municipality for injury caused by trenches on public road. | 2006 | Insurance | Ongoing. | 166,160.54 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F1 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2017 | | | | | | | | |
|---|---|--|----------------|---|---|--------------|------------------------|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 31 July 2017 and quantum, where applicable | Amount | Probability of outflow | DISCLOSURE |
| 40 | Ngcobo DV v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality on behalf of a minor child who was knocked by a bobcat tractor driven by a Municipal employee in the course and scope of his employment. | 2007 | Insurance | A Defendant's plea was filed. The matter is handled by external insurers. Ongoing. | 1,800,000.00 | Not probable | CONTINGENT LIABILITY |
| 41 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 2,424.50 | Not probable | CONTINGENT LIABILITY |
| 42 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 5,519.06 | Not probable | CONTINGENT LIABILITY |
| 43 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 5,586.00 | Not probable | CONTINGENT LIABILITY |
| 44 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 1,721.40 | Not probable | CONTINGENT LIABILITY |
| 45 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 4,902.00 | Not probable | CONTINGENT LIABILITY |
| 46 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 5,163.06 | Not probable | CONTINGENT LIABILITY |
| 47 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 5,506.20 | Not probable | CONTINGENT LIABILITY |
| 48 | Naidoo Kogulan v Msunduzi Municipality | Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole. | 2010 | Internal | Matter is ongoing. | 100,000.00 | Not probable | CONTINGENT LIABILITY |
| 49 | Majozi HS v Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality for injuries sustained as a result of having fallen into an uncovered manhole. | 2010 | Internal | Matter is ongoing. | 95,000.00 | Not probable | CONTINGENT LIABILITY |
| 50 | Dlamini BM v Msunduzi Municipality | Delictual Claim: Plaintiff's minor child fell into an open trench/ drainage system and sustained injuries to their lower limbs. | 2010 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | The matter is ongoing | 300,000.00 | Not probable | CONTINGENT LIABILITY |
| 51 | Bishop's roadworks v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2009 | Internal | Appearance to defend has been filed. Matter is ongoing. | 120,000.00 | Not probable | CONTINGENT LIABILITY |
| 53 | Daljeeth Daljeeth v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality after he fell and sustained injuries due to certain steel rods that were protruding dangerously on the pavement. | 2010 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | Matter is ongoing. Claimant is deceased and Plaintiff's Attorneys has no further instructions to proceed. | 200,000.00 | Not probable | CONTINGENT LIABILITY |
| 55 | Ngubane TT v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his property after a stream overflowed into his property as a result of municipal employee's negligence. | 2010 | Insurance | An assessment was conducted by an independent assessor. Matter is ongoing. | 118,490.00 | Not probable | CONTINGENT LIABILITY |
| 58 | Gayer Gail v Msunduzi Municipality | Delictual Claim: Plaintiff fell of her bicycle due to a collision with a pothole/ an uneven road surface. | 2010 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | A defendant's plea has been filed. The matter is ongoing. CURRENT STATUS : Pre-Trial has been finalised. Merits have been conceded by the other side. Proceeding on Quantum alone. Pleadings have closed and the Plaintiff's Attorney's are applying for a Trial date. We therefore currently await a trial date to be allocated. | 262,473.98 | Not probable | CONTINGENT LIABILITY |
| 59 | Selepe H v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2010 | Internal | Ongoing. | 5,189.35 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F1 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2017 | | | | | | | | |
|---|---|--|----------------|---|---|--------------|------------------------|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 31 July 2017 and quantum, where applicable | Amount | Probability of outflow | DISCLOSURE |
| 60 | Mahlaba B o.b.o. Mahlaba AY v Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for a shooting incident that resulted in the death of a minor child. A municipal employee fired a shot whilst in the course and scope of his employment. | 2010 | Internal/Insurance | A letter of demand was received and sent to the Insurance Section for an investigation. The matter is ongoing. | 1,000,000.00 | Not probable | CONTINGENT LIABILITY |
| 63 | Reddy Ronald v Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | The matter is part-heard. | 282,818.08 | Not probable | CONTINGENT LIABILITY |
| 65 | Mavundla AB v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for being allegedly unlawfully arrested and detained by Municipal Traffic Officers. | 2010 | Internal | A notice of application in terms of Rule 55 (A) has been received. Ongoing. | 100,000.00 | Not probable | CONTINGENT LIABILITY |
| 66 | Ngidi SS v. Msunduzi Municipality | Delictual claim. Plaintiff suing Municipality on behalf of a minor child for injuries caused by leaving electricity wires uncovered. | 2010 | Internal/Insurance | Ongoing. | 2,200,000.00 | Not probable | CONTINGENT LIABILITY |
| 68 | Mbatha BC v. Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2010 | Internal | A letter of demand has been received and sent to the Insurance Section for investigation. The matter is ongoing. | 16,794.48 | Not probable | CONTINGENT LIABILITY |
| 74 | Nondzanga Z. v. Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality for allegedly confiscating his trolley and his goods subsequently going missing. | 2011 | Internal | Ongoing. | 22,232.97 | Not probable | CONTINGENT LIABILITY |
| 75 | Union Risk Management Alliance (PTY) LTD v. Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to its property as a result of a fire allegedly caused by electrical faults. | 2011 | External Insurance | A letter of demand was received and sent to external insurers. The matter is ongoing. | 152,948.84 | Not probable | CONTINGENT LIABILITY |
| 76 | Dladla NB v. Msunduzi Municipality | Overpayment of Rates. The Plaintiff is disputing a rates account and is seeking reimbursement. | 2011 | Internal | A defendant's plea has been filed. The matter is ongoing. | 109,038.97 | Not probable | CONTINGENT LIABILITY |
| 83 | KZN-Digi connect | Claim by contractor for payment for IT services allegedly rendered. | 2012 | Alwyn Volsum & Associates. 4 George street, Pietermaritzburg, 3201. james@kwelalaw.co.za. Fax:096 715 1379 Tel: 033 394 8116 | Matter not being pursued by plaintiff. | 505,000.00 | Not probable | CONTINGENT LIABILITY |
| 87 | Joubert ML v. Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2011 | Internal | ongoing. | 100,550.00 | Not probable | CONTINGENT LIABILITY |
| 91 | Sayed J t/a Metro Taxis and yellow cabs v. Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2012 | Internal | A letter of demand has been received and sent to the Insurance Section for investigation. The matter is ongoing. | 15,950.52 | Not probable | CONTINGENT LIABILITY |
| 92 | Bishop's roadworks v. Msunduzi Municipality | Contractual claim. Plaintiff suing the Municipality in terms of a contract. | 2012 | Internal | Ongoing. | 32,548.93 | Not probable | CONTINGENT LIABILITY |
| 95 | Govender K v. Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers. | 2012 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | A Discovery affidavit has been filed. The matter is ongoing. CURRENT STATUS : This matter is dormant and the last activity was in 2013. Therefore, we have archived our file. | 180,000.00 | Not probable | CONTINGENT LIABILITY |
| 97 | Check One Supermarket (PTY) LTD v. Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality for overcharges in relation to a water account. | 2012 | Internal | Ongoing. | 139,961.45 | Not probable | CONTINGENT LIABILITY |
| 101 | Smith JC v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to her vehicle due to colliding with a pothole. | Dec-12 | Internal | The matter is part-heard. | 17,847.94 | Not probable | CONTINGENT LIABILITY |
| 104 | Mkhonza B. v Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality due to a fall on an uneven pavement slab. | Oct-12 | Internal | Ongoing. | 293,000.00 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F1 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2017 | | | | | | | | |
|---|---|--|----------------|---|--|------------|------------------------|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 31 July 2017 and quantum, where applicable | Amount | Probability of outflow | DISCLOSURE |
| 106 | Ibrahim M. v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | Apr-13 | Internal | Ongoing. | 7,000.00 | Not probable | CONTINGENT LIABILITY |
| 107 | Bukus HM v Msunduzi Municipality | Delictual Claim: The claim arises from a motor vehicle collision involving Plaintiff's vehicle and a Municipal vehicle driven by an employee in the course and scope of his employment. | May-13 | Internal | Ongoing. | 17,270.24 | Not probable | CONTINGENT LIABILITY |
| 109 | Wood DM v. Msunduzi Municipality | Delictual Claim: The Plaintiff sustained injuries due to a fall caused by an uneven pavement. | Oct-12 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | The Defendant has filed an amended plea. The matter is ongoing. CURRENT STATUS : Pleadings closed in November 2014. The Defendant (Msunduzi Municipality) filed its discovery affidavit and the Plaintiff (Wood) filed its discovery affidavit. Therefore, the matter is ready for trial. The Plaintiff has taken no further steps | 123,000.00 | Not probable | CONTINGENT LIABILITY |
| 110 | Ramharak RJ v Msunduzi Municipality | Delictual Claim: The Plaintiff is a Municipal employee. He is suing the Municipality because he was assaulted by a fellow employee within the premises of the Municipality whilst they were in the course and scope of their employment. | Nov-12 | Internal | Pre-Trial notices have been exchanged. Ongoing. | 300,000.00 | Not probable | CONTINGENT LIABILITY |
| 111 | Ogle COO v Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | Dec-12 | Internal/Insurance | An appearance to defend has been filed. The matter is ongoing. | 300,000.00 | Not probable | CONTINGENT LIABILITY |
| 113 | Makhaye SB v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | Mar-13 | Internal | An application to dismiss was received and opposed. Various correspondences exchanged between attorneys of record. The matter is ongoing. | 8,688.46 | Not probable | CONTINGENT LIABILITY |
| 114 | Transnet (PTY)LTD v Msunduzi Municipality | Delictual claim. The claim arises from a motor vehicle collision involving a municipal vehicle and the plaintiff's vehicle. | Mar-13 | Internal | Ongoing. | 48,409.10 | Not probable | CONTINGENT LIABILITY |
| 115 | Ngcobo NP v Msunduzi Municipality | Delictual Claim: Plaintiff's vehicle sustained damages due to colliding with a pothole. | Apr-13 | Internal | A letter of demand has been received and sent to the Insurance Section for an investigation. Ongoing. | 1,639.11 | Not probable | CONTINGENT LIABILITY |
| 116 | Barnard S. v. Msunduzi Municipality | Delictual Claim: The claim arises from a power surge claim where Plaintiff's goods were damaged. | Feb-13 | Internal | A letter of demand has been received and sent to the insurance Section for an investigation. Ongoing. | 8,369.97 | Not probable | CONTINGENT LIABILITY |
| 117 | Karim S. v. Msunduzi Municipality | Disputed Account for electricity and Rates. Mr Karim claims that he has sold the property. | Sep-12 | Internal | A letter of demand has been received. The matter is ongoing. | 4,211.52 | Not probable | CONTINGENT LIABILITY |
| 123 | I. Hansa | Delictual Claim: Plaintiff fell into an uncovered manhole in the vicinity of Mountain rise. | 2013 | Internal | A letter of demand has been received and sent to Insurance Section for an investigation. Ongoing. A summons was issued in November 2015. The matter is being defended internally. | 21,394.50 | Not probable | CONTINGENT LIABILITY |
| 124 | Y. Maharaj | Delictual Claim: A power surge caused damage to Plaintiff's household appliances. | 2013 | Internal | A letter of demand has been received and sent to Insurance for an investigation. Ongoing. | 30,924.99 | Not probable | CONTINGENT LIABILITY |
| 125 | V. Maharaj | Delictual Claim: Plaintiff's vehicle sustained damages due to colliding with a pothole. | 2013 | internal | A letter of demand has been received and sent to the Insurance Section for an investigation. Ongoing. | 20,497.49 | Not probable | CONTINGENT LIABILITY |
| 126 | N.I. Dlamini | Delictual Claim: Plaintiff's vehicle sustained damages due to colliding with a pothole. | 2013 | Internal | A letter of demand has been received and sent to the Insurance Section for an investigation. Ongoing. | 1,012.83 | Not probable | CONTINGENT LIABILITY |
| 129 | CDK Investments Trust CC | Electricity Disconnection Acc number 2915243. The Plaintiff is disputing the disconnection. | 2013 | Internal | Costs cannot be quantified at this stage. Ongoing. | | Not probable | CONTINGENT LIABILITY |
| 130 | CDK Investments Trust CC | Electricity Disconnection Acc number 2976214. The Plaintiff is disputing the disconnection. | 2013 | Internal | Costs cannot be quantified at this stage. Ongoing. | | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F1 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2017 | | | | | | | | |
|---|--|---|----------------|--|--|---------------|------------------------|------------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 31 July 2017 and quantum, where applicable | Amount | Probability of outflow | DISCLOSURE |
| 133 | ABI Soft Drinks Division | Rates Recovery: The Plaintiff is disputing a rates account and is seeking reimbursement. | 2014 | Internal | A letter of demand has been received and various meeting held with the Billing Section. Ongoing. | 125,837.97 | Not probable | CONTINGENT LIABILITY |
| 136 | Transnet/ Occupiers of Woodlands and Msunduzi Municipality | Application for eviction of illegal occupiers from railway sidings. Msunduzi a party because it previously agreed to move occupiers. Social survey now completed. Application for funding to relocate the occupiers made to DOHS. | 2013 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Moodley | Costs if unsuccessful and costs of relocation. Matter on-going and building has commenced. Costs and further legal fees cannot be quantified at this stage. | | Not probable | CONTINGENT LIABILITY |
| 142 | Gonal Construction CC | claim for breach of contract for non-payment | 2014 | Internal | Ongoing | 901,118.93 | Not probable | CONTINGENT LIABILITIES |
| 146 | Mabusi Contractor | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2014 | Internal | The plaintiff issued a letter of demand against the Municipality for monies owed in terms of a contract. The matter has been referred to the relevant departments for a response. The matter is ongoing. | 8,000,000.00 | Not probable | CONTINGENT LIABILITIES |
| 148 | Telkom SA SOC LTD/ Msunduzi Municipality (127 Waterwork Road-Edendale) Case No. 13903/2015 | Delictual claim: The plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes. | 2014 | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, Adv AJ Dickson, 17 Prince Edward Street, Advocate's Chambers, tel: 38453542/3, fax: 38453544, e-mail: adickson@law.co.za | The matter is ongoing. Awaiting judgement in another case. | 74,803.90 | Not probable | CONTINGENT LIABILITIES |
| 157 | Farouk Jasat N.O & 3 others/ Msunduzi Municipality | Delictual Claim for damages: Plaintiffs motor vehicle collided with a pothole on Scania Road Intersection. Action instituted in the Magistrates Court under case number 2219/2015 | 2014 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za | matter being defended. Pre-Trial Notices have been exchanged. | 54,588.60 | Not probable | CONTINGENT LIABILITIES |
| 163 | Bermin Investments CC t/a Magalela electrical | Contractual claim. Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2015 | Internal | This is a claim arising from a contractual dispute. The claim is being defended and an appearance to defend as well as a defendant's plea have been filed. | 170,100.69 | Not probable | CONTINGENT LIABILITY |
| 166 | Lloyd Mentory/ Msunduzi Municipality | Delictual Claim for damages: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having collided with a pothole in the vicinity of Otto's Bluff Road. | 2015 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Anton Flemming | The matter is ongoing. | 31,487.02 | Not probable | CONTINGENT LIABILITY |
| 176 | Southern African Music Rights Organisation/ Msunduzi Municipality | Breach of contract in terms of copyright laws. Action instituted in the Magistrates Court under case number 5701/2015 | 2015 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate V. Moodley | Matter is ongoing. | 170,265.21 | Not probable | CONTINGENT LIABILITY |
| 188 | Moosa Omar | Debatement of Electricity Account. | 2015 | Xaba Attorneys, 251 Church Street, Suit 201, 2nd floor, Fedure Building, Pietermaritzburg, 3200, tel: 0333457927, fax:0333456985, cell0720390353, e-mail: dumixaba@xabainc.com | Debatement meeting took place. Finance to interrogate services account and advise on correctness. Matter ongoing | | Not Probable | CONTINGENT LIABILITY |
| 195 | Belinda Lisa Bramdaw | Interdict: To prevent the Municipality from disconnecting electricity. | 2015 | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg, PO Box 50, Pietermaritzburg, 3200 and Adv R Padayachee SC Tel: 033 845 3546 Fax 033 394 5744 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | Opposing papers have been filed and awaiting applicant to file responding papers to set matter down. Matter ongoing. | | Not probable | CONTINGENT LIABILITY |
| 197 | Anthoo Marion and Associates | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2015 | Internal | An appearance to defend has been filed at court. | 12,935.00 | Not probable | CONTINGENT LIABILITY |
| 222 | Ilitha Research and Management CC | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2016 | Internal | The summons was issued in the Magistrates Court. Further particulars were sought from ICT and an appearance to defend has been filed. The matter is ongoing. | 62,768.00 | Not probable | CONTINGENT LIABILITIES |
| 226 | Various Employees from Community Services (31)/ Msunduzi Municipality | Delictual Claim: Plaintiffs are suing the municipality for alleged assault that took place during an unprotected strike. | 2016 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, | The matter is ongoing. | 10,850,000.00 | Not probable | CONTINGENT LIABILITIES |
| 227 | Bigen Afrika Services (PTY) Ltd. | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2016 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, | A summons has been received. An appearance to defend will be filed at court. Matter on-going. | 919,979.00 | Not probable | CONTINGENT LIABILITIES |

| THE MSUNDUZI MUNICIPALITY APPENDIX F1 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2017 | | | | | | | | |
|---|---|---|----------------|---|---|----------------------|------------------------|------------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 31 July 2017 and quantum, where applicable | Amount | Probability of outflow | DISCLOSURE |
| 234 | Mr Mduduzi Collen Sosibo, Mrs Sosibo | Delictual Claim: The plaintiff is suing the Municipality in respect of rates, taxes and services owed by the previous owner of the property. | 2016 | internal | summons were received from the plaintiff. Discovery notices have been filed and served on the plaintiff. | 132,431.96 | Not probable | CONTINGENT LIABILITIES |
| 235 | AMA-Grace Business Enterprises | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered damages as a result of a burst pipe which then allegedly caused damage to the plaintiff's property. | 2016 | Internal | Notices in terms of Rule 23 have been filed and served on the plaintiff. | 59,042.52 | Not probable | CONTINGENT LIABILITIES |
| 236 | Philani Kenneth Sikhosana | Delictual Claim: The plaintiff is suing the Municipality for damages incurred as a result of the alleged failure of the defendant to keep the Hall in good condition for the Plaintiff's event on time. | 2016 | Internal | A plea has been filed and served on the plaintiff. | 90,000.00 | Not probable | CONTINGENT LIABILITIES |
| 239 | Prethabran Govender | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein the municipality allegedly caused damages to the properties of eight tenants as a result of a power surge. | 2016 | Internal | A summons in the amount of were received. A Notice of Exception in terms of Rule 19 (1) to Plaintiff's Particulars of claim has been filed in court and served on the plaintiff | 48,200.00 | Not probable | CONTINGENT LIABILITY |
| 244 | Elizabeth Fredrica Jepson and The Msunduzi Local Municipality | Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff allegedly tripped over the pavement and was injured. | 2017 | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Deon Schaup 033-8453501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | During the month of March, an Appearance to Defend was filed in court and served on the Plaintiff. Possible settlement. | 545,540.00 | Not probable | CONTINGENT LIABILITY |
| 250 | Qalapha Jacob Ngubane and Msunduzi Municipality | Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a power outage which resulted in a power surge. | 2017 | Internal | During the month of May 2017, and Appearance to defend was filed and served on the Plaintiff. | 21,862.00 | Not probable | CONTINGENT LIABILITY |
| 252 | Telkom SA SOC LTD/ Msunduzi Municipality (Zwartkop, Blackridge) Case No. 15793/2015 | Delictual claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes. | 2015 | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, Adv AJ Dickson, 17 Prince Edward Street, Advocate's Chambers, tel: 38453542/3, fax: 38453544, e-mail: dickson@law.co.za | Costs and further legal fees cannot be quantified at this stage as the matter is ongoing. Awaiting judgement in another case. | 25,554.55 | Not probable | CONTINGENT LIABILITY |
| 254 | Zama Traffic Signals | Contractual dispute: Applicant sought an order to review the Municipality's decision to cancel a contract of services. | 2015 | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, advocate A. De Wet, 17 Prince Edward Street, Advocates' Chambers, tel: 0338453534, fax: 033-3428941, e-mail: dewet@group8.co.za | Matter is ongoing. | 1,076,846.01 | Not probable | CONTINGENT LIABILITY |
| 255 | Msunduzi Municipality/ Gubela Trading | Contractual dispute: Applicant sought an order to review the Municipality's decision to cancel a contract of services. | 2015 | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, advocate A. De Wet, 17 Prince Edward Street, Advocates' Chambers, tel: 0338453534, fax: 033-3428941, e-mail: dewet@group8.co.za | The matter is ongoing. | 595,337.26 | Not probable | CONTINGENT LIABILITY |
| 256 | Various Employees from Community Services (8) | Delictual Claim: Plaintiffs are suing the municipality for alleged assault that took place during an unprotected strike. | 2016 | Internal | Letters of demand received | 2,900,000.00 | Not probable | CONTINGENT LIABILITY |
| 304 | SAMWU | Labour Dispute | 2017 | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Deon Schaup 033-8453501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | Risk. Settlement of Risk Allowance and legal fees estimate | | Not probable | CONTINGENT LIABILITY |
| TOTAL | | | | | | 38,970,191.39 | | |

| THE MSUNDUZI MUNICIPALITY APPENDIX F2 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2016 | | | | | | | | |
|---|--|--|----------------|--|--|--------------|--|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 30 June 2016 and quantum, where applicable | AMOUNT | PROBABILITY OF OUTFLOW OF ECONOMIC RESOURCES | DISCLOSURE |
| 6 | Kheswa v. Msunduzi Municipality | Delictual Claim: The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle. | 2009 | Internal | Ongoing. | 30,470.12 | Not probable | CONTINGENT LIABILITY |
| 7 | FBI Khan and RY Khan v Msunduzi Municipality | Delictual Claim. The claim arises from Plaintiff's motor vehicle colliding with a street lamp belonging to the Municipality. | 2009 | Internal | Matter was previously set down for trial and is part heard. | 64,547.39 | Not probable | CONTINGENT LIABILITY |
| 8 | Orion Telecom v. Msunduzi Municipality | Contractual Claim: Plaintiff sued the Municipality for outstanding fees in terms of a contract. | 2007 | Internal | Plea filed. Plaintiff did not proceed any further. | 115,236.90 | Not probable | CONTINGENT LIABILITY |
| 10 | Nzaba IN v Msunduzi Municipality | Delictual Claim. The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle. | 2008 | Bhamjee Attorneys: Tel 033 394 2007 Fax 033 394 2033 Physical Address 191 Burger Street, Pietermaritzburg, 3201. Postal Address PO Box 1336, Pietermaritzburg, 3200. | Set down for trial was part-heard. Ongoing. | 73,500.00 | Not probable | CONTINGENT LIABILITY |
| 12 | Thuthugisa Contracting Enterprise v. Msunduzi municipality | Memorandum of Agreement Dispute. Plaintiff owed monies by the Municipality in terms of a contract. | 2007 | Internal | In court. | 210,749.00 | Not probable | CONTINGENT LIABILITY |
| 13 | Hampton College v. Msunduzi Muni | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality on the validity of training courses provided by the Plaintiff. | 2007 | Afzal Akoo and Partners Tel: 033 394 7274 Fax: 033 345 0938. Physical Address 187 Boshoff Street, Pietermaritzburg, 3201. Postal Address PO Box 7836, Cumberwood, 3235. and Kruger Ngcobo Inc. Tel 031 306 4352 Fax: 031 305 4340 Physical Address 25 Field Street, Suite 1102, Durban Postal Address PO Box 49467 Qualbert 4078. and ADV Flemming Tel: 033 845 3576 Fax: 033 394 8374. Physical Address Advocates Chambers, Block B3 17 Prince Edward Street, Pietermaritzburg, 3201. | Part - heard. Ongoing. | 85,470.00 | Not probable | CONTINGENT LIABILITY |
| 14 | Chetty K. v. Msunduzi Municipality | Delictual Claim. The claim herein arises from a motor vehicle collision involving Plaintiffs vehicle and a Municipal vehicle. | 2006 | Internal | percent per annum. Ongoing. | 26,169.86 | Not probable | CONTINGENT LIABILITY |
| 15 | R. Terty v Msunduzi Municipality | Delictual Claim: The claim arises from a cremation that was allegedly not done correctly. The Plaintiff's are suing for the trauma they were subjected to. | 2007 | Insurance | Ongoing | 50,000.00 | Not probable | CONTINGENT LIABILITY |
| 16 | Terwolbeek PJ v Msunduzi Municipality | Delictual Claim: A water pipe allegedly causing flooding at Plaintiff's property and damaging his household appliances. | 2008 | Insurance | Ongoing. | 1,121,620.00 | Not probable | CONTINGENT LIABILITY |
| 17 | Govender RS v Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | 2008 | Internal | A discovery affidavit has been filed. The matter is ongoing. | 75,000.00 | Not probable | CONTINGENT LIABILITY |
| 18 | A and F Mall v Msunduzi Municipality | Disputed Electricity Account. | 2007 | Internal | Various correspondence exchanged between attorneys of record. The matter is ongoing. | 17,181.33 | Not probable | CONTINGENT LIABILITY |
| 19 | Mkungisa E v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle as a result of a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee within the course and scope of his employment. | 2007 | Internal | The Defendant filed an amended plea (defence). The matter is ongoing. | 6,213.00 | Not probable | CONTINGENT LIABILITY |
| 20 | F. Osman V Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | 2007 | Internal | A defendants plea has been filed. The matter is ongoing. | 306,666.44 | Not probable | CONTINGENT LIABILITY |
| 21 | Zulu TE v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to his vehicle as a result of a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2007 | Internal | Correspondence exchanged between attorneys of record. The matter is ongoing. | 8,709.22 | Not probable | CONTINGENT LIABILITY |
| 22 | Rabikisoan R v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained during a fall on an uneven pavement on Retief Street. | 2007 | Internal | Ongoing. | 20,000.00 | Not probable | CONTINGENT LIABILITY |
| 23 | Zuma NG v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers. | 2008 | Internal | Correspondence exchanged between attorneys of record. The matter is ongoing. | 100,000.00 | Not probable | CONTINGENT LIABILITY |
| 24 | Van Straaten W(DR) v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2008 | Internal | Ongoing. | 96,401.43 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F2 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2016 | | | | | | | | |
|---|---|--|----------------|--|---|--------------|--|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 30 June 2016 and quantum, where applicable | AMOUNT | PROBABILITY OF OUTFLOW OF ECONOMIC RESOURCES | DISCLOSURE |
| 25 | Majozi NV v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained due to a fall on an uneven pavement in Retief Street. | 2007 | Uys Matyeka Schwartz: Tel 031 312 2064 Fax: 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | Part-heard | 110,046.28 | Not probable | CONTINGENT LIABILITY |
| 26 | Zondi PS v Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2007 | Internal | The matter is ongoing. | 15,080.00 | Not probable | CONTINGENT LIABILITY |
| 27 | Omarjee M. v Msunduzi Municipality | Delictual Claim: The plaintiff is suing the Municipality because of injuries sustained due to an act of assault by Municipal Traffic Officers in the course and scope of their employment. | 2005 | Internal | Settlement negotiations have been initiated. The matter is ongoing. | 31,000.00 | Not probable | CONTINGENT LIABILITY |
| 28 | Painter LV v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to his vehicle after a tree had fallen on top of Plaintiff's vehicle. | 2006 | Internal | Pre-trial notices have been exchanged. The matter is ongoing. | 45,361.38 | Not probable | CONTINGENT LIABILITY |
| 29 | Dladla G v Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | 2006 | Internal | Further particulars were requested from Plaintiff. The matter is ongoing. | 20,000.00 | Not probable | CONTINGENT LIABILITY |
| 30 | Roelefse v Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for injuries sustained due to a fall on an uneven pavement in Drumond Street. | 2002 | Internal | A defendant's plea was filed. The matter is ongoing. | 41,032.58 | Not probable | CONTINGENT LIABILITY |
| 31 | Premier of KZN v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to its property as a result of a tree that had fallen. | 2003 | Internal | Various correspondence exchanged between attorneys of record. Ongoing. | 11,340.00 | Not probable | CONTINGENT LIABILITY |
| 32 | Sullaiman R v Msunduzi Municipality | Delictual Claim: Plaintiff fell into a manhole when its cover caved in under her foot and sustained injuries. | 1998 | Internal | Pre-trial notices have been exchanged. The matter is ongoing. | 50,000.00 | Not probable | CONTINGENT LIABILITY |
| 33 | Haffeejee RB v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2004 | Internal | Ongoing | 98,800.00 | Not probable | CONTINGENT LIABILITY |
| 34 | Makhaye S v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2005 | Internal | Matter finalised. Municipality successfully defended claim motor vehicle collision. | 42,704.96 | Not probable | CONTINGENT LIABILITY |
| 35 | Zondi M. v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for alleged unlawful arrest and detention by Municipal Traffic Officers. | 2006 | Internal | Matter set down. Part-heard. Unlawful arrest. | 50,000.00 | Not probable | CONTINGENT LIABILITY |
| 42 | Ngcobo RB v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2003 | Internal | Matter ongoing. | 11,375.27 | Not probable | CONTINGENT LIABILITY |
| 44 | Mamusa Marketing v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after having been involved in a collision with a Municipal vehicle driven by an employee in the course and scope of his employment. | 2007 | Internal | The matter is part-head. | 9,823.48 | Not probable | CONTINGENT LIABILITY |
| 46 | Ogilvie I v Msunduzi Municipality | Delictual claim. Plaintiff suing the Municipality for injury caused by trenches on public road. | 2006 | Insurance | Ongoing. | 166,160.54 | Not probable | CONTINGENT LIABILITY |
| 47 | Ngcobo DV v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality on behalf of a minor child who was knocked by a bobcat tractor driven by a Municipal employee in the course and scope of his employment. | 2007 | Insurance | A Defendant's plea was filed. The matter is handled by external insurers. Ongoing. | 1,800,000.00 | Not probable | CONTINGENT LIABILITY |
| 48 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 2,424.50 | Not probable | CONTINGENT LIABILITY |
| 49 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 5,519.06 | Not probable | CONTINGENT LIABILITY |
| 50 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 5,586.00 | Not probable | CONTINGENT LIABILITY |
| 51 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew. Matter held in abeyance. | 1,721.40 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F2 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2016 | | | | | | | | |
|---|---|--|----------------|---|--|--------------|--|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 30 June 2016 and quantum, where applicable | AMOUNT | PROBABILITY OF OUTFLOW OF ECONOMIC RESOURCES | DISCLOSURE |
| 52 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew.Matter held in abeyance. | 4,902.00 | Not probable | CONTINGENT LIABILITY |
| 53 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew.Matter held in abeyance. | 5,163.06 | Not probable | CONTINGENT LIABILITY |
| 54 | Gavin's panel Shop v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Plaintiff's attorney's of record withdrew.Matter held in abeyance. | 5,506.20 | Not probable | CONTINGENT LIABILITY |
| 55 | Naidoo Kogulan v Msunduzi Municipality | Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole. | 2010 | Internal | Matter is ongoing. | 100,000.00 | Not probable | CONTINGENT LIABILITY |
| 56 | Majozi HS v Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality for injuries sustained as a result of having fallen into an uncovered manhole. | 2010 | Internal | Matter is ongoing. | 95,000.00 | Not probable | CONTINGENT LIABILITY |
| 57 | Dlamini BM v Msunduzi Municipality | Delictual Claim: Plaintiff's minor child fell into an open trench/ drainage system and sustained injuries to their lower limbs. | 2010 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre, Postal Address PO Box 1328, Durban, 4000. | The matter is ongoing. | 300,000.00 | Not probable | CONTINGENT LIABILITY |
| 58 | Bishop's roadworks v. Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2009 | Internal | Appearance to defend has been filed. Matter is ongoing. | 120,000.00 | Not probable | CONTINGENT LIABILITY |
| 60 | Daljeeth Daljeeth v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality after he fell and sustained injuries due to certain steel rods that were protruding dangerously on the pavement. | 2010 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre, Postal Address PO Box 1328, Durban, 4000. | Matter is ongoing. | 200,000.00 | Not probable | CONTINGENT LIABILITY |
| 62 | Ngubane TT v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his property after a stream overflowed into his property as a result of municipal employee's negligence. | 2010 | Insurance | An assesment was conducted by an independent assessor. Matter is ongoing. | 118,490.00 | Not probable | CONTINGENT LIABILITY |
| 67 | Gayer Gail v Msunduzi Municipality | Delictual Claim: Plaintiff fell of her bicycle due to a collision with a pothol/ an uneven road surface. | 2010 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre, Postal Address PO Box 1328, Durban, 4000. | A defendant's plea has been filed. The matter is ongoing. | 262,473.98 | Not probable | CONTINGENT LIABILITY |
| 68 | Selepe H v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2010 | Internal | Ongoing. | 5,189.35 | Not probable | CONTINGENT LIABILITY |
| 69 | Mahlaba B o.b.o. Mahlaba AY v Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for a shooting incident that resulted in the death of a minor child. A municipal employee fired a shot whilst in the course and scope of his employment. | 2010 | Internal/Insurance | A letter of demand was received and sent to the Insurance Section for an investigation. The matter is ongoing. | 1,000,000.00 | Not probable | CONTINGENT LIABILITY |
| 72 | Reddy Ronald v Msunduzi Municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | The matter is part-heard. | 282,818.08 | Not probable | CONTINGENT LIABILITY |
| 73 | Thuthugisa Contracting Enterprise v. Msunduzi municipality | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2010 | Internal | Ongoing. | 8,051,632.79 | Not probable | CONTINGENT LIABILITY |
| 74 | Mavundla AB v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for being allegedly unlawfully arrested and detained by Municipal Traffic Officers. | 2010 | Internal | A notice of application in terms of Rule 55 (A) has been receive. Ongoing. | 100,000.00 | Not probable | CONTINGENT LIABILITY |
| 75 | Ngidi SS v. Msunduzi Municipality | Delictual claim. Plaintiff suing Municipality on behalf of a minor child for injuries caused by leaving electricity wires uncovered. | 2010 | Internal/Insurance | Ongoing. | 2,200,000.00 | Not probable | CONTINGENT LIABILITY |
| 78 | Mbatha BC v. Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2010 | Internal | A letter of demand has been received and sent to the Insurance Section for investigation. The matter is ongoing. | 16,794.48 | Not probable | CONTINGENT LIABILITY |
| 84 | Nondzanga Z. v. Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality for allegedly confiscating his trolley and his goods subsequently going missing. | 2011 | Internal | Ongoing. | 22,232.97 | Not probable | CONTINGENT LIABILITY |
| 85 | Union Risk Management Alliance (PTY) LTD v. Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to its property as a result of a fire allegedly caused by electrical faults. | 2011 | Internal | A letter of demand was received and sent to external insurers. The matter is ongoing. | 152,948.84 | Not probable | CONTINGENT LIABILITY |
| 86 | Dladla NB v. Msunduzi Municipality | Overpayment of Rates. The Plaintiff is disputing a rates account and is seeking reimbursment. | 2011 | Internal | A defendant's plea has been filed. The matter is ongoing. | 109,038.97 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F2 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2016 | | | | | | | | |
|--|--|--|----------------|--|---|------------|--|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 30 June 2016 and quantum, where applicable | AMOUNT | PROBABILITY OF OUTFLOW OF ECONOMIC RESOURCES | DISCLOSURE |
| 102 | KZN-Digi connect | Claim by contractor for payment for IT services allegedly rendered. | 2012 | Mr. Alwyn Volsum: 033 394 8116; 4 George Street, Pietermaritzburg, tel: 3948116, fax: 0866215902, e-mail: vcl@iafrica.com, Advocate VM . Naidoo: 033 845 3535. | Matter not being pursued by plaintiff. | 505,000.00 | Not probable | CONTINGENT LIABILITY |
| 111 | Joubert ML v. Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2011 | Internal | ongoing. | 100,550.00 | Not probable | CONTINGENT LIABILITY |
| 115 | Sayed J t/a Metro Taxis and yellow cabs v. Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2012 | Internal | A letter of demand has been received and sent to the Insurance Section for investigation. The matter is ongoing. | 15,950.52 | Not probable | CONTINGENT LIABILITY |
| 117 | Bishop's roadworks v. Msunduzi Municipality | Contractual claim. Plaintiff suing the Municipality in terms of a contract. | 2012 | Internal | Ongoing. | 19,609.98 | Not probable | CONTINGENT LIABILITY |
| 120 | Govender K v. Msunduzi Municipality | Delictual Claim: Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers. | 2012 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | A Discovery affidavit has been filed. The matter is ongoing. | 180,000.00 | Not probable | CONTINGENT LIABILITY |
| 122 | Check One Supermarket (PTY) LTD v. Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality for overcharges in relation to a water account. | 2012 | Internal | Ongoing. | 139,961.45 | Not probable | CONTINGENT LIABILITY |
| 127 | Smith JC v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to her vehicle due to colliding with a pothole. | Dec-12 | Internal | The matter is part-heard. | 17,847.94 | Not probable | CONTINGENT LIABILITY |
| 130 | Mkhonza B. v Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality due to a fall on an uneven pavement slab. | Oct-12 | Internal | Ongoing. | 293,000.00 | Not probable | CONTINGENT LIABILITY |
| 132 | Ibrahim M. v Msunduzi Municipality | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | Apr-13 | Internal | Ongoing. | 7,000.00 | Not probable | CONTINGENT LIABILITY |
| 133 | Bukus HM v Msunduzi Municipality | Delictual Claim: The claim arises from a motor vehicle collision involving Plaintiff's vehicle and a Municipal vehicle driven by an employee in the course and scope of his employment. | May-13 | Internal | Ongoing. | 17,270.24 | Not probable | CONTINGENT LIABILITY |
| 135 | Wood DM v. Msunduzi Municipality | Delictual Claim: The Plaintiff sustained injuries due to a fall caused by an uneven pavement. | Oct-12 | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | The Defendant has filed an amended plea. The matter is ongoing. | 123,000.00 | Not probable | CONTINGENT LIABILITY |
| 137 | Ramharak RJ v Msunduzi Municipality | Delictual Claim: The Plaintiff is a Municipal employee. He is suing the Municipality because he was assaulted by a fellow employee within the premises of the Municipality whilst they were in the course and scope of their employment. | Nov-12 | Internal | An appearance to defend has been filed. Ongoing. | 300,000.00 | Not probable | CONTINGENT LIABILITY |
| 139 | Ogle COO v Msunduzi Municipality | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries. | Dec-12 | Internal/Insurance | An appearance to defend has been filed. The matter is ongoing. | 300,000.00 | Not probable | CONTINGENT LIABILITY |
| 141 | Makhaye SB v Msunduzi Municipality | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | Mar-13 | Internal | An application to dismiss was received and opposed. Various correspondences exchanged between attorneys of record. The matter is ongoing. | 8,688.46 | Not probable | CONTINGENT LIABILITY |
| 142 | Transnet (PTY)LTD v Msunduzi Municipality | Delictual claim. The claim arises from a motor vehicle collision involving a municipal vehicle and the plaintiff's vehicle. | Mar-13 | Internal | Ongoing. | 48,409.10 | Not probable | CONTINGENT LIABILITY |
| 143 | Ngcobo NP v Msunduzi Municipality | Delictual Claim: Plaintiff's vehicle sustained damages due to colliding with a pothole. | Apr-13 | Internal | A letter of demand has been received and sent to the Insurance Section for an investigation. Ongoing. | 1,639.11 | Not probable | CONTINGENT LIABILITY |
| 144 | Barnard S. v. Msunduzi Municipality | Delictual Claim: The claim arises from a power surge claim where Plaintiff's goods were damaged. | Feb-13 | Internal | A letter of demand has been received and sent to the insurance Section for an investigation. Ongoing. | 8,369.97 | Not probable | CONTINGENT LIABILITY |
| 145 | Karim S. v. Msunduzi Municipality | Disputed Account for electricity and Rates. Mr Karim claims that he has sold the property. | Sep-12 | Internal | A letter of demand has been received. The matter is ongoing. | 4,211.52 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F2 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2016 | | | | | | | | |
|---|---|--|----------------|---|--|--------------|--|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 30 June 2016 and quantum, where applicable | AMOUNT | PROBABILITY OF OUTFLOW OF ECONOMIC RESOURCES | DISCLOSURE |
| 172 | I. Hansa | Delictual Claim: Plaintiff fell into an uncovered manhole in the vicinity of Mountain rise. | 2013 | Internal | A letter of demand has been received and sent to Insurance Section for an investigation. Ongoing. A summons was issued in November 2015. The matter is being defended internally. | 21,394.50 | Not probable | CONTINGENT LIABILITY |
| 173 | Y. Maharaj | Delictual Claim: A power surge caused damage to Plaintiff's household appliances. | 2013 | Internal | A letter of demand has been received and sent to Insurance for an investigation. Ongoing. | 30,924.99 | Not probable | CONTINGENT LIABILITY |
| 174 | V. Maharaj | Delictual Claim: Plaintiff's vehicle sustained damages due to colliding with a pothole. | 2013 | internal | A letter of demand has been received and sent to the Insurance Section for an investigation. Ongoing. | 20,497.49 | Not probable | CONTINGENT LIABILITY |
| 175 | N.I. Dlamini | Delictual Claim: Plaintiff's vehicle sustained damages due to colliding with a pothole. | 2013 | Internal | A letter of demand has been received and sent to the Insurance Section for an investigation. Ongoing. | 1,012.83 | Not probable | CONTINGENT LIABILITY |
| 177 | K.Shangase | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2013 | Internal | Ongoing. | 11,099.60 | Not probable | CONTINGENT LIABILITY |
| 178 | CDK Investments Trust CC | Electricity Disconnection Acc number 2915243. The Plaintiff is disputing the disconnection. | 2013 | Internal | Costs cannot be quantified at this stage.Ongoing. | | Not probable | CONTINGENT LIABILITY |
| 179 | CDK Investments Trust CC | Electricity Disconnection Acc number 2976214. The Plaintiff is disputing the disconnection. | 2013 | Internal | Costs cannot be quantified at this stage.Ongoing. | | Not probable | CONTINGENT LIABILITY |
| 183 | K. Murugan | Disputed Electricity Account | 2014 | Internal | No monetary value at this stage. A letter of demand has been received and sent to the Billing Section. Ongoing. | | Not probable | CONTINGENT LIABILITY |
| 184 | ABI Soft Drinks Division | Rates Recovery: The Plaintiff is disputing a rates account and is seeking reimbursment. | 2014 | Internal | A letter of demand has been received and various meeting held with the Billing Section. Ongoing. | 125,837.97 | Not probable | CONTINGENT LIABILITY |
| 192 | Transnet / Occupiers of Woodlands and Msunduzi Municipality | application for eviction of illegal occupiers from railway sidings. Msunduzi a party because it previously agreed to move occupiers.Social survey now completed. Application for funding to relocate the occupiers made to DOHS. | 2013 | Matthew Francis Inc.221 pietermaritz street,tel0873510600, fax:0862428747,e-mail:mail@mfilaw.co.za, advocate AJ Dickson, 17 Prince Edward Street, Advocates' Chambers, tel: 38453542/3, fax: 38453544,e-mail:adickson@law.co.za | Costs if unsuccessful and costs of relocation. Matter on-going. | | Not probable | CONTINGENT LIABILITY |
| 205 | Gonal Construction CC | claim for breach of contract for non-payment | 2014 | Internal | On going | 901,118.93 | Not probable | CONTINGENT LIABILITY |
| 214 | Mabusi Contractor | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2014 | Internal | The plaintiff issued a letter of demand against the Municipality for monies owed in terms of a contract. The matter has been referred to the relevant departments for a response. The matter is ongoing. | 8,000,000.00 | Not probable | CONTINGENT LIABILITY |
| 227 | Farouk Jasat | Delictual Claim:Plaintiffs motor vehicle collided with a pothole on Scania Road Intersection. | 2014 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za | The matter is being defended, during May pre-trial notices exchanged. | 54,588.60 | Not probable | CONTINGENT LIABILITY |
| 228 | SBB Ngcobo | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence. | 2014 | Internal | The rule nisi has been extended until discharged and the matter has been adjourned sine die to prevent accrual of further costs. Attorneys in the process of settling the matter. | | Not probable | CONTINGENT LIABILITY |
| 242 | Bermin Investments CC t/a Magalela electrical | Contractual claim. Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2015 | Internal | This is a claim arising from a contractual dispute. The claim is being defended and an appearance to defend as well as a defendant's plea have been filed. | 170,100.69 | Not probable | CONTINGENT LIABILITY |
| 247 | L. Mentory | Delictual Claim: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having collided with a pothole in the vicinity of Otto's Bluff Road. | 2015 | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Anton Flemming | The matter is ongoing. | 31,487.02 | Not probable | CONTINGENT LIABILITY |
| 259 | Southern African Music Rights Organisation | Breach of contract in terms of copyright laws. | 2015 | Matthew Francis Inc.221 pietermaritz street,tel0873510600, fax:0862428747,e-mail:mail@mfilaw.co.za | Summons received. Municipality entering an appearance to defend. Matter on-going. | 170,265.21 | Not probable | CONTINGENT LIABILITY |

| THE MSUNDUZI MUNICIPALITY APPENDIX F2 SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2016 | | | | | | | | |
|--|---|--|----------------|--|--|----------------------|--|----------------------|
| NO. | MATTER | MATTER TYPE | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED | Current status as at 30 June 2016 and quantum, where applicable | AMOUNT | PROBABILITY OF OUTFLOW OF ECONOMIC RESOURCES | DISCLOSURE |
| 277 | Barleda Plant and Civils | Contractual Dispute | 2015 | Matthew Francis Inc.221 pietermaritz street,tel0873510600, fax:0862428747,e-mail:mail@mfilaw.co.za, | Plaintiff advised Municipality that it was unable to perform in terms of a contract awarded for the upgrading of District Road D 2069, Vulindlela, on 3 October 2014. A letter confirming cancellation of the contract was transmitted by Supply Chain Management to Plaintiff. On 17 Oct 2014. We have cancelled the contract and placed plaintiff on terms. We have also attended to invoke the performance guarantee. | | Not probable | CONTINGENT LIABILITY |
| 280 | Moosa Omar | Debatement of Electricity Account. | 2015 | Xaba Attorneys, 251 Church Street, Suit 201, 2nd floor, Fedure Building, Pietermaritzburg, 3200, tel: 0333457927, fax:0333456985, cell0720390353, e-mail: dumixaba@xabainc.com | Debatement meeting took place. Finance to interrogate services account and advise on correctness. Matter ongoing | | Not Probable | |
| 288 | Belinda Lisa Bramdaw | Interdict: To prevent the Municipality from disconnecting electricity. | 2015 | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv R Padayachee SC Tel: 033 845 3546 Fax 033 394 5744 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | The application is against the Municipality. Our instructing Attorneys received letter from Applicant's Attorneys wanting to meet to settle matter. Matter ongoing. | | Not probable | CONTINGENT LIABILITY |
| 290 | Anthoo Marion and Associates | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2015 | Internal | An appearance to defend has been filed at court. | 12,935.00 | Not probable | CONTINGENT LIABILITY |
| 291 | Order: Kestner Plant Manufacturers (pty) Ltd, Englington Family Trust, Lindy Le Roux, Telabib (PTY) Ltd | Court order | Dec-15 | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv R Padayachee SC Tel: 033 845 3546 Fax 033 394 5744 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No Risk. Estimate of legal fees | | Not probable | CONTINGENT LIABILITY |
| 317 | S.S.Nyoka | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle. | 2016 | Internal | The summons herein was issued in the Magistrates Court. An appearance to defend has been filed. | 67,008.77 | Not probable | CONTINGENT LIABILITY |
| 318 | Ilitha Research and Management CC | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2016 | Internal | The summons was issued in the Magistrates Court. Further particulars were sought from ICT and an appearance to defend has been filed. The matter is ongoing. | 62,768.00 | Not probable | CONTINGENT LIABILITY |
| 322 | Various Employees from Community Services (31) | Delictual Claim: Plaintiffs are suing the municipality for alleged assault that took place during an unprotected strike. | 2016 | Matthew Francis Inc.221 pietermaritz street,tel0873510600, fax:0862428747,e-mail:mail@mfilaw.co.za, | Letters of demand have been received and forwarded to external insurers. | 10,850,000.00 | Not probable | CONTINGENT LIABILITY |
| 323 | Bigen Afrika Services (PTY) Ltd. | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract. | 2016 | Matthew Francis Inc.221 pietermaritz street,tel0873510600, fax:0862428747,e-mail:mail@mfilaw.co.za, | A summons has been received. An appearance to defend will be filed at court. Matter on-going. | 919,979.31 | Not probable | CONTINGENT LIABILITY |
| | | | | | | 41,619,628.06 | | |

CHAPTER 5 – SAFE CITY (MUNICIPAL ENTITY)



SAFE CITY MSUNDUZI NPC, REG. NO. 2010/024562/08 CHAIRPERSON'S ANNUAL REPORT - FOR THE YEAR ENDING 30TH JUNE 2017

1. BACKGROUND

Safe City Pietermaritzburg was formally constituted as an Association incorporated under section 21 of the Companies Act on 28 March 2002. The Intervention Team that took over Msunduzi Municipality administration, raised concerns that according to the MFMA that it is illegal to fund an organisation registered under section 21, and therefore, in order for Safe City to comply, it was compelled to register as a (Pty) LTD company. Subsequently, to ensure that Safe City complies with the MFMA, it was required to deregister as a section 21 company, and re-registered as Safe City Msunduzi (Pty) LTD in December 2010 thereby remaining legal as an entity of Msunduzi Municipality. Safe City then has been advised to register as a Non-For-Profit Company due to tax complications and the application has been approved by the Companies Intellectual Properties Commission (CIPC).

The Safe City project is a partnership which is governed by an agreement by which the Municipality would make the necessary financial resources available for the operation of the organisation as well as the capital expenditure required to extend the CCTV surveillance to other parts of the city. The Service Level Agreement (SLA) for the financial year 2016/17 forms part of a three-year SLA which has been agreed upon and signed by the Municipal Manager and Safe City Chairperson on the 30 July 2015.

2. DIRECTORS

The following persons are Directors of Safe City Msunduzi NPC.

It must be noted that there are still vacancies to be filled to achieve the maximum composition of Board members.

| Name of Director | Background Details | Number of Board Meetings Attended No. of meetings held: 7 |
|--|--|--|
| Ms. Z Sokhela | Director of BP Cascades Service Station Past President and Member of PCB, Member of UFET Council, UKZN Council and Current chairperson of the Safe City Board of Directors. | 6 |
| Dr. P Dlamini | Lecturer at UKZN | 2 Returned from study sabbatical |
| Mr V C Biggs | Retired Director: McCarthy Motors, Member of Allison Homes, Member of SAVS/NCVV, Member of BFC and Founder member of Safe City. | 5 |
| Ms. R Singh | Manager: Business Development: Risk & Compliance Dissemination: KwaZulu-Natal Law Society | 3 |
| Mr. S Ako- Nai | a) Occupation: Consultant & Academic & Coach b) Executive Consultant: Dydx Business Technologies c) Institute of Directors KZN Branch d) ISACA: Academic Advocate | 3 On study sabbatical |
| Ass Comm. T Davis (ret) | Retired SAPS Area Commissioner: KZN Midlands Member of Business Fighting Crime and Regional Chairperson: The League of Retired SAPS Members. | 5 |
| Mr G Moody | Managing Director: Aluminium Foil Converters | 5 |
| The following directors have resigned during 2016/17 | | |
| Name of Director | Reason for resigning | Number of Board Meetings Attended |
| Mr. Winship | Health reasons | 0 |
| Mr. K Vorster | Re located to Umhlanga Rocks | 3 |

PARTNERS

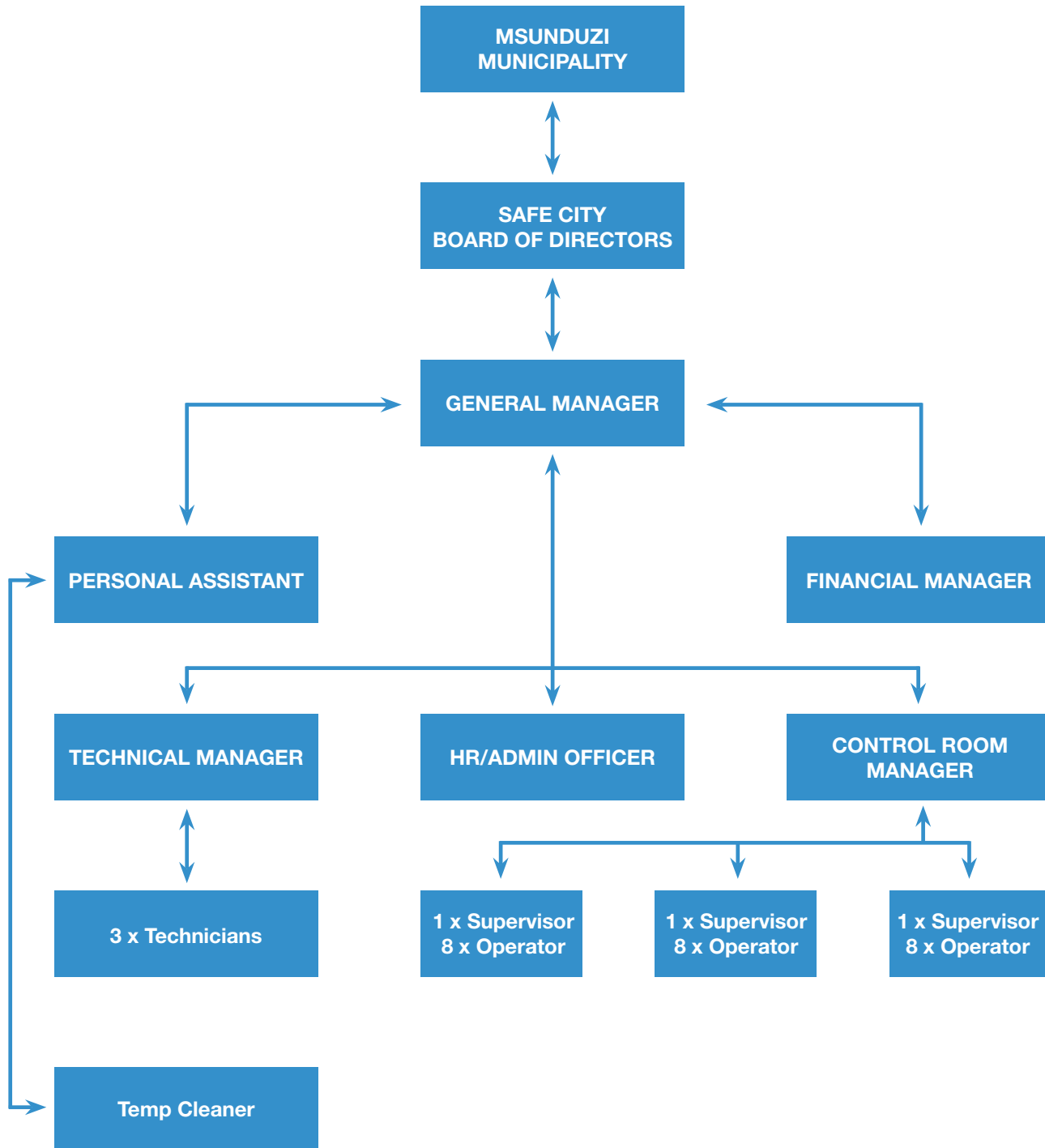
Safe City considers its partnership with the Msunduzi Municipality and the SAPS to be one of its notable strengths, while it also enjoys constructive relationships with the National Prosecuting Authority, BFC and various Community Police Forums. Operational meetings are being held on a daily, weekly as well as a monthly basis to discuss crime related matters and to improve this working relationship.

Safe City have a Traffic and Security representative who perform duties on week days between 07:00 and 16:00. A dedicated camera control desk has been made available solely for the purpose to detect bylaw infringements and to monitor traffic wardens performing point duty during peak traffic hours. There remains a dire need for a dedicated Municipal Response team to respond timeously to all bylaw infringements detected by Safe City.

Incidents such as the posting of illegal abortions posters which defaces our beautiful city are detected on a daily basis but the response from Municipal Traffic and Security is not efficient in order to combat this menace.

Through Business Fighting Crime (BFC) Safe City retain its efficient communication with the Pietermaritzburg Business Sector. On request of the CEO of the Pietermaritzburg Chamber of Business, Safe City monitored a number of labour unrest situations in the industrial area by means of our mobile camera. The SAPS responded in conjunction with these deployments.

SAFE CITY MSUNDUZI NPC ORGANOGRAM AS AT 30TH JUNE 2017



5. PARTICULAR MATTERS RELATING TO THE YEAR 2016/17

5.1 Safe Guarding of Priority Primary Electrical Sub Stations.

The primary sub stations as listed in the below is being monitored 24/7 at the Safe City Control Room as well as at the Electricity Dept. in Havelock Road. It needs however to be emphasized that the above installation is only phase 1 of three phases to ensure that all Msunduzi Priority substations are effectively safe guarded against vandalism and theft of equipment.

| Sub Station | Number of CCTV cameras |
|-------------|------------------------|
| Riverside | 16 |

| Sub Station | Number of CCTV cameras |
|---------------|------------------------|
| Retief Street | 18 |
| Prince Alfred | 15 |
| Mkodeni | 15 |
| Hesketh | 6 |
| Woodburn | 8 |
| Northdale | 8 |
| Pine Street | 14 |

The above are been monitored 24/7 at the Safe City Control Room as well as at the Electricity Dept. in Havelock Road. It needs however to be emphasized that the above installation is only phase 1 of three phases to ensure that all Msunduzi Priority substations are effectively safe guarded against vandalism and theft of equipment.

5.2 Pietermaritzburg Airport and Fresh Produce Market.

Safe City completed and submitted CCTV Proposal Plans for both the Pietermaritzburg Airport and Fresh Produce Market on request of the General Manager Sustainable Growth and City Entities. It is intended to upgrade the CCTV systems at both locations and link them to the Safe City Control Room. In order to ensure that both locations are monitored 24/7 it is intended for Safe City to perform a secondary monitoring function and relay images to the Joint Operation Centre (JOC) if and when there is a need for the JOC to be operational.

5.3 The Public Announcement System as a Law Enforcement Tool

The PA system has been used with great success during the past financial year. Please see statistics in the below.

The PA system is being utilised for the following purposes:

When suspects are detected in an area, pedestrians or the public will be warned to be on the alert and to secure their valuables as they might become victims of crime.

Potential victims will be advised to secure their handbags or valuables against bag-snatchers or pick-pocketers.

Suspects will be warned that they are under surveillance which in turn will be reduce their opportunities to commit a crime.

It is envisaged that more speakers will be added in identified hotspot areas.

| Type of Announcement | Number of Occasions |
|--|---------------------|
| General Public Warnings | 148 |
| Fighting | 55 |
| Suspicious Behaviour | 54 |
| Municipal Bylaw Infringements | 46 |
| Warning unruly/drunken patrons | 44 |
| Possible Possession of Stolen Property | 33 |
| Possession of Dangerous Weapon | 5 |
| Other | 11 |
| Total | 396 |

6. FINANCE:

6.1 Safe City Capital Budget for 2016/17

No capital budget was allocated to Safe City for the above-mentioned period.

Safe City has applied for the amount of R2 682 101 (exl vat) to upgrade the cctv surveillance system at the Pietermaritzburg Airport.

6.2 Safe City Operating Budget for 2016/17

Safe City has applied for **R7 799 000** (incl vat) for the 2016/17 financial year in order to maintain its high level of service excellence. We would like to thank the Municipality for allocating the said amount to us. This increase has been used to maintain the ageing CCTV infrastructure and also to accommodate staff salary increases and benefits in accordance with PSIRA guidelines.

For the financial year 2017/18 the amount of **R8 901 068** (incl vat) has been applied for. The increase in budget allocation is to accommodate the estimate cost of **R550 000** to be paid to the Auditor General and the amount of **R380 000** to be paid for insuring assets which has been transferred from the Municipality to Safe City. The allocation will also be used to ensure that:

- staff salaries are as per the Sectorial 6 determinations
- staff benefits such as medical aid and pension fund is maintained.
- maintenance is conducted on the expanded CCTV system as per the SDBIP for 2016/17

6.3 Financial Contributors:

The following local companies and institutions paid for or gave discounts to Safe City in the day to day running of the business.

| Name of Co | Value | Period | Event |
|------------------------------|-------------------|--------------|--|
| Ben Booysen | R15 000 | Per annum | Reduction in monthly maintenance of air conditioners |
| Business Fighting Crime | R12 000 | Per annum | Monthly lease for the Coretalk SMS system, and monthly lease of Safe City Crime fighting APP |
| Mikros Traffic Monitoring | R9 800 | Per annum | No increase in monthly lease of ANPR system |
| XTEC | R7 700 | Per annum | No charge for lease of equipment. Only pay for copies made |
| Safe City Board of Directors | Can be quantified | Continuously | All members are performing duties on a voluntary basis |

7. CONTROL CENTRE PERFORMANCE:

7.1 Core Functions:

The 24/7 surveillance operation is the core of Safe City's business. It is ISO 9001 certified and SABS approved.

Primary Function:

- The monitoring of traffic and Municipal Bylaws such as littering, street gambling and illegal trading.
- Facilitating the Automatic Number Plate Recognition (ANPR) system for the execution of outstanding traffic warrants and the recovery of outstanding revenue
- The prevention, detection and investigation of crime
- The maintenance of the existing CCTV system
- Advising Msunduzi Municipality on expansion of CCTV system
- Oversee the design, specification and installation of new CCTV equipment.

Secondary Function:

- Facilitating the Disaster Management JOC
- The monitoring of gatherings, marches and events of public interest within camera visual area.
- Attend meetings with the Municipality to determine possible additional services.
- Liaise with Community Police Forums, Bank Task Group and Non Ferrous Metal Forum.
- Informing the public and business community regarding current crime tendencies and advise them on crime prevention strategies.
- Receive and disseminate crime information and public complaints via the Safe City SMS Safe project and App to the relevant role-players'.

7.2 Standard Procedure

The crime statistics for Pietermaritzburg are submitted to the Control Room every morning by the SAPS Pietermaritzburg Central. These statistics together with observations made by our surveillance staff is discussed every morning with the SAPS coordinator and Municipal Security and Traffic officials, if present. An operational plan is then compiled to address any tendencies detected or for planned events. This procedure enables operators to be more crime prevention orientated. All suspicious incidents noted on camera are recorded as an "Incident detected". The SAPS and Traffic Officer present in the Control Room will determine the appropriate response required to address the matter.

The yearly target for SAPS dispatches is between 50% and 60% of Incidents Detected. A record is maintained of vehicle despatches as compared with Incidents detected.

An arrest is made when the suspect is apprehended. It often happens that after an arrest has been made the complainant refuses to open a case. This tendency is very frustrating as suspects then continue to commit crimes elsewhere. The latter is then reflected as a preventable operation.

7.3 Summary of Operational Performance: 2016/17

| Description | 2015/16 | 2016/17 | Diff % |
|--|---------|----------|---------|
| No of Incidents Detected | 5110 | 5580 | + 9% |
| Response by SAPS Units | 980 | 798 | - 18.5% |
| No Response by SAPS | 112 | 198 | + 76.7% |
| SAPS Response Time | 6.2 min | 6.2 min | - |
| Bylaw Incidents detected | 1058 | 1130 | + 6.8% |
| Response by Municipal Law Enforcement | 179 | 377 | +110.6% |
| No Response by Municipal Law Enforcement | 391 | 356 | + 8.9% |
| Municipal Law Enforcement Response Time | 12 min | 13.3 min | - 10.8% |
| Arrests Effected | 230 | 242 | +5.2% |
| % Camera down time | 1.71% | 1.12% | -83% |

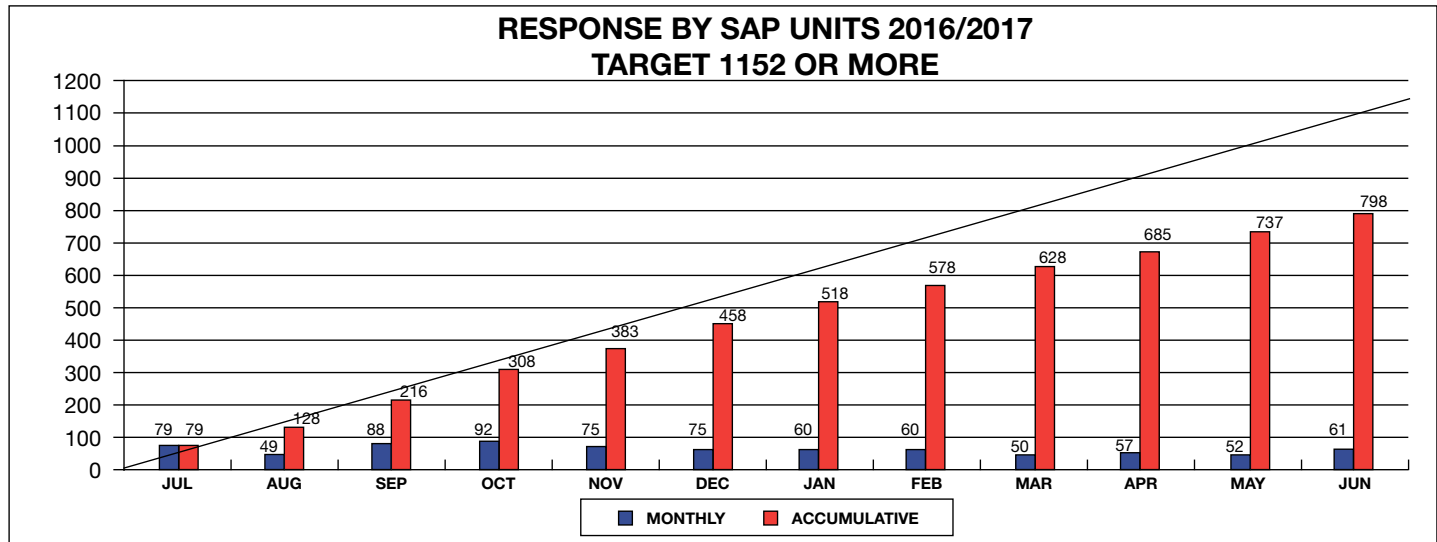
7.3.1 Incidents Detected

The total number of incidents detected was 5580 compared to 5110 incidents the previous year. The increase can be attributed to an addition of an additional operating desk for monitoring bylaw infringements. Some of the incidents detected are as follows:

| Type | Number |
|-------------------------------|--------|
| Fighting | 1806 |
| Bylaw Infringements | 1130 |
| Suspicious behaviour | 956 |
| Motor vehicle Accidents | 447 |
| Possible Poss. of Stolen Prop | 336 |
| Robbery Related | 159 |
| Marches and Gatherings | 106 |
| Medical Conditions | 81 |

7.3.2 Responses by the SAPS

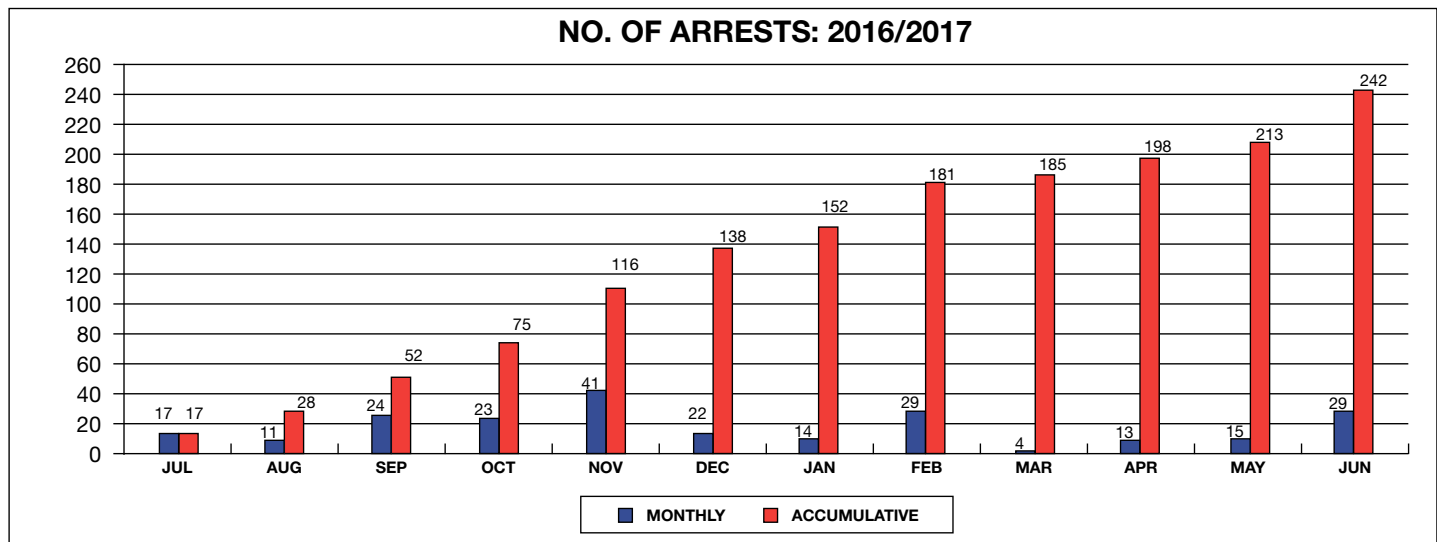
The total number of responses of the SAPS was 798 compared to the target of 1152.



The slight decrease in the number of SAPS responses was a result of the focused approach by the SAPS Project Team on street crimes such as robbery and theft out of motor vehicle which lead to an increase in the number of arrests made.

7.3.3 Arrests Made:

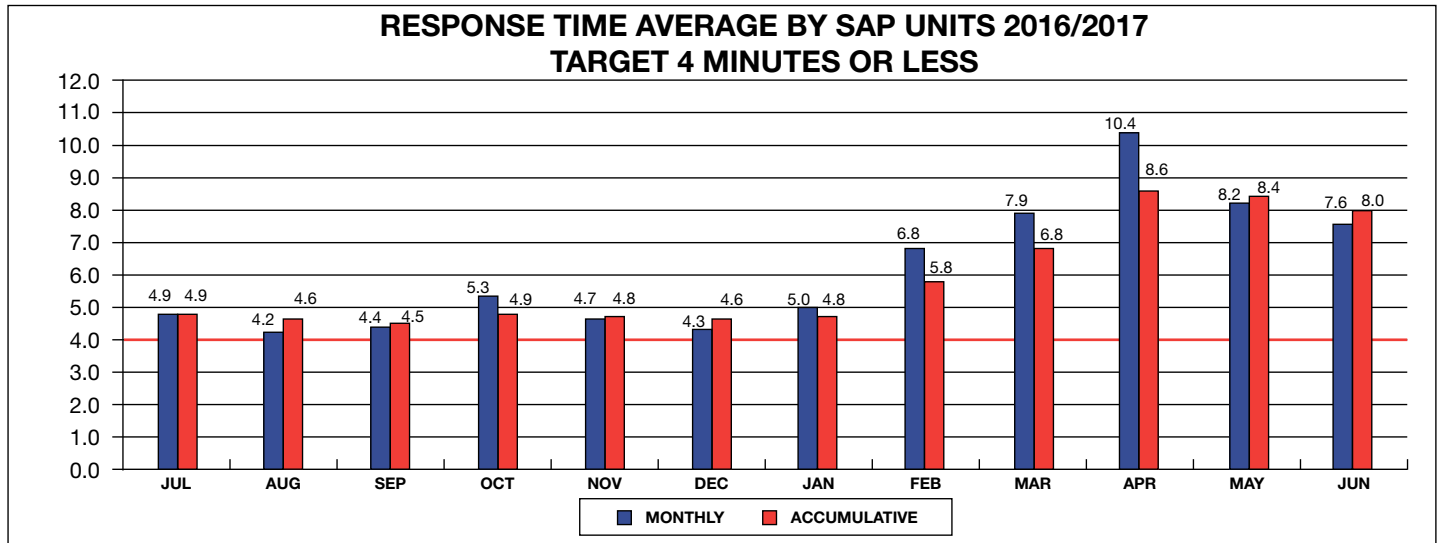
The number of arrest made was 242 compared to 230 of the previous year.



The increase can be attributed to the dedicated SAPS response team assigned to Safe City for quick reaction to incidents detected on camera. Although the Matsheni Beer Hall has been demolished vagrants who lived there has now moved to an area called Continental on the corners of Masukwane and Pietermaritz Streets. Their presence in the said area requires constant monitoring.

7.3.4 SAPS Response Time

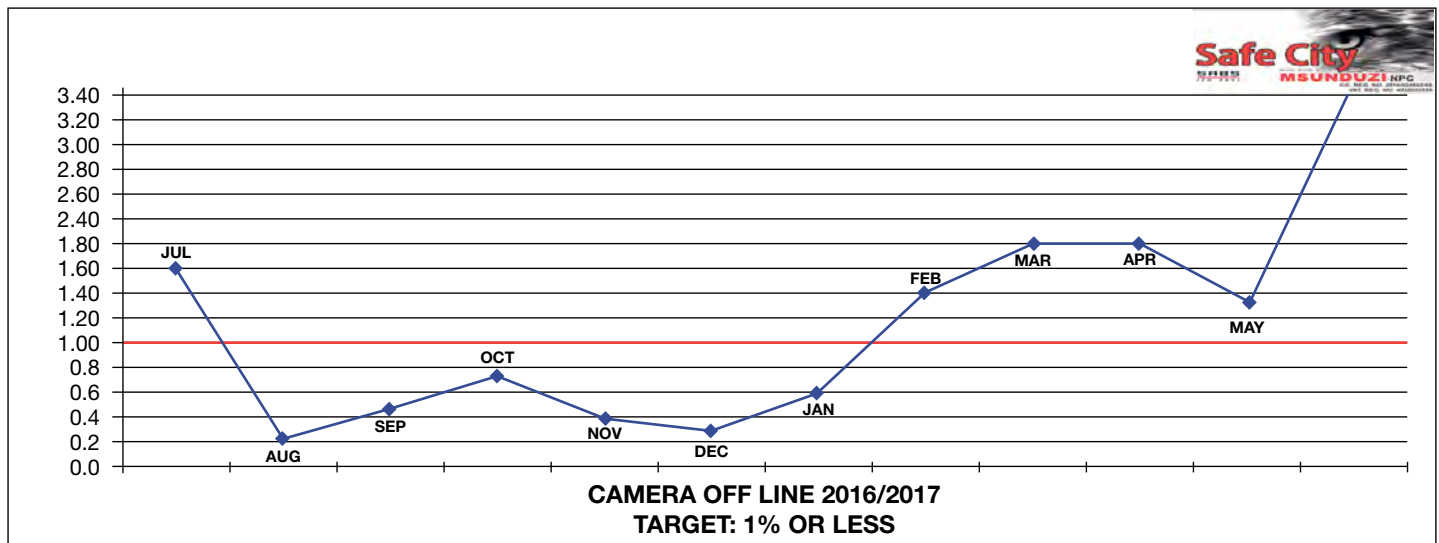
The average response time for SAPS vehicles to respond is calculated from the time of notifying the SAPS Emergency Control Room until a vehicle arrives on the scene was 6.2 min compared to the 4-min target.



SAPS response times are subject to traffic congestion and the availability of vehicles. This matter as well as other SAPS response related issues is a standard item on the agenda at the daily Station Crime Combatting Forum meeting which is been attended by our Crime Data Analyst.

7.3.5 Camera Downtime:

The average camera downtime was 1.12%. Safe City's target has always been 1%.



Due to the extended CCTV footprint, Safe City fibre cables has become vulnerable to vehicle accidents which causes cables to break. Often sections of fibre cable has to be replaced and the time it takes to affect these repairs impacts negatively on our downtime target.

8. KPAs/KPI's 2016/17

Safe City KPAs and KPI's for 2016/17 is aligned with the SDBIP & OP 2016/2017.

| SAFE CITY POLICY OBJECTIVES TAKEN FROM IDP | | | | | | | | | |
|--|-------------------------------|---|---|----------------------------|---|---|------------------------------------|---|------------------------------------|
| SDBIP / OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | 2016/2017 | | | | 2015/2016 | | |
| | | | PROJECT | WARD | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL |
| | | | | | | | | ANNUAL TARGET | ACTUAL (1,2,3,4,5, Not Applicable) |
| | | | | | | | | ANNUAL TARGET | ACTUAL (1,2,3,4,5, Not Applicable) |
| SC 01 | NKPA 6 - CROSS CUTTING | Crime & Bylaws Monitoring through CCTV Camera | 24 Hour crime watch through CCTV Cameras in areas with CCTV coverage | 27, 30, 32, 33, 35, 36, 37 | 169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2017 | 169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2017 | 3 (100% - 129%) | 169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2018 | 3 (100% - 129%) |
| SC 02 | NKPA 6 - CROSS CUTTING | Crime & Bylaws Monitoring through CCTV Camera | Reporting of detected criminal incidents | 27, 30, 32, 33, 35, 36, 37 | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES within 7 days after month end by the 30th of June 2017 | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES within 7 days after month end by the 30th of June 2016 | 3 (100% - 129%) | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: Sustainable Development and City Entities within 7 days after month end by the 30th of June 2018 | 3 (100% - 129%) |
| SC 03 | NKPA 6 - CROSS CUTTING | Crime & Bylaws Monitoring through CCTV Camera | Reporting to SAPS or Municipal Traffic Dept. Or Security of every detected criminal incidents or bylaws violation | 27, 30, 32, 33, 35, 36, 37 | 2 Minutes Turn-around time of reporting to SAPS, Municipal Traffic or Security Dept. of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2017 | 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2016 | 3 (100% - 129%) | 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2018 | 3 (100% - 129%) |
| SC 04 | NKPA 6 - CROSS CUTTING | Maintenance of CCTV Equipment's | Inspection of CCTV equipment's | 27, 30, 32, 33, 35, 36, 37 | 240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th June 2017 | 240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2016 | 3 (100% - 129%) | 240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2018 | 3 (100% - 129%) |
| SC 05 | NKPA 6 - CROSS CUTTING | Maintenance of CCTV Equipment's | Turn-around to repair of faulty CCTV equipment's as per the Faults Register/Book | 27, 30, 32, 33, 35, 36, 37 | Average 5 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th June 2017 | Average 5 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2016 | 5 (150% - 167%) | Average 5 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2018 | 5 (150% - 167%) |

9. SUSTAINABILITY AND GOVERNANCE:

The Board of Directors is committed in maintaining strict ethical standards in the operations of Safe City, and accordingly undertakes from time to time reviews of its business practices and governance responsibilities. In this regard, a number of important policies has been compiled and others reviewed and approved by the Board of Directors during 2016/17

10. CONCLUSION

The relationship with the city's administration has again been very fruitful during 2016/17 and Safe City would like to thank the Mayor, Councillor Themba Njilo, the acting Municipal Manager and other senior officials for their constructive support towards the Safe City project and for supporting our belief that Safe City is performing a valuable community service.

It always remains an important challenge for Safe City to be a centre of excellence in order to ensure the safety of the public when visiting the Msunduzi precinct and also to provide an acceptable service to the Municipality, SAPS, National Prosecuting Authority and other stakeholders. We also strive to identify areas of concern which might have a negative impact on the social well being of our communities and report shortcomings with recommendations timeously to the relevant role players such as Msunduzi Municipality and the SAPS. In this regard, we would like to appeal to the municipality to allocate capital funding to Safe City to undertake projects in to safe guard our Airport, Fresh Produce Market and also to complete the process of safeguarding the remaining electrical primary sub stations against theft and vandalism. These projects have been included in our three (3) year Business Plan.

Also of equal importance is to assist the Municipality in the enforcement of relevant bylaws. In order to achieve the latter Safe City would appeal to the Municipality to establish a dedicated Municipal Re Action Unit who can operate in conjunction with Safe City to effectively address bylaw infringements. This action will also reduce opportunities for serious crime to take place especially in congested areas.

We would also like to thank all partners including BFC, SAPS, National Prosecuting Authority and several others who are, to a lesser or greater extent, stakeholders in our operation.

The members of the Safe City Board are thanked and commended for their support and commitment. We wish to extend our sincere appreciation to Mr. Des Winship who resigned from the Board for health reasons. He can without doubt be regarded as the father of Safe City because of his vision to identify surveillance cameras which will assist Law Enforcement Agencies in their fight against crime and bylaw infringements in Pietermaritzburg.

The Board wishes thank the Management and staff of Safe City, as well as the Project Engineer, Mr. Pieter Janse van Rensburg of Dihlase Consulting Engineers and Mr. Jason Pretorius of Avigilon for their guidance in respect of compiling the CCTV Proposal Plans for upgrading the Airport and Fresh Produce Market CCTV systems.

We reserve our particular gratitude to the Msunduzi Municipality, the main funder of this operation. We also acknowledge the financial and moral support from Business Fighting Crime, Pietermaritzburg Chamber of Business, Ben Booysen, XTec, Mikros as well as the valuable assistance rendered by legal advisors Venn's, our auditors Colenbrander Inc, and the local media on safety and security matters.

Safe City Msunduzi NPC

(Registration number 2010/024562/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

General Information

| | |
|--|---|
| Company registration number | 2010/024562/08 |
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | Provide camera surveillance under the jurisdiction of the Msunduzi Municipality |
| Directors | D Sokhela P Dlamini V Biggs J Vorster G Moody T Davis R Singh S Ako-Nai |
| Registered office | 1st Floor Pietermaritzburg Fire Department Pietermaritz Street Pietermaritzburg 3201 |
| Business address | 1st Floor Pietermaritzburg Fire Department Pietermaritz Street Pietermaritzburg |
| Postal address | P O Box 3110 Pietermaritzburg 3200 |
| Bankers | First National Bank Limited |
| Tax reference number | 9101/228/18/8 |
| VAT reference number | 4550261145 |
| PAYE reference number | 7490770601 |
| SDL reference number | L490770601 |
| UIF reference number | U490770601 |
| WCA reference number | 990000397785 |
| Preparer | The annual financial statements were independently compiled by: M P Black Chartered Accountant (S.A.) |
| Level of assurance | These annual financial statements have not been audited or independently reviewed. |

Index

The reports and statements set out below comprise the annual financial statements presented to the shareholders:

| Index | Page |
|--|------|
| Directors' Responsibilities and Approval | 300 |
| Practitioner's Compilation Report | 301 |
| Statement of Financial Position | 302 |
| Statement of Financial Performance | 303 |
| Statement of Changes in Net Assets | 304 |
| Statement of Cash Flows | 304 |
| Accounting Policies | 305 |
| Notes to the Annual Financial Statements | 308 |
| Statement of comparison of budget and actual amounts | 312 |

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with Generally Recognised Accounting Practices and with the requirements of the Municipal Finance Management Act 56 of 2003. The directors are responsible for preparing the directors' report.

The annual financial statements are prepared in accordance with Generally Recognised Accounting Practices and with the requirements of the Municipal Finance Management Act 56 of 2003 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2018 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 302 to 312, which have been prepared on the going concern basis, were approved by the directors

on 17/11/2017 and were signed on its behalf by:



D Sokhela



L Holtzhausen

Practitioner's Compilation Report

To the shareholders of Safe City Msunduzi NPC

We have compiled the Annual Financial Statements of Safe City Msunduzi NPC, as set out on pages 302 - 312, based on the information you have provided. These Annual Financial Statements comprise the statement of financial position of Safe City Msunduzi NPC as at 30 June 2017, the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements. We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these Annual Financial Statements in accordance with Generally Recognised Accounting Practices and with the requirements of the Municipal Finance Management Act 56 of 2003. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These Annual Financial Statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these Annual Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these Annual Financial Statements are prepared in accordance with Generally Recognised Accounting Practices and with the requirements of the Municipal Finance Management Act 56 of 2003.



Colenbrander Incorporated
Per: M P Black
Director
Chartered Accountants (S.A.)
Hilton
Date: 17/11/2017

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

| | | 2017 | 2016 |
|---|-------|-------------------|-------------------|
| | Notes | R | Restate R |
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2 | 13 406 894 | 14 176 833 |
| Current Assets | | | |
| Trade and other receivables | 3 | 2 500 | 17 486 |
| Cash and cash equivalents | 4 | 1 228 634 | 1 436 612 |
| | | 1 231 134 | 1 454 098 |
| Total Assets | | 14 638 028 | 15 630 931 |
| Net Assets | | | |
| Accumulated surplus | | 13 830 387 | 14 950 185 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables | 5 | 247 944 | 75 174 |
| Unspent conditional grant | 6 | - | 190 452 |
| Provision | 7 | 559 697 | 415 120 |
| | | 807 641 | 680 746 |
| Total Net Assets and Liabilities | | 14 638 028 | 15 630 931 |

STATEMENT OF FINANCIAL PERFORMANCE

| | Notes | 2017 R | 2016 Restate R |
|---|-------|--------------------|----------------------|
| Revenue from non-exchange transactions | | | |
| Rendering of services - Msunduzi Municipality | | 6 841 228 | 5 673 000 |
| Conditional grant | | - | 6 609 548 |
| Interest received - money market account | | 74 036 | 192 140 |
| | 8 | 6 915 264 | 12 474 688 |
| Other income | | | |
| Insurance claim | | 10 746 | - |
| Sundry income | | 175 | 1 809 |
| | | 10 921 | 1 809 |
| Operating expenses | | | |
| Accounting fees | | 74 628 | 68 610 |
| Advertising | | 281 | 35 193 |
| Auditor's remuneration | | 506 271 | 49 468 |
| Bank charges | | 11 483 | 11 916 |
| Computer expenses | | 6 792 | 1 008 |
| Consulting and professional fees | | 4 550 | 818 |
| Contracted services | 9 | 167 198 | 222 774 |
| Control room expenses | | - | 1 997 |
| Depreciation | 2 | 946 425 | 861 926 |
| Employee costs | 10 | 5 542 145 | 4 483 101 |
| Entertainment | | - | 5 139 |
| Fines and penalties | | - | 8 |
| Insurance | | 310 417 | 5 735 |
| Leave pay provision | | - | 127 521 |
| Legal expenses | | 3 750 | 4 800 |
| Motor vehicle expenses | | 30 797 | 20 871 |
| Printing and stationery | | 50 461 | 32 772 |
| Recruitment fees | | 20 191 | - |
| Repairs and maintenance | | 194 308 | 181 899 |
| Small assets | | 5 104 | - |
| Staff uniforms | | 6 010 | 22 795 |
| Staff welfare | | 36 883 | 29 854 |
| Subscriptions | | 7 154 | 5 400 |
| Training | | 610 | 6 853 |
| Travel local | | - | 4 836 |
| Water and electricity | | 120 525 | 148 616 |
| | | 8 045 983 | 6 333 910 |
| (Deficit) / surplus for the year | | (1 119 798) | 6 142 587 |

STATEMENT OF CHANGES IN NET ASSETS

| | Share capital R | Accumulated surplus R | Total net assets R |
|----------------------------------|--------------------|--------------------------|-----------------------|
| Balance at 01 July 2015 | 100 | 810 277 | 810 377 |
| Surplus for the year | - | 6 142 587 | 6 142 587 |
| Prior year adjustment | - | 7 997 321 | 7 997 321 |
| Disposal of shares | (100) | - | (100) |
| Total changes | (100) | 7 997 321 | 7 997 221 |
| Restated balance at 01 July 2016 | - | 14 950 185 | 14 950 185 |
| Deficit for the year | - | (1 119 798) | (1 119 798) |
| Balance at 30 June 2017 | - | 13 830 387 | 13 830 387 |

STATEMENT OF CASH FLOWS

| | Notes | 2017 R | 2016 Restate R |
|--|-------|------------------|----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 12 | 84 924 | 6 503 529 |
| Interest received | | 74 036 | 192 140 |
| Net cash from operating activities | | 158 960 | 6 695 669 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 2 | (176 486) | (6 868 774) |
| Cash flows from financing activities | | | |
| Reduction of share capital or buy back of shares (Utilisation) / receipt of unspent conditional grant | | - (190 452) | (100) (6 609 548) |
| Net cash from financing activities | | (190 452) | (6 609 648) |
| Total cash movement for the year | | (207 978) | (6 782 753) |
| Cash at the beginning of the year | | 1 436 612 | 8 219 365 |
| Total cash at end of the year | 4 | 1 228 634 | 1 436 612 |

ACCOUNTING POLICIES

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with Generally Recognised Accounting Practices and with the requirements of the Municipal Finance Management Act 56 of 2003. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Going concern assumption

These annual financial statements have been prepared on a going concern basis.

1.2 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

| Item | Depreciation method | Average useful life |
|--------------------------|---------------------|---------------------|
| Furniture and fixtures | Straight line | 15 years |
| Motor vehicles | Straight line | 10 years |
| Office equipment | Straight line | 15 years |
| Computer software | Straight line | 15 years |
| Video and data equipment | Straight line | 20 years |

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

1.3 Trade and other receivables

Trade and other receivables are stated at the nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying value of these receivables approximate fair value due to the short period to maturity of these instruments. Trade and other receivables from non exchange transactions are disclosed separately from trade and other receivables from non exchange transactions. Trade and other receivables in exchange for which the entity gives approximately equal to another entity are recognised as trade and other receivables from exchange transactions. Trade and other receivables received without directly giving approximately equal value in exchange are recognised as trade and other receivables from non exchange transactions.

1.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short term highly liquid investments with original maturities of three months or less.

1.5 Trade and other payables

Trade and other payables are stated at their nominal value. The carrying amount of these payables approximates fair value due to the short period to maturity of these instruments.

1.6 Employee benefits

Short-term employee benefits

The cost of short term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plans

Employees contribute to defined contribution retirement fund and benefits are provided to all eligible employees. Contributions are charged as an expense as they fall due and the fund is externally managed.

1.7 Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.9 Financial instruments

These include loans, trade receivables and trade payables. Debt instruments are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.10 Taxes - Value Added Tax

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is incurred as part of receivables or payables in the Statement of Financial Position.

1.11 Related parties

The entity operated in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a constitutional independence of the three spheres of government in South Africa, only entities within the national, provisional and local sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that member of management in their dealings with the entity.

Only transactions with related parties where the transactions are not concluded within normal operating procedures or on terms that are not no more or less favourable than the terms it would use to conclude transactions with another entity or person are disclosed.

1.12 Capital commitments

A capital commitment is a binding agreement to undertake capital expenditure at some set time in the future which has not yet become an actual liability.

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

1.13 Irregular expenditure

Irregular expenditure is expenditure that in contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.14 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expenses, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.15 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with all of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Interest earned on the investment is treated in accordance with the grant conditions. If it is payable to the funder, it is recorded as part of the creditor. If it is the entity's interest, it is recognised as interest earned in the Statement of Financial Performance.

Grants and receipts of a revenue nature: income is transferred as revenue to the Statement of Financial Performance to the extent that the criteria, conditions or obligations have been met.

1.16 Comparative figures

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason of the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.17 Prior period accounting errors

Prior period errors are omissions from, and misstatements in, prior period annual financial statements resulting from the failure to use, or the misuse of, reliable information that was available, or could be reasonably expected to have been obtained, at the time of preparation of those annual financial statements. The applicable changes have been disclosed in note 16.

1.18 Events after the reporting date

Subsequent events that are both favourable and unfavourable which occurred between the reporting date and the date when the financial statements are authorised for issue, are included as a disclosure note to the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Property, plant and equipment

| | 2017 | | | 2016 | | |
|--------------------------|-------------------|--------------------------|-------------------|-------------------|--------------------------|-------------------|
| | Cost | Accumulated depreciation | Carrying value | Cost | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 133 148 | (82 770) | 50 378 | 118 238 | (75 005) | 43 233 |
| Motor vehicles | 210 000 | (48 600) | 161 400 | 60 000 | (29 700) | 30 300 |
| Office equipment | 16 430 | (5 103) | 11 327 | 16 430 | (4 117) | 12 313 |
| Computer software | 97 114 | (25 368) | 71 746 | 89 922 | (19 573) | 70 349 |
| Video and data equipment | 20 289 525 | (7 177 482) | 13 112 043 | 20 285 141 | (6 264 503) | 14 020 638 |
| Total | 20 746 217 | (7 339 323) | 13 406 894 | 20 569 731 | (6 392 898) | 14 176 833 |

Reconciliation of property, plant and equipment - 2017

| | Opening balance | Additions | Disposals | Depreciation | Total |
|--------------------------|-------------------|----------------|-----------|------------------|-------------------|
| Furniture and fixtures | 43 233 | 14 910 | - | (7 765) | 50 378 |
| Motor vehicles | 30 300 | 150 000 | - | (18 900) | 161 400 |
| Office equipment | 12 313 | - | - | (986) | 11 327 |
| Computer software | 70 349 | 7 191 | - | (5 794) | 71 746 |
| Video and data equipment | 14 020 638 | 4 385 | - | (912 980) | 13 112 043 |
| | 14 176 833 | 176 486 | - | (946 425) | 13 406 894 |

Reconciliation of property, plant and equipment - 2016 Restated

| | Opening balance | Additions | Disposals | Depreciation | Total |
|--------------------------|------------------|------------------|-----------|------------------|-------------------|
| Furniture and fixtures | 32 489 | 17 575 | - | (6 831) | 43 233 |
| Motor vehicles | 49 200 | - | - | (18 900) | 30 300 |
| Office equipment | 13 299 | - | - | (986) | 12 313 |
| Computer software | 47 365 | 27 960 | - | (4 976) | 70 349 |
| Video and data equipment | 8 027 632 | 6 823 239 | - | (830 233) | 14 020 638 |
| | 8 169 985 | 6 868 774 | - | (861 926) | 14 176 833 |

Repairs and maintenance was incurred on the above named categories in the current period amounting to R 188 512.

| | 2017 | 2016 |
|--|------|------|
| | R | R |

3. Trade and other receivables

| | | |
|--|--------------|---------------|
| Trade receivables | 2 500 | 2 500 |
| South African Revenue Services - Value Added Tax | - | 14 986 |
| | 2 500 | 17 486 |

4. Cash and cash equivalents

Cash and cash equivalents consist of:

| | | |
|--|------------------|------------------|
| First National Bank Limited - current account | 51 996 | 194 864 |
| Petty cash | 7 431 | 3 006 |
| First National Bank Limited - money market account | 1 169 207 | 1 238 742 |
| | 1 228 634 | 1 436 612 |

5. Trade and other payables

| | | |
|--|----------------|---------------|
| South African Revenue Services - Value Added Tax | 220 808 | - |
| Accrued expenses | 27 136 | 75 174 |
| | 247 944 | 75 174 |

| | 2017 R | 2016 R |
|---|------------------|-------------------|
| 6. Unspent conditional grant | | |
| At fair value | | |
| Msunduzi Municipality | - | 190 452 |
| The funds were granted by the Msunduzi Municipality for the purchase of new camera equipment, which was purchased in the prior financial year. The remainder of the grant was utilised in the current year. | | |
| Current liabilities | | |
| At fair value | - | 190 452 |
| 7. Provision | | |
| Provision for leave pay | 196 404 | 127 521 |
| Provision for performance bonus | 44 028 | 33 850 |
| Provision for annual bonus (13th cheque) | 319 265 | 253 749 |
| | 559 697 | 415 120 |
| 8. Revenue from non-exchange transactions | | |
| Rendering of services - Msunduzi Municipality | 6 841 228 | 5 673 000 |
| Conditional grant | - | 6 609 548 |
| Interest received - money market account | 74 036 | 192 140 |
| | 6 915 264 | 12 474 688 |
| 9. Contracted services | | |
| Contracted services consist of the following: | | |
| Telephone | 50 926 | 46 689 |
| Air-con services | 22 244 | 19 353 |
| Cleaning services | 2 608 | 4 254 |
| Elevator services | 7 220 | 7 428 |
| Traffic information | 84 200 | 126 300 |
| Recruiting | - | 18 750 |
| | 167 198 | 222 774 |
| 10. Employee costs | | |
| Basic | 3 389 873 | 2 732 124 |
| Overtime | 640 152 | 511 662 |
| Annual and performance bonus | 363 293 | 318 599 |
| Cellphone allowance | 15 900 | 16 200 |
| Travel allowance | 75 000 | 79 500 |
| Other benefits | 303 821 | 319 379 |
| Leave pay | 68 882 | - |
| Medical aid contribution | 417 538 | 324 384 |
| Pension contribution | 251 532 | 164 034 |
| Workmen's Compensation | 16 154 | 17 219 |
| | 5 542 145 | 4 483 101 |
| 11. Taxation | | |
| Major components of the tax expense | | |

The company has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act, and the recipients and accruals are exempt from income tax in terms of Section 10(1)(cN).

| | 2017 R | 2016 R |
|---|---------------|------------------|
| 12. Cash generated from operations | | |
| (Loss) profit before taxation | (1 119 798) | 6 142 587 |
| Adjustments for: | | |
| Depreciation | 946 425 | 861 926 |
| Interest received | (74 036) | (192 140) |
| Movements in provisions | 144 577 | 415 120 |
| Prior year adjustment | - | 185 835 |
| Changes in working capital: | | |
| Trade and other receivables | 14 986 | (14 986) |
| Trade and other payables | 172 770 | (894 813) |
| | 84 924 | 6 503 529 |

13. Related parties

| | |
|--------------------------|-----------------------|
| Relationships | |
| Shareholder | Msunduzi Municipality |
| Director | D Sokhela |
| Director | D Dlamini |
| Director | V Biggs |
| Director | J Vorster |
| Director | G Moody |
| Director | T Davis |
| Director | R Singh |
| Director | S Ako-Nai |
| General manager | L Holtzhausen |
| Technical manager | R Holtzhausen |
| Administrative assistant | C Holtzhausen |
| Members of key personnel | |

Related party balances and transactions with key management personnel of the company or its parent

Related party balances

| | | |
|---|-----------|-----------|
| Contribution received - Msunduzi Municipality | 6 841 228 | 5 673 000 |
| Conditional grant - Msunduzi Municipality | - | 190 452 |

L Holtzhausen

| | | |
|------------------------|----------------|----------------|
| - Basic | 408 000 | 408 000 |
| - Bonus | 39 000 | - |
| - Medical aid | 21 580 | 14 744 |
| - Cell phone allowance | 3 600 | 3 600 |
| - Travel allowance | 18 000 | 18 000 |
| | 490 180 | 444 344 |

R Holtzhausen

| | | |
|------------------------|----------------|----------------|
| - Basic | 272 400 | 162 497 |
| - Bonus | 20 633 | - |
| - Medical aid | 21 580 | 14 744 |
| - Pension fund | 15 620 | 13 175 |
| - Cell phone allowance | 3 600 | 3 600 |
| - Travel allowance | 18 000 | 18 000 |
| | 351 833 | 212 016 |

C Holtzhausen

| | | |
|------------------------|----------------|----------------|
| - Basic | 114 987 | 95 133 |
| - Bonus | 12 223 | - |
| - Medical aid | 13 392 | 12 648 |
| - Cell phone allowance | 8 624 | 7 713 |
| - Travel allowance | 18 000 | 18 000 |
| | 167 226 | 133 494 |

14. Going concern

The annual financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

| | 2017 R | 2016 R |
|--|-----------|-----------|
|--|-----------|-----------|

15. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements.

16. Prior period errors

The prior period adjustments relate to the correction of the transfer of assets from the Msunduzi Municipality done in 2015 to plant and equipment and this affected both the cost and accumulated depreciation.

Furthermore, the prior period adjustments relate to the recording of bonus provisions for the 2016 period previously not recorded.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position

| | | |
|-------------------------------|---|-------------|
| Property, plant and equipment | - | 7 977 699 |
| Provisions | - | 287 599 |
| Opening retained earnings | - | (7 997 321) |

Profit or Loss

| | | |
|----------------------|---|-----------|
| Depreciation expense | - | 19 622 |
| Employee costs | - | (287 599) |

17. Deviations from supply chain management regulations

Regulation 36 deviations

Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to "dispense with official procurement processes established by the policy and to procure any required goods and services through any convenient process".

This would typically include urgent and emergency cases, single source goods, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the Chief Executive Officer is required to report this to the next Board meeting for noting.

Supplier

| | | |
|--|----------------|------------------|
| Dihlase Consulting Engineers (Pty) Ltd | - | 6 609 548 |
| Various suppliers | 158 369 | - |
| | 158 369 | 6 609 548 |

18. Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

| | | |
|---|---------------|---------------|
| Opening balance | 13 716 | 13 708 |
| Add: fruitless and wasteful expenditure | - | 8 |
| | 13 716 | 13 716 |

Unauthorised expenditure

There was no unauthorised expenditure during the year under review.

19. Irregular expenses

| | | |
|-------------------------|----------------|----------------|
| Opening balance | 417 936 | - |
| Add: irregular expenses | 103 758 | 417 936 |
| | 521 694 | 417 936 |

The above expenses did not adhere to the Supply Chain Management rules.

20. Capital commitments

| | | |
|--|---|---------|
| Dihlase Consulting Engineers (Pty) Ltd | - | 189 633 |
|--|---|---------|

The entity paid the balance in full to Dihlase Consulting Engineers (Pty) Ltd during the financial year.

21. Changes in accounting policy

The annual financial statements have been prepared in accordance with Generally Recognised Accounting Practices and with the requirements of the Municipal Finance Management Act 56 of 2003 on a basis consistent with the prior year.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

1. Revenue

| | Actual 2017 | Approved budget 2017 | Differences approved and actual | Actual 2016 R |
|------------------------|------------------|----------------------------|---------------------------------------|---------------------|
| Municipality revenue | 6 841 228 | 6 841 228 | - | 5 673 000 |
| Project prim sub | - | - | - | 6 609 548 |
| Other revenue (N1) | 10 921 | - | 10 921 | 1 809 |
| Interest received (N2) | 74 036 | 65 000 | 9 036 | 192 140 |
| | 6 926 185 | 6 906 228 | 19 957 | 12 476 497 |

Notes:

N1 - The variance in other revenue is attributable to the insurance claim that was made during the current financial year.

N2 - The variance in interest received is attributable to the company earning more interest than anticipated during the current year.

2. Expenses

| | Actual 2017 | Approved budget 2017 | Differences approved and actual | Actual 2016 R |
|-------------------------------|------------------|-------------------------|---------------------------------------|---------------------|
| Contracted services (N1) | 167 197 | 263 348 | (96 151) | 240 214 |
| Depreciation (N2) | 946 425 | - | 946 425 | 804 712 |
| Employee costs (N3) | 5 542 145 | 5 277 994 | 264 151 | 4 195 502 |
| Bank charges | 11 482 | 11 857 | (375) | 11 916 |
| Other operating expenses (N4) | 1 378 732 | 1 936 071 | (557 339) | 748 985 |
| | 8 045 981 | 7 489 270 | 556 711 | 6 001 329 |

Notes:

N1 - The variance in contracted services is attributable to two contracts which were cancelled during the year, thus reducing the overall cost.

N2 - The variance in depreciation is attributable to the depreciation not being budgeted for in the current year.

N3 - The variance in employee costs is attributable to the provisions accounted for in the current year.

N4 - The variance in other operating expenses is attributable to less maintenance being done during the current year.

CHAPTER 6 – REPORT ON THE MUNICIPAL INFRASTRUCTURE GRANT (MIG), SEVEN LARGEST CAPITAL PROJECTS PER WARD, TOP FOUR SERVICE DELIVERY PRIORITIES PER WARD 2016/2017 FINANCIAL YEAR

INTRODUCTION TO MIG

The projects executed within the 2016/2017 financial year where service delivery projects ranging from upgrade of gravel roads to asphalt roads, construction of bus stop shelters, rehabilitation of sanitation infrastructure, upgrade of landfill site and installing of high mast streetlights in Vulindlela and Greater Edendale.

The total MIG allocation inclusive of the MIG Capital Budget and the MIG Administrative costs is R190 617 000. A total MIG expenditure of R189 553 124 was spent, an amount of R 1 063 876 that represents 0.56% of allocation was unspent.

An amount of R3 325 806 for MIG administration/ Operating costs is included in the total MIG expenditure spent for 2016/2017 financial year.

| SERVICE BACKLOGS AS AT 30 JUNE 2017 | | | | |
|--|----------------------------------|------|----------------------------------|------|
| | *Service level above minimum std | | *Service level below minimum std | |
| | No. HHs | %HHs | No. HHs | %HHs |
| Water | | | | |
| Sanitation | | | | |
| Electricity | 2000 | 25% | 1500 | 75% |
| Waste Management | 120000 | 73% | 43000 | 27% |
| Housing | | | | |
| % HHs are the service above/below the minimum std as a proportion of total HHs | | | | |
| Housing refers to * formal and ** Informal | | | | |

| MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2016/17 ON SERVICE BACKLOGS R'000 | | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|----------|---|
| Details | Budget | Adjustment Budget | Actual | Variance | | Major conditions applied by donor (continue below if necessary) |
| | | | | Adjustment Budget | Change | |
| Infrastructure – Road transport | 45,591,052 | 57,313,692 | 65 722 554 | 57,313,692 | 1.15 | |
| Roads, Pavements & Bridges | 11 159 242 | 7 289 641 | 188 716 | 7 289 641 | 0.00 | |
| Stormwater | 3 289 222 | 11 196 583 | 9 185 298 | 11 196 583 | -6.50 | |
| Infrastructure – Electricity | - | - | - | - | - | |
| Generation | - | - | - | - | - | |
| Transmission & reticulation | - | - | - | - | - | |
| Street Lighting | 9 433 000 | 7 980 513 | 7 980 513 | 7 980 513 | 0.00 | |
| Infrastructure – water | - | - | - | - | - | |
| Dams & Reservoirs | - | - | - | - | - | |
| Water Purification | - | - | - | - | - | |
| Reticulation | 15 027 244 | 18 619 219 | 18 318 054 | 18 619 219 | -1.62 | |
| Infrastructure – Sanitation | - | - | - | - | - | |
| Reticulation | 35 697 800 | 37 738 805 | 37 738 805 | 37 738 805 | 0.00 | |
| Sewage purification | - | - | - | - | - | |
| Infrastructure – Other | - | - | - | - | - | |
| Waste Management | - | - | - | - | - | |
| Transportation | 1 154 233 | 1 217 417 | 1 217 417 | 1 217 417 | 0.00 | |
| Gas | - | - | - | - | - | |
| Other Specified | - | - | - | - | - | |
| Community Halls | 24 523 456 | 3 156 718 | 3 129 560 | 3 156 718 | -0.86 | |
| Sports Facilities – Athletic Track | 9 300 000 | 15 455 472 | 15 455 472 | 15 455 472 | 0.00 | |
| Landfill Upgrade | 8 500 000 | 8 902 596 | 8 902 596 | 8 902 596 | 0.00 | |
| Swimming Pool Refurbishment | 68 242 | 77 796 | 77 796 | 77 796 | 0.00 | |
| Housing –Unit S Phase 8 Ext | 18 968 669 | 18 310 538 | 18 310 538 | 18 310 538 | 0.00 | |
| PMU Administration | 7 904 840 | 3 358 010 | 3 325 806 | 3 358 010 | -0.96 | |
| Total | 190 617 000 | 190 617 000 | 189 553 124 | 190 617 000 | - | |

COMMENT ON MIG:

Whilst the 2016/2017 MIG Programme got off to very late start due to introduction of a new financial system and the biggest projects had to de-establish. The performance of the external service providers entrusted with completing the construction of the few mentioned projects was assessed thoroughly and deemed Poor, Fair or Good. The bulk of the MIG funding was used on water, sanitation and roads projects, however other projects such as highmast lighting, Landfill Site Upgrade, sports facilities and bulk water for construction of housing unit were undertaken.

In terms of the way forward and avoiding the challenges experienced in the last financial year the following measures have been put in place.

A comprehensive Procurement Plan has been drafted to ensure projects proceeding according to planned timeframes in accordance with required SCM process. The panel of contractors has been adjudicated to ensure that there is flexibility in terms of appointing the contractors.

It was agreed that it is now compulsory for General Managers to hold monthly meetings with their Senior Managers and Project Champions in order to deal specifically with Grants/Capex expenditure and address any challenges timeously.

TOP FOUR SERVICE DELIVERY PRIORITIES PER WARD 2016/2017

| Top Four Service Delivery Priorities Per Ward 2016/2017 Financial Year (Highest Priority First) | | | | |
|---|--------|--|--|--|
| Ward Name (No) | Number | Priority Name and Details | Progress 2016/2017 | |
| 1 | 1 | HOUSING | 3236 x new housing units constructed in wards 1-9 (Vulindlela Rural Housing Project) in the 2016/17 FY. | |
| | 2 | Tarring of roads | Contractor appointed and commenced with upgrading of 1.9 km of gravel roads to subgrade in Ward 01 by the 30th of June 2017 | |
| | 3 | Installation of water pipes | Project had to suspended due unstable soil conditions whilst the gootechnical study is been undertaken. | |
| | 4 | Multi-purpose centre | Pre-Feasibility stage | |
| 2 | 1 | HOUSING | 3236 x new housing units constructed in wards 1-9 (Vulindlela Rural Housing Project) in the 2016/17 FY. | |
| | 2 | Upgrade of access roads | Culvert , stormwater piping , manholes , stormwater catchpits and earthworks completed. Gabions and subbase layer 50% completed. | |
| | 3 | Installation of street lights | Nil | |
| | 4 | Tarring of roads | Culvert , stormwater piping , manholes , stormwater catchpits and earthworks completed. Gabions and subbase layer 50% completed. | |
| 3 | 1 | HOUSING | 3236 x new housing units constructed in wards 1-9 (Vulindlela Rural Housing Project) in the 2016/17 FY. | |
| | 2 | Upgrade of access roads | 0.5km of gravel roads upgraded to black top surface in Ward 03 by the 31st of November 2016 | |
| | 3 | Bus shelters | 41 bus shelters installed in targeted areas by the 31st of January 2017. Ward to be targetd in the next financial year. | |
| | 4 | Construction of clinics | Request submitted to the department of Health for funding | |
| 4 | 1 | Construction of RDP houses | 3236 x new housing units constructed in wards 1-9 (Vulindlela Rural Housing Project) in the 2016/17 FY. | |
| | 2 | Upgrading of roads | 0,75 km of gravel roads to surfaced/concrete standard upgraded by the 30th May 2017 | |
| | 3 | Upgrading and maintenance of halls | NIL | |
| | 4 | Installation of water extension pipes in the new homes | Project had to suspended due unstable soil conditions whilst the gootechnical study is been undertaken. | |
| 5 | 1 | Tarred roads | Project to commence in the 2017/2018 financial year | |
| | 2 | Installation of electricity | 37 high mast have been erected across all identified wards | |
| | 3 | Installation of street lights | 37 high mast have been erected across all identified wards | |
| | 4 | Maintenance of sports field | manintenance is done as and when required | |
| 6 | 1 | Construction of roads | 0,5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | |
| | 2 | Installation of electricity | 3236 x new housing units constructed in wards 1-9 (Vulindlela Rural Housing Project) in the 2016/17 FY. | |
| | 3 | Construction of crèche | Request submitted to the department of Social Development for funding | |
| | 4 | Sports facilities | NIL | |
| 7 | 1 | Roads all VD's | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | |
| | 2 | Renovation of community halls and sportsfield | NIL | |
| | 3 | Two new community halls. | Planning Stage | |
| | 4 | Youth and community skills development | NIL | |

Top Four Service Delivery Priorities Per Ward 2016/2017 Financial Year (Highest Priority First)

| Ward Name (No) | Number | Priority Name and Details | Progress 2016/2017 |
|----------------|--------|--|---|
| 8 | 1 | Upgrade of access roads | Completed 1.0km in May 2017 |
| | 2 | Installation of street lights | 37 HIGH MASTS HAVE BEEN ERECTED across all identified wards |
| | 3 | Construction of bus shelters | 41 bus shelters installed in targeted areas by the 31st of January 2017. Ward to be targetd in the next financial year. |
| | 4 | Construction of community hall | NIL |
| 9 | 1 | ROADS | 0,5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 |
| | 2 | COMMUNITY FACILITY | NIL |
| | 3 | ECONOMIC DEVELOPMENT | Number of Constrution projects Continue to employ local labour. Workshops for young business people have also been done |
| | 4 | SPORT FILEDS | NIL |
| 10 | 1 | Housing | Edendale S Phase 8 Extension project under construction |
| | 2 | Establishment of high school | Submitted to department of Eduation |
| | 3 | Installation and repairing of meters | Nil |
| | 4 | Renovation of community halls | Nil |
| 11 | 1 | Water | Nil |
| | 2 | Electricity | Nil |
| | 3 | Construction of houses | Snathing Housing Project Phase 1 |
| | 4 | Installation of water and sewerage pipes at Tafuleni | Nil |
| 12 | 1 | Construction of houses | Khalanyoni housing project |
| | 2 | Road construction and maintenance | Substructure of west abutment 80% complete. Concrete footing of East Abutment complete. River embankment protection commenced. |
| | 3 | Repairing and replacement of water taps | NIL |
| | 4 | Renovating of street lights | NIL |
| 13 | 1 | Sanitations | MIG - SHENSTONE AMBLETON SANITATION SYSTEM Project ongoing |
| | 2 | Community hall | NIL |
| | 3 | Construction of RDP houses | 19 houses at roof level, 6 slabs has been cast, 7 sites been cleared by the 30 June 2017, This project includes a number of wards including this one. |
| | 4 | Clinic in wards | Request submitted to the department of Health for funding |
| 14 | 1 | Review of water and rates | Rates and Tariffs reviewed annually |
| | 2 | Sports facilities | Nil |
| | 3 | Fixing of potholes | Complete 45 000m2 (equivalent to 7.5km) of surfaced roads rehabilitated across all wards by the 31 November 2016. |
| | 4 | Speed humps | 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017. |
| 15 | 1 | Construction of Ndlulamithi community hall | Design stage |
| | 2 | Road upgrading in Fedsem and eMaqaleni | Nil |
| | 3 | Road resurfacing in Fedsem, J2 and Unit 18 | Complete 45 000m2 (equivalent to 7.5km) of surfaced roads rehabilitated across all wards by the 31 November 2016. |
| | 4 | Installation of water meters in Unit 2 | Nil |
| 16 | 1 | Multi-purpose Hall | Nil |
| | 2 | Proposed unit H Primary school | Request has been submitted to the department of Education for funding |
| | 3 | High-masts lights | Nil |
| | 4 | Extension of unit H sewer project | 2,6 km of new sewer pipe installed by the 31St May 2017 |
| 17 | 1 | Construction of community hall | Nil |
| | 2 | Road maintenance | Completed upgrading of 0.85km of walkways in ward 17 by the 30th of December 2016 |
| | 3 | Tarring of roads | Nil |
| | 4 | Construction of sanitation facilities | MIG - SHENSTONE AMBLETON SANITATION SYSTEM |
| 18 | 1 | Sanitation | Nil |
| | 2 | Construction of community hall | Designs stage |
| | 3 | RDP houses | Prefeasibility studies have been not yet been completedand funding for stage 1 has not yet been submitted to the DoHS for approval |
| | 4 | Sports field / recreational facilities | Nil |

| Top Four Service Delivery Priorities Per Ward 2016/2017 Financial Year (Highest Priority First) | | | |
|---|--------|---|---|
| Ward Name (No) | Number | Priority Name and Details | Progress 2016/2017 |
| 19 | 1 | Construction of library | Nil |
| | 2 | Sports field | Nil |
| | 3 | Renovation of community hall | Nil |
| | 4 | Easy access of tractors | Nil |
| 20 | 1 | Roads to be fixed | 0.75 km of gravel roads upgraded to black top surface in Harewood Ward 20 by the 30th of May 2017 |
| | 2 | Construction of Smero and Harewood community halls | NIL |
| | 3 | Upgrade of Caluza sports field | Sportsfield upgraded and maintained as required |
| | 4 | Extension of mazambane roads | Completed upgrading 0.6 km of gravel roads to black top surface in Smeroe Ward 20 by the 31st of March 2017 |
| 21 | 1 | Land acquisition | Planning stage |
| | 2 | RDP houses | Greater edenale 5 priority projects are at preparation stage |
| | 3 | Water | Bill of Quantities completed by the 31st of May 2017 |
| | 4 | Sanitation | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 |
| 22 | 1 | Construction of community hall in Unit 3 and Unit CC | Nil |
| | 2 | Construction of library in Unit 3 | Request has been submitted to the department of Arts and Culture for Funding |
| | 3 | Construction complex in Unit 3, FJ Sithole Road | NIL |
| | 4 | Installation of high mast lights | Nil |
| 23 | 1 | Peace Valley Two community hall upgrade | Nil |
| | 2 | Roads rehabilitation in Ashdown and Peace Valley Two | MIG - UPGRADING OF ROADS IN PEACE VALLEY - (Plan & Design in 2016/17) - 10km |
| | 3 | Sewerage system upgrade in Transit area A | MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER) |
| | 4 | Ashdown sports arena | Nil |
| 24 | 1 | Lightening Conductor | Nil |
| | 2 | Hall maintenance | Nil |
| | 3 | Sport fields | Nil |
| | 4 | Speed humps | Nil |
| 25 | 1 | Extension of upper Town Bush road | Nil |
| | 2 | Roads rehabilitation and resurfacing | Nil |
| | 3 | Drainage system on Hosking road | Nil |
| | 4 | Speed humps | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 |
| 26 | 1 | Maintenance of parks and verges | Grass was cut in 29 Wards but not all areas were covered |
| | 2 | Roads resurfacing | Complete 45 000m2 (equivalent to 7.5km) of surfaced roads rehabilitated across all wards by the 31 November 2016. |
| | 3 | Construction of community hall | Nil |
| | 4 | Replacement of old water reticulation pipes in Prestbury and Napierville ar | Nil |
| 27 | 1 | Multi-purpose Disaster and Community Centre | Nil |
| | 2 | Decent wheelchair access to pavements and resurfacing of pavements | Nil |
| | 3 | Social housing on Havelock road | Nil |
| | 4 | Upgrading of Greyling street | Nil |
| 28 | 1 | Renovation and maintenance of Truro main hall | Nil |
| | 2 | Maintenance of Egret road hall | Nil |
| | 3 | Maintenance of South road dumpsite | Nil |
| | 4 | Maintenance of roads | Complete 45 000m2 (equivalent to 7.5km) of surfaced roads rehabilitated across all wards by the 31 November 2016. |

Top Four Service Delivery Priorities Per Ward 2016/2017 Financial Year (Highest Priority First)

| Ward Name (No) | Number | Priority Name and Details | Progress 2016/2017 |
|----------------|--------|--|---|
| 29 | 1 | Housing projects | Copesville housing project |
| | 2 | Electrification of housing | Planning Stage |
| | 3 | Maintenance of gravel roads | Nil |
| | 4 | Clinic | request submitted to the Department of Health |
| 30 | 1 | Refurbishment of the gates at Allandale Park, Protea grounds | Nil |
| | 2 | Refurbishment and upgrade to the sports facility in Protea grounds, tennis court | Nil |
| | 3 | Squash courts | Nil |
| | 4 | Pavements and walkways along Chota Motala road | Nil |
| 31 | 1 | Housing for informal settlements dwellers | Target Partialy Achieved - 19 houses at roof level, 6 slabs has been cast, 7 sites been cleared by the 30 June 2017 |
| | 2 | Installation of water taps | Nil |
| | 3 | Refuse removal | Refuse removal done on weekly |
| | 4 | Toilets | Nil |
| 32 | 1 | All housing projects to be completed | Planning Stage |
| | 2 | Rectification at Site 11 and Happy Valley | Planning Stage |
| | 3 | Retribution at Woodlands extensions | Planning Stage |
| | 4 | Yellow wood project | Nil |
| 33 | 1 | Waste collection and stop illegal dumping | Refuse removal done on weekly. |
| | 2 | Crime prevention | Matter tabled to the community Policing forum |
| | 3 | Construction of skills development and youth centre | New youth centre in the CBD |
| | 4 | Resurfacing of pavements | Nil |
| 34 | 1 | Renovation to Eastwood sport facility (change rooms & grounds) | Nil |
| | 2 | Renovation and repairs to Panorama Hall | Nil |
| | 3 | Madiba Road-Tarring & Fixing drainage system | Nil |
| | 4 | Clearing of open space to develop recreational area for children at Cinderella | completed |
| 35 | 1 | Construction of a computer hub | Nil |
| | 2 | Construction of a Heroes park | Nil |
| | 3 | Housing (Holling wood, sobantu infields) | NIL |
| | 4 | Shopping centre | NIL |
| 36 | 1 | Resurfacing of roads | Complete 45 000m2 (equivalent to 7.5km) of surfaced roads rehabilitated across all wards by the 31 November 2016. |
| | 2 | Link road between Iris road, Cyclamen and Aster road | 92% of G9 completed, 80% of G7 completed. |
| | 3 | Redesign of Morgan road | Nil |
| | 4 | Clearing, grass-cutting and tree felling of municipal open space | Grass was cut in 29 Wards but not all areas were covered |
| 37 | 1 | RDP houses with toilets | Planning Stage |
| | 2 | Construction of schools | request submitted to the |
| | 3 | Tarring of roads | Nil |
| | 4 | Signage for trucks | Nil |

| Top Four Service Delivery Priorities Per Ward 2016/2017 Financial Year (Highest Priority First) | | | |
|---|--------|--------------------------------------|---|
| Ward Name (No) | Number | Priority Name and Details | Progress 2016/2017 |
| 38 | 1 | RDP houses in Thembalihle | Planning Stage |
| | 2 | Waste collection and illegal dumping | Refuse removal done on weekly. |
| | 3 | Crime prevention | Matter tabled to the community Policing forum |
| | 4 | Electricity | Planning Stage |
| 39 | 1 | Upgrade of access roads | Planning Stage |
| | 2 | Construction of RDP houses | VDA being consulted |
| | 3 | Construction of community hall | Nil |
| | 4 | Installation of high mast lights | Planning Stage |

Note: As per the above table in respect of the Four Service Delivery Priorities per Ward: the following table contains the summary of the needs as requested by Communities, Ward Committees, Councillors and Amakhosi. For each Need an explanation has been provided under the heading – Nature of Requests.

SEVEN LARGEST CAPITAL PROJECTS PER WARD 2016/2017

| Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000 | | | | | | |
|---|--------|--|------------|-----------|--|-------------|
| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
| 1 | 1 | MWIG - REDUCTION OF NON REVENUE WATER | 1-Jul-17 | 30-Jun-17 | Total Water Losses = 27.1% by the 31st of May 2017 | 31,000 |
| | 2 | CNL - ROAD REHABILITATION - PMS | 1-Jul-17 | 30-Jun-17 | Complete 45 000m2 (equivalent to 7.5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted immulsion) by the 31 November 2016. | 8,215 |
| | 3 | MWIG - BASIC WATER SUPPLY | 1-Jul-17 | 30-Jun-17 | Project had to suspended due unstable soil conditions whilst the gootechnical study is been undertaken. | 6,921 |
| | 4 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 2 | 1 | MWIG - REDUCTION OF NON REVENUE WATER | 1-Jul-17 | 30-Jun-17 | Total Water Losses = 27.1% by the 31st of May 2017 | 31,000 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase2 | 1-Jul-17 | 30-Jun-17 | Culvert , stormwater piping , manholes , stormwater catchpits and earthworks completed. Gabions and subbase layer 50% completed. | 6,971 |
| | 3 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 3 | 1 | HIGH MAST LIGHTS INSTALLATION | 1-Jul-17 | 30-Jun-17 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSSIONED. | 9,400 |
| | 2 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 3 | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS | 1-Jul-17 | 30-Jun-17 | 0.5km of gravel roads upgraded to black top surface in Ward 03 by the 31st of November 2016 | 4,102 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 4 | 1 | HIGH MAST LIGHTS INSTALLATION | 1-Jul-17 | 30-Jun-17 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSSIONED. | 9,400 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS | 1-Jul-17 | 30-Jun-17 | 0,75 km of gravel roads to surfaced/concrete standard upgraded by the 30th May 2017 | 7,297 |
| | 3 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 5 | 1 | HIGH MAST LIGHTS INSTALLATION | 1-Jul-17 | 30-Jun-17 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSSIONED. | 9,400 |
| | 2 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000

| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
|----------------|--------|---|------------|-----------|---|-------------|
| 6 | 1 | HIGH MAST LIGHTS INSTALLATION | 1-Jul-17 | 30-Jun-17 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSIONED. | 9,400 |
| | 2 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 3 | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS | 1-Jul-17 | 30-Jun-17 | 0,5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 3,148 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 7 | 1 | HIGH MAST LIGHTS INSTALLATION | 1-Jul-17 | 30-Jun-17 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSIONED. | 9,400 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS | 1-Jul-17 | 30-Jun-17 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 7,988 |
| | 3 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 8 | 1 | HIGH MAST LIGHTS INSTALLATION | 1-Jul-17 | 30-Jun-17 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSIONED. | 9,400 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS - Masoyi Rd, etc. | 1-Jul-17 | 30-Jun-17 | Target date not Met. Completed 1.0km in May 2017 | 7,044 |
| | 3 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 9 | 1 | MIG - BASIC SANITATION VIP TOILETS | 1-Jul-17 | 30-Jun-17 | 570 x VIPs constructed by 31st May 2017 | 6,724 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS | 1-Jul-17 | 30-Jun-17 | 0,5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 6,173 |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 10 | 1 | MIG - SEWER PIPES AZALEA - PHASE 2 | 1-Jul-17 | 30-Jun-17 | 6,2 km of new sewer pipe installed by the 31st May 2017 | 18,005 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Ward 10 Roads - Stormwater upgrade | 1-Jul-17 | 30-Jun-17 | 2.2km of Roads in Ward 10 rehabilitated by the 31st of January 2017 | 9,185 |
| | 3 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 4 | MIG - BUS STOP SHELTERS | 1-Jul-17 | 30-Jun-17 | Target met. 41 x bus shelters installed by the 31st of January 2017 | 1,217 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000

| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
|----------------|--------|---|------------|-----------|---|-------------|
| 11 | 1 | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD | 1-Jul-17 | 30-Jun-17 | Substructure of west abutment 80% complete. Concrete footing of East Abutment complete. River embankment protection commenced. | 7,063 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds - | 1-Jul-17 | 30-Jun-17 | 0.5km of gravel roads upgraded to black top surface in Ward 11 by the 31st of March 2017 | 1,842 |
| | 3 | MIG - BUS STOP SHELTERS | 1-Jul-17 | 30-Jun-17 | Target met. 41 x bus shelters installed by the 31st of January 2017 | 1,217 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 12 | 1 | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD | 1-Jul-17 | 30-Jun-17 | Substructure of west abutment 80% complete. Concrete footing of East Abutment complete. River embankment protection commenced. | 7,063 |
| | 2 | MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER) | 1-Jul-17 | 30-Jun-17 | Bill of Quanties completed by the 31st of May 2017 | 1,388 |
| | 3 | MIG - BUS STOP SHELTERS | 1-Jul-17 | 30-Jun-17 | Target met. 41 x bus shelters installed by the 31st of January 2017 | 1,217 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 13 | 1 | MIG - SHENSTONE AMBLETON SANITATION SYSTEM | 1-Jul-17 | 30-Jun-17 | Bill of Quanties completed by the 31st of May 2017 | 1,799 |
| | 2 | MIG - UPGRADING OF ROADS IN EDENDALE - KWANYAMAZANE ROADS | 1-Jul-17 | 30-Jun-17 | Completed upgrading 0.3 km of gravels roads to concrete surface in kwanyamazane area by the 31st of March 2017 | 1,729 |
| | 3 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 14 | 1 | MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS | 1-Jul-17 | 30-Jun-17 | EIA approved and WULA submitted to EDTEA. | 812 |
| | 2 | CNL - INSTALLATION OF NEW GUARD RAILS (as and when requested) | 1-Jul-17 | 30-Jun-17 | Target partially met. 0.83km of Guard Rails installed by the 30th of June 2017 | 406 |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 15 | 1 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 2 | N/A | N/A | N/A | N/A | N/A |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000

| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
|----------------|--------|---|------------|-----------|---|-------------|
| 16 | 1 | MIG - SEWER PIPES UNIT H | 1-Jul-17 | 30-Jun-17 | 2,6 km of new sewer pipe installed by the 31st May 2017 | 4,475 |
| | 2 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 3 | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 16 | 1-Jul-17 | 30-Jun-17 | 0.4km of all weather surface concrete roadway completed on 30 November 2016. | 1,546 |
| | 4 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 17 | 1 | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13) | 1-Jul-17 | 30-Jun-17 | Completed upgrading of 0.85km of walkways in ward 17 by the 30th of December 2016 | 619 |
| | 2 | N/A | N/A | N/A | N/A | N/A |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 18 | 1 | MIG - SHENSTONE AMBLETON SANITATION SYSTEM | 1-Jul-17 | 30-Jun-17 | Bill of Quantities completed by the 31st of May 2017 | 1,799 |
| | 2 | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design | 1-Jul-17 | 30-Jun-17 | 0,4km of gravel roads in Edendale: Unit 14/Unit P upgraded to black top surfacing by the 30th of June 2017 | 1,188 |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 19 | 1 | MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER) | 1-Jul-17 | 30-Jun-17 | 2.4 km of water pipe installed by the 30st May 2017 | 2,723 |
| | 2 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 3 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 20 | 1 | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Smeroe Roads and SW | 1-Jul-17 | 30-Jun-17 | Completed upgrading 0.6 km of gravel roads to black top surface in Smeroe Ward 20 by the 31st of March 2017 | 2,011 |
| | 2 | MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER) | 1-Jul-17 | 30-Jun-17 | Bill of Quantities completed by the 31st of May 2017 | 1,388 |
| | 3 | MIG - BUS STOP SHELTERS | 1-Jul-17 | 30-Jun-17 | Target met. 41 x bus shelters installed by the 31st of January 2017 | 1,217 |
| | 4 | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA | 1-Jul-17 | 30-Jun-17 | 0.75 km of gravel roads upgraded to black top surface in Harewood Ward 20 by the 30th of May 2017 | 881 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000

| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
|----------------|--------|--|------------|-----------|---|-------------|
| 21 | 1 | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - MACHIBISA / DAMBUZA RDS | 1-Jul-17 | 30-Jun-17 | 0.5km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | 2,559 |
| | 2 | MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER) | 1-Jul-17 | 30-Jun-17 | Bill of Quantities completed by the 31st of May 2017 | 1,388 |
| | 3 | MIG - BUS STOP SHELTERS | 1-Jul-17 | 30-Jun-17 | Target met. 41 x bus shelters installed by the 31st of January 2017 | 1,217 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 22 | 1 | N/A | N/A | N/A | N/A | N/A |
| | 2 | N/A | N/A | N/A | N/A | N/A |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 23 | 1 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 2 | N/A | N/A | N/A | N/A | N/A |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 24 | 1 | INSTALL 13MVA CCT BETWEEN WESTGATE & MKONDENI | 1-Jul-17 | 30-Jun-17 | 14700M OF 630MM 1/C CABLE PURCHASED & INSTALLED by the 30th of June 2017 | 2,717 |
| | 2 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 25 | 1 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 2 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 3 | CNL - INSTALLATION OF NEW GUARD RAILS (as and when requested) | 1-Jul-17 | 30-Jun-17 | Target partially met. 0.83km of Guard Rails installed by the 30th of June 2017 | 406 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 26 | 1 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 2 | WSIG - CONSTRUCTION OF MASONS RESERVOIR | 1-Jul-17 | 30-Jun-17 | Construction work ongoing. | 1,001 |
| | 3 | CNL - MAYORS WALK ROAD WIDENING | 1-Jul-17 | 30-Jun-17 | Target met. Completed specialist studies by the 30th of June 2017 | 700 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000

| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
|----------------|--------|--|------------|-----------|---|-------------|
| 27 | 1 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 2 | CNL - MAYORS WALK ROAD WIDENING | 1-Jul-17 | 30-Jun-17 | Target met. Completed specialist studies by the 30th of June 2017 | 700 |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 28 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | UPGRADE AND COMMISSIONING OF 132/11KV NORTHDALÉ PRIMARY SUBSTATION | 1-Jul-17 | 30-Jun-17 | PART ONE IS 99% COMPLETE AND PART TWO HAS COMENCED WITH 23% OF THE WORK DONE. ENTIRE PROJECT PROGRESS IS 94% | 3,382 |
| | 3 | REGINA ROAD INFORMAL SETTLEMENT ELECTRIFICATION | 1-Jul-17 | 30-Jun-17 | 193 NEW HOUSEHOLD CONNECTIONS ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | 2,900 |
| | 4 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 5 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 29 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | MIG - UPGRADE OF INTERNAL ROADS - HANIVILLE | 1-Jul-17 | 30-Jun-17 | Completed 0,8km of Internal Roads in Haniville by 30 April 2017 | 1,859 |
| | 3 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 4 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 30 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | SUPPLY AND INSTALL 11KV (28 PANEL) FIXED PATTERN SWITCHGEARS FOR THREE DISTRIBUTOR SUBSTATIONS | 1-Jul-17 | 30-Jun-17 | MANUFACTURING PROCESS OF 28 X 11kv FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS IS IN PROCESS by the 30th June 2017 | 9,100 |
| | 3 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 4 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000

| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
|----------------|--------|--|------------|-----------|---|-------------|
| 31 | 1 | MIG - REDUCTION OF NON REVENUE WATER | 1-Jul-17 | 30-Jun-17 | Total Water Losses = 27.1% by the 31st of May 2017 | 14,508 |
| | 2 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 3 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 4 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 32 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 3 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 4 | CNL - INSTALLATION OF NEW GUARD RAILS (as and when requested) | 1-Jul-17 | 30-Jun-17 | Target partially met. 0.83km of Guard Rails installed by the 30th of June 2017 | 406 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 33 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | SUPPLY AND INSTALL 11KV (28 PANEL) FIXED PATTERN SWITCHGEARS FOR THREE DISTRIBUTOR SUBSTATIONS | 1-Jul-17 | 30-Jun-17 | MANUFACTURING PROCESS OF 28 X 11kv FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS IS IN PROCESS by the 30th June 2017 | 9,100 |
| | 3 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 4 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 34 | 1 | ESTABLISHMENT OF NEW 132/11KV EASTWOOD SUBSTATION | 1-Jul-17 | 30-Jun-17 | CIVILS WORKS ARE AT 98 % COMPLETE. ELECTRICAL INSTALLATION WORK IS IN PROGRESS AND IS AT 26 % COMPLETE. OVERALL PROJECT PROGRESS IS 90 % COMPLETE. | 17,757 |
| | 2 | SUPPLY AND DELIVERY OF 2 X 40MVA POWER TRANSFORMERS AT 132/11KV EASTWOOD SUBSTATION | 1-Jul-17 | 30-Jun-17 | 2 X 40MVA POWER TRANSFORMERS PURCHASED | 15,000 |
| | 3 | N/A | N/A | N/A | N/A | N/A |
| | 4 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 5 | SUPPLY AND INSTALL 1 X 13-PANEL 11kv SWITCHBOARD AT 132/11KV EASTWOOD SUBSTATION | 1-Jul-17 | 30-Jun-17 | 1 X 13 PANEL 11kv SWITCHBOARD FOR 132/11kv EASTWOOD SUBSTATION MANUFACTURED AND DELIVERED TO SITE BY 30 JUNE 2017 | 7,300 |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

Seven Largest Capital Projects Per Ward 2016/2017 Financial Year R'000

| Ward Name (No) | Number | Project Name and Details | Start Date | End Date | Progress 2016/2017 | Total Value |
|----------------|--------|--|------------|-----------|--|-------------|
| 35 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 1-Jul-17 | 30-Jun-17 | 13 x highest infiltration manholes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 31st of May 2017 | 1,672 |
| | 3 | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 1-Jul-17 | 30-Jun-17 | Panel of contractors Awarded at BAC by 31st May 2017 | 1,319 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 36 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | CNL - LESTER BROWN LINK ROAD | 1-Jul-17 | 30-Jun-17 | 92% of G9 completed, 80% of G7 completed. | 9,300 |
| | 3 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 4 | N/A | N/A | N/A | N/A | N/A |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |
| 37 | 1 | PURCHASE OF 11KV CAPITAL EQUIPMENT | 1-Jul-17 | 30-Jun-17 | 39 X 11KV EQUIPMENT PURCHASED AND 33 X 11KV EQUIPMENT DELIVERED by the 30th of June 2017 | 10,000 |
| | 2 | CNL - UPGRADING OF ROADS IN ASHBURTON - Design | 1-Jul-17 | 30-Jun-17 | Target not Met. Cpmpleted Priming. Surfacing to start 1st week in July 2017. | 6,490 |
| | 3 | CNL - EASTERN RING ROAD - DETAIL DESIGN AND CONSTRUCTION | 1-Jul-17 | 30-Jun-17 | Target not met. Wetland study completed and recommendationa are that alternative route alignment being 2C has to be investigated as the proposed route alignment has a negative impact on the grassland where the road is traversing. Alternative route alignment to be investigated was finalised in June 2017 with the guidance of Msunduzi internal environment unit. | 700 |
| | 4 | CNL - TRAFFIC CALMING MEASURES | 1-Jul-17 | 30-Jun-17 | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st March 2017 | 499 |
| | 5 | N/A | N/A | N/A | N/A | N/A |
| | 6 | N/A | N/A | N/A | N/A | N/A |
| | 7 | N/A | N/A | N/A | N/A | N/A |

| NO. | NEED | NATURE OF REQUESTS |
|-----|----------------------------|---|
| 1 | Good Governance | Requests under good governance included the following - communities wanted to be informed about the IDP process, to be involved in the budget process, for ward committees to be established, for the municipality to strengthen relationships between communities and their councillor, for nepotism to be eradicated, many ward requests cited that Councillors must not be involved in the hiring of people. |
| 2 | Repairs & Maintenance | Repairs & Maintenance included requests for the upgrades of roads, rehabilitation of community facilities like halls and parks, fixing of potholes, building of speed humps, attending to sewage blockages, repairing of burst water pipes, repairs to RDP houses where roofs are leaking, |
| 3 | Roads | Requests for roads predominantly centered around the building of new roads, link roads, access roads and tarred roads where there have never been roads constructed before. |
| 4 | Economic Development | It also included the issue of youth development, job creation, training and skills development, small business establishment & other aspects in order to strengthen the economy, |
| 5 | Halls / Community Centre's | Request for halls and community Centre's hinged around the construction of new halls and community Centre's which are multi-purpose in nature in order to enhance community development by social cohesion (building to be used by all community members irrespective of colour) |
| 6 | Housing | Housing requests include the request for RDP houses and houses in general. |
| 7 | Sanitation | Toilets & Sanitation requests include requests for the building of new toilet & sanitation systems especially where they have houses but no toilet facilities. |
| 8 | Sportsfields | Communities want sportsfields in their respective areas, sportsfields they can use as per their needs in order to strengthen community unity and social engagement. |
| 9 | Street Lighting | Street lighting includes street lights & high mast lights in order to make areas safe from criminal activities as there are large areas with no street lights |
| 10 | Electricity | Electricity needs included new installations of electricity in households which do not have electricity all together, and also the installation of pre-paid meters. |
| 11 | Water | Water needs included new installations of piped water to households and the ability to use water within the household through taps in order to do their necessary washing and cleaning. |
| 12 | Clinics | Communities want to see the municipality ensuring there are clinics in close vicinity of their wards either permanently established or by way of mobile clinics as it is costly to travel to access the health care facility as many are unemployed. |
| 13 | Crèches | Communities want the municipality to build crèches or early childhood development Centre's where parents can leave their children during the day whilst they are at work. |
| 14 | Refuse Collection | Communities complained that the municipality is failing to keep their communities clean as the pickup of refuse is not constant and is leading to environmental risks for the elderly and young kids as the refuse is not collected for lengthy periods of time and then starts to decompose and smell. |
| 15 | Bridges | Communities have requested the construction of bridges and foot bridges. |
| 16 | Taxi Ranks | Communities are tired of standing in the rain in long queues waiting for public transport; they want the municipality to provide either taxi ranks or taxi shelters. |

CHAPTER 7 – REPORT OF THE AUDITOR GENERAL 2016/2017

AUDITOR-GENERAL OF SOUTH AFRICA MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY - AUDIT REPORT 2016-17

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on Msunduzi Municipality and its municipal entity

Report on the audit of the consolidated and separate financial statements

Disclaimer of opinion

1. I was engaged to audit the consolidated and separate financial statements of Msunduzi Municipality and its municipal entity set out on pages 196 to 269, which comprise the appropriation statement, the consolidated and separate statement of financial position as at 30 June 2017, the consolidated and separate statement of financial performance, statement of changes in net assets, consolidated and separate cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. I do not express an opinion on the consolidated and separate financial statements of the municipality and its municipal entity. Because of the significance of the matters described in the basis for disclaimer of opinion section of this report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated and separate financial statements.

Basis for disclaimer of opinion

Land and buildings - Restatement of corresponding amounts

3. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for land and buildings included in property, plant and equipment in the consolidated and separate financial statements. As described in note 13 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the land and buildings stated at R1,47 billion in the consolidated and separate financial statements.

Property, plant and equipment - Other assets

4. I was unable to obtain sufficient appropriate audit evidence that management, had properly accounted for other assets included in property, plant and equipment, as they could not be verified. I was unable to confirm these assets by alternative means. Consequently, I was unable to determine whether any further adjustment relating to other assets stated at R408,74 million as disclosed in note 13 to the consolidated and separate financial statements were necessary.

Investment property – Restatement of corresponding amounts

5. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for Investment property in the consolidated and separate financial statements. As described in note 12 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the investment property stated at R720,22 million (2016: R591,24 million) in the consolidated and separate financial statements.

Revenue from exchange transactions

6. I was unable to obtain sufficient appropriate audit evidence for revenue from exchange transactions which was presented for audit purposes without the underlying supporting ledgers. I was unable to audit the revenue from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments to revenue from exchange transactions stated at R2,73 billion disclosed in notes 28 - 31 and 33 - 35 to the consolidated and separate financial statements were necessary.

Revenue from non-exchange transactions

7. I was unable to obtain sufficient appropriate audit evidence for revenue from non-exchange transactions which was presented for audit purposes without the underlying supporting ledgers. I was unable to audit the revenue from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments to revenue from non-exchange transactions stated at R795,88 million disclosed in note 36 to the consolidated and separate financial statements were necessary.

Consumer debtors

8. I was unable to obtain sufficient appropriate audit evidence as consumer debtors recorded in the consolidated and separate financial statements did not reconcile to the debtors age analysis. I was unable to confirm consumer debtors stated at R2,08 billion in note 4 to the consolidated and separate financial statements by alternative means as it was impracticable to do so. Additionally, there was a resultant impact on the related revenue and impairment that could not be determined.

Receivables from exchange transactions

9. I was unable to obtain sufficient appropriate audit evidence that receivables from exchange transactions was properly accounted for due to the status of accounting records for prepayments disclosed. I was unable to confirm these prepayments by alternative means. Consequently, I was unable to determine whether any adjustments to receivables from exchange transactions stated at R51,37 million (2016: R111,89 million) disclosed in note 7 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related impairment in note 52 that could not be determined.

Expenditure - Bad debts written off

10. Management had written off consumer debts without the appropriate council resolution as required by section 64(2)(a) of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA). Furthermore, bad debts written off were not adequately supported. I was unable to confirm the bad debts written off by alternative means. Consequently, I was unable to determine whether any adjustments relating to bad debts written off stated at R332,29 million in note 40 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related consumer debtors which could not be determined.

Commitments

11. Management did not properly account for commitments as required by SA Standards of GRAP 17 Property, plant and equipment due to inadequate systems and processes to account for this disclosure. I was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, commitments stated at R286,94 million in note 60 to the consolidated and separate financial statements was misstated by an unknown amount.

Inventory

12. Management did not disclose the change in the inventory accounting policy in terms of South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) 3, Accounting policies, estimates and errors. The nature and the amount of the correction at the beginning of the earliest previous period were not disclosed as supporting information was not provided. Additionally, adjustments were made to inventory which could not be supported. I could not confirm these adjustments nor the impact of the change of accounting policy by alternative means. Consequently, I was unable to determine whether any adjustments to inventory stated at R66,14 million disclosed in note 5 to the consolidated and separate financial statements were necessary.

Emphasis of matters

13. I draw attention to the matters below.

Material underspending of the conditional grant

14. As disclosed in note 38 to the consolidated and separate financial statements, the municipality materially underspent the budget on the public transportation infrastructure grant and the neighbourhood development partnership grant due to the delays in the implementation of the projects associated with these grants. As a result of the material underspending, the municipality surrendered R165,18 million and R29,77 million to National Treasury respectively.

Material losses – electricity

15. As disclosed in note 70 to the consolidated and separate financial statements, material electricity losses of R279,12 million (2015-2016: R 181,96 million) was incurred, which represents 16% (2015-2016: 12%) of total electricity purchased. Losses were as a result of illegal connections.

Other matters

I draw attention to the matters below:

Unaudited disclosure notes

16. In terms of section 125(2)(e) of the MFMA the municipality and its municipal entity are required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and accordingly I do not express an opinion thereon.

Unaudited supplementary schedules

17. The supplementary information set out on pages 270 to 290 does not form part of the consolidated and separate financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the consolidated and separate financial statements

18. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP, and the requirements of the MFMA, and Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
19. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the intention is to liquidate the municipality and its municipal entity or cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

20. My responsibility is to conduct an audit of the consolidated and separate financial statements in accordance with the ISAs and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of this report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated and separate financial statements.
21. I am independent of the municipality and its municipal entity in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Report on the audit of the annual performance report

Introduction and scope

22. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected objectives presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
23. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
24. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the municipality and its municipal entity for the year ended 30 June 2017:

| Objectives | Pages in the annual performance report |
|---|--|
| Basic service delivery | 56 - 188 and 370-522 |
| Cross cutting issues (Safe City Msunduzi NPC) | 297 |

25. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
26. The material findings in respect of the usefulness and reliability of the selected objectives are as follows:

Basic service delivery

Various indicators - Performance indicators not specific

27. The targets as determined during planning for the indicators listed below were not specific in clearly identifying the nature and required level of performance, as required by the Framework for managing programme performance information (FMPPPI).
- Number of libraries maintained
 - Number of operational halls maintained every month
 - Date manufacturing process of 1 X 13-panel 11kV switchboard for new 132/11kV East Wood substation completed
 - Date manufacturing process of 28 X 11kV fixed pattern switchgears for 3 distributor substations completed
 - Date Leachate tank commissioned
 - Metres of berm constructed and height.

Various indicators - Performance indicators not verifiable and reliable

28. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of targets. This was due to a lack of proper performance management systems and processes to maintain records to enable reliable reporting on achievement of targets. I was unable to confirm that the reported achievement of these indicators was reliable by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of the indicators listed below.
- % Reduced total water losses (wards1-9)
 - % Reduced total water losses (wards10-37)
 - Number of households with access to refuse removal at least once per week (wards 10 -37).
 - Number of New Electricity connections completed (Number of households with access to electricity)
 - Number of New Water connections completed (Application Driven) (Number of households with access to potable (drinkable) water)
 - Number of households earning less than R3500 per month (application based) provided with access to free basic services.

Number of HIV/AIDS and social support programmes to be coordinated – Reported achievement not complete

29. The reported achievement for the number of HIV/AIDS and social support programmes to be coordinated was misstated as the evidence provided indicated an estimated 685 and not 597 as reported.

Cross cutting issues

30. I did not raise any material findings on the usefulness and reliability of the reported performance information for the cross cutting issues objective.

Other matters

31. I draw attention to the matters below.

Achievement of planned targets

32. The annual performance report on pages 56 to 188; 370 to 522 includes information on the achievement of planned targets for the year and explanations are provided for the under and over achievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 27 to 29 of this report.

Adjustment of material misstatements

33. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the basic service delivery objective. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

34. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
35. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

36. The consolidated and separate financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted consolidated and separate financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in a disclaimed audit opinion.

Procurement and contract management

37. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of regulations 17(a) and (c) of the Municipal Supply Chain Management Regulation, 2005 (MSCMR).
38. Some of the invitations for competitive bidding at the municipality were not advertised for a required minimum period of days, in contravention of regulations 22(1) and 22(2) of the MSCMR. Similar non-compliance was also reported in the prior year.
39. Awards were made to providers who were in the service of the municipality and whose directors or principal shareholders are in the service of the municipality, in contravention of section 112(j) of the MFMA and MSCMR 44. Furthermore, the provider failed to declare that they were in the service of the municipality, as required by MSCMR 13(c).
40. Persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of MSCMR 46(2)(e) and the code of conduct for staff members issued in terms of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000).

Expenditure management

41. Effective steps were not taken to prevent irregular expenditure of R150,21 million as disclosed in note 66 to the consolidated and separate annual financial statements, as required by section 62(1)(d) and 95(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with supply chain management regulations.
42. Effective steps were not taken to prevent fruitless and wasteful expenditure of R11,27 million, as disclosed in note 68 to the consolidated and separate annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by employee suspensions not finalised on time.

Revenue management

43. An adequate management, accounting and information system which accounts for revenue, debtors and receipts of revenue was not in place, as required by section 64(2)(e) of the MFMA.
44. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.

Asset management

45. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Consequence management

46. Unauthorised, irregular and fruitless and wasteful expenditures were certified by council of the municipality as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure, in contravention of section 32(2) of the MFMA.

Other information

47. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the mayor's foreword, executive summary, governance information, organisational performance, audit committee's report and other appendices. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in the auditor's report.
48. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
49. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
50. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein; I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate; however, if it is corrected this will not be necessary.

Internal control deficiencies

51. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon.
52. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

53. Leadership did not adequately oversee financial and performance reporting and compliance with legislation. In this regard, leadership did not ensure that effective measures were taken to address previous findings to support the achievement of credible reporting and compliance with legislative requirements.

Financial and performance management

54. Management did not implement a proper records management system to maintain documents supporting reported performance information, assets, revenue and expenditure.
55. Systems and controls were not designed in a manner that would prevent, detect and address risks that had an impact on financial; performance and compliance reporting. In this regard, management did not ensure that regular, accurate and complete financial and performance reports that were supported and evidenced by credible information were prepared.

Governance

56. The municipality did not implement appropriate risk management activities to ensure that regular risk assessments, including the consideration of information technology risks are conducted adequately and that a risk strategy to address the risks is sufficiently monitored.

Other reports

57. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's consolidated and separate financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the consolidated and separate financial statements or my findings on the reported performance information or compliance with legislation.
58. At the request of the accounting officer and senior management, the internal audit unit performed numerous investigations on allegations received from the whistle-blower hotline. These investigations related to allegations of fraud, corruption, theft, mismanagement, recruitment and supply chain management (SCM) irregularities. During the 2016-17 financial year, thirty-one investigations were conducted. Of the thirty-one conducted, twenty-nine were concluded and reported to council. Two cases relating to SCM irregularities are still in progress at the date of this report.

59. The provincial department of Cooperative Governance and Traditional Affairs requested that an investigation be conducted after a senior staff member was suspended. The investigation commenced in May 2016 and covered the period 2012 to April 2016. The investigation was initiated based on an allegation of maladministration. This investigation has been completed and is pending legal advice.

Auditor General

Pietermaritzburg
19 December 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

CHAPTER 8 – RESPONSE TO THE REPORT OF THE AUDITOR GENERAL

THE MSUNDUZI MUNICIPALITY REPORT BY MUNICIPAL MANAGER FOR COUNCIL 24 JANUARY 2018

RESPONSE TO THE REPORT OF THE AUDITOR-GENERAL ON CONSOLIDATED FINANCIAL STATEMENTS OF THE MSUNDUZI MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2017

BACKGROUND AND PURPOSE OF THE REPORT

The report of the Auditor-General dated 19 December 2017 on the Msunduzi Municipality for the financial year ended 30 June 2017, has been received and is on the Council agenda.

In terms of Section 21 (1) and (2) of the Public Audit Act, 2004 (Act No. 25 of 2004):

- [1] The Auditor-General must submit an audit report in accordance with any legislation applicable to the auditee which is the subject of the audit.
- [2] If there is no such legislation as contemplated in subsection (1) the Auditor-General must submit the audit report to the relevant legislature within the reasonable time.

The Accounting Officer must ensure that the requirements of Section 126 (1) and (2) of the Municipal Finance Management Act, (Act 65 of 2003) are complied with.

Section 121 prescribes that the Annual Report of a municipality must include among others the Auditor-General's Audit Report in terms of Section 126 (3) on the financial statements and particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraph (b) and (c) of Section 121.

Comments and action on matters raised in the report are set out below with the numbering corresponding to the report of Auditor-General.

GENERAL RESPONSE

Report on the audit of the consolidated and separate financial statements

Disclaimer of opinion

1. The office of the Auditor General was engaged to audit the consolidated and separate financial statements of Msunduzi Municipality and its municipal entity, which comprises of the appropriation statement, the consolidated and separate statement of financial position as at 30 June 2017.

It also comprised of the consolidated and separate statement of financial performance, statement of changes in net assets, consolidated and separate cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

2. The office of the Auditor General did not express an opinion on the consolidated and separate financial statements of the municipality and its municipal entity. Because of the significance of the matters described in the basis for disclaimer of opinion section of this report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated and separate financial statements.

The Auditor-General has not expressed an opinion with the following basis for a disclaimer:

3. Land and buildings - Restatement of corresponding amounts

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for land and buildings included in property, plant and equipment in the consolidated and separate financial statements. As described in note 13 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. The office of the Auditor General was unable to confirm the restatement by alternative means. Consequently, They were unable to determine whether any adjustment was necessary to the land and buildings stated at R1,47 billion in the consolidated and separate financial statements.

Management Response

Action plan addressing the shortcomings identified in the implementation of Generally Recognized Accounting Practice has been developed and will be monitored and tested during the preparation of the interim financial statements.

4. Property, plant and equipment - Other assets

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that management, had properly accounted for other assets included in property, plant and equipment, as they could not be verified. The office of the Auditor General was unable to confirm these assets by alternative means. Consequently, they were unable to determine whether any further adjustment relating to other assets stated at R408,74 million as disclosed in note 13 to the consolidated and separate financial statements were necessary.

Management Response

Going forward all misstatements identified by the Auditor-General will be corrected to ensure that Annual Financial Statements are fairly presented.

5. Investment property – Restatement of corresponding amounts

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding amounts for Investment property in the consolidated and separate financial statements. As described in note 12 to the consolidated and separate financial statements, the restatement was made to rectify a previous year misstatement, but it could not be substantiated by supporting audit evidence. The office of the Auditor General was unable to confirm the restatement by alternative means. Consequently, they were unable to determine whether any adjustment was necessary to the investment property stated at R720,22 million (2016: R591 ,24 million) in the consolidated and separate financial statements.

Management Response

Going forward all misstatements identified by the Auditor-General will be corrected to ensure that Annual Financial Statements are fairly presented.

6. Revenue from exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for revenue from exchange transactions which was presented for audit purposes without the underlying supporting ledgers. The office of the Auditor General was unable to audit the revenue from exchange transactions by alternative means. Consequently, they were unable to determine whether any adjustments to revenue from exchange transactions stated at R2,73 billion disclosed in notes 28 -31 and 33 -35 to the consolidated and separate financial statements were necessary.

Management Response

Revenue from exchange transactions raised for the 2016/2017 financial year was processed on the Legacy System (ProMis), it was then uploaded into SAP via journal uploads in terms of mSCOA compliance.

The Auditor General was given the upload journals that balanced to the SAP system, for audit purposes, however there was no reconciliations performed between the general ledger(SAP) and subsidiary ledger(ProMis) and we are currently performing such reconciliations to ensure that revenue raised is adequately supported in the financial statements.

7. Revenue from non-exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence for revenue from non exchange transactions which was presented for audit purposes without the underlying supporting ledgers. The office of the Auditor General was unable to audit the revenue from non-exchange transactions by alternative means. Consequently, They were unable to determine whether any adjustments to revenue from non-exchange transactions stated at R795,88 million disclosed in note 36 to the consolidated and separate financial statements were necessary.

Management Response

Revenue from non-exchange transactions raised for the 2016/2017 financial year was processed on the Legacy System (ProMis), it was then uploaded into SAP via journal uploads in terms of mSCOA compliance.

The Auditor General was given the upload journals that balanced to the SAP system, for audit purposes, however there was no reconciliations performed between the general ledger(SAP) and subsidiary ledger(ProMis) and we are currently performing such reconciliations to ensure that revenue raised is adequately supported in the financial statements.

8. Consumer debtors

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence as consumer debtors recorded in the consolidated and separate financial statements did not reconcile to the debtors age analysis. They were unable to confirm consumer debtors stated at R2,08 billion in note 4 to the consolidated and separate financial statements by alternative means as it was impracticable to do so. Additionally, there was a resultant impact on the related revenue and impairment that could not be determined.

Management Response

In the 2016/2017 financial statements the consumer debtors are disclosed excluding the debtors with credit balances amounting to R82,3 million. This amount is disclosed under Trade Payables from Exchange Transactions, as per the GRAP disclosure requirements.

There is a reconciliation between the age analysis and the financial statements, which is readily available.

9. Receivables from exchange transactions

The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that receivables from exchange transactions was properly accounted for due to the status of accounting records for prepayments disclosed. The office of the Auditor General was unable to confirm these prepayments by alternative means. Consequently, they were unable to determine whether any adjustments to receivables from exchange transactions stated at R51,37 million (2016: R111,89 million) disclosed in note 7 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related impairment in note 52 that could not be determined.

Management Response

The reconciliations that were submitted to the Auditor General will be reviewed and aligned with the recommendations made by the Auditor General. Although the municipality has impaired IDT, we are currently perusing the recovery of the debt via legal processes.

10. Expenditure - Bad debts written off

Management had written off consumer debts without the appropriate council resolution as required by section 64(2a) of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA). Furthermore, bad debts written off were not adequately supported. I was unable to confirm the bad debts written off by alternative means. Consequently, I was unable to determine whether any adjustments relating to bad debts written off stated at R332,29 million in note 40 to the consolidated and separate financial statements were necessary. Additionally, there was a resultant impact on the related consumer debtors which could not be determined.

Management Response

All bad debt write offs will have full council approval, as required by the Municipal Finance Management Act. Proper supporting documents will be maintained to support the debt write off.

11. Commitments

Management did not properly account for commitments as required by SA Standards of GRAP 17 Property, plant and equipment due to inadequate systems and processes to account for this disclosure. I was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, commitments stated at R286,94 million in note 60 to the consolidated and separate financial statements was misstated by an unknown amount.

Management Response

A commitment policy has now been developed and will be implemented throughout the municipality. This will provide guidance to business units on how to raise and deal with commitments.

Commitments are now centralised, in order to ensure the accuracy and completeness of commitments disclosed on the financial statements.

12. Inventory

Management did not disclose the change in the inventory accounting policy in terms of South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) 3, Accounting policies, estimates and errors. The nature and the amount of the correction at the beginning of the earliest previous period were not disclosed as supporting information was not provided. Additionally, adjustments were made to inventory which could not be supported. I could not confirm these adjustments nor the impact of the change of accounting policy by alternative means. Consequently, I was unable to determine whether any adjustments to inventory stated at R66,14 million disclosed in note 5 to the consolidated and separate financial statements were necessary.

Management Response

The inventory accounting policy will be amended on the financial statements, to ensure compliance with GRAP 3 requirements. The Inventory system will be tested to ensure configuration compliance with relevant standards.

All supporting documentation with regards to the change in accounting policy, supporting the amounts disclosed in the financial statements, were reviewed and submitted to Council for approval.

EMPHASIS OF MATTERS AND OTHER MATTERS:

13. The following matters were raised by the Auditor-General

Material underspending of the conditional grant

14. As disclosed in note 38 to the consolidated and separate financial statements, the municipality materially underspent the budget on the public transportation infrastructure grant and the neighbourhood development partnership grant due to the delays in the implementation of the projects associated with these grants. As a result of the material underspending, the municipality surrendered R165,18 million and R29,77 million to National Treasury respectively.

Management Response

Noted, Action plan addressing material under spending of budget has been developed, currently being implemented.

Material losses -electricity

15. As disclosed in note 70 to the consolidated and separate financial statements, material electricity losses of R279, 12 million (2015-2016: R 181,96 million) was incurred, which represents 16% (2015-2016: 12%) of total electricity purchased. Losses were as a result of illegal connections.

Management Response

The material losses are noted and will be part of the action plan developed by infrastructure to address water and electricity losses.

Other matters

I draw attention to the matters below:

Unaudited disclosure notes

16. In terms of section 125(2)(e) of the MFMA the municipality and its municipal entity are required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and accordingly I do not express an opinion thereon.

Unaudited supplementary schedules

17. The supplementary information set out on pages 270 to 290 does not form part of the consolidated and separate financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the consolidated and separate financial statements

18. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP, and the requirements of the MFMA, and Division of Revenue Act of South Africa, 2016 (Act NO.3 of 2016) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
19. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the intention is to liquidate the municipality and its municipal entity or cease operations, or there is no realistic alternative but to do so.

Auditor General's responsibilities for the audit of the consolidated and separate financial statements

20. My responsibility is to conduct an audit of the consolidated and separate financial statements in accordance with the ISAs and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of this report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated and separate financial statements.
21. I am independent of the municipality and its municipal entity in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Report on the audit of the annual performance report

Introduction and scope

22. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PM) and the general notice issued in terms thereof the office of the Auditor General have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected objectives presented in the annual performance report. They performed procedures to identify findings but not to gather evidence to express assurance.
23. Their procedures addressed the reported performance information, which was based on the approved performance planning documents of the municipality. They did not evaluate the completeness and appropriateness of the performance measures included in the planning documents. Their procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, there findings do not extend to these matters.
24. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the municipality and its municipal entity for the year ended 30 June 2017:

| Objectives | Pages in the annual performance report |
|---|--|
| Basic service delivery | 56 - 188 and 370 - 522 |
| Cross cutting issues (Safe City Msunduzi NPC) | 297 |

25. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

26. The material findings in respect of the usefulness and reliability of the selected objectives are as follows:

Basic service delivery

Various indicators - Performance indicators not specific

27. The targets as determined during planning for the indicators listed below were not specific in clearly identifying the nature and required level of performance, as required by the Framework for managing programme performance information (FMPPi).

- Number of libraries maintained
- Number of operational halls maintained every month
- Date manufacturing process of 1 X 13-panel 11kV switchboard for new 132/11kV East Wood substation completed
- Date manufacturing process of 28 X 11kV fixed pattern switchgears for 3 distributor substations completed
- Date Leachate tank commissioned
- Metres of berm constructed and height.

Council acknowledges the findings, Senior Managers for these units have met with the AG and the outcome being, that these KPIs will be amended / reviewed during Mid – Year 2017/2018 to ensure they conform to the SMART principle.

Various indicators - Performance indicators not verifiable and reliable

28. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of targets. This was due to a lack of proper performance management systems and processes to maintain records to enable reliable reporting on achievement of targets. I was unable to confirm that the reported achievement of these indicators was reliable by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of the indicators listed below.

- % Reduced total water losses (wards1-9)
- % Reduced total water losses (wards10-37)
- Number of households with access to refuse removal at least once per week (wards 10 -37).
- Number of New Electricity connections completed (Number of households with access to electricity)
- Number of New Water connections completed (Application Driven) (Number of households with access to potable (drinkable) water)
- Number of households earning less than R3500 per month (application based) provided with access to free basic services.

Council acknowledges the findings, Senior Managers for these units have met with the AG and the outcome being, that these KPIs will be amended / reviewed during Mid – Year 2017/2018 to ensure they conform to the SMART principle. The City Manager has instructed the GMs to ensure that proper Portfolios of Evidence are being prepared and submitted.

Number of HIV/AIDS and social support programmes to be coordinated -Reported achievement not complete

29. The reported achievement for the number of HIV/AIDS and social support programmes to be coordinated was misstated as the evidence provided indicated an estimated 685 and not 597 as reported.

Council acknowledges the findings, Senior Managers for these units have met with the AG and the outcome being, that these KPIs will be amended / reviewed during Mid – Year 2017/2018 to ensure they conform to the SMART principle. The City Manager has instructed the GMs to ensure that proper Portfolios of Evidence are being prepared and submitted.

Cross cutting issues

30. I did not raise any material findings on the usefulness and reliability of the reported performance information for the cross cutting issues objective.

Other matters

31. I draw attention to the matters below.

Achievement of planned targets

32. The annual performance report on pages 56 to 188; 370 to 522 includes information on the achievement of planned targets for the year and explanations are provided for the under and over achievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 27 to 29 of this report.

Adjustment of material misstatements

33. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the basic service delivery objective. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

34. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

35. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

36. The consolidated and separate financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted consolidated and separate financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in a disclaimed audit opinion.

Management Response

Not all misstatements identified were corrected, however the process is under way to address uncorrected material misstatements, using the audit action plan as a tracking tool.

All supporting documentation, relating to uncorrected misstatements, will be made available to ensure accuracy and completeness.

Procurement and contract management

37. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of regulations 17(a) and (c) of the Municipal Supply Chain Management Regulation, 2005 (MSCMR).

Management Response:

Management did not agree with the finding

The municipality did request three written quotations from at least three providers and in all cases such request was made from a wider pool of providers than just three required by the MFMA: SCM Regulation 16(a). This was done by invoking the MFMA: SCM Regulation 18(a) which states that all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the municipality.

The MFMA: SCM Regulation 16(c) states that if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer. This requirement is also in Section 17(1)(c) of the Municipality's Supply Chain Management Policy, which emphasize the fact that if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Head: Supply Chain Management or an official designated by the Chief Financial Officer or delegation of authority of the municipality. The author (which is the Minister of Finance) of the MFMA: Municipal Supply Chain Management Regulations had foreseen that a possibility existed that whilst the municipality may have invited quotations from three different service providers there was probability that some accredited prospective providers on the municipality's supplier database including those providers who are not listed who meet the listing criteria in the Supply Chain Management Policy required by Supply Chain Management Regulation 14(1)(b) and (c) may not respond to the invitation, and/or alternatively even when advertised in terms of Section 18(a) less than three may respond hence a provision in the MFMA: Supply Chain Management Regulation 16(c). The MFMA SCM Regulation 17(c) is further emphasis of the fact the author had foreseen the existence of the possibility of less than three service providers responding instead of three service providers responding.

The Municipality is advertising requests for quotations over R30 000 on the website and also using its official notice boards which is situated from the AS Chetty building 5th floor and the notice board situated at the city hall, the municipality further advertise its quotations on the portal which can be accessed by all potential service providers who want to trade with the Msunduzi Municipality. This is not done by any other municipality in the country and this is done to promote competition and to ensure that the quotation system is not abused.

38. Some of the invitations for competitive bidding at the municipality were not advertised for a required minimum period of days, in contravention of regulations 22(1) and 22(2) of the MSCMR. Similar non-compliance was also reported in the prior year.

Management Response:

Management notes the audit finding, however all the bids identified by the auditor were for the previous financial years (2013/2014 & 2014/2015). From the current financial year there are no new cases where bids were advertised for less than 30 days since corrective measures were put in place after AGSA raise the finding during 2015/2016.

39. Awards were made to providers who were in the service of the municipality and whose directors or principal shareholders are in the service of the municipality, in contravention of section 112(j) of the MFMA and MSCMR 44. Furthermore, the provider failed to declare that they were in the service of the municipality, as required by MSCMR 13(c).

Management Response:

The municipality is currently developing a policy that will ensure that all employees disclose their business interest and also their declaration of business will be done biannually. The municipality will continue to use the Transunion System to detect undisclosed interest.

40. Persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of MSCMR 46(2e) and the code of conduct for staff members issued in terms of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000).

Management Response

The municipality is currently developing a policy that will ensure that all employees disclose their business interest and also their declaration of business will be done biannually. The municipality will continue to use the Transunion System to detect undisclosed interest.

Expenditure management

41. Effective steps were not taken to prevent irregular expenditure of R150,21 million as disclosed in note 66 to the consolidated and separate annual financial statements, as required by section 62(1) (d) and 95(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with supply chain management regulations.
42. Effective steps were not taken to prevent fruitless and wasteful expenditure of R11,27 million, as disclosed in note 68 to the consolidated and separate annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by employee suspensions not finalised on time.

Management Response

The municipality will endeavour to ensure that there is compliance with legislation and its regulations when procuring goods and services. The municipality will endeavour to ensure that all suspensions initiated and investigated are finalised within the prescribed time frame, as required by legislation.

Revenue management

43. An adequate management, accounting and information system which accounts for revenue, debtors and receipts of revenue was not in place, as required by section 64(2)(e) of the MFMA.

Management Response

Management has complied with the MFMA however internal control deficiencies identified were related to reconciliations that were due to the change over from the legacy system to the new financial system. Reconciliations are being performed in order to ensure that internal controls are in place.

44. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2f) of the MFMA.

Management Response

Other secondary revenue reconciliations which were not performed by the relevant business unit will be reconciled monthly in order to comply with section 64(2f) of the MFMA.

Asset management

45. An effective system of internal control for assets was not in place, as required by section 63(2c) of the MFMA.

Management Response

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG. Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

Consequence management

46. Unauthorised, irregular and fruitless and wasteful expenditures were certified by council of the municipality as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure, in contravention of section 32(2) of the MFMA.

Management Response

It is the responsibility of Council to appoint the relevant structures to investigate reported matters.

Other information

47. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the mayor's foreword, executive summary, governance information, organisational performance, audit committee's report and other appendices. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in the auditor's report.
48. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
49. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
50. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein; I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate; however, if it is corrected this will not be necessary.

Internal control deficiencies

51. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon.
52. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

53. Leadership did not adequately oversee financial and performance reporting and compliance with legislation. In this regard, leadership did not ensure that effective measures were taken to address previous findings to support the achievement of credible reporting and compliance with legislative requirements.

Management Response

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG. Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

Financial and performance management

54. Management did not implement a proper records management system to maintain documents supporting reported performance information, assets, revenue and expenditure.
55. Systems and controls were not designed in a manner that would prevent, detect and address risks that had an impact on financial; performance and compliance reporting. In this regard, management did not ensure that regular, accurate and complete financial and performance reports that were supported and evidenced by credible information were prepared.

Management Response

Record keeping and internal controls to be addressed in all areas of financial control.

Governance

56. The municipality did not implement appropriate risk management activities to ensure that regular risk assessments, including the consideration of information technology risks are conducted adequately and that a risk strategy to address the risks is sufficiently monitored.

Management Response

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG. Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well as matters on the management report.

Other reports

57. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's consolidated and separate financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the consolidated and separate financial statements or my findings on the reported performance information or compliance with legislation.
58. At the request of the accounting officer and senior management, the internal audit unit performed numerous investigations on allegations received from the whistle-blower hotline. These investigations related to allegations of fraud, corruption, theft, mismanagement, recruitment and supply chain management (SCM) irregularities. During the 2016-17 financial year, thirty-one investigations were conducted. Of the thirty-one conducted, twenty-nine were concluded and reported to council. Two cases relating to SCM irregularities are still in progress at the date of this report.
59. The provincial department of Cooperative Governance and Traditional Affairs requested that an investigation be conducted after a senior staff member was suspended. The investigation commenced in May 2016 and covered the period 2012 to April 2016. The investigation was initiated based on an allegation of maladministration. This investigation has been completed and is pending legal advice.

CONCLUSION:

The municipality has engaged the services of KPMG to assist in addressing all the disclaimer items, management letter items, and prior year items. An action plan has been developed in consultation with the relevant officials to resolve all reported matters within specific deadlines.

CHAPTER 9 – REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2017 AND RECOMMENDATION OF THE AUDIT COMMITTEE 2016/2017

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2017 15 FEBRUARY 2018

1. PURPOSE

The purpose of this report is to apprise Council on the report of the Audit Committee for the year ended 30 June 2017

2. DELEGATIONS

The Audit Committee is a sub-committee of Council.

3. ANNEXURES

N/A

3. LEGISLATIVE PROVISIONS / POLICIES

3.1 In terms of provisions of section 166 (2) (b) of the Municipal Finance Management Act of 2003 ("the MFMA"), an Audit Committee is an independent advisory body which must advise the Municipal Council, the political office bearers, the Accounting Officer and Management staff of the municipality on matters relating to:

- (i) Internal financial control and internal audits;
- (ii) Risk management
- (iii) Accounting policies;
- (iv) The adequacy, reliability and accuracy of financial reporting information;
- (v) Performance management;
- (vi) Effective governance;
- (vii) Compliance with the Act, the annual Division of Revenue Act and other applicable legislation;
- (viii) Performance evaluation; and
- (ix) Any other issues referred to it by the municipality

4 AUDIT COMMITTEE REPORT

The Audit Committee has pleasure in submitting its annual report for the financial year, 1 July 2016 to 30 June 2017, in accordance with sections 121(3) (j), 166(2) (b) and (c) of the Municipal Finance Management Act of 2003 ("the MFMA")

4.1 AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee consist of the members listed hereunder and meets as a minimum, four times a year as per the approved Audit Committee Charter.

The Committee held SIX (6) meetings during the year and both the current and past Audit Committee Chairpersons availed themselves to present the Audit Committee oversight reports to the Executive Committee Meetings and to Council.

The Chairperson of the Audit Committee also met individually with the Municipal Accounting Officer, the Acting Chief Audit Executive, the Chief Financial Officer and Auditor General.

| Name of Member | Number of Meetings Attended |
|--|-----------------------------|
| Mr S Mnguni CA (SA) Chairperson until 31.12. 2016 (Contract expired December 2016) | 7 |
| Ms N R Shezi (Contract expired December 2016) | 6 |
| Ms N Gevers (Chairperson from 01 January 2017) | 7 |
| Mr S Ndaba (Contract expired 30 April 2017) | 8 |
| Advocate N Kuzwayo (Contract expired 30 August 2017) | 8 |
| Dr TI Nzimakwe (appointed 01 April 2017) | 2 |
| Ms TF Jimana (appointed 01 April 2017) | 2 |

4.2 AUDIT COMMITTEE RESPONSIBILITIES AND TERMS OF REFERENCE

The Audit Committee has complied with its responsibilities arising from section 166 of the MFMA and clause 14(2) (a) of the Municipal Planning and Performance Management Regulations of 2001. The Audit Committee's work was guided and regulated by the Audit Committee Charter as approved by Council and the Audit Committee has discharged its responsibility as contained therein during the year ended 30 June 2017.

4.3 INTERNAL AUDIT FUNCTION

The Internal Audit Charter as adopted by the Audit Committee regulates the work of Internal Audit. In terms of S165 (1) of the MFMA each municipality is required to have an internal audit function. As per S165 (3) the municipality is permitted to co-source the internal audit function if the municipality requires assistance to develop its internal capacity. During the current year internal audit was assisted by co-sourced resources.

The Chief Audit Executive (CAE) was suspended during the financial year and the disciplinary process was still in progress as at the end of June 2017. The municipality appointed an Acting CAE in order to ensure continuity with the implementation of the approved internal audit plan.

The Annual Audit coverage plan was submitted to the Audit Committee on the 2nd of June 2016 and was approved on the 1st of November 2016. During the year a revised and adjusted annual audit coverage plan was approved by the Audit Committee to take into account a number of factors including the risks that emanated from the risk assessment, compliance issues and ad-hoc audit requests.

Internal Audit was effective for the year under review and achieved most of its operational plan targets.

During the year under review, the internal audit completed twenty- three (23) audit assignments and three (3) ad hoc projects were undertaken and completed. The internal audit reports with management comments were presented to the Audit Committee meetings. Issues raised were deliberated and recommendations made to Council.

Throughout the year the Audit Committee expressed concerns with the slow progress in dealing with matters raised by both the Internal Audit and External Audit as some of these issues emanated from 2015-16 financial year and remained unresolved.

The Acting Chief Audit Executive (CAE) had direct access to the audit committee, primarily through its Chairperson.

During the year, the Audit Committee met with both the external auditors and internal audit without management being present in order to assess if there were any issues that were impacting on the audit work.

4.4 SYSTEM OF INTERNAL CONTROL

The internal audit reports submitted during the financial year under review, indicated that there were weaknesses in the systems of internal control due to a number of reasons, including, the high vacancy rate at certain levels, weak oversight and monitoring, inadequate policies and lack of implementation of designed internal controls. The lack of progress in addressing the audit findings resulted in a weak control environment.

The Audit Committee is concerned with the effectiveness of controls around asset management, project management, expenditure management, revenue management, performance management and computer controls. Major improvements and intervention is require in these areas,

4.5 RISK MANAGEMENT

Risk management has been formalised within the municipality through the establishment of various structures (i.e. Risk Management Committee and Risk Officers/Champions), processes and systems to give effect to Risk Management.

The Audit Committee has been monitoring the risks identified through quarterly risk reports to the Audit Committee and noted with concern that implementation of actions to mitigate high risks exposure has been very slow. The committee has recommended greater effort in managing internal controls and the risk management strategies, as identified, to bring risks to within acceptable levels.

4.6 ANNUAL FINANCIAL STATEMENTS

The Financial Statements were submitted to the Auditor General before the end of August as required by the MFMA, however the annual financial statements could not be approved by the Audit Committee for submission to the Auditor-General as they were still being finalized by management and had not been fully reviewed by Internal Audit.

The Audit Committee noted with concern the Auditor General's disclaimer of opinion for the current financial year and recommended that management commit to an urgent intervention and turnaround plan.

4.7 PERFORMANCE MANAGEMENT

The Committee reviewed and considered the quarterly performance reports by management.

Repeated concern regarding the level of achievement of the organisational key performance indicators has been expressed by the Audit Committee.

The Audit Committee considered the annual performance report and approved it for submission to the Auditor-General.

4.8 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The Audit Committee noted the findings of the internal audit on ICT controls.

The committee is not satisfied that management is attending to the matters raised by internal audit with respect to ICT and urges Management to strengthen ICT governance.

The audit committee is also concerned with the slow implementation of the new financial management system and lack of progress reports submitted to the Audit Committee in this regard.

4.9 GOVERNANCE

The municipality is fully committed to good governance and the Audit Committee will continue to assist and advise Council on governance related matters.

4.10 COMPLIANCE WITH LAWS AND REGULATIONS

The Audit Committee has reviewed the effectiveness of the system for monitoring compliance with laws and regulations. The system for monitoring compliance with laws and regulations is considered partially effective. The Audit Committee will continue to assist management in improving compliance with laws and regulations.

4.11 EXTERNAL AUDIT BY AUDITOR-GENERAL OF SOUTH AFRICA (AGSA)

The Audit Committee reviewed the External Audit plan to ensure the critical risk areas are being addressed.

The Audit Committee sought management representation and assurance relating to action plans to resolve audit findings raised by the Auditor-General during 2015/16 financial year. Progress was noted on these matters and the Audit Committee expressed concern with regards to the slow implementation of the corrections to the findings raised by the AG.

The disclaimer audit opinion received by the Auditor-General of South Africa is regrettable as, the matters affecting the regression from the previous year are, revenue, receivables, assets, commitments, contingent liabilities and procurement management and are the same areas of concern repeatedly raised to management by the Audit Committee.

The Audit Committee will continue to support management in developing a clear action plan to deal with the matters raised by the Auditor General.

4.12 CONCLUSION

The Committee will continue to monitor progress being made by the municipality in improving overall governance, systems of internal control, risk management and performance management. In addition, the Audit Committee concurs and accepts the conclusions of both the Internal Audit and the Auditor-General on the matters they have raised during their audits.

The Committee wishes to express its sincere appreciation to the Accounting Officer, Senior Management, MPAC, Portfolio Committees, Executive Committee, Council and staff for their cooperation and support.

5 SUBMITTED BY:

Ms Nica Gevers
Msunduzi Municipality Audit Committee
Date: 15 February 2018

RECOMMENDATIONS OF THE AUDIT COMMITTEE 2016/2017

| 25 AUGUST 2016 | |
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| ANNUAL FINANCIAL STATEMENTS AND ENTITIES (2015/2016) RESOLVED | That the Annual Financial Statements and Entities (2015/2016) be NOTED and the amended document be submitted to the next Audit Committee meeting for APPROVAL and submission to the Auditor General. |
| INTERNAL AUDIT REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2015/2016 RESOLVED | <p>(a) That the report dated 25 August 2016 by the Chief Audit Executive [Acting] in respect of the Internal Audit Report of the Financial Statements 2015/2016 be NOTED.</p> <p>(b) That the Internal Audit Unit ensures that all issues raised at the Audit Committee meeting are verified and rectified.</p> <p>(c) That the Internal Audit Unit ensures that the budget issues raised at the Audit Committee meeting are addressed in the Internal Audit Report.</p> <p>(d) That the Chief Financial Officer ensures that all issues and findings raised in the Internal Audit Report on the Financial Statements 2015/2016 are addressed accordingly, corrections made and Internal Audit verifies them and the document signed off accordingly.</p> <p>(e) That the Chief Financial Officer ensures that the Safe City entity Annual Financial Statements are submitted for discussion at the next meeting of the Audit Committee scheduled for the week of 29 August 2016, it being noted that an official be invited to the next meeting of the Audit Committee.</p> |
| 2016 AUDIT STRATEGY RESOLVED | That the presentation of the 2016 Audit Strategy by the Senior Manager (Auditor General of South Africa) be NOTED and APPROVED. |
| ANNUAL PERFORMANCE REPORT (2015/2016) RESOLVED | That the Annual Performance Report (2015/2016) be STOOD DOWN to the next meeting of the Audit Committee; it being noted that the necessary information required from the Business Unit be submitted and adjustments made to the report accordingly. |
| INTERNAL AUDIT REPORT ON THE PERFORMANCE INFORMATION QUARTER 4 AND ANNUAL PERFORMANCE INFORMATION REPORT FOR 2015/2016 RESOLVED | That the Internal Audit Report on the Performance Information Quarter4 and Annual Performance Information Report for 2015/2016 be STOOD DOWN to the next meeting of the Audit Committee; it being noted that the necessary information required from the Business Unit be submitted and adjustments made to the report accordingly. |
| SAP & MSCOA IMPLEMENTATION REPORT RESOLVED | <p>(a) That the Presentation on the SAP MSCOA Implementation Report be NOTED.</p> <p>(b) That it be NOTED that various challenges existed with change management and training in respect of SAP.</p> <p>(c) That the SAP (Project Manager) ensures that in the next Progress Update Report on SAP MSCOA all the concerns raised above be addressed; it being noted that progress be submitted on a monthly basis to Strategic Management Committee and then to Audit Committee for monitoring purposes.</p> <p>(d) That the Chief Financial Officer ensures that the financial implications and financial impact in respect of SAP implementation is reflected in the next Progress report to the Audit Committee.</p> |
| ANNUAL INTERNAL AUDIT PLAN (2016/2017) RESOLVED | That the Annual Internal Audit Plan (2016/2017) be STOOD DOWN in view of all concerns raised previously being taken into consideration when preparing the plan |
| AUDIT COMMITTEE SCHEDULE OF MEETINGS (2016/2017) RESOLVED | That the report dated 19 August 2016 by the Chief Audit Executive [Acting] on the Audit Committee Schedule of meetings (2016/2017) be APPROVED; it being noted that the Council calendar of meetings are still to be confirmed as the inauguration of councillors is on the 19 August 2016; in order for the Audit Committee meetings to be aligned to the Council meetings. |
| FINAL INTERNAL AUDIT REPORT ON SAP PROJECT IMPLEMENTATION RESOLVED | That the report dated 16 August 2016 by the Chief Audit Executive [Acting] in respect of the Final Internal Audit Report on SAP Project Implementation be STOOD DOWN. |
| 30 AUGUST 2016 | |
| SAFE CITY ANNUAL FINANCIAL (2015/2016) RESOLVED | That the Annual Financial Statements by Safe City 2015/2016 be scrutinised by the Internal Audit and forwarded to the Audit Committee members; it being noted that all issues raised are addressed in the document and thereafter submitted to the Auditor General. |
| ANNUAL FINANCIAL STATEMENTS (2015/2016) RESOLVED | That the report by the Chief Financial Officer on the Annual Financial Statements 2015/2016 be APPROVED for submission to the Auditor General subject to minor amendments which were unresolved and required correction. |
| INTERNAL AUDIT REPORT ON THE ANNUAL FINANCIAL STATEMENTS 2015/2016 RESOLVED | <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are partially effective and operation of the controls is partially effective.</p> <p>(b) That the implementation of the agreed action plan as contained in the report through progress reports be monitored via the Strategic Management Committee and the Audit Committee.</p> <p>(c) That the Internal audit report on the Annual Financial Statements be reviewed to include the adjustments to be made accordingly and thereafter recommend submission of the financial statements to the Auditor General in terms of the required timeline.</p> |

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| <p>ANNUAL PERFORMANCE REPORT 2015/2016 AGREED</p> <p>That the Annual Performance Report 2015/2016 be APPROVED for submission to the Auditor General as per the required timeline, subject to the relevant corrections being made accordingly prior to submission.</p> |
| <p>INTERNAL AUDIT REPORT ON THE ANNUAL PERFORMANCE REPORT 2015/2016 RESOLVED TO RECOMMEND TO FULL COUNCIL</p> <p>That the report dated 29 August 2016 by the Chief Audit Executive [Acting] on the Internal Audit report on the Annual Performance Report 2015/2016 be APPROVED, subject to the outstanding information being submitted from various business units; it being noted that if outstanding information is not submitted then it must be reflected as a non-achievement and Internal Audit gives management a deadline for 9:00am, 31 August 2016 and thereafter by 13:00pm or 14pm the Annual Performance Report 2015/2016 is submitted to the Auditor General.</p> <p>9. CLOSURE</p> <p>(Raised Verbally)</p> <p>The Chairperson wished all well. He indicated to the Auditor General Manager that the Auditor General Team was free to attend Strategic Management Team meetings and they don't have to receive any invitations to attend.</p> <p>NOTED.</p> |
| <p>01 NOVEMBER 2016</p> |
| <p>AUDIT COMMITTEE RESOLUTIONS SCHEDULE AGREED</p> <p>That the Audit Committee resolutions Schedule dated 31 May 2016 from the minutes dated 5 April 2016 be STOOD DOWN.</p> |
| <p>PRESENTATION ON THE PROGRESS ON DOCUMENTATION OF BUSINESS PROCESSES AND ALIGNMENT OF SAP IMPLEMENTATION AND mSCOA AGREED</p> <p>(a) That the progress in respect of the presentation dated 1 November 2016 on the Documentation of Business Processes and Alignment of SAP Implementation and mSCOA be NOTED.</p> <p>(b) That the Project Manager: SAP (Mr S Nxumalo) ensures that most of the audit findings in respect of SAP/MSCOA be resolved by end of November 2016.</p> <p>9.2. UPDATE FROM INTERNAL AUDIT ON SAP/MSCOA FINDINGS</p> <p>Report BY Mr D Ngwenya (Internal Auditor).</p> <p>AGREED</p> <p>(a) That the Update from Internal Audit on SAP/MSCOA Findings by the Internal Auditor (Mr D Ngwenya) be NOTED.</p> <p>(b) That the Chief Financial Officer ensures that an update on the project plan for SAP/MSCOA be submitted to the next meeting of the Audit Committee, in order for the Audit Committee to identify the current status quo.</p> <p>(c) That the Chief Financial Officer ensures that an Impact design document in respect of SAP/MSCOA be finalized and be submitted to the next meeting of the Audit Committee.</p> <p>(d) That the Chief Financial Officer ensures that the impact assessment on circular 6 and circular 80 of the MFMA be done as a matter of urgency and forwarded to the next meeting of the Audit Committee.</p> <p>(e) That the Chief Financial Officer subsequent to engaging with National Treasury to check Msunduzi's status quo on SAP/MSCOA, includes the impact assessment incorporating circular 6 and circular 80 of the MFMA, makes submission of this to National Treasury as well.</p> |
| <p>PROGRESS REPORT ON 2013/2014 AND 2014/2015 AUDITOR GENERAL AUDIT FINDINGS AND 2013/2014, 2014/2015 AND 2015/2016 INTERNAL AUDIT FINDINGS [3.10.1.3]: AGREED</p> <p>(a) That the content of the internal and external audit action plans tracker as at end of March 2016 be NOTED.</p> <p>That the Audit Readiness Consultant ensures that an updated document in respect of the Progress Report on 2013/2014 and 2014/2015 Auditor General Audit Findings and 2013/2014, 2014/2015 and 2015/2016 Internal Audit Findings incorporating internal and external audit be submitted to the next meeting of the Audit Committee</p> |
| <p>UPDATE BY THE OFFICE OF THE AUDITOR GENERAL</p> <p>NOTED.</p> |
| <p>INTERNAL AUDIT (ASSURANCE)</p> <p>PROGRESS REPORT ON THE INTERNAL AUDIT FUNCTION FOR THE MONTH OF MAY 2016 RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That the report dated 30 June 2016 incorporating the recommendations of the Operational Management Committee on the progress on the Internal Audit Function for the month of May 2016 be NOTED.</p> |
| <p>PROGRESS REPORT ON THE INTERNAL AUDIT FUNCTION FOR THE MONTH OF MAY 2016 RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That the report dated 29 July 2016 incorporating the recommendations of the Operational Management Committee on the progress on the Internal Audit Function for the month of June 2016 be NOTED.</p> |
| <p>FINAL INTERNAL AUDIT REPORT ON TRADE PAYABLES FOR THE RUN OF 30 MAY 2016 RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That the report dated 15 July 2016 incorporating the recommendations of the Strategic Management Committee in respect of the Trade Payables for the run of 30 May 2016 and the recommendations of the Strategic Management Committee meeting of 27 June 2016 in this regard be NOTED AND IMPLEMENTATION THEREOF BE MONITORED.</p> |

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| <p>FINAL INTERNAL AUDIT REPORT ON TRADE PAYABLES FOR THE RUN OF 15 JUNE 2016 AND 30 JUNE 2016 RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the findings, management comments and recommendations made in the final internal audit report on Trade Payables for the run of 15 June 2016 to 30 June 2016 be NOTED.</p> <p>(b) That the Creditors Management should consider assessing and correcting trade payables payment vouchers that were not selected by Internal Audit for accuracy and validity.</p> |
| <p>FINAL INTERNAL AUDIT REPORT ON TRADE PAYABLES – SPECIAL PAYMENTS RUN FOR THE FOURTH QUARTER (1 APRIL – 30 JUNE 2016) [3.10.1.1] RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the internal audit opinions on the adequacy of the design of the system of internal controls that is adequate and the operation of the system of internal controls that is effective around the audit of Trade Payables – Special Payments run for the Fourth Quarter (1 April 2016 -30 June 2016) be NOTED.</p> <p>(b) That Creditors Management should consider assessing and correcting trade payables payment vouchers that were not selected by Internal Audit for accuracy and validity.</p> |
| <p>FINAL INTERNAL AUDIT REPORT ON THE CONSUMER REFUNDS FOR QUARTER THREE OF 2015/2016 RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That the report dated 15 July 2016 incorporating the recommendations of the Strategic Management Committee in respect of Consumer Refunds for Quarter Three of 2015/2016 and the recommendations of the Strategic Management Committee meeting held on 27 June 2016 in this regard be NOTED and IMPLEMENTATION THEREOF MONITORED.</p> |
| <p>FINAL INTERNAL AUDIT REPORT ON AUDIT OF MAINTENANCE AND REPAIRS RESOLVED</p> <p>That the General Manager : Infrastructure Services ensures that feedback in respect of the findings of the Internal Audit Report on the Audit of Repairs and Maintenance is submitted to the next meeting of the Audit Committee.</p> <p>It was</p> <p>RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That it be NOTED that the findings and internal audit opinions on the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls is ineffective around the audit of Maintenance and Repairs.</p> <p>(b) That the General Manager : Infrastructure Services to submit a progress report through the internal audit tracking system to the Audit Committee through the Strategic Management Committee in particular on the following recommendations :</p> <ol style="list-style-type: none"> That the General Manager: Infrastructure Services should ensure that there is adequate technical staff and vacant positions are filled to ensure the execution of the repairs and maintenance and full spending of the budget allocated. That the General Manager: Infrastructure Services should develop a proper roadmap for planning, budgeting and spending on infrastructure maintenance and renewal of existing assets. That the Budget Steering Committee should ensure that the budget for repairs and maintenance for infrastructure assets is adequate. That the General Manager: Infrastructure Services develops and implements the infrastructure repairs and maintenance strategy, framework and plans. That the audit finding is NOTED. That the General Manager: Infrastructure Services is currently busy with the drafting of the Infrastructure Strategy and Investment (2016-2020) that will cover maintenance, refurbishment, upgrading and renewal of all infrastructure assets. The anticipated completion date is November 2015 and it will be tabled to Council after that and be implemented at the start of 2016. For the 2015/2016 financial year, adequate allocation will be made to ensure that also in the capital budget the focus is on the renewal of existing infrastructure assets. The list of priority posts (143) will be submitted to the Human Resources Manager at the start of the financial year. The Chief Financial Officer should ensure that the Fleet Policy is adhered to and financial resources are made available to replace the aging motor vehicles. |
| <p>FOLLOW-UP INTERNAL AUDIT REPORT ON COMPLIANCE WITH REGULATORY STANDARDS RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the report dated 18 April 2016 incorporating the recommendations of the Strategic Management Committee that the findings and internal audit opinions that the adequacy of the design of the system of internal controls are adequate and operation of the system of internal controls is effective around the audit on Compliance with Regulatory Standards especially the report items that remains unresolved in respect of Waste Management Unit, be NOTED.</p> <p>(b) That the recommendations to the Audit Committee in this regard by the Strategic Management Committee on 23 March 2016 be NOTED and IMPLEMENTATION THEREOF MONITORED.</p> |
| <p>FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF THE ANNUAL REPORT 2015/2016 RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls is inadequate and operation of the system of controls is ineffective around the audit of the Annual Report 2015/2016 be NOTED.</p> <p>(b) That an instruction be given to all General Managers to submit progress reports through the internal audit tracking system to the Audit Committee through the Strategic Management Committee in particular on the following recommendations :</p> <ol style="list-style-type: none"> That the Performance Management System (PMS) Unit must keep copies of POE files to facilitate the audit trail. That the custodians of POE files to make a duplicate POE file, one for the PMS unit to ease the accessibility of files when required for audit purposes. That the PMS Unit to populate all the relevant actual performance achieved by the municipality in the annual report. That the General Managers and Senior Managers must ensure that all actual performance achieved by their respective business units is appearing in the annual report. Management facilitates thorough review of the information reported in the annual report to increase the credibility of the annual report. Accurate source document that is consistent with the target and the actual performance achieved be kept to support the actual performance achieved. Senior Managers must ensure the accuracy, reliability and validity of source documents supporting the actual performance reported as achieved. General Managers facilitate reviews on the credibility of source document against the reported performance. PMS Office should conduct a quality to assess whether the portfolios of evidence supporting the reported performance are valid and accurate |

**FINAL INTERNAL AUDIT REPORT ON AUDIT OF THE SAP PROJECT IMPLEMENTATION – SAP 3
RESOLVED TO RECOMMEND TO THE FULL COUNCIL**

- (a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls are partially effective and operation of the controls is partially effective for the SAP implementation project.
- (b) That a detailed business case for the DUZI SAP project should be developed. Key stakeholders should be involved to develop and document a complete understanding of the unexpected enterprise outcomes, how these outcomes will be measured, the full scope of initiatives required, the risk involved and the impact on all aspects of the enterprise.
- (c) That a benefits realization plan that will be managed throughout the programme to ensure that planned benefits always have owners and are achieved, sustained and optimized should be developed.
- (d) That the Municipality should ensure that the Functional Design Specification (FDS) for MSCOA is finalized and approved.
- (e) That the project team should ensure that the blueprints are updated to include compliance with MSCOA.
- (f) Project phases should only commence after the previous phase has been formally closed and the deliverables have been formally accepted by the appropriate project structure.
- (g) That the Municipality should ensure that stress and regression testing are performed to ensure that the new SAP ERP system is working efficiently and can handle peak loads without degradation in system performance.
- (h) That the project plan should be reviewed and updated in view of the actuals that have taken place.
- (i) That the project plan should be executed according to the timeframes set.
- (j) That additional personnel are required to ensure that the master transactional data is captured timeously and correctly.
- (k) That Management should ensure that the Terms of Payment loaded on SAP is as per the MFMA requirements. In terms of the MFMA, Expenditure Management, Section 65 (2) (e), that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.
- (l) That the Municipality should contact all vendors on their database to verify their details, etc, in order to be compliant with the CSD. The vendors appearing on the Central Suppliers Database should be migrated correctly to the Municipality's database.
- (m) Particular notice should be taken of the number of trainees each venue can accommodate comfortably so that sufficient equipment can be made available for all trainees on the day. Management should ensure that the training venues are in accordance with the training strategy.
- (n) That the Msunduzi super users are fully equipped to deliver SAP navigation, transactional and related processes training to the end users. Management should ensure that the trainers are fully equipped as in accordance with the Training Strategy.
- (o) That all material for all modules are reviewed by competent individuals and that manuals already handed out with errors be corrected via hard copy to users. Trainers should further ensure that they have sufficient manuals available on the day for the number of trainees invited. Management should ensure that the trainers are fully equipped as in accordance with the Training Strategy.
- (p) That a refresher course should be scheduled for all individuals who did not meet the above competency levels. That those individuals who missed certain days should attend same in the refresher course period and that management encourage and enable employees to complete all training activities as scheduled.
- (q) That more care/reviews are taken with training material and evaluation questionnaires in order to alleviate possible negativity towards it. Management should ensure that Best practices are followed.

**FINAL INTERNAL AUDIT ON THE REPORT ON CONDITIONAL GRANTS AND INVESTMENTS
RESOLVED TO RECOMMEND TO THE FULL COUNCIL**

- (a) That it is noted that the findings, internal audit opinions on the adequacy of the design of the system of internal controls are partially adequate and operation of the system of internal controls is partially effective around the audit on Conditional Grants and Investments.
- (b) That the Accounting Officer should consider issuing a circular advising the relevant departments on the importance of proactive planning for the implementation of approved projects.
- (c) That the Accounting Officer or his delegate should ensure that line item cash-flow projections are submitted for review by MANCO two months before the start of the new financial year.
- (d) That the Chief Financial Officer should allocate final vote numbers to all budget items and supply the Accounting Officer and all departmental heads with a copy of the budget with vote numbers and KPI's for each vote.
- (e) That to aid this, a detailed and comprehensive timetable for the compilation, consultation, review, amendment, completion and approval of the budget should be formulated by the CFO and strictly adhered to.
- (f) That the General Manager responsible should ensure that for each budgeted project there is a comprehensive project plan, incorporating all requisite municipal (governance and compliance) processes.
- (g) That in the event of the official responsible for the review of reconciliations is on leave, a delegated official should be assigned to ensure that transactions are reviewed and signed off accordingly as evidence of review to ensure continuity.
- (h) That once the reconciliations have been reviewed, they should be dated in order to provide an audit trail.
- (i) That the Management should always assess the agreed action plan provided to ensure practicality of implementation prior to making a commitment.

FINAL INTERNAL AUDIT ON THE INDIGENT MANAGEMENT FOR THE 2016/2016 FINANCIAL YEAR RESOLVED TO RECOMMEND TO THE FULL COUNCIL

- (a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls are partially adequate and operation of the system of internal controls is partially effective around the audit of the Indigent Management for the 2015/2016 financial year.
- (b) That the Chief Financial Officer and the Senior Manager : Revenue should review the indigent policy regularly and update it where there are provisions, terms and conditions that are no longer applicable and submit to Council for approval.
- (c) That the indigent policy should be adequately signed on the fields and stamped by the relevant approving official.
- (d) That the Chief Financial Officer and Senior Manager : Revenue should research systems that will enable the municipality to implement water restrictions or change all approved indigent customers to a prepaid water system to ensure a reduction in the debtor's book and that water wastage is minimised.
- (e) That the Senior Manager: Revenue or delegated senior official should review and approve all indigent application forms.
- (f) An exception report of all indigents added on the system should be generated monthly, reviewed against supporting documentation and signed as evidence thereof.
- (g) That the Senior Manager : Revenue should ensure that the personnel responsible to process indigent applications on the system have reviewed the forms and signed them as evidence prior to processing.
- (h) The indigent application forms should be reviewed together with the supporting documents to ensure the following :
 - (i) Data is valid
 - (ii) Data is accurate
 - (iii) Data is complete
- (i) That the Senior Manager: Revenue should ensure that the Administration Clerks receiving the indigent applications verify that the forms have been properly completed prior to accepting it from the applicants and submitting it for processing.
- (j) That the Senior Manager: Revenue or delegated senior official should ensure that all mandatory supporting documents to support the indigent application forms are attached prior to processing.
- (k) A checklist should be created and completed when processing the application forms and signed as evidence thereof to ensure that documents are not mismanaged and lost due to filing.
- (l) That the Senior Manager: Revenue or delegated senior official should perform a spot check on the completeness of the application forms (dependent on the volume) to ensure that all mandatory documents are attached to the application forms processed on the system.
- (m) That the Senior Manager: Revenue should review the indigent register for accuracy validity and completeness at least quarterly. This review should also ensure that all information recorded on the application forms agrees to that recorded on the indigent register.
- (n) That any updates on the indigent register should be supported with valid documentation that is endorsed by the Senior Manager : Revenue as evidence of review and approval.
- (o) That it is imperative that the Internal Audit Unit is provided with the relevant requested documents within 36 hours (3 business days) of request to facilitate effective auditing and timeous reporting.
- (p) That the Senior Manager : Revenue or Manager : Consolidated Billing should review the indigent report before and after the information is imported to the PROMIS Income System to ensure accuracy and completeness of the process.
- (q) That the Senior Manager : Revenue or Manager : Consolidated Billing should review the full population of the information that is currently in the system for the period in question against the current indigent register to ensure that the information imported is accurate and complete.
- (r) That the PROMIS Income System should be configured appropriately to limit the rebate to the applicable upper limit.
- (s) That the Manager : Consolidated Billing and the Credit Control Supervisor should perform regular reviews of the information in the system to ensure that indigent benefits are received by all qualifying household including the indigent customers using prepaid meters.

FINAL INTERNAL AUDIT REPORT ON WATER POLLUTION CONTROL, COMPLIANCE AND MONITORING MANAGEMENT RESOLVED TO RECOMMEND TO THE FULL COUNCIL

- (a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls are partially adequate and operation of the system of internal controls is partially effective around the leave management processes be NOTED.
- (b) That the General Manager : Infrastructure Services submit progress reports through the internal audit tracking system to the Audit Committee through the Strategic Management Committee in particular on the following recommendations, viz.
 - (i) That the Senior Manager: Water and Sanitation should ensure implementation of the Asset Management Procedures Manual and perform an investigation on water related faults and consider pipelines replacement in the most affected areas.
 - (ii) That the Senior Manager: Water and Sanitation should ensure that there is adequate capacity to perform both planned and reactive maintenance.
 - (iii) That the General Manager: Infrastructure Services and the Senior Manager: Water and Sanitation should prioritise the filling of all budgeted vacant posts especially the Chief Engineer Technologist: Compliance and Monitoring.
 - (iv) That the General Manager: Infrastructure Services should prioritise introducing succession planning in the department. (This should not be introduced to guarantee a promotion or automatic elevation into a senior position).
 - (v) Succession planning should be driven through an analysis of skills gap and introduction of necessary training.

FINAL INTERNAL AUDIT REPORT ON PHASE 1 OF THE BUSINESS CONTINUITY PLANNING (BCP) PROJECT RESOLVED TO RECOMMEND TO THE FULL COUNCIL

- (a) That progress in the BCP project be noted and that Stage 1 (Business Impact Analysis has been completed).
- (b) That the project be held in abeyance whiles the Business Impact Analysis is being reviewed by the Chief Audit Executive (Acting) before the project is escalated to Stage 2.

FOLLOW UP INTERNAL AUDIT REPORT ON THE ASSET MANAGEMENT REVIEW RESOLVED TO RECOMMEND TO THE FULL COUNCIL

- (a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls are that they are partially adequate and operation of the system of internal controls is partially effective around the Follow up Internal Audit Report on the Asset Management Review.
- (b) That the Senior Manager: Asset and Liabilities should ensure that all capitalised costs are supported by valid documents from Stores by maintaining copies of all relevant documents.
- (c) That Asset Clerks and Asset Controllers should liaise with Sores Manager to ensure that copies of requisitions are made and included in the project file.
- (d) That the Senior Manager : Assets and Liabilities and Asset Controllers should investigate the automatically generated administration fees and assess if they are capital in nature and if they qualify to be capitalised as an asset.
- (e) That Management should seek professional advice from engineers and obtain guidance of what should be covered under infrastructure maintenance/operational plans or strategy for Water and Sanitation section.
- (f) That the General Manager: Infrastructure Services should submit maintenance/operational plans for the Electricity and Building and Facilities Section to the Council structures for review and approval.
- (g) That the Chief Financial Officer and the Senior Manager: Assets and Liabilities should expedite the implementation of the approved structure and make an assessment to determine if the asset unit activities are improving.
- (h) That the General Manager : Infrastructure Services should ensure that an Infrastructure Assets management Policy is developed which will detail the roles and responsibilities of the technical staff when it comes to managing infrastructure assets.
- (i) That the Infrastructure Asset Management Policy should be reviewed by all Technical Departments to gain their input and the policy should be reviewed by Council.
- (j) That the General Manager: Infrastructure Services and the Senior Manager : Assets and Liabilities should facilitate training on the specific areas on asset management that technical teams and finance teams should be competent on.

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| <p>FINAL INTERNAL AUDIT REPORT ON GREATER EDENDALE AND VULINDLELA DEVELOPMENT INITIATIVE RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls be noted that they are inadequate and operation of the system of internal controls is ineffective around the audit of Greater Edendale and Vulindlela Initiative (GEVDI).</p> <p>(b) That the General Manager : Sustainable Development and City Enterprises should ensure that the Valuations Policy and Procedure Manual is adequately reviewed and submitted through the Council structures for review and approval.</p> <p>(c) That the Senior Manager : Town Planning and Environmental Management should develop a detailed Project Implementation Plan and should cover the remaining period of the current business plan, funding, critical milestones and deliverables.</p> <p>(d) That the General Manager: Sustainable Development and City Enterprises should facilitate the drafting of the plan regarding the use of the acquired land from the community.</p> <p>(e) That the land that is identified for the RDP housing project should be made available immediately to the Department of Human Settlements (DoHS) and a proper engagement with the department should take place.</p> <p>(f) That the General Manager : Sustainable Development and City Enterprises should engage DoHS and prepare an addendum to the current Memorandum of Understanding that will detail performance expectations of the Service Providers including payment for services rendered.</p> |
| <p>FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls be noted that they are partially adequate and operation of the system of the internal controls is partially effective around the audit of SDBIP.</p> <p>(b) That, going forward, the Performance Management System (PMS) Unit under the Office of the Municipal Manager should review the municipality's 2016/2017 SDBIP and incorporate the changes as per the new organisational structure before the quarter 1 report is submitted for audit purposes.</p> <p>(c) That Management should ensure that the newly implemented organisational structure is communicated to all staff and structure should be informed by the organisational strategy to ensure that all plans that are followed thereafter assist with the implementation of the organisational strategy; the Integrated Development Strategy.</p> |
| <p>ANNUAL AUDIT PLAN FOR 2016/2017 FINANCIAL YEAR RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That the report dated 26 May 2016 by the Chief Audit Executive [Acting] on the Annual Audit Plan for the 2016/2017 financial year be APPROVED; subject to the following comments:</p> <p>(i) That the Chief Audit Executive [Acting] ensures that a one page summarised report be prepared to include mapping the risks and projects that Internal Audit is planning to undertake.</p> <p>(ii) That the Municipal Manager's Office in respect of Performance Management section should cover the IDP and the SDBIP adequately in the Performance report.</p> <p>(iii) That in preparation for the year end audit i.e post implementation audit journals should be processed in order for SAP and MSCOA to be included in the post implementation audit.</p> |
| <p>THE MSUNDUZI RISK MANAGEMENT METHODOLOGY RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the Msunduzi Risk Management Methodology be approved.</p> <p>(b) That the methodology be submitted to the Audit Committee, Executive Committee and Council for approval.</p> <p>(c) That the Msunduzi Risk Management Methodology be work-shopped with all business units on invitation by the respective General Managers.</p> <p>(d) That all future strategic planning processes of the Strategic Management Committee and/or including the Executive Committee or any other structures be inclusive of an item of risk management and be allowed reasonably sufficient time to reflect on strategic/catastrophic/high risks that have a dire consequences in terms of likelihood and impact on the overall strategy/City Development Strategy.</p> <p>(e) That all future strategic planning process of the Business Units be inclusive of an item of risk management and be allowed reasonably sufficient time to reflect on strategic/catastrophic/high risks that have a dire consequences in terms of likelihood and impact on the overall strategy/City Development Strategy that is relevant to the Business Unit.</p> <p>(f) That all future reports to the Strategic Management Committee and all structure of the municipality should have a paragraph under implications that talks to risks implications that were considered on the matter which the author wishes a decision to be made on and how the risk could be mitigated.</p> |
| <p>REPORT ON PROGRESS ON IMPLEMENTATION OF RISK MANAGEMENT STRATEGY BY FINANCE, CORPORATE SERVICES, COMMUNITY SERVICES AND CORPORATE BUSINESS UNIT RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the Risk Profile (outcome of the Risk Assessment workshops) conducted by the Internal Audit Unit be NOTED.</p> <p>(b) That the progress on the implementation of the Risk Management Strategy through quarterly reports on updated status of control activities be MONITORED.</p> |
| <p>ESTABLISHMENT OF AN ETHICS OFFICER AT THE MSUNDUZI MUNICIPALITY RESOLVED TO RECOMMEND TO THE STRATEGIC MANAGEMENT COMMITTEE</p> <p>(a) That the report dated 17 October 2016 incorporating the recommendations of the Strategic Management Committee be NOTED.</p> <p>(b) That this function of the Ethics Officer not be made part of the Internal Audit Unit; it being noted that the Chief Financial Officer and the General Manager : Corporate Services re-engage with the Strategic Management Committee and the Accounting Officer on the matter.</p> |
| <p>SECTION 66 OF MUNICIPAL FINANCE MANAGEMENT ACT NO. 56 OF 2003 : EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT : JUNE 2016 RESOLVED</p> <p>That the report dated 20 September 2016 incorporating the recommendations of the Strategic Management Committee in respect of the Monthly report for June 2016 in terms of Section 66 of the Municipal Finance Management Act 56 of 2003 (as amended) be NOTED.</p> |
| <p>PROGRESS ON THE IMPLEMENTATION OF FINANCIAL MANAGEMENT SYSTEM AS AT 29 APRIL 2016 RESOLVED</p> <p>(a) That the report dated 14 June 2016 incorporating the recommendations of the Strategic Management Committee on the progress of the implementation of the Financial Management System as at 29 April 2016 be NOTED.</p> <p>(b) That the phased in go-live approach for phase 1 to take place on 1 July 2016 be NOTED.</p> |
| <p>PROGRESS REPORT ON THE IMPLEMENTATION OF FINANCIAL MANAGEMENT SYSTEM AND MSCOA AS AT 25 MAY 2016 NOTED.</p> |
| <p>REPORT ON THE LAND AUDIT [STANDING ITEM] That the item on The Land Audit be STOOD DOWN until the next Audit Committee pending a report from the General Manager : Sustainable Development and City Enterprises.</p> |
| <p>REPORT ON LEASE AUDIT [STANDING ITEM] That the item on The Lease Audit be STOOD DOWN until the next Audit Committee pending a report from the General Manager : Sustainable Development and City Enterprises.</p> |

RENTAL HOUSING STOCK [STANDING ITEM] RESOLVED

That the item on The Rental Housing Stock be STOOD DOWN until the next Audit Committee pending a report from the General Manager : Sustainable Development and City Enterprises.

ANNUAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) & OPERATIONAL PLAN 2015/2016 REPORT RESOLVED

That the item on the Annual Service Delivery and Budget Implementation Plan (SDBIP) & Operational Plan 2015/2016 report be NOTED as it was discussed as part of the Annual Performance Report already

CONFIDENTIAL: NOT FOR PUBLICATION

16. CONFIRMATION OF CONFIDENTIAL MINUTES

Minutes of the Confidential meeting held on 17 June 2016.

(Page 1 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILLARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

CONFIDENTIAL: NOT FOR PUBLICATION

17. CONFIRMATION OF CONFIDENTIAL MINUTES

Minutes of the meeting held on 25 August.

(Page 1 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILLARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

18. FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF STAFF ALLOCATION [3.10.1.1]

Report dated 15 July 2016 incorporating the recommendations of the Strategic Management Committee.

(Page 10 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILLARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

19. QUARTERLY REPORT ON THE WHISTLE BLOWING HOTLINE: 1 APRIL TO 31 JUNE 2016 [3.10.1.1]:

Report dated 2 August 2016 incorporating the recommendations of the Strategic Management Committee.

(Page 105 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILLARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

20. QUARTERLY REPORT ON THE WHISTLE BLOWING HOTLINE: 1 AUGUST TO 31 AUGUST 2016 AND 1 SEPTEMBER TO 31 SEPTEMBER 2016 [3.10.1.1].

Report dated 11 October 2016 by the Chief Audit Executive [Acting].

(Page 111 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILLARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

21. FORENSIC INVESTIGATION INTO ALLEGED CANCELLATION OF KWENZOKUHLE CONSTRUCTION CONTRACT BY SUPPLY CHAIN MANAGEMENT UNIT [3.10.1.1]:

Report dated 26 August 2016 by the Chief Audit Executive [Acting].

(Page 122 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

22. FORENSIC INVESTIGATION INTO ALLEGED INVOICE MISREPRESENTATION WITH RESPECT TO THE TRAINING PROGRAMME FACILITATED BY UMUZI WEZINKOSI CULTURAL YOUTH CENTRE [3.10.1.1]

Report dated 11 October 2016 by the Chief Audit Executive [Acting].

(Page 146 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

23. FORENSIC INVESTIGATION INTO RECONCILIATION OF COMMISSION CLAIMED BY FREEZE BUTCHERY IN RESPECT OF THE PREPAID ELECTRICITY TOKENS SOLD [3.10.1.1]:

Report dated 28 August 2016 by the Chief Audit Executive [Acting].

(Page 161 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

24. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES IN CONTRAVENTION OF CITY COUNCIL LEASE AGREEMENT, CITY OF PIETERMARITZBURG OCCURRING AT HUMAN SETTLEMENT DEPARTMENT [3.10.1.1]

Report dated 24 May 2016 by the Chief Audit Executive [Acting].

(Page 177 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

25. FORENSIC INVESTIGATION INTO ALLEGED CONFLICT OF INTEREST AND FRAUD WITH RESPECT TO PROCUREMENT OF CORPORATE PDF EDITING SOFTWARE LICENSES BY ICT EMPLOYEE [3.10.1.1]

Report dated 19 August 2016 by the Chief Audit Executive [Acting].

(Page 190 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

26. FORENSIC INVESTIGATION INTO ALLEGED IRREGULAR APPOINTMENT OF SERVICE PROVIDER IN RESPECT OF THE MSUNDUZI RISING STARZ TALENT SEARCH EVENT [3.10.1.1]

Report dated 24 May 2016 by the Chief Audit Executive [Acting].

(Page 212 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

27. FORENSIC INVESTIGATION INTO ALLEGED FRAUD ON OVERTIME CLAIMS BY MUNICIPAL EMPLOYEE: MW MBONA [3.10.1.1]

Report dated 18 August 2016 by the Chief Audit Executive [Acting].

(Page 231 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

28. FORENSIC INVESTIGATION INTO ALLEGED FRAUD ON OVERTIME CLAIMS BY MUNICIPAL EMPLOYEE: SP HLABANGANE [3.10.1.1]

Report dated 19 August 2016 by the Chief Audit Executive [Acting].

(Page 260 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

29. FORENSIC INVESTIGATION INTO ALLEGED FRAUD ON OVERTIME CLAIMS BY MUNICIPAL EMPLOYEE: P SUKRAJH [3.10.1.1]

Report dated 24 May 2016 by the Chief Audit Executive [Acting].

(Page 288 of CCC 124 of 2016).

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

30. AUDIT COMMITTEE REPORTS

(Raised Verbally).

The Chairperson enquired from the MPAC Chairperson in respect of where she thinks the Audit Committee reports should be submitted after the meeting.

The MPAC Chairperson indicated that Audit Committee reports should be submitted to Executive Committee for NOTING and then to the MPAC and then the Full Council

06 DECEMBER 2016

MATTERS ARISING FROM THE PREVIOUS MINUTES

Minutes of the meeting held on 1 November 2016.

Item 5 of the agenda.

7.1. FOLLOW-UP INTERNAL AUDIT REPORT ON COMPLIANCE WITH REGULATORY STANDARDS [3.10.1.1]

Item 11.8 of the minutes dated 1 November 2016.

(Raised Verbally)

It was

RESOLVED

That in view of the Auditor General reporting non-compliance in various areas of concern within the municipality, the matter was resolved under the Auditor General's presentation at the previous meeting.

7.2. UPDATE ON SAP/MSCOA

Item 9.1. of the minutes dated 1 November 2016.

(Raised Verbally).

Concern was raised in respect of why there was no progress on the SAP/MSCOA system.

It was

RESOLVED

That a written report on the SAP/MSCOA progress be submitted to the next Audit Committee meeting for consideration, in view of the current report back being poorly presented and inadequate.

AUDIT COMMITTEE RESOLUTIONS SCHEDULE AGREED

That the Audit Committee resolutions Schedule dated 20 September 2016 from the minutes dated 7 June 2016 be STOOD DOWN and a report be submitted to the next meeting of the Audit Committee for consideration.

PRESENTATION ON THE PROGRESS ON DOCUMENTATION OF BUSINESS PROCESSES AND ALIGNMENT OF SAP IMPLEMENTATION AND mSCOA AGREED

- (a) That the progress in respect of the presentation dated 6 December 2016 on the Documentation of Business Processes and Alignment of SAP Implementation and mSCOA be NOTED.
- (b) That the Project Manager: SAP (Mr S Nxumalo) ensures that a project plan to illustrate balances migrated and provision of closing balances on old system and opening balances on the new system are submitted to the next meeting of the Audit Committee.
- (c) That a report by the Senior Manager : Expenditure (SAP Manager) and a clear presentation indicating the milestones of the project, project costs, amount spent, paid and unpaid invoices be submitted to the next meeting of the Audit Committee for consideration.

10.1. PROGRESS REPORT ON 2013/2014 AND 2014/2015 AUDITOR GENERAL AUDIT FINDINGS AND 2013/2014, 2014/2015 AND 2015/2016 INTERNAL AUDIT FINDINGS AGREED

- (a) That the content of the internal and external audit action plans tracker as at end of November 2016 be NOTED.
- (b) That the Audit Readiness Consultant ensures that an updated document in respect of the Progress Report on 2013/2014 and 2014/2015 Auditor General Audit Findings and 2013/2014, 2014/2015 and 2015/2016 Internal Audit Findings incorporating internal and external audit be submitted to the next meeting of the Audit Committee.

UPDATE BY THE OFFICE OF THE AUDITOR GENERAL NOTED.

MSUNDUZI MUNICIPALITY – AUDIT REPORT 2015/2016 [3.10.1.1]

NOTED.

10.4. MSUNDUZI MUNICIPALITY – MANAGEMENT REPORT 30 JUNE 2016

NOTED.

11.1. MAPPING (LINKING) THE ANNUAL AUDIT PLAN FOR 2016/2017 FINANCIAL YEAR TO THE RISK PROFILE [3.10.1.1]

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 10 October 2016 by the Chief Audit Executive [Acting] be NOTED.

12.1. SECTION 71/SECTION 52D OF MUNICIPAL FINANCE MANAGEMENT ACT NO. 56 OF 2003: SEPTEMBER 2016 [3.10.1.1]

It was

RESOLVED

That the report dated 9 November 2016 by the Chief Financial Officer be STOOD DOWN, in view of the report containing inadequate information and not being in compliance with the 10 day deadline for submission to National treasury.

12.2. METER READING STATISTICS: SEPTEMBER 2016 [3.3.1.2.1]

It was

RESOLVED

That the report dated 30 November 2016 incorporating the recommendations of the Strategic Management Committee in respect of the Meter Reading Statistics for the month of September be NOTED.

13.1. 1ST QUARTERLY REPORT (JULY-SEPTEMBER 2016) ON THE 2016/2017 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) AND OPERATIONAL PLAN (OP):

It was

RESOLVED

- (a) That the First Quarter report (July-September 2016) on the 2016/2017 Service Delivery And Budget Implementation Plan (SDBIP) and Operational Plan (OP) – month ending October 2015 be NOTED.
- (b) That the First Quarter report (July-September 2016) on the 2016/2017 Service Delivery And Budget Implementation Plan (SDBIP) and Operational Plan (OP) be forwarded to the Internal Audit Unit to conduct performance audit on the reported results.
- (c) That all Business Units utilize the report as a management tool to identify early warning signals and apply appropriate corrective measures for the 2016/2017 financial year.

(It was reported that Nica Gevers and Nelli Shezi's terms was coming to an end at the end of December 2016 and everyone wished them well as their contracts were not going to be extended.)

(The Committee adjourned for a 5 minute break 15 : 45 and reconvened at 15 : 55).

CONFIDENTIAL: NOT FOR PUBLICATION

14. CONFIRMATION OF CONFIDENTIAL MINUTES

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

CONFIDENTIAL: NOT FOR PUBLICATION

15. CONFIRMATION OF CONFIDENTIAL MINUTES

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

16. FORENSIC INVESTIGATION INTO THE ALLEGED UNETHICAL BEHAVIOUR AT 91 RAWAT ROAD: NORTHDALBY BY ISIZWE ELECTROPAK CC. EMPLOYEE SHARMANIL MICHAEL ON 18 AUGUST 2016 [3.10.1.1]

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

17. FORENSIC INVESTIGATION INTO THE ALLEGED MISAPPROPRIATION OF FUNDS OCCURRING AT MOUNTAINRISE PARKS DEPARTMENT [3.10.1.1]:

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

18. FORENSIC INVESTIGATION INTO THE ALLEGED UNETHICAL BEHAVIOUR AT 48 PATRYS ROAD: EASTWOOD BY CATORIDGE ELECTRICAL CC. EMPLOYEE KEVIN MOODLEY ON 4 OCTOBER 2016 [3.10.1.1].

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

19. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES OCCURRING AT ASSETS AND LIABILITIES UNIT [3.10.1.1]:.

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

20. FORENSIC INVESTIGATION INTO THE ALLEGED FORGERY OF THE SIGNATURE OF THE CHIEF FINANCIAL OFFICER [3.10.1.1]

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

21. FORENSIC INVESTIGATION INTO ALLEGED BRIBERY OF MUNICIPAL OFFICIALS [3.10.1.1]:.

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

22. FORENSIC INVESTIGATION INTO THE DEMARCATION FEUD BETWEEN THE NEIGHBOURS AT HOUSE NO 60 KHOMBE ROAD, IMBALI [3.10.1.1]

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

23. AUDIT COMMITTEE FORENSIC REPORTS

RESOLVED

That the Chief Financial Officer should hold back a portion of the payments in respect of forensic investigations, to Ngubane and Company as the current set of forensic investigation reports were rendered incomplete.

24. CLOSURE

(Raised Verbally).

The Chairperson wished all members and officials a Merry Christmas and Happy New Year.

He also bid farewell to the two members, N Gevers and N Shezi whose contracts would expire at the end of December 2016 and were not returning.

02 JUNE 2017

MATTERS ARISING

7.1. MAPPING (LINKING) THE ANNUAL AUDIT PLAN FOR 2016/2017 FINANCIAL YEAR TO THE RISK PROFILE [3.10.1.1].

RESOLVED

That the item on Mapping (Linking) The Annual Audit Plan for 2016/2017 Financial Year to the Risk Profile be REMOVED.

7.2. UPDATE BY THE OFFICE OF THE AUDITOR GENERAL

RESOLVED

That the item on Update by the Office of the Auditor General referring to the quarterly report on Irregular and Wasteful Expenditure should be removed as it was appearing on the agenda.

7.3. PRESENTATION ON THE PROGRESS ON DOCUMENTATION OF BUSINESS PROCESS AND ALIGNMENT OF SAP IMPLEMENTATION AND mSCOA

RESOLVED

That the item 3 (b) which indicates as follows :

“That the General Manager : Corporate Services ensures that via the Senior Manager : ICT regular report in respect of the relation between Information Technology (IT), findings and progress and SAP should be submitted regularly to the Audit Committee meetings for information and progress thereof.” and remains **OUTSTANDING**.

7.4. PROGRESS REPORT ON SAP

RESOLVED

- (a) That the Chief Financial Officer, arranges a separate meeting with the Audit Committee members subsequent to the Audit Committee, in respect of the process of going LIVE for the billing of consumers; it being noted that numerous challenges may be experienced during this process. - **OUTSTANDING**
- (b) That the Chief Financial Officer ensures that a report in respect of the risks and implications of SAP going LIVE for the billing of consumers is submitted to the next meeting of the Audit Committee. - **OUTSTANDING**
- (c) That the Chief Audit Executive (Acting) ensures that a post implementation audit report on SAP is prepared and submitted to next meeting of the Audit Committee. - **OUTSTANDING**

7.5. FINAL INTERNAL AUDIT REPORT ON THE ART GALLERY MANAGEMENT

RESOLVED

- (a) That the General Manager; Sustainable Development and City Entities ensures that all the municipal entities are requested to prepare quarterly financial reports for the Audit Committee meetings and to attend all Audit Committee meetings to present their reports. - **OUTSTANDING**
- (b) That a report by the Manager : Art Gallery via the Senior Manager : City Entities on the operation of the art gallery, the legal trust, who appoints the trustees and how they fit into the municipality as a whole, should be submitted to the next meeting of the Audit Committee. - **OUTSTANDING**

7.6. PROGRESS REPORT ON 2013/2014 AND 2014/2015 AUDITOR GENERAL AUDIT FINDINGS AND 2013/2014, 2014/2015 AND 2015/2016 INTERNAL AUDIT FINDINGS [3.10.1.3]:

RESOLVED

- (a) That a report by the Acting City Manager in respect of the progress of performance of each General Manager and Senior Managers should be submitted to the next meeting of the Audit Committee meeting; it being noted that its effect in terms of service delivery be illustrated accordingly.- **OUTSTANDING**
- (b) That each General Manager conducts a presentation at the next Audit Committee meeting in respect why certain Internal Audit findings and Auditor General findings have still not been addressed in the tracking tool. - **OUTSTANDING**
- (c) That all Senior Managers and relevant officials must be present at all Audit Committee meetings. - **OUTSTANDING**

7.7. OFFICE OF THE GENERAL MANAGER: SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES

7.7.1 REPORT ON THE LAND AUDIT

This item was STOOD DOWN with serious concern, in view of there being no report and relevant official to present this item. - **OUTSTANDING – TO BE SUBMITTED TO THE NEXT MEETING OF THE AUDIT COMMITTEE AS THIS ITEM WAS DISCUSSED AS HIGH RISK.**

7.7.2. REPORT ON LEASE AUDIT

This item was STOOD DOWN with serious concern, in view of there being no report and relevant official to present this item. - **OUTSTANDING – TO BE SUBMITTED TO THE NEXT MEETING OF THE AUDIT COMMITTEE AS THIS ITEM WAS DISCUSSED AS HIGH RISK.**

7.7.3. REPORT ON RENTAL HOUSING STOCK

This item was STOOD DOWN with serious concern, in view of there being no report and relevant official to present this item. The report should include the overall risks and what actions should be taken to minimise the risks - **OUTSTANDING – TO BE SUBMITTED TO THE NEXT MEETING OF THE AUDIT COMMITTEE AS THIS ITEM WAS DISCUSSED AS HIGH RISK.**

CONFIDENTIAL NOT FOR PUBLICATION

7.8. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES OCCURRING AT FINANCE SECTION – GIYAN ENGINEERING. [3.10.1.1]:

RESOLVED

That the report dated 27 January 2017 by the Chief Audit Executive [Acting] on the Forensic Investigation Into Alleged Irregularities Occurring At Finance Section – Giyan Engineering be STOOD DOWN, in view of no reference being made to the VAT Act in the report; it being noted that the report should be reviewed taking into account the VAT Act as the supplier involved should not have been paid. – **TO BE RE-SUBMITTED TO THE AUDIT COMMITTEE**

That the Chief Financial Officer ensures that staff at the creditors section need to be trained and upskilled accordingly; it being noted that the skills audit assessment be resuscitated for the Finance Business Unit. – **TO BE RE-SUBMITTED TO THE AUDIT COMMITTEE**

7.9. DISCONNECTIONS AND RECONNECTIONS FOR SEPTEMBER 2015 [3.3.1.2.1]

This item was stood down to the next meeting of the Audit Committee

MATTERS ARISING NOT LISTED

8.1. METER READING STATISTICS – OCTOBER 2016

The General Manager: Infrastructure Services (Acting) indicated that a follow up report had been through the processes however it was titled Report on Prepaid solutions. He indicated that he would ensure that the report was submitted to the next meeting of the Audit Committee for noting.

RESOLVED

- (a) That the Water Unit submits a progress report regarding the installation of the water prepaid meters. – **OUTSTANDING**
- (b) That the General Manager: Infrastructure Services (Acting) ensures that the report on Prepaid Solutions is submitted to the next meeting of the Audit Committee for noting. - **OUTSTANDING**
- (c) That a comprehensive report by the General Manager : Infrastructure Services (Acting) in respect of the installation of outstanding water and electricity pre-paid meters, which should include the risk of outstanding escalating debt and how that outstanding debt is being managed in respect of these meters, be submitted to the next meeting of the Audit Committee. - **OUTSTANDING**

8.2. TRACKING OF AUDIT COMMITTEE RESOLUTIONS AND REPORTS

RESOLVED

That the Audit Tracking Tool be updated and submitted to the Strategic Management Committee including all the findings for reports raised and tracked, it being noted that the Audit Tracking tool be submitted to the Audit Committee on a quarterly basis.

8.3. LEGAL REPORT ON SIGNIFICANT LEGAL MATTERS

The Legal Advisor: Mr J Van Der Merwe indicated that the report was 80% finalised but had not been submitted to the Strategic Management Committee yet.

RESOLVED

That the report on the Significant Legal Matters be submitted by the Legal Advisor to the next meeting of the Audit Committee.

INTERNAL AUDIT (ASSURANCE)

9.1. FINAL INTERNAL AUDIT REPORT ON ASSET MANAGEMENT [3.10.1.1]

Report dated 24 May 2017 by the Chief Audit Executive [Acting].

(Page 28 of the agenda).

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

- (a) That the findings and internal audit opinion on the adequacy of the design of the system of internal controls are partially adequate and operation of the system of internal controls is partially effective around the Final Internal Report on Asset Management, be noted.
- (b) Management should ensure that preventative maintenance plans are developed and implemented for Buildings and Infrastructure Assets.
- (c) That that Infrastructure Policy should be reviewed by all the Technical Departments who should agree with the details and the policy should then be submitted to Council for approval.
- (d) That the Municipality should review its budget before the beginning of the new financial year to accommodate the acquisition of the new trucks.
- (e) That the Municipality should have a relevant maintenance management system and comply with the maintenance management standards embodied in the system that cover areas such as daily checks, fault reporting and fault repairs.
- (f) That the following must be considered in the development of an effective preventative maintenance plan and service checklist :
 - (i) Checklist of preventative maintenance service tasks performed
 - (ii) Preventative Maintenance service (inspection) interval or frequency to perform tasks
 - (iii) Driver written-up inspections and/or complaints.
 - (iv) Scheduling and recordkeeping of all vehicles serviced.
 - (v) A list of accredited mechanics for repairs and breakdowns should be maintained.
 - (vi) Turnaround times for vehicle repairs should be determined and if not met must be reported to Council.
- (g) That the Asset Management Unit should inform Business Units of the condition of assessment process to be followed as per the Delphi Group session requirements.
- (h) Conduct training sessions/workshops to Business Units pertaining to the Delphi Group session requirement.
- (i) Business Units should then be responsible for the review and amendments of conditions for all assets under their control. They should submit all amendments to the asset conditions to the Asset Management Unit in a report signed-off by the Head of Department.
- (j) That the Asset Management Unit must conduct spot checks to confirm the results of the condition assessments performed by the Business Units.
- (k) A comprehensive conditional assessment should be conducted once every three years; while a limited condition assessment (Delphi Group Sessions) should be performed every year.
- (l) That the Manager from the Security Unit should ensure that all assets eg laptops entering the Municipality's premises are declared and physically inspected upon exit.
- (m) All vehicles exiting the Stores premises should be inspected.
- (n) That Management should ensure that Section 63 of the MFMA is complied with. The reporting documents from the third party/police and insurance must be kept safely and readily available for inspection.
- (o) That the fixed assets register should be updated timeously and reviewed by the senior official for disposals.
- (p) That the municipality should ensure that a complete, accurate and up-to-dated fixed asset register is maintained.

9.2. FINAL INTERNAL AUDIT REPORT ON THE ACR FOR FRESHMARK SYSTEM [3.10.1.1]

Report dated 24 May 2017 by the Chief Audit Executive [Acting].

(Page 69 of the agenda)

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

- (a) That the findings and internal audit opinions on the adequacy of the design of system of internal controls are partially adequate and operation of the system of internal controls is partially effective around the Final Internal Audit Report on the ACR for the Fresh mark System be NOTED.
- (b) That Management should ensure that the Fresh mark system is configured to prevent refunds of R5000.00 and more being processed without supervisor approval being obtained and until verification is completed to ensure that multiple refunds to a buyer is not processed.
- (c) That Management should ensure that sales variances are monitored on a daily basis and reasons for variances are documented and supported by adequate documentation.
- (d) That excessive access should be reviewed and appropriate and/or unnecessary access revoked. User access lists should be generated and reviewed by the Manager: Market and by the Senior Manager: City Entities periodically.
- (e) Segregation of duties matrix should be reviewed and access should be restricted.
- (f) In additions, management should ensure that there are controls in place to remove /terminate the access for redundant accounts.
- (g) That the current user access report should be enhanced to include the user creation and modification date in order to provided comprehensive details pertaining to Masterfile amendments.
- (h) That the user IDs of all users' needs to be renamed so that the user ID created is representative of the first name and surname of the user.
- (i) That the below password parameter should be set as follows :
 - (a) Enforce password history = 12 passwords remembered
 - (b) Lockout threshold = 3 attempts.

9.3. FINAL INTERNAL AUDIT REPORT OF WRITE OFFS AND ADJUSTMENTS ON CONSUMER BILLING ACCOUNTS ON THE PROMIS INCOME SYSTEM [3.10.1.1]

Report dated 16 May 2017 by the Chief Audit Executive [Acting].

(Page 107 of the agenda).

It was

RESOLVED

- (a) The Chief Financial Officer ensures that the Council resolution providing confirmation that the ex-post facto approval in respect of the debt write offs for the R29million variance is submitted to the next Audit Committee meeting for noting.
- (b) That the Chief Financial Officer ensures that a report in respect of risks around write off of debt being a high financial risk, which should be followed and controlled accordingly be submitted to the next meeting of the Audit Committee.

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

- (a) That the findings and internal audit opinions on the adequacy of the design of the system of internal controls are partially adequate and operation of the system of internal controls is partially effective around the Final Internal Audit Report of Write off and Adjustments on Consumer Billing Accounts on the ProMis Income System be NOTED.
- (b) That the Municipality should incorporate wrongful services disconnection manual that shall support and encapsulated among other things the following :-
 - (i) Objective
 - (ii) Application of the procedure
 - (iii) Activities
 - (iv) Type of Action
 - (v) Tasks
 - (vi) Steps
 - (vii) Insurance
 - (viii) Control Status
 - (ix) Frequency
 - (x) Roles and responsibilities of all parties including electricity and water contractors
 - (xi) Monitoring Quality Control
 - (xii) Risk Management
 - (xiii) Value Management
 - (xiv) Reporting to SMC and other structure of Council
- (c) That once the procedure manuals are completed and approved they should be work shopped to the relevant staff and;
- (d) That the policy and the procedures manual should be reviewed on a regular basis at least on an annual basis for updates with charges in relevant policies.
- (e) That the Chief Financial Officer and the General Manager : Infrastructure Services should assess the natural extent of wrongful consumer account municipal services disconnection and perform the following :
 - (i) Review the finance related policies and procedures to incorporate wrongful consumer account municipal services disconnection contractors liability insurance and procedures include a principal (Insurance to be controlled by the municipality) clause.
 - (ii) Decide the degree of acceptable financial loss as a result of wrongful consumer account municipal services disconnection.
 - (iii) Decide how to manage or minimise, monitor and report from time to time on the risk identified.
 - (iv) Maintain a risk register that identifies and assesses all known risks and the action to be taken to manage those risks.
- (f) That the Chief Financial Officer and Revenue Services Management should investigate reported anomalies and update the financial records accordingly.
- (g) That the Chief Financial Officer should ensure that accurate and reliable information is exported to SAP and generated reports are as per Municipal requirements.
- (h) Revenue to set team of exception reports validators.
- (i) Exception reports cascaded to infrastructure for remedial action should be time bound.
- (j) That the Chief Financial Officer must request Council for an automatic conversion of no responsibility account to property owners as new accounts and deal with the no response consumer debt separately as there will be no monthly uncured increasing services.
- (k) Revenue section is to consider rotating meter readers on a frequent basis.
- (l) Revenue Section is to set a team of exception reports validators and closely monitor the rectification of the reported faults.
- (m) For accounts estimated older than 36 months (3 years), the Chief Financial Officer should initiate consumer account remedial action plan as per finance related regulations to ensure accurate consumer account municipality services billing.
- (n) That the Chief Financial Officer and Revenue Management should perform spot reviews of the validations report on a monthly basis to ensure a strengthened system of internal controls.
- (o) That the Chief Financial Officer and the General Manager: Infrastructure Services should investigate the fitting of pre-paid water and recommend to Council accordingly.
- (p) That officials responsible for the installation of water washers as a means of restricting water and finance associated officials must be work shopped on related risk exposure.
- (q) That water restriction elements should be among associate management scope of performance.
- (r) That the Council and Senior Management should consider complying with the Prescription Act and reducing the debtor's book to an acceptable amount that is possible to recover.

9.4. FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF THE MFMA SECTION 72 REPORT FOR 2016/2017 [3.10.1.1]

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

- (a) That it be noted that the findings, internal audit opinions on the adequacy of the design of the system of internal controls that are partially adequate and operation of the system of internal controls is partially effective around the Final Internal Audit Report on the Review of the MFMA Section 72 Report for 2016/17.
- (b) That the Senior Manager: Budget and Treasury (A) should adequately review Section 72 report to ensure that it is accurate and aligned to the audited AFS prior to submission to Council, Provincial and National Treasury.
- (c) That the Senior Manager: Budget and Treasury (A) should conduct detailed reviews of the information that will be utilised to draft Report to ensure that it is valid, accurate and complete and is in compliance with Municipal Budget and Reporting Regulations guidelines.

9.5. FINAL INTERNAL AUDIT REPORT ON THE REVIEW IF THE COUNCILLORS BACKPAY OF SALARIES, ALLOWANCES AND BENEFITS FOR 2016/2017 [3.10.1.1]

Report dated 5 May 2017 by the Chief Audit Executive [Acting]

(Page 175 of the agenda)

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 5 May 2017 by the Chief Audit Executive (Acting) in respect of the Final Internal Audit Report on the Review of the Councillors Backpay of Salaries Allowances and Benefits for 2016/2017 be NOTED.

9.6. FINAL INTERNAL AUDIT REPORT ON 2016/2017 MID-YEAR MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) ADJUSTMENT BUDGET REVIEW [3.10.1.1]

Report dated 16 May 2017 Chief Audit Executive [Acting].

(Page 196 of the agenda).

Concern was raised by the Ms L Khumalo: Office of the Auditor General that the take-on balances remained a risk. She explained that the take on balances should be speaking on last year's balances and that all balances moving over to the new system should be correct.

The Chairperson indicated that she agreed with Ms Khumalo and that steps could not be taken to move forward until the opening balances were verified on the new system and it was critical that this exercise should be undertaken with immediate effect.

It was

RESOLVED

- (a) That the Chief Financial Officer ensures that an exercise be undertaken to ensure all opening balances be verified on the new SAP system before moving forward.
- (b) That the Chief Audit Executive (Acting) ensures that a full audit assurance be done on the opening balances on the SAP system by mid June 2017 (if possible).

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That it be considered that the findings, internal audit opinions on the adequacy of the design of the system of internal controls are partially adequate and operation of the system of internal controls is partially effective around the Final Internal Audit Report on 2016/17 Mid-year Medium Term Revenue and Expenditure Framework (MTREF) Adjustment Budget Review.

- (a) The Senior Manager: Budget Planning, Implementation and Monitoring should conduct detailed reviews of the reports to ensure that the information disclosed is valid, accurate and complete and is in compliance with Municipal Budget and Reporting Regulations guidelines.
- (b) That the Manager Budget should conduct detailed reviews of the reports to ensure that the information disclosed is valid, accurate and complete and is in compliance with Municipal Budget and Reporting Regulations guidelines.
- (c) That the Senior Manager: Budget Planning, Implementation and Monitoring should take into account the recommendations of the Provincial Treasury to table first the Mid-Year Budget and Performance Assessment followed by Adjustment Budget based on the recommended timeframes.
- (d) That the Senior Manager: Budget and Finance and Chief Financial Officer should ensure that the supporting schedules to all adjustments are prepared and available prior to initiating the adjustments on the system.

9.7. FINAL INTERNAL AUDIT REPORT ON AUDIT OF ICT FAULT LOGGING APPLICATION

Report dated 17 May 2017 by the Chief Audit Executive [Acting].

(Page 226 of the agenda).

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

- (a) That consideration be given to the findings, internal audit opinions on the adequacy of the design of the system of internal controls are adequate and operation of the system of internal controls is partially effective around the Final Internal Audit Report on Audit of ICT Fault Logging Application. 9.2 The GM Corporate Services implements and monitors that:
- (b) That priority levels should be configured according to the approved policy and procedures, and automated on the application so that it cannot be changed once logged by the ICT operator.
- (c) That a call should only be allowed to be closed or reopened by the user that initiated the call log, i.e., the "Closed" and "Reopened" change of statuses should only be triggered by the email response from the user.
- (d) That where this is impractical due to users' unavailability, a process should be developed where only the ICT manager can change the status.
- (e) That access to the reports should be restricted to ICT managers.
- (f) That Management should consider developing scripts to extract reports relating to calls resolved but reopened, recurring calls and calls escalated to levels 1, 2 and 3, for management review and monitoring.
- (g) That the time spent to resolve calls should be automated in the application and reported per call and/or per priority category.
- (h) That the Call logging procedure should be updated to reflect the correct escalations.
- (i) That the solution field should be configured to NOT accept blank input. ICT operators should include how the call was resolved.
- (j) That a procedure for the removal of user access from the Active Directory and applications will be added to existing policies and procedures and implemented. Human resources will be required to send a monthly terminations list to ICT.
- (k) That the three inactive admin accounts that have access to HEAT will be verified by service provider, regarding whether these are service accounts that are required for the application to run. If not, these accounts will be deleted.
- (l) That the three users who have access to HEAT have left the department (Bongumusa Shabane, Mondli Shabane and Leroy Williams) and will therefore have their access removed.
- (m) That the remaining 30 users who have access to HEAT will be removed as they do not work at the municipality.
- (n) That Management should ensure that the following is in place:
 - a) Standardised policies and procedures are developed and implemented for the review of user access.
 - b) Periodic user access reviews are performed by a senior official, to ensure that users' access is still in line with their roles and responsibilities, and segregation of duties are maintained. Evidence of these reviews should be retained for reference and accountability purposes.
- (o) That the creation date and last logon details of the account should be logged on the HEAT application.
- (p) That inactive accounts should be disabled or deleted.
- (q) That the creation standards on the Registration of new users' procedure should be adhered to.
- (r) That the password parameter settings on the Active Directory and HEAT application, should be configured as per Password reset policy and leading practice.
- (s) That the password settings should be reviewed on a regular basis and evidence of review should be retained.
- (t) That Management should ensure that audit logs are reviewed on the Windows Active Directory, and that relevant logs are enabled on the HEAT application. The logs to be enabled should be based on the results of an IT risk assessment. Logs should be reviewed, including the review of administration activities, by an independent person with the requisite technical knowledge on a regular basis. Evidence of these reviews should be retained.
- (u) That Management should consider implementing the following controls:
 - a) The BCP and DRP should be reviewed and approved by management. Both plans should thereafter be distributed to all relevant employees and role players in the municipality.
 - b) The plan should be tested on a periodic basis and updated based on the results of testing performed.

9.8. REPORT ON INTERNAL AUDIT COMMITTEE AND INTERNAL AUDIT CHARTERS

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 24 May 2017 by the Chief Audit Executive [Acting] on the Internal Audit Committee And Internal Audit Charters in compliance with Circular 65 of the Municipal Finance Management Act be APPROVED.

9.9. ANNUAL AUDIT PLAN FOR 2017/2018 FINANCIAL YEAR AND TWO (2) OUTER YEARS [3.10.1.1]

RESOLVED

- (a) That the Chief Audit Executive (Acting) ensures that the Risk Officer should reside in the Office of the City Manager and should not be the same person performing the duties of the Chief Audit Executive in the Internal Audit Unit.
- (b) That the Chief Financial Officer ensures that the Payroll Management in SAP should include all ghost workers and should involve an exercise where there is a physical count of employees.

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the reports dated 22 May 2017 by the Chief Audit Executive [Acting] on the Annual Audit Plan for 2017/2018 Financial Year and two (2) Outer Years be APPROVED.

9.10. REPORT ON INTERNAL AUDIT PERFORMANCE AGAINST THE APPROVED INTERNAL AUDIT PLAN [3.10.1.1]

RESOLVED

- (a) That the Chief Audit Executive (Acting) ensures that the co-sourced partners should not be paid for any work which has been undelivered.
- (b) That the Chief Audit Executive (Acting) ensures that a quarterly report is prepared in respect of progress of what co-sourced work there is and whether it has been completed or not, and submitted to the Audit Committee meetings for consideration.

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 22 May 2017 by the Chief Audit Executive [Acting] on the Report on Internal Audit Performance Against the Approved Internal Audit Plan be APPROVED.

9.11. REPORT ON INTERNAL SPENDING AS REQUESTED BY THE AUDIT COMMITTEE

RESOLVED

That the Chief Audit Executive (Acting) ensures that the report on Internal Spending as Requested by the Audit Committee, should contain further detailed information in respect of whether the Internal Audit Unit's budget was overspent and where, and furthermore whether all the relevant targets were met and if not, why not, which and should be submitted to the next Audit Committee meeting for noting.

It was

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 22 May 2017 by the Chief Audit Executive [Acting] in respect of the Report on Internal Spending as Requested by the Audit Committee be NOTED.

9.12. AUDIT COMMITTEE CALENDAR OF MEETINGS AND AUDIT WORKPLAN

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 19 May 2017 by the Chief Audit Executive [Acting] on the Audit Committee Calendar of Meetings and Audit Work plan be APPROVED.

**UPDATE BY THE OFFICE OF THE AUDITOR GENERAL
NOTED.**

CONTINUOUS/CONSOLIDATED AUDIT FINDINGS LOGS/REGISTER – STATUS OF THE AUDIT FINDINGS RAISED BY INTERNAL AND EXTERNAL AUDITORS

12.1. PROGRESS REPORT ON THE 2015/2016 AUDITOR GENERAL FINDINGS [3.10.1.3]

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 9 May 2017 incorporating the recommendations of the Operational Management Committee on the Progress Report On The 2015/2016 Auditor General Findings and on the activities of the Internal Audit Function for the month of January 2017 be NOTED.

12.2. MSUNDUZI RAISED AS A DEBTOR [3.10.11]

RESOLVED

- (a) That it be noted that the properties that had incurred service debt whilst registered in the name of Msunduzi Municipality are currently being transferred to the intended beneficiaries.
- (b) That it be noted that in order to facilitate the transfer process the accounts in the name of the Msunduzi Municipality be treated as departmental accounts and be settled through the internal billing process.
- (c) That the General Manager: Infrastructure Services be requested to immediately restrict the water supply to the properties that are registered in the name of the Msunduzi Municipality.
- (d) That all the beneficiaries of the properties currently registered under the name of the Msunduzi Municipality be requested to enter into a service agreement with the Msunduzi Municipality for services pending the transfer of the properties into their name.
- (e) That the General Manager : Sustainable Development and City Enterprises submit quarterly progress reports to Council on the status of the transfer of properties by Mathew Francis Inc.
- (f) That the Chief Financial Officer ensures that a full comprehensive report in respect of problematic beneficiaries and a path line as to how the various problems will be dealt with, and whether controls have been put into place, whether the existing debt is being recovered and whether there are debts which have prescribed and approval to be obtained to write-off this debt.
- (g) That the Chief Financial Officer ensures that for the year end in June that the provision of this debt must be reflected as impairment as a write-off or impairment and the value of it.

12.3. PROGRESS REPORT: AUDITOR GENERAL FINDINGS : LEGAL SERVICES [3.10.1.1]

Report dated 22 May 2017 by the Legal Advisor.

(Tabled at the meeting).

The Legal Advisor explained that the contingent liabilities were overstated by the Municipality. He indicated that a meeting was required with the Office of the Auditor General with the assistance of the General Manager: Corporate Services in order to obtain further clarity on how the contingent liabilities should be dealt with from a financial perspective.

The Chairperson stated that as a way forward, the application of a financial perspective in respect of the contingent liabilities was required, rather than a legal perspective.

It was

RESOLVED

- (a) That the report dated 22 May 2017 by the Legal Advisor Auditor General Findings : Legal Services be NOTED
- (b) That the General Manager : Corporate Services, the Auditor General, the Legal Advisor and a relevant official from the Finance Business convenes a meeting to discuss the contingent liabilities; it being noted that steps be put into place to rectify all the shortcomings.

12.4. PROGRESS ON THE IMPLEMENTATION OF THE ACTION PLAN TO ADDRESS THE AUDITOR GENERAL FINDINGS FOR THE 2015/2016 FINANCIAL YEAR[2.2.3.2.4]

Report dated 31 May 2017 incorporating the recommendations of the Strategic Management Committee.

(Tabled at the meeting).

It was

RESOLVED

- (a) That the progress on the implementation of the action plan for the Auditor General findings for 2015/2016 financial year be NOTED.
- (b) That advice be sought from independent auditors on the accounting treatment of the R93 658 029.42 appearing on the Annual Financial Statements owed by the IDT to the Msunduzi Municipality.
- (c) That a proper filing system be introduced that will reference the invoices to the reconciliation.
- (d) That a legal confirmation be obtained from the legal team responsible for the finding on possible recoverability of the amount owed to the Municipality.
- (e) That the Acting City Manager seeks the appointment of an independent consultant to review the accounting treatment in the Financial Statements; it being noted this this would tie it back in terms what funds has been accounted for as a project and how much of funds were paid in advance.

12.5. STATUS UPDATE OF IRREGULAR EXPENDITURE AS PER 2016 AUDITOR GENERAL MANAGEMENT REPORT [3.10.1.1]

RESOLVED

- (a) That the report dated 31 May 2017 incorporating the recommendations of the Strategic Management Committee in respect of the Status Update of Irregular Expenditure as per 2016 Auditor General Management Report be NOTED.
- (b) That the General Managers take full responsibility for all deviations generated by the business units and adhere to the new deviation process as adopted with the Supply Chain Management Policy.
- (c) That the General Managers circulate all contract reports to their respective Business Units that are due to expire in six months and that the terms of reference to be submitted to the Head : Supply Chain Management timeously.
- (d) That General Managers ensure that all frequently required items to run to their Business Units are placed on contracts to avoid splitting quotations.
- (e) That the General Managers ensure that terms of reference for all required goods and services are submitted timeously to Supply Chain Management Unit to ensure that the adverts are placed not less than 30 days as any requests for less than 30 days advertisement period will not be approved by the Bid Specification Committee.
- (f) That the Chief Financial Officer that a report in respect of irregular expenditure to be approved or condoned be submitted to the next meeting of the Audit Committee for noting.
- (g) That the Chief Financial Officer ensures that a report in respect of the previous year irregular expenditure which was approved or condoned be submitted to the next meeting of the Audit Committee for noting.
- (h) That in view of the matter of KSA Security being dealt with by the Office of the Acting City Manager due to sub judice processes unfolding, the City Manager (Acting) ensures that the item be addressed with the Auditor General for the purposes of the Annual Financial Statements.
- (i) That in respect of the matter relating to the Trade Payables and in view of a report being submitted to the Strategic Management Committee, the Chief Financial Officer ensures that the report be submitted to the next meeting of the Audit Committee for noting.
- (j) That the Chief Financial Officer ensures that a report in respect of the reconciliations pertaining to invoices being submitted to the creditors section and outstanding invoices, be submitted to the next audit committee for noting, it being noted that the submission of invoices from suppliers should be centralised at the Creditors section, as per the Auditor General's recommendations.

FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF PERFORMANCE INFORMATION QUARTER 2 OF 2016/2017

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

- (a) That the findings and internal audit opinions the adequacy of the design of the system of internal controls are adequate and operation of the system of internal controls is partially effective around the Final Internal Audit of Performance Information Quarter 2 of 2016/2017.
- (b) Every quarterly report must be cross referenced to the portfolio of evidence file to ensure that reported performance is adequately supported.
- (c) That the General Managers when assessing Senior Managers should verify that all portfolio of evidence has been submitted and placed on file.
- (d) That the City Manager should ensure that the General Managers who are not performing their quality control function are held accountable.
- (e) That the General Managers should ensure that there is sufficient evidence to support achieved targets reported in the report.
- (f) That every quarterly report must be reviewed by the General Managers to ensure that corrective measures documented in the report and undertaken addressed under performance.
- (g) That management should consider removing those targets and combining them to the Quarter 3 and quarter 4 targets.
- (h) That quarterly targets should be specific for example where a target is a report submission; it should indicate whom the report will be submitted to.
- (i) That the General Managers should ensure that what is reported to have been achieved is what was planned in the first place.
- (j) That where a business unit has reported on a project that was not planned and budgeted for should be dealt with in terms of the municipality's policy on un-budgeted for expenditure.
- (k) That the General Managers and Managers directly reporting to the City Manager should review the information before it is submitted to the Performance Management Section for compilation.
- (l) That the Portfolio of Evidence file should be updated as and when a particular target is achieved and this information should inform the information reported on the monthly and quarterly SDBIP and not at the end of the quarter upon Internal Audit's request.
- (m) That the Portfolio of Evidence file should be reviewed/spot checked by the General Manager and evidenced by the spot review marks and a signature.
- (n) That the Portfolio of Evidence file should be provided for auditing within the stipulated deadlines and failure thereof should be reported to the City Manager as it is expected that these files are provided for auditing after the General Managers have performed their reviews.
- (o) That the City Manager should take action against the General Managers of the business units that fail to comply with the above.
- (p) That the Senior Managers should ensure that all performance reported is accompanied by supporting documentation that is valid, verifiable and relevant.

REPORT ON THE CONSOLIDATED RISK MANAGEMENT STATUS AT MSUNDUZI MUNICIPALITY [3.10.1.1]

Report dated 8 May 2017 by the Chief Audit Executive [Acting].

(Page 452 of the agenda).

It was reported by the General Manager: Corporate Services that positions in the amount of R450million were advertised. She explained that currently the challenge was that her unit was battling to obtain constituency panels to fill each position. She stated that it was the business units who sat on the panels for the filling of their staff vacancies; namely in the shortlisting and interview processes.

It was further reported that this report should be submitted to the Audit Committee on a quarterly basis.

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 8 May 2017 by the Chief Audit Executive (Acting) in respect of the Report on the Consolidated Risk Management Status at Msunduzi Municipality, be NOTED.

14.2. REPORT ON THE ANALYSIS OF THE SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES BUSINESS UNIT RISK PROFILE [3.10.1.1]

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 8 May 2017 by the Chief Audit Executive (Acting) in respect of the Report on the Analysis of the Sustainable Development and City Enterprises Business Unit Risk Profile, be NOTED.

14.3. REPORT ON THE ANALYSIS OF THE INFRASTRUCTURE SERVICES BUSINESS UNIT RISK PROFILE [3.10.1.1]

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 8 May 2017 by the Chief Audit Executive (Acting) in respect of the Report on the Analysis of the Infrastructure Services Business Unit Risk Profile, be NOTED.

14.4. REPORT ON PHASE 2 OF THE BUSINESS CONTINUITY PLANNING (BCP) PROJECT

RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE

That the report dated 8 May 2017 by the Chief Audit Executive (Acting) in respect of the progress Report on Phase 2 of the Business Continuity Planning (BCP) Project, be NOTED.

SECTION 52/71 REPORT – QUARTERLY FINANCIAL REPORT [(3.7.1(2016/2017))]

RESOLVED

- (a) That an urgent meeting of the Audit Committee be convened within the month of July 2017 in order to address and finalise all outstanding matters including all outstanding Auditor General Matters; it being noted that all outstanding issues had a critical effect on the Annual Financial Statements.
- (b) That the following items be included on the Audit Committee agenda for July 2017 :
 - Dashboard report – Auditor General
 - Quarterly Compliance Financial reports – CFO
 - Audit of Opening Balances/SAP- CFO/Internal Audit
 - Audit of Bank Reconciliations – CFO
 - Financial Year End Plan and Readiness - CFO

FRUITLESS AND WASTEFUL EXPENDITURE FOR FEBRUARY 2017 [3.7.1(2016/2017)]

RESOLVED

That the report dated 9 May 2017 incorporating the recommendations of the Strategic Management Committee in respect of the status of Fruitless and Wasteful Expenditure for February 2017 be NOTED.

3RD QUARTERLY REPORT (JANUARY TO MARCH 2017) ON THE 2016/2017 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) AND OPERATIONAL PLAN (OP)[10.4.1]

RESOLVED

- (a) That the 3rd Quarterly report (January 2017 to March 2017) on the 2016/2017 Service Delivery and Budget Implementation Plan (SDBIP) & Operational Plan (OP) be NOTED.
- (b) That all Business Units utilise the report as a management tool to identify early warning signals and apply appropriate corrective measures for the 2016/2017 financial year.

LEGAL REPORT ON SIGNIFICANT LEGAL MATTERS

It was reported the this item be STOOD DOWN to the next meeting of the Audit Committee as the report was not completed to be presented for discussion at the meeting.

NOTED.

IT GOVERNANCE REPORT

It was reported the this item be STOOD DOWN to the next meeting of the Audit Committee as the report was not completed to be presented for discussion at the meeting.

NOTED.

PRESENTATIONS

21.1. STATUS REPORT ON DOCUMENTATION OF SAP/mSCOA BUSINESS PROCESSES

RESOLVED

- (a) That the report dated 24 May 2017 by the Chief Financial Officer on the Status Report on Documentation of SAP/mSCOA Business Processes, be NOTED.
- (b) That the remainder of the business processes is documented immediately and extent of compatibility to SAP be clearly indicated.
- (c) That an urgent meeting with Ngubane and Co, Internal Audit and the General Manager : Corporate Services in respect of the outstanding finding as contained in the report on Page 397 of the agenda dated 2 June 2017.

21.2 PRESENTATION BY SHAHEEN AND BONGIWE – mSCOA

RESOLVED

- (a) That the presentation by Shaheen and Bongiwe on the progress of mSCOA be NOTED.
- (b) That assurance was required from the risk assurance point of view from the consultant that Mscoa was compliant with all systems at Msunduzi.

21.3. PRESENTATION BY SIPHO NXUMALO ON SAP

RESOLVED

That the Presentation dated 2 June 2017 by Sipho Nxumalo on SAP Progress be NOTED.

21.4. PROGRESS ON THE IMPLEMENTATION OF FINANCIAL MANAGEMENT SYSTEM FOR THE PERIOD 1 APRIL 2017 TO 26 MAY 2017 (3.7.1 [2016/2017])

RESOLVED

- (a) That the progress on the implementation of the Financial Management System for the period 1 April 2017 to 26 May 2017 be NOTED.
- (b) That the proposed go-live date of 1 July 2017 for the Revenue and Billing module of SAP at an additional cost of R9 772 800.00 exclusive of VAT be SUPPORTED.

CONFIDENTIAL: NOT FOR PUBLICATION

22. CONFIRMATION OF MINUTES

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

23. MATTERS ARISING

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

24. REPORT ON THE STATUS OF FORENSIC INVESTIGATIONS AT MSUNDUZI MUNICIPALITY

NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

25. CLOSURE

(Raised Verbally).

The Chairperson closed the meeting and indicated that the date of the next meeting would be communicated to members in due course.

CHAPTER 10 – FINANCIAL DECLARATIONS OF COUNCILLORS AND MUNICIPAL STAFF

MSUNDUZI MUNICIPALITY COUNCILLOR'S DISCLOSURE & DECLARATION OF INTERESTS 2016/2017 FINANCIAL YEAR

The following tables are a reflection of Councillors disclosures and declarations of interests and employee financial disclosure summary for the 2016/2017 financial year.

| NUMBER | NAME & SURNAME | DESIGNATION | DATE OF DISCLOSURE & DECLARATION | SHARES & SECURITIES IN ANY COMPANY (YES/NIL) | MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL) | INTERESTS IN ANY TRUST (YES/NIL) | DIRECTORSHIPS (YES/NIL) | PARTNERSHIPS (YES/NIL) | FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL) | EMPLOYED (YES/NO) | ADDITIONAL INTERESTS OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL) | PENSION (YES/NIL) | SUBSIDY / GRANT / SPONSORSHIP (YES/NIL) |
|--------|--|-------------------------------|----------------------------------|--|--|----------------------------------|-------------------------|------------------------|---|-------------------|---|-------------------|---|
| 1 | Jabulile Joyce Ngubo | Ward Councillor & The Speaker | 30/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 2 | Blessing Sbusiso Mtshali | Ward Councillor | 24/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 3 | Madlala Linda Linford | Ward Councillor | 6-Oct-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 4 | Hamilton Mlungisi Zondi | Ward Councillor | 22/08/2016 | YES | NIL | NIL | YES | NIL | YES | NIL | YES | NIL | NIL |
| 5 | Nkosinathi Maxwell Mbanjwa | Ward Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 6 | Snothi Raphael Mhlongo | Ward Councillor | 29/11/2017 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 7 | Sandile Duncan Ngubane | Ward Councillor | 22/08/2016 | YES | YES | NIL | NIL | NIL | NIL | NIL ? | NIL | NIL | NIL |
| 8 | Makhosazane Precious Zondo | Ward Councillor | 5-Oct-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 9 | Ngcobo Jeffrey Mbuyiselewa | Ward Councillor | 28/09/2016 | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 10 | Nkosinathi Chasewell Nhlakanipho Gambu | Ward Councillor | 21/11/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 11 | Madonda Innocent Sipho | Ward Councillor | 28/09/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 12 | Majola Terence Sboniso | Ward Councillor | | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 13 | Gladness Sibongile Mncwango | Ward Councillor | 23/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 14 | Thabiso Patrick Molefe | Ward Councillor | 9-Jan-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 15 | Jabulani Nene | Ward Councillor | 11-Nov-17 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 16 | Zuma Bhakabantu Michael | Ward Councillor | 15/11/2016 | NIL | NIL | NIL | YES | NIL | NIL | NIL | NIL | NIL | NIL |
| 17 | Sithole Thamsanqa Wonderboy | Ward Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 18 | Gwala Sindisiwe Cydy | Ward Councillor | 30/09/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 19 | Ndawonde Capphas | Ward Councillor | 11-Nov-17 | YES | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 20 | Nelisiwe Zanele Ndlovu | Ward Councillor | 14/11/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 21 | Bhekithamba Muza Mkhize | Ward Councillor | 11-Nov-16 | NIL | YES | NIL | NIL | NIL | NIL | NIL | YES | NIL | YES |
| 22 | Xolani Ellington Ngongoma | Ward Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 23 | Phungula Bernard Dumisani | Ward Councillor | 5-Oct-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 24 | Prudence Nokuthula Msimang | Ward Councillor - EXCO | 11-Sep-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 25 | Melika Singh | Ward Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 26 | Ross Bryn Strachan | Ward Councillor | 14/11/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 27 | Manqoba Ngubo | Ward Councillor | 23/08/2016 | YES | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 28 | Claudell Milany Chetty | Ward Councillor | 19/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 29 | Spha Sydney Madlala | Ward Councillor | 28/09/2016 | NIL | NIL | NIL | NIL | NIL | YES | YES | NIL | NIL | NIL |
| 30 | Reesha Jugmohan | Ward Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 31 | Roosana Ahmed | Ward Councillor | 19-08-2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 32 | Shawn Adkins | Ward Councillor | | NIL | NIL | NIL | YES | NIL | NIL | NIL | NIL | NIL | NIL |
| 33 | Nkululeko Mkhize | Ward Councillor | 22/08/2017 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 34 | Mike Ismail Amod | Ward Councillor | 23/08/2016 | NIL | YES | NIL | NIL | NIL | YES | NIL | NIL | NIL | NIL |
| 35 | Sandile Wellington Dlamini | Ward Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL |
| 36 | Winterbach Ludwig Johann | Ward Councillor | 18/11/2016 | YES | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL |
| 37 | Sandra Patricia Lyne | Ward Councillor | 19/09/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | YES |
| 38 | | Ward Councillor | | | | | | | | | | | |
| 39 | Godman Nkosiwele Dlamini | Ward Councillor | 24/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 40 | Ignatia Thandile Madondo | Ward Councillor | 23/08/2016 | YES | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 41 | Mduduzi Jerome Njilo | PR Councillor - The Mayor | 15/11/2017 | NIL | YES | YES | YES | YES | NIL | NIL | YES | NIL | NIL |
| 42 | Thobani Reginald Zuma | PR Councillor - Deputy Mayor | 13/11/2017 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 43 | Tholakele Ignatia Dlamini | PR Councillor - EXCO | 5/9/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 44 | Philiwe Sithole | PR Councillor - EXCO | 24/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 45 | Sphamandla Dennis Khumalo | PR Councillor - EXCO | 23/08/2017 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL |
| 46 | Eunice Nomagugu Majola | PR Councillor - EXCO | 20/02/2017 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 47 | Glenn Robert McArthur | PR Councillor - EXCO | 19/08/2016 | NIL | NIL | YES | NIL | NIL | NIL | YES | YES | NIL | NIL |
| 48 | Jerome Sibongiseni Majola | PR Councillor - EXCO | 29/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

MSUNDUZI MUNICIPALITY EMPLOYEE FINANCIAL DISCLOSURE SUMMARY 2016/2017 FINANCIAL YEAR

| NUMBER | NAME & SURNAME | DESIGNATION | DATE OF DISCLOSURE & DECLARATION | SHARES & SECURITIES IN ANY COMPANY (YES/NIL) | MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL) | INTERESTS IN ANY TRUST (YES/NIL) | DIRECTORSHIPS (YES/NIL) | PARTNERSHIPS (YES/NIL) | FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL) | EMPLOYED (YES/NO) | ADDITIONAL INTERESTS OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL) | PENSION (YES/NIL) | SUBSIDY / GRANT / SPONSORSHIP (YES/NIL) |
|--------|-----------------------------|--------------------------------|----------------------------------|--|--|----------------------------------|-------------------------|------------------------|---|-------------------|---|-------------------|---|
| 49 | Dennis T Ntombela | PR Councillor - EXCO | 14/12/2016 | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 50 | Truman V. Magubane | PR Councillor - The Chief Whip | 15/12/2017 | NIL | YES | YES | YES | NIL | YES | NIL | YES | YES | NIL |
| 51 | Gugu Mary-Jane Diadla/Ngubo | PR Councillor | 19/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 52 | Fucwana Rose Mary Zungu | PR Councillor | | NIL | | | | | | | | | |
| 53 | Ntshukho Ntshangase | PR Councillor | | | | | | | | | | | |
| 54 | Ambrosia Sibongile Dlamini | PR Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 55 | Mary Schakwyk | PR Councillor | 6/9/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 56 | Ethel Zodwa Ntombela | PR Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 57 | Dorcas Sibongile Mkhize | PR Councillor | 26/08/2016 | NIL | YES | YES | YES | YES | NIL | YES | YES | YES | YES |
| 58 | Rachel Sooblah | PR Councillor | 5/10/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 59 | Manila Inderjit | PR Councillor | 20/02/2017 | YES | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL |
| 60 | Mehmood-UL-Hassan Omar | PR Councillor | 22/08/2016 | NIL | YES | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 61 | Mansizwa Simon Sokhela | PR Councillor | 22/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 62 | Nelisiwe Jamnet Gwala | PR Councillor | 22/08/2016 | NIL | YES | NIL | YES | NIL | NIL | YES | NIL | NIL | NIL |
| 63 | Najmah B. Ahmed | PR Councillor | | | | | | | | | | | |
| 64 | | PR Councillor | 5/9/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 65 | Ningi J Zungu | PR Councillor | | | | | | | | | | | |
| 66 | Kathrine Malindi Ngcobo | PR Councillor | | | | | | | | | | | |
| 67 | William Francis Lambert | PR Councillor | 18/11/2016 | YES | NIL | NIL | YES | YES | NIL | NIL | NIL | NIL | NIL |
| 68 | Bongumusa Cyril Nhlabathi | PR Councillor | 16/11/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 69 | Natani Naidoo | PR Councillor | 19/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 70 | Regina Zinhle Ngubo | PR Councillor | 11/11/2016 | NIL | YES | YES | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 71 | Zuma Bukelani E | PR Councillor | 28/09/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 72 | Dolo Philip Zondi | PR Councillor | 14/11/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | YES | YES | NIL |
| 73 | S'iso Derrick Nene | PR Councillor | 10/11/2017 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 74 | Sokhela Balozile C | PR Councillor | | | | | | | | | | | |
| 75 | Sandile Cyril Shange | PR Councillor | 23/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 76 | Rajdave Sivnath | PR Councillor | 1/9/2016 | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | NIL | NIL |
| 77 | Princes Dumisa Duma | PR Councillor | 21/09/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 78 | Nomlady E. Diele | PR Councillor | 24/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 79 | Rienus Niemand | PR Councillor | 19/08/2016 | NIL | NIL | NIL | NIL | NIL | NIL | YES | NIL | YES | NIL |
| 80 | Mohamed Salim Goga | PR Councillor | 14/10/2016 | NIL | YES | NIL | NIL | NIL | NIL | NIL | YES | YES | NIL |
| 81 | | PR Councillor | 23/09/2016 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | YES | YES | NIL |

| NUMBER | SURNAME | NAME | STRATEGIC BUSINESS UNIT | DESIGNATION | DATE OF DISCLOSURE | SHARES & OTHER FINANCIAL INTERESTS (YES/NIL) | DIRECTORSHIPS & PARTNERSHIPS (YES/NIL) | REMUNERATED WORK OUTSIDE THE MUNICIPALITY (YES/NIL) | CONSULTANCIES & RETAINERSHIPS (YES/NIL) | SPONSORSHIPS (YES/NIL) | HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER (YES/NIL) | LAND & PROPERTY (YES/NIL) |
|--------|------------|------------------|--|---|--------------------|--|--|---|---|------------------------|--|---------------------------|
| 1 | Hadebe | Sizwe | Msunduzi Municipality | City Manager | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 2 | Nonnganga | Eveon Sabatha | Infrastructure Services Business Unit | General Manager: Infrastructure Services | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 3 | Zulu | Bonive | Community Services Business Unit | General Manager: Community Services | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 4 | Ngcobo | Nelisiwe | Budget and Treasury | General Manager: Financial Services | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 5 | Ngcobo | Mfankhona | Sustainable Development and City Enterprises | General Manager: Sustainable Development and City Enterprises | 11-Jul-16 | NIL | YES | NIL | NIL | NIL | NIL | YES |
| 6 | Molapo | Lynette Ida Mosa | Corporate Services Business Unit | General Manager: Corporate Services | 11-Jul-16 | YES | YES | YES | YES | NIL | NIL | YES |
| 7 | Swiparsad | Brenden Basil | Infrastructure Services Business Unit | Senior Manager: Water & Sanitation | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 8 | Langa | Odwa | Infrastructure Services Business Unit | Senior Manager: Roads & Stormwater | 11-Jul-16 | YES | NIL | NIL | NIL | NIL | NIL | YES |
| 9 | Madlala | Thabani | Infrastructure Services Business Unit | Senior Manager: Electricity | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 10 | Ngcobo | Mthandeni | Infrastructure Services Business Unit | Manager: Fleet Management | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 11 | Ragunandan | Sunjoy | Infrastructure Services Business Unit | Project Manager: Landfill Site | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |

| NUMBER | SURNAME | NAME | STRATEGIC BUSINESS UNIT | DESIGNATION | DATE OF DISCLOSURE | SHARES & OTHER FINANCIAL INTERESTS (YES/NIL) | DIRECTORSHIPS & PARTNERSHIPS (YES/NIL) | REMUNERATED WORK OUTSIDE THE MUNICIPALITY (YES/NIL) | CONSULTANCIES & RETAINERSHIPS (YES/NIL) | SPONSORSHIPS (YES/NIL) | GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER (YES/NIL) | LAND & PROPERTY (YES/NIL) |
|--------|---------------|------------------|--|--|--------------------|--|--|---|---|------------------------|--|---------------------------|
| 12 | Anderson | Niall | Infrastructure Services Business Unit | Senior Manager: Project Management Unit | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 13 | Zuma | Mandla | Community Services Business Unit | Senior Manager: Community Development | 11-Jul-16 | NIL | YES | NIL | NIL | NIL | NIL | YES |
| 14 | Khumalo | Kwenza Justice | Community Services Business Unit | Senior Manager: Public Safety and Enforcement | 11-Jul-16 | NIL | NIL | YES | NIL | NIL | NIL | NIL |
| 15 | Kunene | Lungisani | Community Services Business Unit | Senior Manager: Area Based Management | 11-Jul-16 | YES | YES | NIL | NIL | NIL | NIL | YES |
| 16 | Langa | Odwa | Budget and Treasury | Senior Manager: Assets and Liabilities | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 17 | Jali | Phumilani J | Budget and Treasury | Senior Manager: Expenditure Management | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 18 | Ngobese | Moses T | Budget and Treasury | Senior Manager: Revenue Management | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 19 | Ndlovu | Ndlovu | Budget and Treasury | Senior Manager: Supply Chain Management | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 20 | Cele | Jerome S | Budget and Treasury | Senior Manager: Budget & Treasury Management | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 21 | Zimu | Sipho | Sustainable Development and City Enterprises | Senior Manager: Local Economic Development | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 22 | Nombungu | Emily | Sustainable Development and City Enterprises | Senior Manager: Human Settlement | 11-Jul-16 | NIL | NIL | YES | NIL | NIL | NIL | YES |
| 23 | Nyakane | Khoali Atkins | Sustainable Development and City Enterprises | Senior Manager: Town Planning & Environmental Management | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 24 | Cowie | Trevor | Sustainable Development and City Enterprises | Senior Manager: Infrastructure Planning & Survey | 11-Jul-16 | YES | NIL | NIL | NIL | NIL | NIL | YES |
| 25 | Ndlovu | Faith | Corporate Services Business Unit | Senior Manager: Human Resources Management | 11-Jul-16 | YES | NIL | NIL | NIL | NIL | NIL | YES |
| 26 | Dubanza | Sipho | Corporate Services Business Unit | Senior Manager: Sound Governance | 11-Jul-16 | NIL | YES | NIL | NIL | NIL | NIL | YES |
| 27 | Ngebulane | Xolile | Corporate Services Business Unit | Senior Manager: Information Communication Technology | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 28 | Van Der Merwe | Johannes Jacobus | Corporate Services Business Unit | Manager: Legal Services | 11-Jul-16 | YES | NIL | NIL | NIL | NIL | NIL | YES |
| 29 | Praetjies | Madeleine | Office of the City Manager | Manager: Office of the City Manager | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 30 | Dlamini | Blessing | Office of the City Manager | Manager: Office of the Speaker (Acting) | 11-Jul-16 | NIL | NIL | YES | NIL | NIL | NIL | NIL |
| 31 | Mahlangu | Evodia | Office of the City Manager | Manager: Office of the Mayor | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 32 | Stamper | Pumla | Office of the City Manager | Executive Chief Auditor: Internal Audit (Acting) | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 33 | Zimu | Siwelle | Office of the City Manager | Manager: Integrated Development Planning | 11-Jul-16 | YES | YES | NIL | NIL | NIL | NIL | NIL |
| 34 | Madonda | Nqobile | Office of the City Manager | Manager: Communications and IGR (Acting) | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | YES |
| 35 | Manyathi | Nkanyiso | Office of the City Manager | Head: PMU - IRPTN | 11-Jul-16 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

Note: The above tables are summaries of the declaration template completed by Councillors and Officials of Msunduzi Municipality. Copies of the original full declaration template as per above can be viewed at the Office of the Municipal Manager.

ANNEXURES

ANNEXURE 1

ANNUAL PROGRESS REPORT - SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017

ANNEXURE E

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT - REGULATED KEY PERFORMANCE INDICATORS

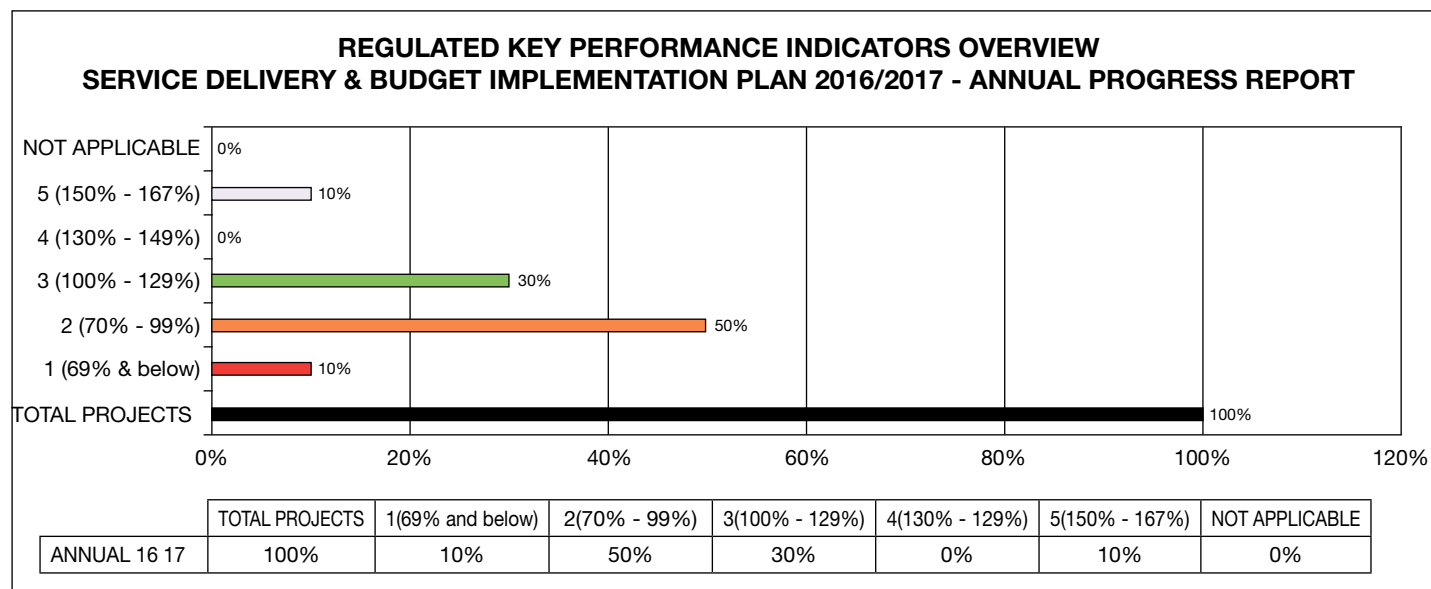
REGULATED KEY PERFORMANCE INDICATORS OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

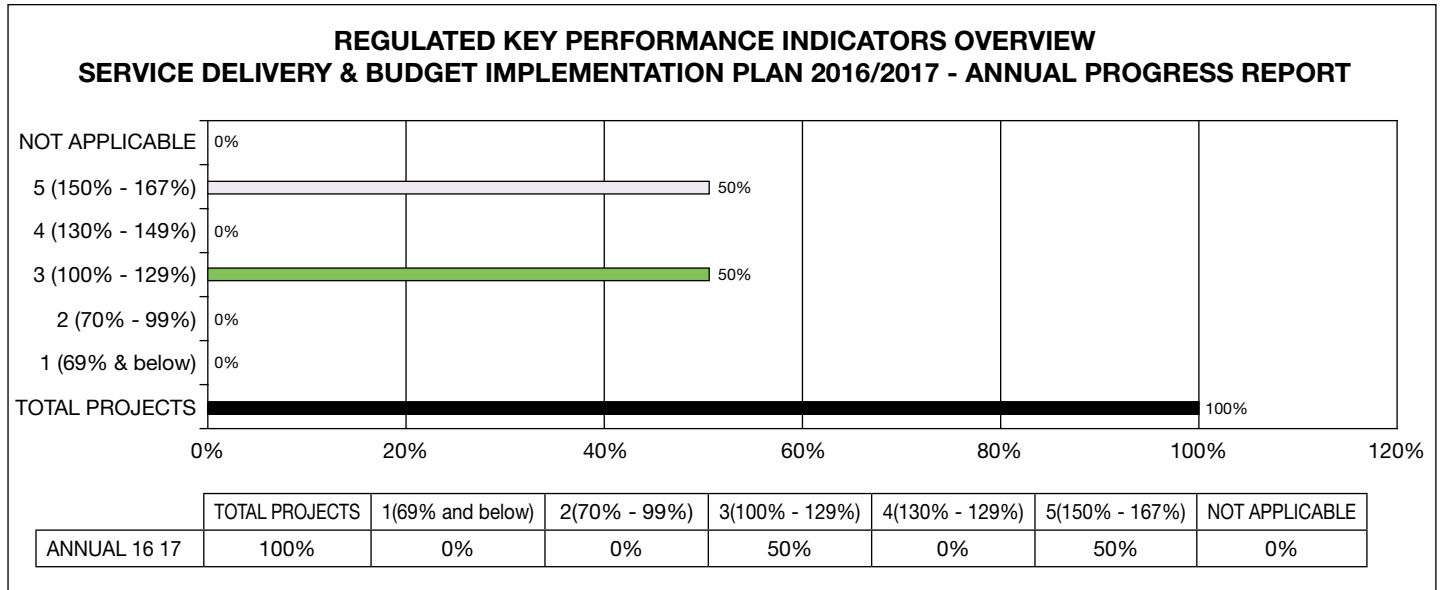
1 REGULATED KEY PERFORMANCE INDICATORS OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 14 |
| 1.1.1 | OPERATING PROJECTS | 10 |
| 1.1.2 | CAPITAL PROJECTS | 4 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR REGULATED PERFORMANCE INDICATORS 2016/2017 FINANCIAL YEAR

| IN- DEX | IDP REFER- ENCE | CDS REFER- ENCE | SDBIP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA & OUT- COME 9 | RESPONSIBLE MANAGERS | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASUR- ABLE OBJEC- TIVE | ANNUAL TARGET / OUTPUT | PERFOR- MANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIME- FRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|------------|-----------------------|--|----------------------|--|---|---|--|---|--|--|---|---|--|--|--|---|---|--|---|
| A | A2 | 1 - BUILDING A CAPABLE & DE- VELOPMENTAL MUNICIPALITY | RPI 01 | NKPA 1 - MUNICI- PAL TRANSFOR- MATION AND ORGANIZATIONAL DEVELOPMENT | GM: CORPORATE SERVICES / SM: HUMAN RESOURCES | Workplace skills development | Budget spent on Work Skills Plan | N/A | 99% (R10 288 434) spent on WSP in 2014/2015 | 100% (R7 598 392) spent on WSP | 100% (R7 598 392) spent on WSP by the 30th of June 2017 | % spent on WSP | 100% (R7 598 392) spent on WSP by the 30th of June 2017 | 7,259,967 | 2 (70% - 99%) | 1. Delays in the ap- pointment of Training Providers due to re- advertising of Train- ing programmes as there were no suitable providers. 2. Delays in the turnaround time of approval from MM's Office and SCM to the appoint training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. 4. Training Implementation was suspended due to non-availability of Clls as they are engaged on the bi – elections campaigns. 5. Poor attendance of Councilors at the 2 programmes imple- mented. | Review Appointment Process and work closer with Supply Chain Unit and Get buy-in and support from Speakers Office. | Immediate | Training Registers , Appointment Letters, BEC Reports and Email to GM: Corporate Services. |
| A | A1 | 1 - BUILDING A CAPABLE & DE- VELOPMENTAL MUNICIPALITY | RPI 02 | NKPA 1 - MUNICI- PAL TRANSFOR- MATION AND ORGANIZATIONAL DEVELOPMENT | GM: CORPORATE SERVICES / SM: HUMAN RESOURCES | Employment equity | Number of people from employment equity target groups em- ployed in the three highest levels of management | N/A | N/A | 2% of employ- ee population with disabilities achieved | 2% of employ- ee population with disabili- ties achieved by the 31st of March 2017 | % of employ- ee population with disabili- ties achieved | 2% of employ- ee population with disabilities achieved by the 31st of March 2017 | 0% of employees with formally declared disability | 1 (69% & below) | | Ensure all dis- ability formally declared | Immediate | Staff Establish- ment |
| B | B1 | 2 - BACK TO BASICS | RPI 03 | NKPA 2 - BASIC SERVICE DELIVERY | GM: INFRASTRUC- TURE / SM: WATER & SANITATION | Improved access to basic services | Number of households with access to potable (drinkable) water | Various, as this is Application Driven | 92.42 % households with access to potable (drinkable) water in 2015/2016 | 100 x New Water connections completed | 100 x New Wa- ter connections completed by the 30th of June 2017 (Application Driven) | Number of New Water connections completed (Application Driven) | 100 x New Sewer Connections Completed by the 30th of June 2017 | 362 x New Water connections completed by the 30th of June 2017 (Application Driven) | 5 (150% - 167%) | N/A | N/A | N/A | Connection Monitoring Spreadsheet |
| B | B1 | 2 - BACK TO BASICS | RPI 04 | NKPA 2 - BASIC SERVICE DELIVERY | GM: INFRASTRUC- TURE / SM: WATER & SANITATION | Improved access to basic services | Number of households with access to sanitation | Var | 57.97% of house- holds with access to sanitation in 2015/2016 | 100 x New Sewer Connections Completed | 100 New Sewer Connections Completed by the 30th of June 2017 | Number of New Sewer Connections Completed | 100 New Sewer Connections Completed by the 30th of June 2017 | 257 New Sewer Connections Completed by the 30th of June 2017 (Application Driven) | 5 (150% - 167%) | N/A | N/A | N/A | Connection Monitoring Spreadsheet |
| B | B1 | 2 - BACK TO BASICS | RPI 05 | NKPA 2 - BASIC SERVICE DELIVERY | GM: INFRA- STRUCTURE / SM: ELECTRICITY | Improved access to basic services | Number of households with access to electricity | Ward 29 - 352 new connections (Mkhondeni) & Ward 28 - 200 new connections (Regina) | 950 house- holds with access to electricity in 2015/2016 | 552 new electricity connections completed (Ward 29 - 352 new connec- tions (Mkhon- deni) & Ward 28 - 200 new connections (Regina)) | 552 new electricity connections completed by the 30th of June 2017 (Ward 29 - 352 new connections (Mkhondeni) & Ward 28 - 200 new con- nections (Regina)) | Number of New Electricity connections completed | 552 new electricity connections completed by the 30th of June 2017 (Ward 29 - 352 new connections (Mkhondeni) & Ward 28 - 200 new connec- tions (Regina)) | 193 NEW HOUSE- HOLD CON- NECTIONS ACHIEVED (REGINA ROAD SETTLE- MENT) by the 30th of June 2017 | 3 (100% - 129%) | LESS HOUSEHOLDS THAN EXPECTED | N/A | PROGRESS REPORT AND COMPLETION CERTIFICATES | |

| IN- DEX | IDP REFER- ENCE | CDS REFER- ENCE | SDBIP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA & OUT- COME 9 | RESPONSIBLE MANAGERS | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASUR- ABLE OBJECT- IVE | ANNUAL TARGET/ OUTPUT | PERFOR- MANCE MEASURE | ANNUAL SDBIP 2016/2017 PROGRESS REPORT | | | | | SOURCE DOCUMENT |
|------------|-----------------------|-----------------------|----------------------|--|---|--|--|---|--|--|--|---|--|--|--|-------------------------|---------------------------------------|--------------------|
| | | | | | | | | | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | |
| B | B1 | 2 - BACK TO BASICS | RPI 06 | NKPA 2 - BASIC SERVICE DELIVERY | GM INFRASTRUC- TURE / SM: ROADS & TRANS- PORTATION | Improved access to basic services | Kilometers of new mu- nicipal roads constructed | 13.0 = 5km=ward 1-37; 0.2=ward 13; 0.3=ward 23; 0.4=ward 10,16,18; 0.45= ward 11; 0.5=ward 1,3,6,7,9,21; 0.6=ward 17; 0.8=ward 29; 1.6= ward 37 | 19.1 Kilome- ters of new municipal roads con- structed in 2015/2016 | 13.0km = 5km=ward 1-37; 0.2=ward 13; 0.3=ward 23; 0.4=ward 10,16,18; 0.45= ward 11; 0.5=ward 1,3,6,7,9,21; 1.3,6,7,9,21; 0.6=ward 17; 0.8=ward 29; 1.6= ward 37) of new mu- nicipal roads constructed | kms of new municipal roads con- structed | 13.0km=ward 1-37; 0.2=ward 13; 0.3=ward 23; 0.4=ward 10,16,18; 0.45= ward 11; 0.5=ward 1,3,6,7,9,21; 1.3,6,7,9,21; 0.6=ward 17; 0.8=ward 29; 1.6= ward 37) of new municipal roads constructed by the 30th of June 2017 | N/A | N/A | N/A | N/A | Copy of Completion certificates | |
| B | B1 | 2 - BACK TO BASICS | RPI 07 | NKPA 2 - BASIC SERVICE DELIVERY | GM: COMMUNITY SERVICES / SM: WASTE MANAGE- MENT | Improved access to basic services | Number of households with access to refuse removal at least once per week | 10 - 37 serviced by both Municipality and Co-ops. | 120 000 households with access to refuse removal at least once per week in 2015/2016 | 120 000 households with access to refuse removal at least once per week (wards 10 -37) | 120 000 households with access to refuse removal at least once per week by the 30th of June 2017 (wards 10 -37) | Number of households with access to refuse removal at least once per week (wards 10 -37) | 120 000 households with access to refuse removal at least once per week by the 30th of June 2017 (wards 10 -37) | N/A | N/A | N/A | Weightbridge Statistics | |
| B | B3 | 2 - BACK TO BASICS | RPI 08 | NKPA 2 - BASIC SERVICE DELIVERY | CFO / SM: REVENUE MAN- AGEMENT | Improved access to Free Basic Services | Number of households earning less than R3500 per month (application based) with access to free basic services | All Wards (appli- cation based) | 8000 house- holds earning less than R3500 per month (appli- cation based) provided with access to free basic services in 2015/2016 | 8000 house- holds earning less than R3500 per month (appli- cation based) provided with access to free basic services by the 30th of June 2017 | 8000 house- holds earning less than R3500 per month (ap- plication based) provided with access to free basic services by the 30th of June 2017 | Number of households earning less than R3500 per month (appli- cation based) provided with access to free basic services with access to free basic services by the 30th of June 2017 | 5813 house- holds earning less than R3500 per month (appli- cation based) provided with access to free basic services by the 30th of June 2017 | Lack of full imple- mentation of water restrictions. | Water section must start resisting in full force. | Water Depart- ment | Age Analysis Report | |
| D | D3 | - | RPI 09 | NKPA 4 - FINAN- CIAL VIABILITY & MANAGEMENT | CFO / SM: BUD- GET PLANNING, IMPLEMENTATION & MONITORING | Improved Audit Opinion | Percent- age of a municipality's capital bud- get actually spent on cap- ital projects identified in the IDP | N/A | 74.87% of the municipali- ty's capital budget ac- tually spent on capital projects identified in the IDP in 2014/2015 | 100% of the municipality's capital budget actually spent on capital projects identi- fied in the IDP (Percentage : Total spending on capital proj- ects divided by total capital budget x 100) | 100% of the municipality's capital budget actually spent on capital proj- ects identified in the IDP by the 30th of June 2017 (Percentage : Total spend- ing on capital projects di- vided by total capital budget x 100) | % of the municipali- ty's capital budget ac- tually spent on capital projects identified in the IDP by the 30th of June 2017 (Percentage : Total spend- ing on capital projects di- vided by total capital budget x 100) | 73% of the municipality's capital budget actually spent on capital proj- ects identified in the IDP by the 30th of June 2017 (Percentage : Total spend- ing on capital projects di- vided by total capital budget x 100) | 2 (70% - 99%) | Departments to provide | capex report | | |

| IN-DEX | IDP REFERENCE | QDS REFERENCE | SDBP REFERENCE | NATIONAL KEY PERFORMANCE AREA & OUTCOME 9 | RESPONSIBLE MANAGERS | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL SDBP 2016/2017 PROGRESS REPORT | | | | | SOURCE DOCUMENT |
|--------|---------------|---------------------------------------|----------------|---|--|---|---|--|---|---|--|---|---|---|-----------------------------------|--|---|--|
| | | | | | | | | | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1-2,3,4,5-Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIME- FRAME TO IMPLEMENT CORRECTIVE MEASURES |
| D | D1 | 4 - BUILDING FINANCIAL SUSTAINABILITY | RPI 10 | NKPA 4 - FINANCIAL VIABILITY & MANAGEMENT | CFO / SM: BUDGET PLANNING, IMPLEMENTATION & MONITORING | Improved Audit Opinion | Financial viability in terms of debt coverage | N/A | 9:25 achieved in 2014/2015 | 9:78 Financial viability in terms of debt coverage achieved (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e., interests plus redemption)) | 9:78 Financial viability in terms of debt coverage achieved by the 30th of June 2017 (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e., interests plus redemption)) | Ratio of Financial viability in terms of debt coverage achieved (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e., interests plus redemption)) | 9:78 Financial viability in terms of debt coverage achieved by the 30th of June 2017 | 6:49 | 3 (100% - 129%) | N/A | N/A | Cashflow workings and age analysis |
| | | | | | | | | | 2:74 achieved in 2014/2015 | 3:43 Financial viability in terms of cost coverage achieved (Ratio: Available cash plus investments divided by monthly fixed operating expenditure) | 3:43 Financial viability in terms of cost coverage achieved by the 30th of June 2017 (Ratio: Available cash plus investments divided by monthly fixed operating expenditure) | Ratio of Financial viability in terms of cost coverage achieved (Ratio: Available cash plus investments divided by monthly fixed operating expenditure) | 3:43 Financial viability in terms of cost coverage achieved by the 30th of June 2017 | 2:88:1 | 2 (70% - 98%) | N/A | N/A | Cashflow workings and investment register |
| D | D3 | 4 - BUILDING FINANCIAL SUSTAINABILITY | RPI 11 | NKPA 4 - FINANCIAL VIABILITY & MANAGEMENT | CFO / SM: BUDGET PLANNING, IMPLEMENTATION & MONITORING | Improved Audit Opinion | Financial viability in terms of cost coverage | N/A | 0:59 achieved in 2014/2015 | 1:8 Financial viability in terms of outstanding service debtors to revenue achieved (Ratio: Outstanding service debtors divided by annual revenue actually received for services) | 1:8 Financial viability in terms of outstanding service debtors to revenue achieved by the 30th of June 2017 (Ratio: Outstanding service debtors divided by annual revenue actually received for services) | Ratio of Financial viability in terms of outstanding service debtors to revenue achieved (Ratio: Outstanding service debtors divided by annual revenue actually received for services) | 1:8 Financial viability in terms of outstanding service debtors to revenue achieved by the 30th of June 2017 | 6:49 | 3 (100% - 129%) | N/A | N/A | Cashflow workings and age analysis |
| | | | | | | | | | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | Number of work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 1034 work opportunities created | 2 (70% - 99%) | Drop outs from the EPWP and CWP continuing. New recruits not being accessed timeously. | Speed up the recruitment of new participants. | 30 June 2017: CWP MAY report; List of EPWP participants. |
| C | C1 | 2 - BACK TO BASICS | RPI 13 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | GM: SUSTAINABLE DEVELOPMENT & CITY ENTITIES / SM: DEVELOPMENT SERVICES | Community Work programme implemented and cooperatives supported | Number of work opportunities created through LED development initiatives including Capital Projects | 4:56,7,8,9,11,13,14,15,16,17,18,20,22,23,29,31,32,33 and 35 | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | Number of work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 2000 work opportunities created through LED development initiatives including Capital Projects by the 30th of June 2017 | 1034 work opportunities created | 2 (70% - 99%) | Drop outs from the EPWP and CWP continuing. New recruits not being accessed timeously. | Speed up the recruitment of new participants. | 30 June 2017: CWP MAY report; List of EPWP participants. |
| | | | | | | | | | 2786 new houses constructed in 2014/2015 | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | Number of new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 3387 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 4 (130% - 149%) | N/A | N/A | D6 CERTIFICATES |
| B | B1 | 2 - BACK TO BASICS | RPI 14 | NKPA 2 - BASIC SERVICE DELIVERY | GM: SUSTAINABLE DEVELOPMENT & CITY ENTITIES / SM: HUMAN SETTLEMENTS | Improved access to basic services | No. of new houses constructed | (1,2,3,4,5,6,7,8,9,11,13,14,15,16,18,20,21,22,29,31,34 & 35) OSS | 2786 new houses constructed in 2014/2015 | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | Number of new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 3387 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 4 (130% - 149%) | N/A | N/A | D6 CERTIFICATES |
| | | | | | | | | | 2786 new houses constructed in 2014/2015 | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | Number of new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 2450 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 3387 new houses constructed (Wards 1-9 = 2000 units & Ward 11 = 133 units & Ward 17 = 72 units and OSS = 117 units) | 4 (130% - 149%) | N/A | N/A | D6 CERTIFICATES |

ANNEXURE F

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT - ORGANISATIONAL OVERVIEW

SDBIP ORGANISATIONAL OVERVIEW

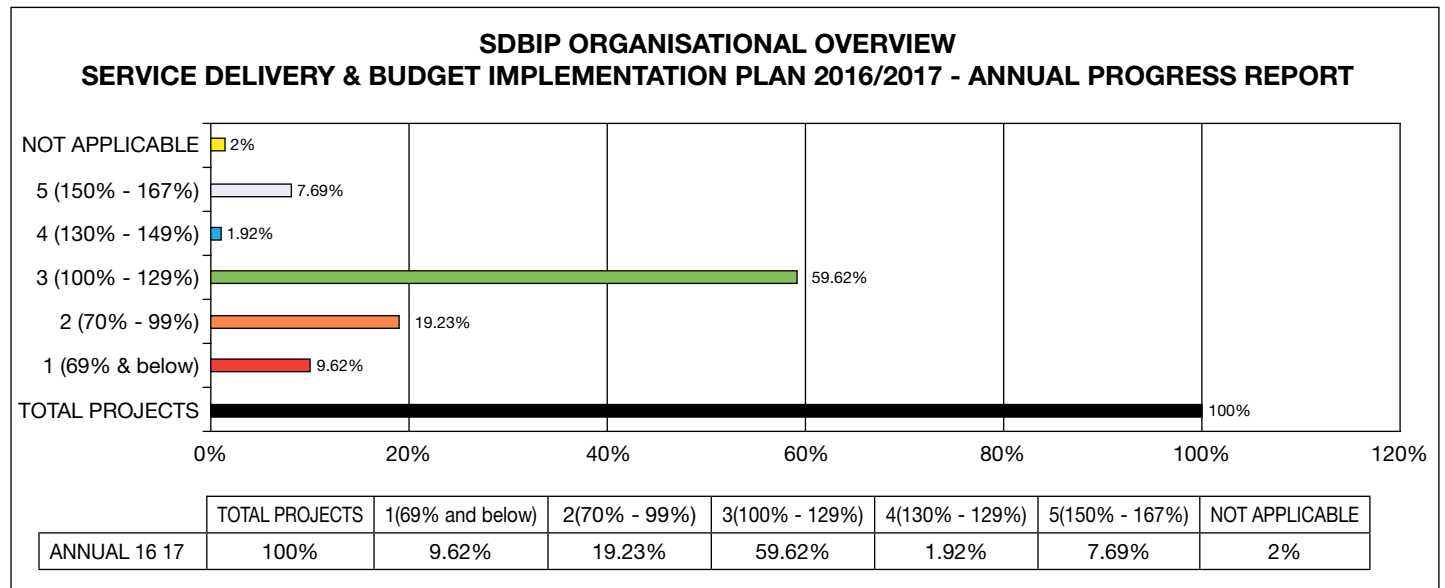
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 ORGANISATIONAL OVERVIEW

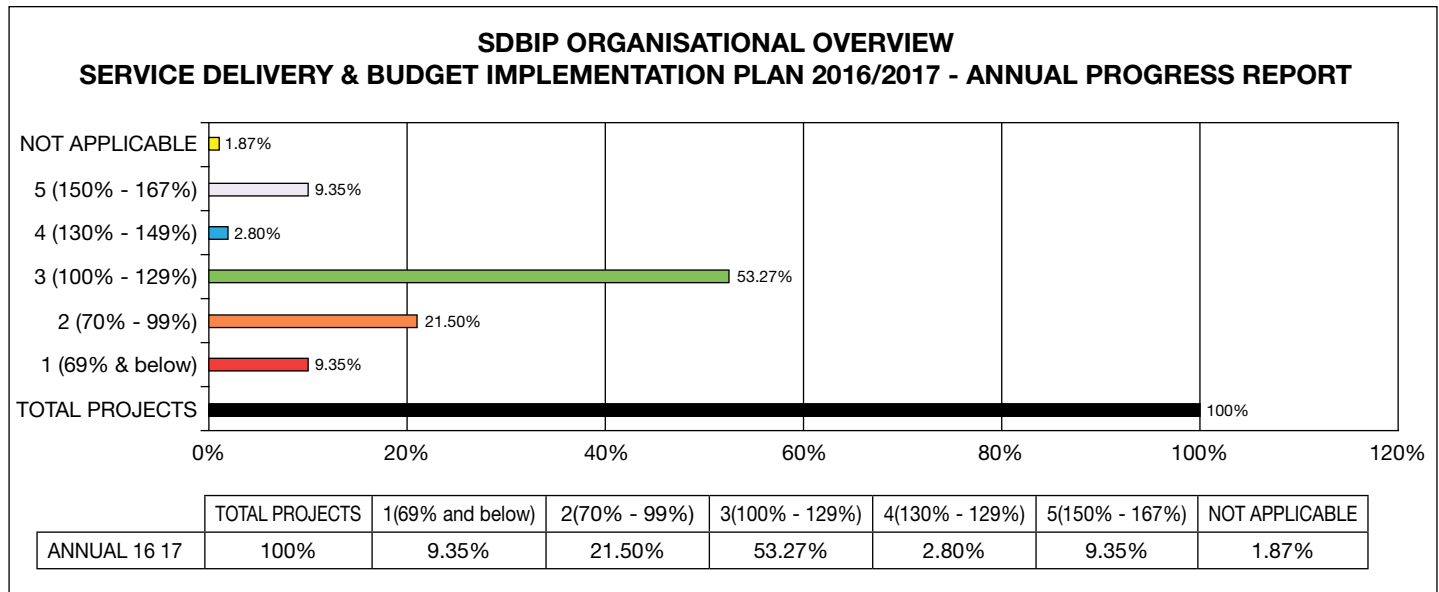
| | | |
|-------|--------------------|-----|
| 1.1 | TOTAL PROJECTS: | 211 |
| 1.1.1 | OPERATING PROJECTS | 104 |
| 1.1.2 | CAPITAL PROJECTS | 107 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- 1.2.1 A total of 104 Operating Projects were reported on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.2.2 9.62% of the projects were reported as having achieved a 1 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.2.3 19.23% of the projects were reported as having achieved a 2 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.2.4 59.62% of the projects were reported as having achieved a 3 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.2.5 1.92% of the projects were reported as having achieved a 4 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.2.6 7.69% of the projects were reported as having achieved a 5 on the 2016/2017 FY ANNUAL PROGRESS REPORT
- 1.2.7 2% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



- 2.1.1 A total of 107 Capital Projects were reported on the SDBIP for the 2016/2017 ANNUAL FY PROGRESS REPORT
- 2.1.2 9.35% of the projects were reported as having achieved a 1 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 2.1.3 21.50% of the projects were reported as having achieved a 2 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 2.1.4 53.27 of the projects were reported as having achieved a 3 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 2.1.5 2.80% of the projects were reported as having achieved a 4 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 2.1.6 9,35 % of the projects were reported as having achieved a 5 on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT
- 2.1.7 1,87% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2016/2017 FY ANNUAL PROGRESS REPORT

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR

ORGANISATIONAL OVERVIEW NARRATIVE

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBIP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|----------------------------|---|---|--|---|---|---|--|---|------------------------------------|--|---|
| 1 | OFFICE OF THE CITY MANAGER | OFFICE OF THE SPEAKER | 8 | 0 | 8 | 2 | OTS 02 | 156 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 23 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 1 (69% & below) | Establishment of Ward Committees immediately after new Council was inaugurated in August 2016 | Ward Committees are fully established |
| | | | | | | | OTS 03 | Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | Minutes of ward and community meetings from each of 23 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | 2 (70% - 99%) | Establishment of Ward Committees immediately after new Council was inaugurated in August 2016 | Ward Committees are fully established |
| | | OFFICE OF THE MAYOR | 4 | 0 | 4 | 1 | MSP 02 | 100% implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | 90% implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | 2 (70% - 99%) | Some programmes were postponed due delayed stakeholder co-ordination | programmes to be undertaken in the next FY |
| | | IRPTN | 2 | 1 | 3 | 2 | MM 01 | 100% Corporate and Brand Identity for IRPTN implemented as per approved IRPTN Marketing Strategy by the 30th of June 2017 | Nil achieved | 1 (69% & below) | Awaiting the Council approval of the Strategy and Naming Campaign Documents. (SMC approved on the 13 January 2016.) | The City Manager (A) has instructed that the Strategy and Naming Campaign Document be re-submitted to Council for approval. The Documents have been re-submitted to the relevant committee/s for approval |
| | | | | | | | MM 02 | 75% Formulation of APTMS and AFC tender documents for IRPTN (Phase 1A) by the 30th of June 2017 | Nil achieved | 1 (69% & below) | Awaiting the council approval of the concept of operations document. (SMC approved on the 23 August 2016.) | The City Manager (A) has instructed that the concept of operations document be re-submitted to Council for approval. The Document has been re-submitted to the relevant committee/s for approval |
| TOTAL | | | | | 15 | 5 | | | | | | |
| 2 | COMMUNITY SERVICES | PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) | 9 | 0 | 9 | 1 | PSDM 08 | 100% implementation of the approved Disaster management plan by the 30th June 2017 | 100% implementation of the approved Disaster management plan by the 30th June 2017 | 2 (70% - 99%) | Sector plan meetings did not take place due to the many service delivery protest(due to electrical water related outages) and the regular sitting of the Joint Operations Centre | meeting is scheduled for the 26th July 2017 |
| | | | WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) | 1 | 5 | 6 | 3 | COM DEV 08 | 43 000 households refuse collected in Wards 1 to 9 by the 30th of June 2017 | nil achieved | 1 (69% & below) | Budget Office, couldn't account for the R3m allocation for Vulindlela SMME's |
| | | COM DEV 09 | | 5 x 15m³ skip bins purchased by the 31st of December 2016 | nil achieved | 1 (69% & below) | services provider appointed couldn't deliver the services . Money was reallocated | an amount of R1m have been allocated on 2017/18 budget | | | | |
| | | COM DEV 10 | | 100% Construction of Kwa-Pata Buy-Back centre first phase (concrete slab, roof shelter, supply of ablution and office container) by the 30th of April 2017 | concrete slab, roof shelter, ablution container couldn't be supplied due to shortage of funds | 2 (70% - 99%) | shortage of funds to purchased the container for ablution | to seek funds during the mid-term review | | | | |
| | | RECREATION & FACILITIES (SPORTS, PARKS, SERVICITUDES, RECREATION, CEMETRIES, LIBRARIES, BUILDINGS & FACILITIES) | 6 | 3 | 5 | 5 | COM DEV 01 | Grass cut in 29 wards three times a season by the 31st of May 2017 (September 2016 to May 2017) | Grass was cut in 29 Wards but not all areas were covered | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules |
| | | | COM DEV 02 | 15 islands and 15 main entrances of Council Buildings maintained monthly by the 30th of June 2017 | 10 islands and 10 main entrances of Council Buildings maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules | | | | |
| | | | COM DEV 03 | 11 libraries maintained every month by the 30th of June 2017 | 7 libraries maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules | | | | |
| | | | | | | | | | | | | |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBIP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|--------------|-------------------------|---|---------------------------|-------------------------|-----------------------|---|-----------------|---|---|------------------------------------|---|---|
| 2 | COMMUNITY SERVICES | RECREATION & FACILITIES (SPORTS, PARKS, SERVICITUDES, RECREATION, CEMETRIES, LIBRARIES, BUILDINGS & FACILITIES) | | | | | COM DEV 04 | 36 operational halls maintained every month by the 30th of June 2017 | 20 halls maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules |
| | | | | | | | COM DEV 13 | First Phase construction of new pool in ward 5 (Vulindlela) completed as per approved construction plan by the 30th of June 2017 | Completion of designs, first phase could not commence due to budget cut | 1 (69% & below) | Budget insufficient to complete construction | Awaiting new budget in 2017/2018 financial year |
| TOTAL | | | | | 20 | 9 | | | | | | |
| 3 | INFRASTRUCTURE SERVICES | WATER & SANITATION | 1 | 18 | 19 | 4 | W & S 04 | 1 km of Sewer pipeline replaced by the 30th of June 2017 | Panel of contractors Awarded at BAC by 31st May 2017 | 2 (70% - 99%) | Adjudication took longer than anticipated due to thenumber of tenders received. | Approve specification whilst tender in currently been finalised. |
| | | | | | | | W & S 08 | 21 new toilets completed and 0,6 km of new sewer pipe installed by 30 June 2017 | Panel of contractors Awarded at BEC by 30 April 2017 | 1 (69% & below) | Adjudication took longer than anticipated due to thenumber of tenders received. | Approve specification whilst tender in currently been finalised. |
| | | | | | | | W & S 18 | 40 % of Reservoir Completed 30th of June 2017 | Project had to suspended due unstable soil conditions whilst the geotechnical study is been undertaken. | 1 (69% & below) | Unsuitable soil conditions | Undertake geotechnical Density Test for new site. |
| | | | | | | | W & S 21 | 6 sets of Office Furniture Purchased & Delivered by the 30th of June 2017 | NIL | 1 (69% & below) | Funds were re allocated to Machinery and equipment | Procurement to take place next financial year |
| | | ROADS & TRANSPORTATION OVERVIEW CAPITAL | 0 | 43 | 43 | 17 | R & T 01 | 1,6km of surfaced roads to blacktop with storm water completed by the 28th of February 2017 | Target not Met. Cpmpleted Priming. Surfacing to start 1st week in July 2017. | 2 (70% - 99%) | No funding available to complete project. | Fast track outstanding payments and fast track contractor to complete outstanding works. |
| | | | | | | | R & T 03 | Revised EIA application submitted to the EDTEA by the 30th of June 2017 | Additional EIA Wetland Offset Plan specialist study complete. | 2 (70% - 99%) | Insufficient budget-available in 2017/18 FY for completion of additional studies as requested by the EDTEA. BAC approval V03 for additional Geotech study obtained on 29 June 2017. | Revised EIA submission in 2017/18 FY when Geotech study is completed with funding is received for payment of completed specialist studies . |
| | | | | | | | R & T 04 | 100 % Base-course, kerb & channeling completed by the 30th of June 2017 | 92% of G9 completed, 80% of G7 completed. | 2 (70% - 99%) | Contractor suspended contract for two months due to cash flow problems as there was no money in the budget to make payments for work done. There is also a delay in the Electrical Unit relocating electrical services on site. | Work has commenced on site as money was relocated and there are funds available in the new budget. There will be a delay in the completion date. Electrical Unit have been requested to relocate their services as a matter of urgency. |
| | | | | | | | R & T 09 | Concrete bridge substructure, river embankment protection, and earthwork platform to 0.26 km of road way completed by the 30th of June 2017 | Substructure of west abutment 80% complete. Concrete footing of East Abutment complete. River embankment protection commenced. | 2 (70% - 99%) | Relocation of Eskom services causing delays to construction. Delays by municipality in paying upfront relocations costs to Eskom . Delays by approval of report to Full council | Report submitted to Council again for upfront payment approval to Eskom in May 2016. |
| | | | | | | | R & T 17 | 800m of gravel road upgraded to asphalt surface by the 30th of June 2017 | Culvert , stormwater piping , manholes , storm-water catchpits and earthworks completed. Gabions and subbase layer 50% completed. | 1 (69% & below) | The pace of the work was slow on site due to the Contractor lacking finances, resources and key staff to undertake the works. | Projected duration extended by three months and penalties will be applied for late finishing. |
| | | | | | | | R & T 23 | 0,75 km of gravel roads to surfaced/ concrete standard upgraded by the 28th of February 2017 | 0,75 km of gravel roads to surfaced/concrete standard upgraded by the 30th May 2017 | 2 (70% - 99%) | Additional Funding required to complete the surfacing of the road. The funding was only made available in May 2017 | Funding made available to complete project |
| | | | | | | | R & T 25 | 1.3 km of gravel roads to surfaced/ concrete standard upgraded by the 31st of January 2017 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move offsite and delay works. |
| | | | | | | | R & T 26 | 1.0 km of gravel roads to surfaced/ concrete standard upgraded by the 28th of February 2017 | Target date not Met. Completed 1.0km in May 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move offsite and delay works. |
| | | | | | | | R & T 27 | 1.3 km of gravel roads to surfaced/ concrete standard upgraded by the 31st of January 2017 | 0,5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move offsite and delay works. |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PATIALLY MET | SDBIP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|-------------------------|---|---------------------------|-------------------------|-----------------------|--|-----------------|--|--|------------------------------------|---|--|
| 3 | INFRASTRUCTURE SERVICES | ROADS & TRANSPORTATION OVERVIEW CAPITAL | | | | | R & T 28 | Contractor for Ashdown Bank Protection against Collapsing of Adjacent Houses- P 15 appointed by the 31st of May 2017 | Target not met Tender Adjudication Stage | 1 (69% & below) | Draft BSC report was received mid February and approved by BSC Committee by the 2nd March 2017. Report was submitted to Acting Municipal Manager's office thereafter and delayed for +/-2.5 months before the report was approved and sent back to SCM by 15 May 2017. The report had to be registered at SCM and a SITE BRIEFING was conducted on the 31 May 2017. | speed up adjudication process and table the report to BEC by 4th August |
| | | | | | | | R & T 29 | EIA and WULA submitted to DW & S & Tender for construction advertised by the 30th of June 2017 | General Authorisation for WULA/EIA from DW&S received on 11 November 2016. BSC report for advertising approved by BSC on 9 March 2017. | 2 (70% - 99%) | Advertising of Tender by Supply Chain Management awaited. | Emails submitted to SCM requesting advertising date. |
| | | | | | | | R & T 30 | Tender for construction of 1.5m wide steel pedestrian bridge completed awarded by the 30th of April 2017 | Finalised Report Submitted to BEC on 20 June 2016. | 2 (70% - 99%) | Delays in adjudication process attributable to Professional Service Provider. Delays due to Amendments to SCM tax compliance policy to tenders. Departmental delays to BEC report approvals process. Insufficient budget to award tender. Adjudication report stood down by BEC on 22 June 2017 | Amended BEC report submission executed. Further extension of tender validity period requested. |
| | | | | | | | R & T 32 | 0.7km of Guard Rails installed as and when requested by the 31st of March 2017 | Target partially met. 0.83km of Guard Rails installed by the 30th of June 2017 | 2 (70% - 99%) | Not completed in March 2017 due to contractors leaving site because of late payments. Savings to achieve additional 0.13km were realised since the rate per meter decreases as length of guardrails to be installed increases. | Finance to ensure that contractors are paid on time to ensure that they do not abandon site. |
| | | | | | | | R & T 35 | Completed preliminary design for option 2A and specialist studies (EIA & WULA) submission, for Eastern Ring Road from Murray Road/Hesketh Drive intersection to Rogers Avenue by the 30th of June 2017 | Target not met. Wetland study completed and recommendations are that alternative route alignment being 2C has to be investigated as the proposed route alignment has a negative impact on the grassland where the road is traversing. Alternative route alignment to be investigated was finalised in June 2017 with the guidance of Msunduzi internal environment unit. | 1 (69% & below) | Environmental constraints (seepage and grassland) were found on the proposed alternative route alignment (Option 2A). Therefore another alternative has to be investigated option 2C. | Project has been put on hold. Meeting held on 6th June 2017 with Environment department to discuss and finalise the alternative route as per the Wetland Study recommendations. Project to resume in the new financial year. |
| | | | | | | | R & T 40 | 3 x Bus/Taxi Laybys constructed by the 31st of March 2017 | Target partially met. 2 x Bus/Taxi Laybys constructed by the 31st of March 2017 | 2 (70% - 99%) | 3rd Bus/Taxi Layby could not be constructed due to funds being reallocated to cover the budget shortfall on the Installation of Traffic Signals project | Review annual targets and budgets to ensure that the KPI's are met. |
| | | | | | | | R & T 41 | EIA Authorization, and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | letter of Extension from EDTEA for further assessments required. | 2 (70% - 99%) | EDTEA required further assessments that were not required at the beginning stages of application. BAR submitted and EDTEA advised further studies required. | Extension requested and granted and consultant working on additional studies |
| | | | | | | | R & T 42 | EIA Authorization, and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | WULA studies and Basic Assessment completed but WULA has not been submitted to DW&S. EIA previously completed and approved. | 2 (70% - 99%) | Consultant awaiting reply from DW&S from 09 May 2017 concerning the application route that's needs to be followed for this project. | Consultant and Municipality to request DW&S to expedite decision concerning the application. |
| | ELECTRICITY | | 0 | 12 | 12 | 6 | ELEC 01 | 37 X HIGH MASTS LIGHTS TO BE ERECTED AND COMMISSIONED by the 30th of June 2017 | ALL 37 HIGH MASTS HAVE BEEN ERECTED. 11 X HIGH MASTS HAVE BEEN COMMISSIONED. | 2 (70% - 99%) | DELAYS BY ESKOM IN APPOINTING CONTRACTORS | CONTRACTORS HAVE SINCE BEEN APPOINTED AND INSTALLATIONS IN PROGRESS |
| | | | | | | | ELEC 03 | 200 NEW HOUSEHOLD CONNECTIONS TO BE ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | 193 NEW HOUSEHOLD CONNECTIONS ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | 2 (70% - 99%) | The 200 new households was an estimate of the number of houses to be connected. At the time of completion it was 193 | There is no corrective measure. We cannot give the exact number of household to be connected until completion |
| | | | | | | | ELEC 06 | 132kV OUTDOOR SWITCHGEAR AND AUXILIARY POWER CABLES COMMISSIONED by the 30th of June 2017 | PART ONE IS 99% COMPLETE AND PART TWO HAS COMENCED WITH 23% OF THE WORK DONE. ENTIRE PROJECT PROGRESS IS 94% | 2 (70% - 99%) | LACK OF AVAILABILITY OF WIRING OF PANELS INFORMATION REQUIRED RESULTING IN NEW INFORMATION HAVING TO BE COMPILED | EXTENSION FOR THE CONTRACT WAS APPROVED |
| | | | | | | | ELEC 08 | 2 X 40MVA POWER TRANSFORMERS PURCHASED AND DELIVERED by the 30th of June 2017 | 2 X 40MVA POWER TRANSFORMERS PURCHASED | 2 (70% - 99%) | DELAYS EXPERIENCED DURING SHIPPING OF THE UNITS RESULTING IN LATE ARRIVAL AT DURBAN PORT | DELIVERY TO SITE EXPECTED ON 31 JULY 2017 |
| | | | | | | | | | | | | |

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|--------------|--|---|---------------------------|-------------------------|-----------------------|---|-----------------|--|---|------------------------------------|--|--|
| 3 | INFRASTRUCTURE SERVICES | ELECTRICITY | | | | | ELEC 10 | MANUFACTURING PROCESS OF 28 X 11kV FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS COMPLETED by the 30th June 2017 | MANUFACTURING PROCESS OF 28 X 11kV FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS IS IN PROCESS by the 30th June 2017 | 2 (70% - 99%) | DELAYS IN THE MANUFACTURING PROCESS | DELIVERY DATE HAVE BEEN EXTENDED TO OCTOBER 2017 |
| | | | | | | | ELEC 11 | 4 RMUS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED by the 31st of May 2016 | 4 RMUS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED by the 30 JUNE 2017 | 2 (70% - 99%) | Delays during construction resulted in the target date being missed. Construction work took longer than anticipated. | Contractor to add more teams to assist with fast tracking completion of works. |
| | | MECHANICAL WORKSHOPS OVERVIEW OPERATING | 2 | 0 | 2 | 1 | FLT 02 | 768 x Council vehicles and plant serviced by the 30th of June 2017 | 642 x Council vehicles and Plant serviced as at 30 June 2017 | 2 (70% - 99%) | Poor response from the Business Units to Fleet Management service plan. | Increase the number of services on the service plan |
| TOTAL | | | | | 76 | 28 | | | | | | |
| 4 | SUSTAINABLE DEVELOPMENT & CITY ENTITIES OVERVIEW OPERATING | DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) | 12 | 0 | 12 | 7 | LED 05 | LED strategy reviewed and completed Implementation plan submitted to SMC for approval by the 30th of June 2017 | Draft LED strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 1 | SMME strategy developed and submitted to SMC by the 30th of June 2017 | Draft SMME strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 2 | Cooperatives strategy developed and submitted to SMC by the 30th of June 2017 | Draft Cooperatives strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 3 | Women and Disabled economic empowerment strategy developed & submitted to SMC by the 30th of June 2017 | Draft Women and Disabled strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 4 | Youth economic empowerment strategy developed & submitted to SMC by the 30th of June 2017 | Draft Youth Economic Empowerment strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 5 | 100% development of a programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 30th of June 2017 | 50% development of a programme of action for improving the business environment in the Mkhondeni Industrial area | 2 (70% - 99%) | Training of Volunteers could not be done before the establishment of the Task Team/Steering Committee | Finalisation of programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 31st of August 2017 |
| | | | | | | | EDS 8 | Industrial Promotion strategy prepared and submitted to SMC by the 30th of June 2017 | Project Inception Report and Inception meeting held in June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | HUMAN SETTLEMENTS | 8 | 2 | 10 | 4 | HS 08 | 41 x new housing units constructed by the 30th of June 2017 | Target Partially Achieved - 19 houses at roof level, 6 slabs has been cast, 7 sites been cleared by the 30 June 2017 | 2 (70% - 99%) | Social Challenges, communities are blocking the project | Social facilitation is in progress. |
| | | | | | | | HS 09 | 30 x new housing units constructed by the 30th of June 2017 | Target Not Achieved - 30 Slabs casted and 1 house at the roof level. | 1 (69% & below) | Slow Progress on site | Contractor to increase human and capital resources on site to keep up with the construction program. |
| | | | | | | | HS 10 | 100% Stage 1 Application Completed for SACCA - Mkhondeni submitted to DOHS by the 30th of June 2017 | The tender to appoint an Implementing Agent to compile the Stage 1 application to the DoHS is due to be presented at the BAC on 13 July 2017. | 1 (69% & below) | Delays in the appointment of an Implementing Agent | Finalise the appointment of Implementing Agent and preparation of the Stage 1 Application to DoHS. |
| | | | | | | | HS 12 | 100% Feasibility Studies completed and Stage 1 Application Completed for Shenstone City submitted to DOHS by the 30th of June 2017 | Prefeasibility studies have been not yet been completed and funding for stage 1 has not yet been submitted to the DoHS for approval | 1 (69% & below) | The Municipality is still sorting out social issues and land invasions within the project area | Formalisation of Township and prepare land invasion |
| | | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | 18 | 16 | 34 | 11 | COM DEV 11 | 12 x planned Exhibitions held by the 30th of June 2017 | only 11 Exhibitions managed per annum because of floods | 2 (70% - 99%) | Flood Incident in June | Clear Flood Damage |
| | | | | | | | LED 02 | 100% Completed Pallet Park construction as per approved construction plan by the 30th of June 2017 | | 1 (69% & below) | The Engineers report for the assessment of Pallet Park were above the our budget, sourced additional funding | Review the specifications and new bill of quantities issued |
| | | | | | | | LED 04 | 100% Municipal wide tourism signage revamped and installed by the 30th of April 2017 | Signs currently being manufactured. | 1 (69% & below) | Supplier did not quote according to the contract, amendments to the quotation and invoices had to be made. | Facilitate the completion and installation of the signage by 31 July 2017 |
| | | | | | | | CE 01 | 44 X CCTV Cameras installed with recording and site monitoring system linked to the Safe City control room by the 30th of June 2017 | This project could not be implemented | 1 (69% & below) | It was unfunded mandate and dependant on opportunistic non-expenditure by other business units | Subject to budget availability and the project is still unfunded in current financial year. |

Msunduzi Annual Report

2016/2017

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBIP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|--|---|---------------------------|-------------------------|-----------------------|---|-----------------|---|---|------------------------------------|-------------------------------------|---|
| 4 | SUSTAINABLE DEVELOPMENT & CITY ENTITIES OVERVIEW OPERATING | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | | | | | CE 07 | Repairs to Oromolu Clock effected and completed by the 30th of June 2017 | Project Cancelled | 1 (69% & below) | Delays in obtaining Authority | Postponed project |
| | | | | | | | CE 11 | 100% construction of ground parking equipment at the PMB Airport completed by the 30th of June 2017 | 90 % Of construction done. | 2 (70% - 99%) | Contractor delays | Contractor to complete by 15 July 2017 |
| | | | | | | | CE 16 | 100% Airport roof repairs completed at the PMB Airport by the 30th of June 2017 | Engineer completed assessment and report submitted. | 1 (69% & below) | Delay in obtaining completed design | To ensure procurement is completed and project is implemented |
| | | | | | | | CE 19 | 100% Office furniture for the PMB Airport staff procured by the 30th of June 2017 | Nil furniture purchased. | 1 (69% & below) | Nil Capex Available. | Capex requested in 2017/18 Budget |
| | | | | | | | CE 20 | 100% Purchase and installation of the overhead tank for the PMB Airport procured by the 30th of June 2017 | Nil OHD tanker purchased. | 1 (69% & below) | Nil Capex available. | Reallocations done from 16/17 unit savings |
| | | | | | | | CE 24 | Appointment of Facilities Management Company at the PMB Airport completed by the 31st of March 2017 | Service Provider bids are in Adjudication stage | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process |
| | | | | | | | CE 25 | 100% maintenance of infrastructure by the appointed Facilities Management Company for the PMB Airport completed the 30th of June 2017 | Service Provider bids are in Adjudication stage | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process |
| TOTAL | | | 38 | 18 | 56 | 22 | | | | | | |

ANNEXURE G

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT - OFFICE OF THE CITY MANAGER

OFFICE OF THE CITY MANAGER OVERVIEW

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

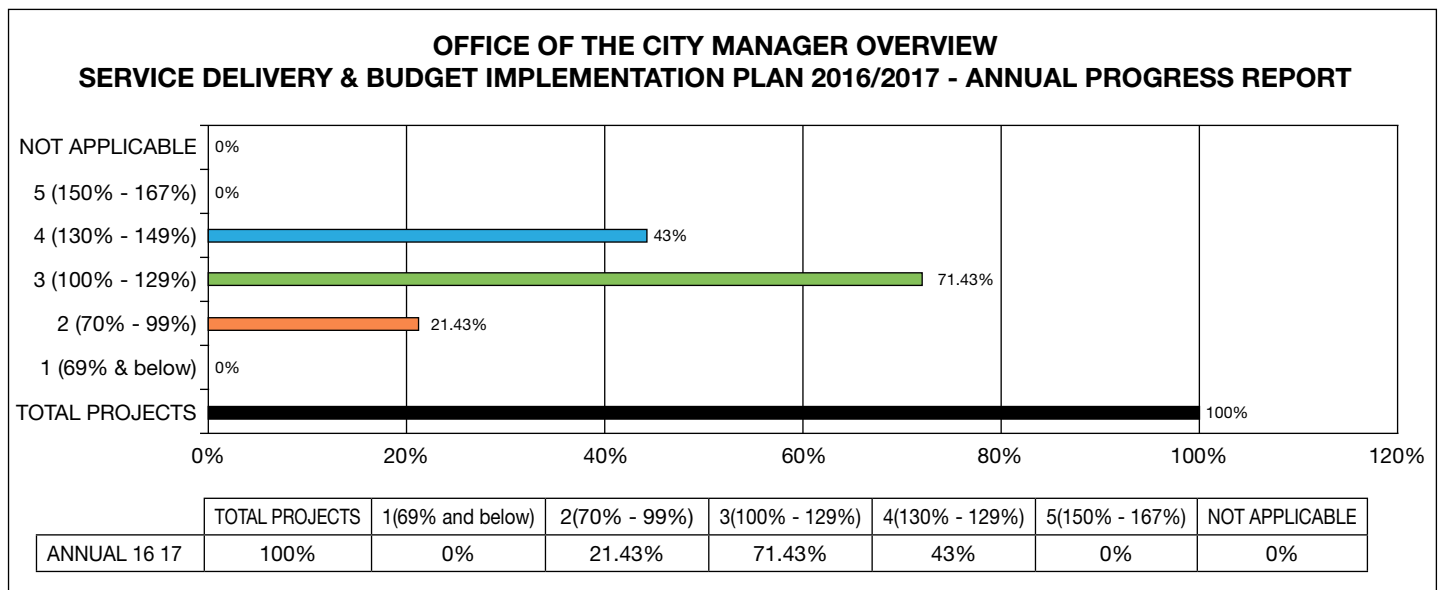
1 OFFICE OF THE CITY MANAGER OVERVIEW

1.1 TOTAL PROJECTS: 15

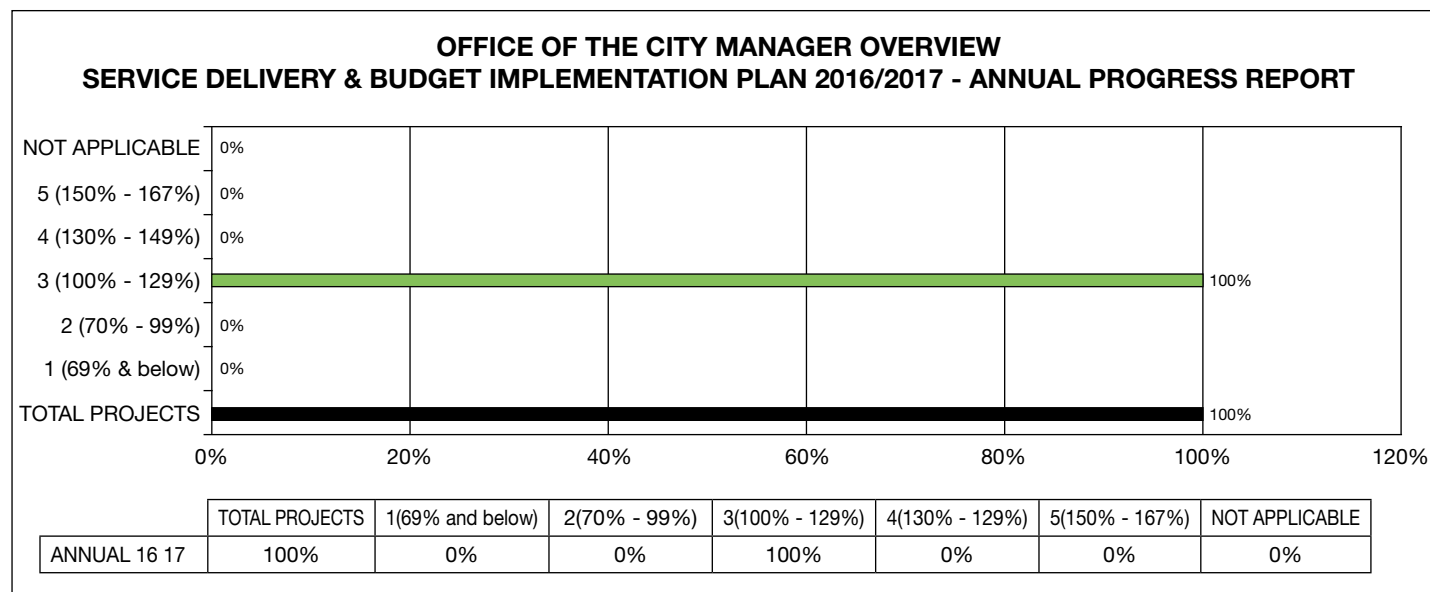
1.1.1 OPERATING PROJECTS 14

1.1.2 CAPITAL PROJECTS 1

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR OFFICE OF THE CITY MANAGER OVERVIEW NARRATIVE SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|----------------------------|-----------------------|---------------------------|-------------------------|-----------------------|---|--------------|--|---|------------------------------------|---|---|
| 1 | OFFICE OF THE CITY MANAGER | OFFICE OF THE SPEAKER | 8 | 0 | 8 | 2 | OTS 02 | 156 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 23 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 1 (69% & below) | Establishment of Ward Committees immediately after new Council was inaugurated in August 2016 | Ward Committees are fully established |
| | | | | | | | OTS 03 | Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | Minutes of ward and community meetings from each of 23 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | 2 (70% - 99%) | Establishment of Ward Committees immediately after new Council was inaugurated in August 2016 | Ward Committees are fully established |
| | | OFFICE OF THE MAYOR | 4 | 0 | 4 | 1 | MSP 02 | 100% implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | 90% implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | 2 (70% - 99%) | Some programmes were postponed due delayed stakeholder co-ordination | programmes to be undertaken in the next FY |
| | | IRPTN | 2 | 1 | 3 | 2 | MM 01 | 100% Corporate and Brand Identity for IRPTN implemented as per approved IRPTN Marketing Strategy by the 30th of June 2017 | Nil achieved | 1 (69% & below) | Awaiting the Council approval of the Strategy and Naming Campaign Documents. (SMC approved on the 13 January 2016.) | The City Manager (A) has instructed that the Strategy and Naming Campaign Document be re-submitted to Council for approval. The Documents have been re-submitted to the relevant committee/s for approval |
| | | | | | | | MM 02 | 75% Formulation of APTMS and AFC tender documents for IRPTN (Phase 1A) by the 30th of June 2017 | Nil achieved | 1 (69% & below) | Awaiting the council approval of the concept of operations document. (SMC approved on the 23 August 2016.) | The City Manager (A) has instructed that the concept of operations document be re-submitted to Council for approval. The Document has been re-submitted to the relevant committee/s for approval |
| TOTAL | | | | | 15 | 5 | | | | | | |

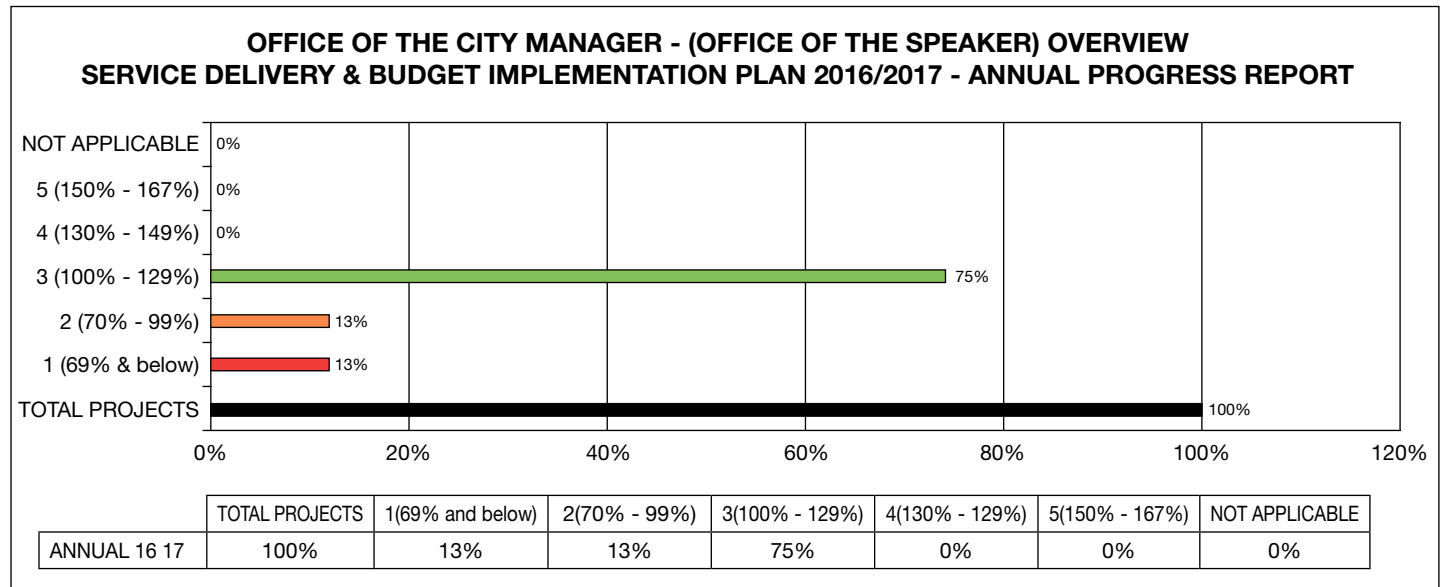
OFFICE OF THE CITY MANAGER - (OFFICE OF THE SPEAKER) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 OFFICE OF THE CITY MANAGER - (OFFICE OF THE SPEAKER) OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 8 |
| 1.1.1 | OPERATING PROJECTS | 8 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: OFFICE OF THE CITY MANAGER
SUB UNIT: POLITICAL SUPPORT (OFFICE OF THE SPEAKER)

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS Quo | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBP 2016/2017 PROGRESS REPORT | REASON FOR CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|----------------|---|---|-----------------------------|------|---|---|---|--|--|---|---------------------------------------|---|--|--|
| E | E 1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 01 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Annual Schedule of meetings | All | Schedule submitted to CoGTA by 30th of June 2016 | Annual schedule of meetings 2017/2018 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2017 | Annual schedule of meetings 2017/2018 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2017 | Date Annual schedule of meetings 2017/2018 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2017 | Annual schedule of meetings 2017/2018 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2017 | Annual schedule of meetings 2017/2018 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2017 | N/A | N/A | N/A | Annual schedule of meetings 2017/2018 FY |
| E | E 2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 02 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Reports | All | 468 Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2016 | 156 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 156 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | Number & Date of Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | 23 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2017 | N/A | N/A | Establishment of Ward Committees emmided after new Council was inaugurated in August 2016 | On-going | Monthly Reports on the functioning/status of ward committees |
| E | E2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Reports | All | Minutes of every meeting of functional ward and community committee received within 5 days after date of the meeting | Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | Turnaround time for submission of minutes of ward and community meetings by 39 Ward Assistants | Minutes of ward and community meetings from each of 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2017 | N/A | N/A | Establishment of Ward Committees emmided after new Council was inaugurated in August 2016 | On-going | Minutes of ward and community meetings |
| E | E2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Transmission (forwarding) of service delivery requests to customer care | Reports | All | All service delivery requests reported per ward are forwarded to customer care / relevant business units within 8 hours from the time it is reported | All service delivery requests reported per ward directly to the Office of the Speaker to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | All service delivery requests reported per ward directly to the Office of the Speaker to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | Turnaround time for forwarding service delivery requests reported directly by the Office of the Speaker to customer care / relevant business units | All service delivery requests reported per ward received via ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | N/A | N/A | N/A | N/A | Office of the Speaker Service Delivery Statistics |
| E | E2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 08 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Transmission (forwarding) of service delivery requests to customer care | Reports | All | All service delivery requests reported per ward are forwarded to customer care / relevant business units within 8 hours from the time it is reported | All service delivery requests reported per ward received via ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | All service delivery requests reported per ward received via ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | Turnaround time for forwarding service delivery requests reported via ward committees to customer care / relevant business units | All service delivery requests reported per ward received via ward committees to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Office of the Speaker Service Delivery Statistics |
| E | E1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Reports | All | Monthly report on the functioning of the Speaker's Office submitted to the Operational Management Committee in the 2015/2016 FY | Monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30th of June 2017 | 12 x monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30th of June 2017 | Number of reports submitted to OMC | 12 x monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | 12 x monthly reports on functioning of the Speaker's Office, OMC resolutions |

| INDEX | IDP REFERENCE | CDS REFERENCE | SDRP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASISLINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAE TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|----------------|---|------------------------------------|-------------------|------|---|---|---|---|--|--|---|----------------------|------------------------------------|---|---|
| E | E3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 06 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Strengthening Municipal Governance | Capacity Building | All | 1 ward committee training sessions conducted by the Office of the Speaker | 1 x ward committee training session facilitated (Ward Committee induction) by the Office of the Speaker | Number of ward committee training sessions facilitated (Ward Committee induction) by the Office of the Speaker | 1 x ward committee training session facilitated (Ward Committee induction) by the Office of the Speaker by 31st of March 2017 | 1 x ward committee training session facilitated (Ward Committee induction) on the 4th of June 2017. | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Register of Attendance |
| E | E3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | OTS 07 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Back to Basics | Reporting | All | Nil | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2017 | Number of Monthly Reports on the Back to Basics National Template submitted to Council | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2017 | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | 12 x Monthly Reports on the Back to Basics National Template, Council resolutions |

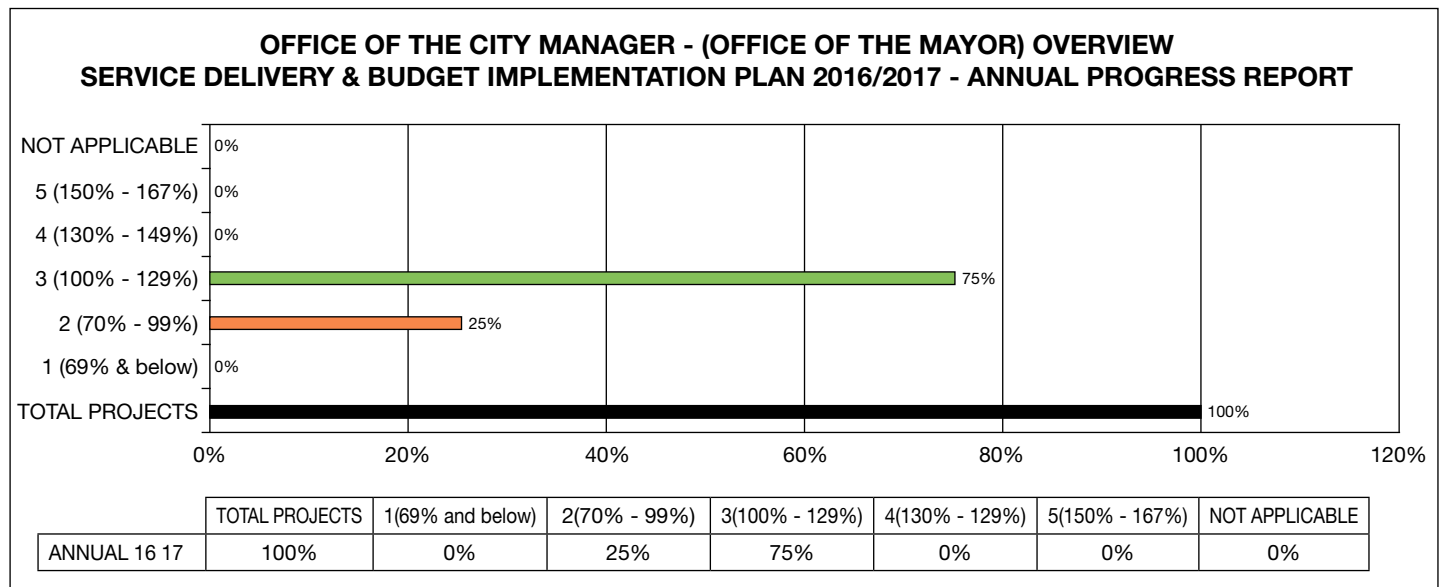
OFFICE OF THE CITY MANAGER - (OFFICE OF THE MAYOR) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 OFFICE OF THE CITY MANAGER - (OFFICE OF THE MAYOR) OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 4 |
| 1.1.1 | OPERATING PROJECTS | 4 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REFER- ENCE | CDS REFER- ENCE | SDBIP REFER- ENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJ- ECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG- RESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|-----------------------|-------------------------|--|-------------------------|---|------------|--|--|---|---|---------------|--|--|---|-----------------------|---|--|
| E | E1 | 2 - BACK TO BASICS | MSP 01 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | Mayoral Pro- grammes | Annual Calendar of Events | All | Annual calendar of events for Mayoral Special Projects 2015/2016 financial year submitted to SMC for approval by the 31st of May 2016 | Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval | Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval by the 31st of May 2017 | Date Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval | N/A | Annual calendar of events for Mayoral Special Projects 2017/2018 financial year submitted to SMC for approval by the 31st of May 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| E | E2 | 2 - BACK TO BASICS | MSP 02 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | Mayoral Pro- grammes | Imple- mentation of annual calendar of events | All | 100% imple- mentation of Mayoral Special Programmes IN 2015/2016 | 100% imple- mentation of All Mayoral Special Programmes for 2016/2017 FY with- in available budget and stipulated time- frames as per the approved calendar of events | 100% implementa- tion of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | % Implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events | N/A | 90% implementation of All Mayoral Special Programmes for 2016/2017 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2017 | 2 (70% - 99%) | Some pro- grammes were postponed due to delayed stakeholder co-ordination | N/A | 1-Feb-18 | Mayoral Pro- gramme and Attendance registers |
| E | E2 | 2 - BACK TO BASICS | MSP 03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | Mayoral Pro- grammes | Reports | All | Monthly report on Mayoral Special Projects submitted to the Operational Management Com- mittee in the 2015/2016 FY | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Manage- ment Committee | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Man- agement Committee by the 30th of June 2017 | Number of monthly reports on Mayoral Special Projects submitted to the Operational Manage- ment Committee | R 700 000 | R 700 000 | N/A | N/A | N/A | N/A | 12 x monthly reports on Mayoral Spe- cial Projects and OMC Resolution |
| E | E2 | 2 - BACK TO BASICS | MSP 04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | Back to Basics N/A | Reporting N/A | All N/A | Nil N/A | 12 x Monthly Re- ports on the Back to Basics National Template prepared and submitted to Council | 12x Monthly Reports on the Back to Basics National Template prepared and submit- ted to Council by the 30th of June 2017 | Number of Monthly Reports on the Back to Basics National Template prepared and sub- mitted to Council | N/A | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | 12x Monthly Reports on the Back to Basics Nation- al Template and Council Resolution |
| | | | | | | | | | | N/A | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |



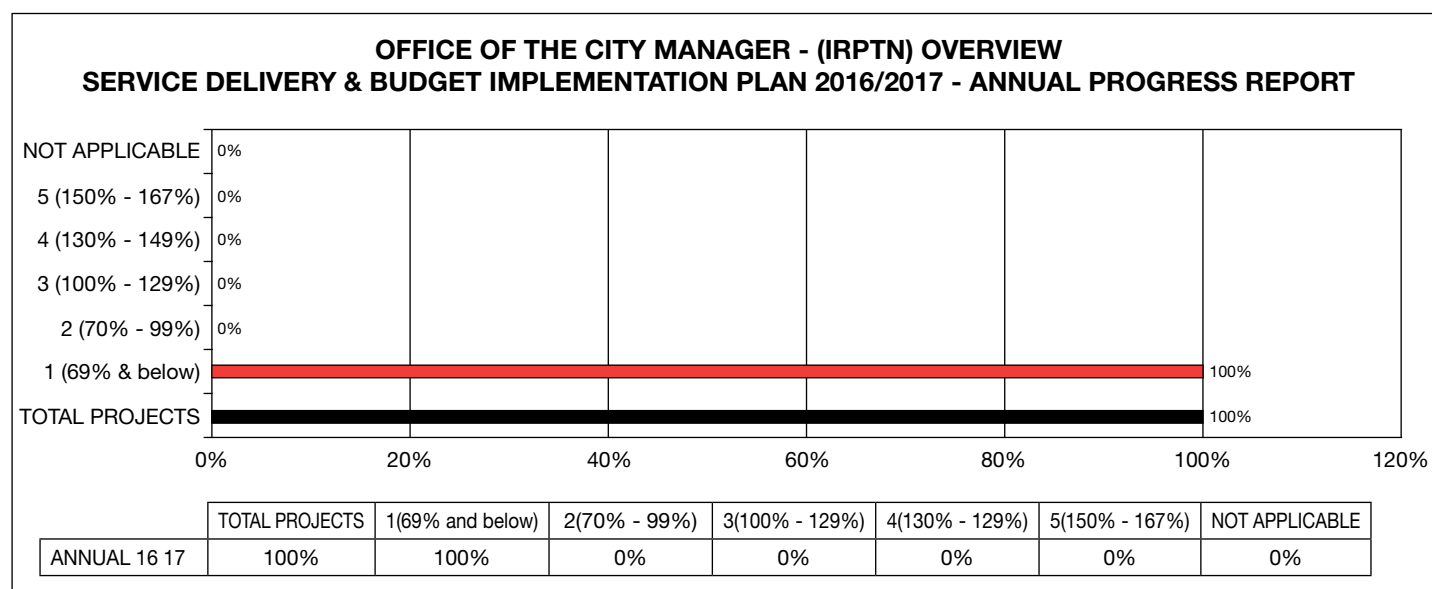
OFFICE OF THE CITY MANAGER - (IRPTN) OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

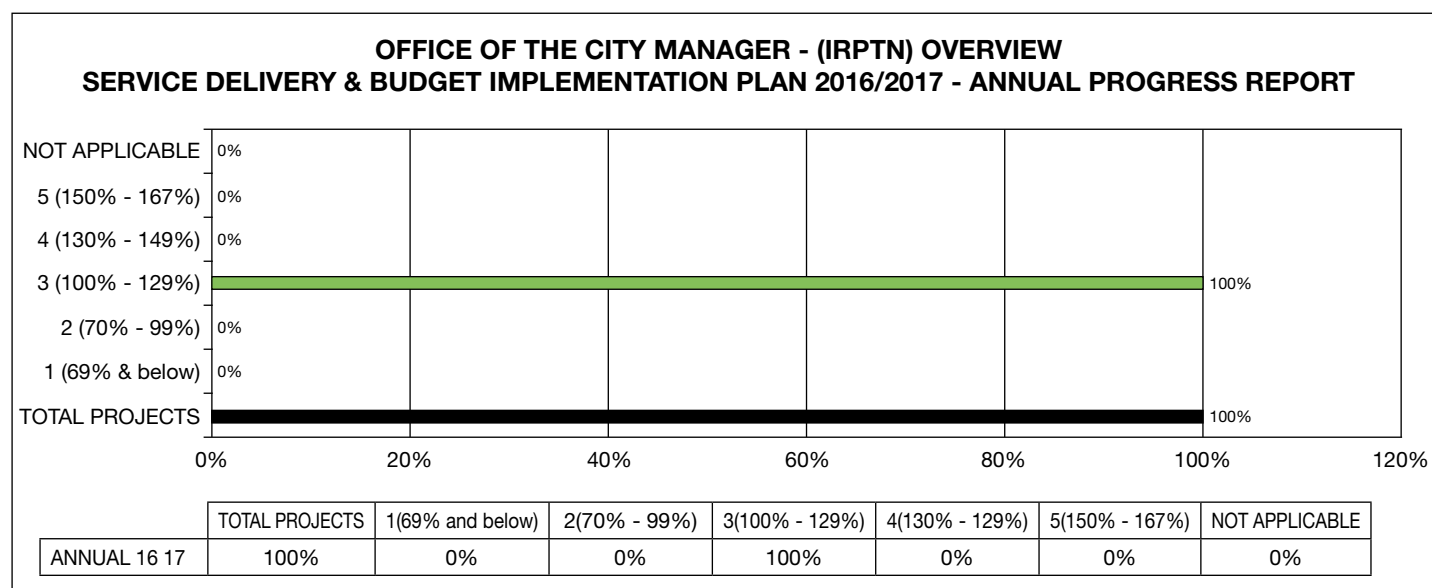
1 OFFICE OF THE CITY MANAGER - (IRPTN) OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 3 |
| 1.1.1 | OPERATING PROJECTS | 2 |
| 1.1.2 | CAPITAL PROJECTS | 1 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



| INDEX | ID# REFER-ENCE | CDS REFER-ENCE | SDBIP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL ACTUAL (1-2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|----------------------------------|------------------|---------------------------------|-----------|-------------------------------|-----------|-----------------------|---|---|---|---|--------------------------|---|---|---|--|---|
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | MM 01 | NKPA 2 - BASIC SERVICE DELIVERY | IRPTN | Marketing & Communication | ALL WARDS | NIL | 100% Corporate and Brand Identity for IRPTN implemented as per approved IRPTN Marketing Strategy by the 30th of June 2017 | 100% Corporate and Brand Identity for IRPTN implemented as per approved IRPTN Marketing Strategy by the 30th of June 2017 | % Corporate and Brand Identity for IRPTN implemented as per approved IRPTN Marketing Strategy | 100% Corporate and Brand Identity for IRPTN implemented as per approved IRPTN Marketing Strategy by the 30th of June 2017 | N/A | 1 (69% & below) | Awaiting the Council approval of the Strategy and Naming Campaign Documents. (SMC approved on the 13 January 2016.) | The City Manager (A) has instructed that the Strategy and Naming Campaign Document be re-submitted to Council for approval. The Documents have been re-submitted to the relevant committee/s for approval | 30-Jun-17 | Marketing and Communications Strategy and Naming Campaign Documents |
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | MM 02 | NKPA 2 - BASIC SERVICE DELIVERY | IRPTN | Intelligent Transport System | ALL WARDS | NIL | 75% Formulation of APTMS and AFC tender documents for IRPTN (Phase 1A) by the 30th of June 2017 | 75% Formulation of APTMS and AFC tender documents for IRPTN (Phase 1A) by the 30th of June 2017 | % Formulation of APTMS and AFC tender documents for IRPTN (Phase 1A) | 500000 | N/A | 1 (69% & below) | Awaiting the council approval of the concept of operations document. (SMC approved on the 23 August 2016.) | The City Manager (A) has instructed that the concept of operations document be re-submitted to Council for approval. The Document has been re-submitted to the relevant committee/s for approval | 30-Jun-17 | ITS Concept of Operations Document |
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | MM 03 | NKPA 2 - BASIC SERVICE DELIVERY | IRPTN | Infrastructure Implementation | ALL WARDS | NIL | 6% implementation of construction as per approved IRPTN construction plan | 6% implementation of construction as per approved IRPTN construction plan by the 30th of June 2017 | % implementation of construction as per approved IRPTN construction plan | 1000000 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| | | | | | | | | | | | | 0 | N/A | N/A | N/A | N/A | N/A | N/A |

ANNEXURE H

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT - COMMUNITY SERVICES

COMMUNITY SERVICES OVERVIEW

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

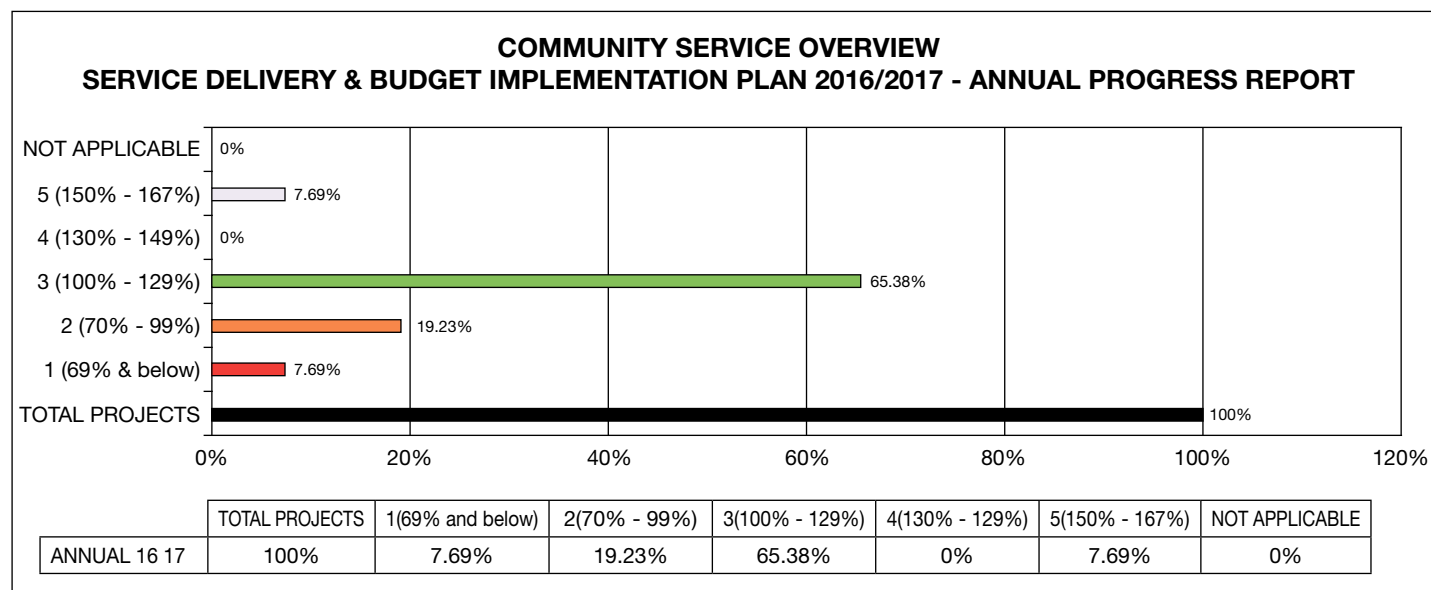
1 COMMUNITY SERVICES OVERVIEW

1.1 TOTAL PROJECTS: 34

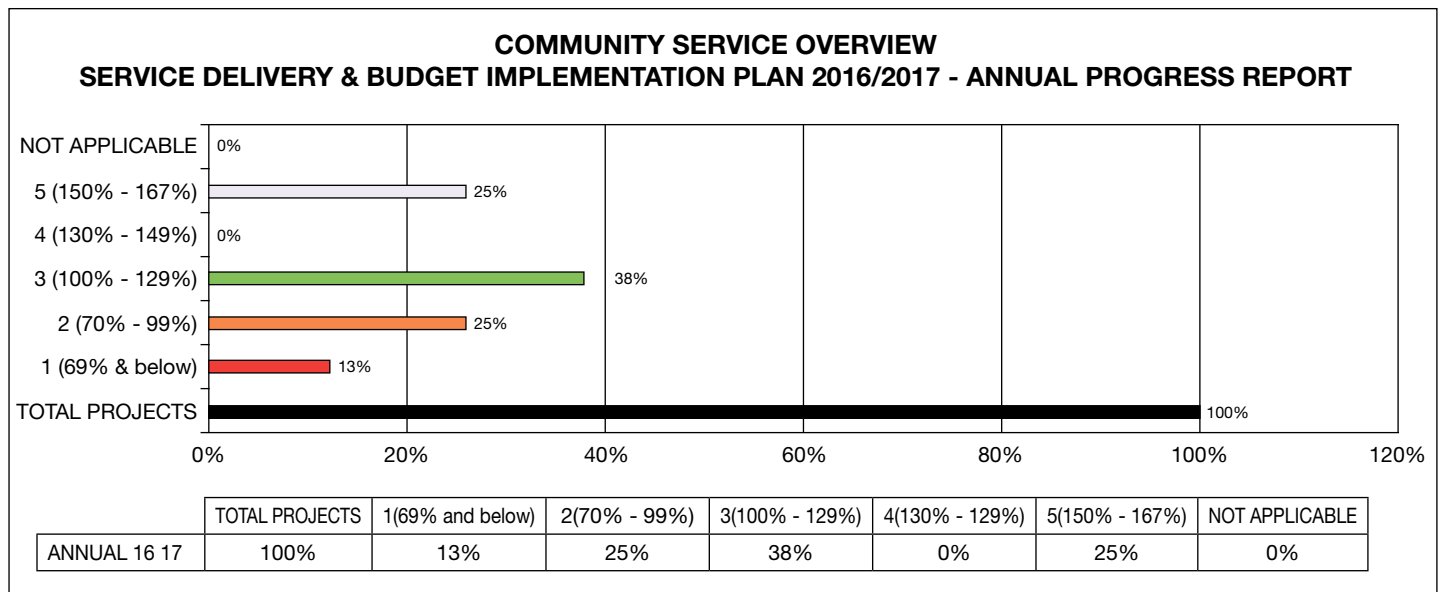
1.1.1 OPERATING PROJECTS 26

1.1.2 CAPITAL PROJECTS 8

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR

COMMUNITY SERVICES OVERVIEW NARRATIVE

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|--------------------|---|---------------------------|-------------------------|-----------------------|---|--------------|--|---|------------------------------------|--|--|
| 2 | COMMUNITY SERVICES | PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) | 9 | 0 | 9 | 1 | PSDM 08 | 100% implementation of the approved Disaster management plan by the 30th June 2017 | 100% implementation of the approved Disaster management plan by the 30th June 2017 | 2 (70% - 99%) | Sector plan meetings did not take place due to the many service delivery protest(due to electrical water related outages) and the regular sitting of the Joint Operations Centre | meeting is scheduled for the 26th July 2017 |
| | | WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) | 1 | 5 | 6 | 3 | COM DEV 08 | 43 000 households refuse collected in Wards 1 to 9 by the 30th of June 2017 | nil achieved | 1 (69% & below) | Budget Office, couldn't account for the R3m allocation for Vulindlela SMME's | to implement the project on the new budget allocation 2017/18 |
| | | | | | | | COM DEV 09 | 5 x 15m³ skip bins purchased by the 31st of December 2016 | nil achieved | 1 (69% & below) | services provider appointed couldn't deliver the services . Money was reallocated | an amount of R1m have been allocated on 2017/18 budget |
| | | | | | | | COM DEV 10 | 100% Construction of Kwa-Pata Buy-Back centre first phase (concrete slab, roof shelter, supply of ablution and office container) by the 30th of April 2017 | concrete slab, roof shelter, ablution container couldn't be supplied due to shortage of funds | 2 (70% - 99%) | shortage of funds to purchased the container for ablution | to seek funds during the mid-term review |
| | | RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETRIES, LIBRARIES, BUILDINGS & FACILITIES) | 6 | 3 | 9 | 5 | COM DEV 01 | Grass cut in 29 wards three times a season by the 31st of May 2017 (September 2016 to May 2017) | Grass was cut in 29 Wards but not all areas were covered | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules |
| | | | | | | | COM DEV 02 | 15 islands and 15 main entrances of Council Buildings maintained monthly by the 30th of June 2017 | 10 islands and 10 main entrances of Council Buildings maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules |
| | | | | | | | COM DEV 03 | 11 libraries maintained every month by the 30th of June 2017 | 7 libraries maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules |
| | | | | | | | COM DEV 04 | 36 operational halls maintained every month by the 30th of June 2017 | 20 halls maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workplan and overtime schedules |
| | | | | | | | COM DEV 13 | First Phase construction of new pool in ward 5 (Vulindlela) completed as per approved construction plan by the 30th of June 2017 | Completion of designs, first phase could not commence due to budget cut | 1 (69% & below) | Budget insufficient to complete construction | Awaiting new budget in 2017/2018 financial year |
| | | TOTAL | | | 16 | 8 | 24 | 9 | | | | |

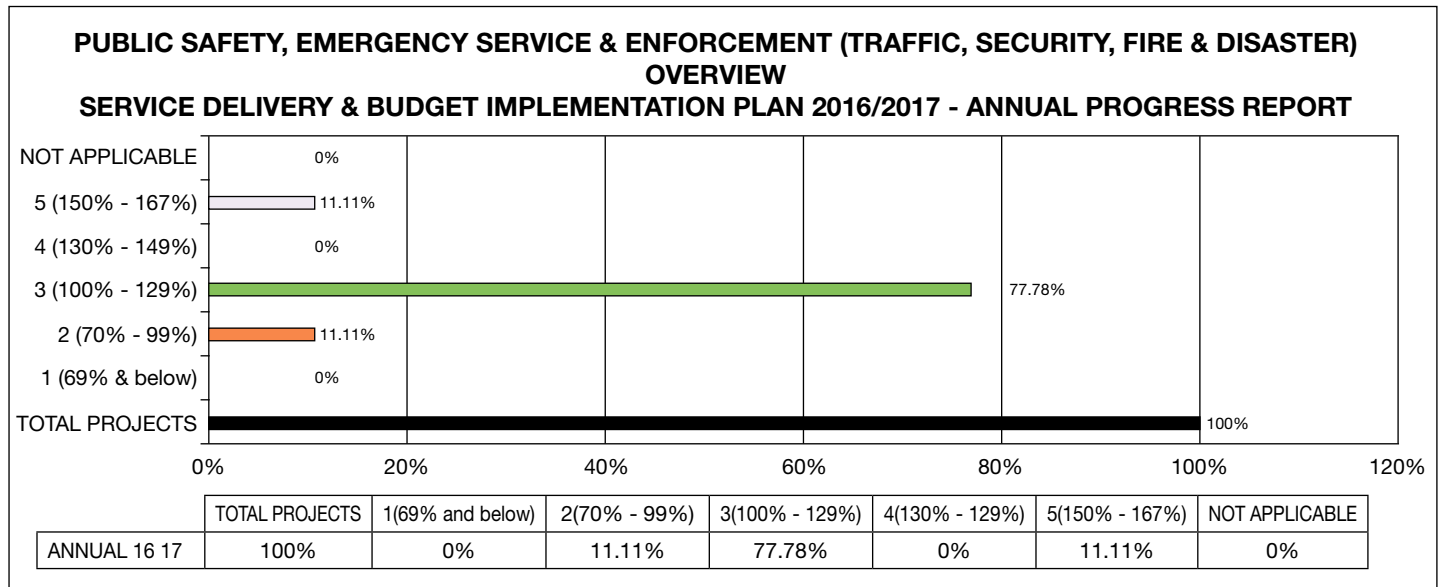
PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 9 |
| 1.1.1 | OPERATING PROJECTS | 9 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: COMMUNITY SERVICES
SUB UNIT: PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER)

| INDEX | DP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 PROGRESS REPORT | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------|---|-----------------|-------------------------------|---------------------|--|------|---|--|--|---|--|--------------------------|--|--|---|--|--|
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 01 | NKPA 6 - CROSS CUTTING | Fire & Rescue | Fire & Rescue Public awareness presentations facilitated by PSDM | All | 66 presentations facilitated as pre-booked by schools and other institutions - assisted by Ops Firefighters due to vacant posts of Pub Ed Officers. | 60 x Fire & Rescue public awareness presentations conducted by the 30th of June 2017 | 60 x Fire & Rescue public awareness presentations conducted by the 30th of June 2017 | Number of Fire & Rescue public awareness presentations conducted | 108 x Fire & Rescue public awareness presentations conducted by the 30th of June 2017 | 5 (150% - 167%) | total presentations reflected include those that were pre-booked and those that were sourced by unit | next year to indicate smart reflection of this KPA | N/A | N/A | Daily Schedules |
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 02 | NKPA 6 - CROSS CUTTING | Fire & Rescue | Major Hazards Visitations by PSDM | All | 38 Major Hazard Visitations conducted by the 30th of June 2017 | 46 x Major Hazard Visitations Conducted | 46 x Major Hazard Visitations conducted by the 30th of June 2017 | Number of Major hazard Visitations conducted | 46 x Major Hazard and Visitations conducted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Daily Schedules |
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 03 | NKPA 6 - CROSS CUTTING | Fire & Rescue | Fire & Rescue fire inspections | All | 814 fire inspections conducted by the 30th of June 2017 | 800 x fire inspections conducted | 800 x fire inspections conducted by the 30th of June 2017 | Number of fire inspections conducted | 882 x fire inspections conducted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Daily Schedules |
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 04 | NKPA 6 - CROSS CUTTING | Traffic & security | Road Safety, Alcohol, Drug and Substance abuse campaign | All | 144 Road Safety awareness sessions | 144 x road safety awareness sessions conducted | 144 x road safety awareness sessions conducted by the 30th of June 2017 | Number of road safety awareness sessions conducted | 158 x road safety awareness sessions conducted by the 30th of June 2016 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Documentation by the School of the conducted Road Safety Sessions. |
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 05 | NKPA 6 - CROSS CUTTING | Traffic & security | Fire Arm Audit | N/A | Fire arm audit conducted in Compliance with Fire Arms Controls Act | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2017 | Number of Fire Arm Audits Conducted | 4 x Fire arm audit conducted in Compliance with Fire Arms Controls Act by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | The external auditors finalised their firearm audit in June and was submitted to internal audit. |
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 06 | NKPA 6 - CROSS CUTTING | Traffic & security | Fire Arm Training for all municipal fire-arm holders | N/A | Fire Arm Training/Refresher Course for all municipal fire arm holders | 2 x Fire Arm Training/Refresher Course for all municipal fire arm holders conducted | 2 x Fire Arm Training/Refresher Course for all municipal fire arm holders conducted by the 30th of June 2017 | Number of Fire Arm Training/Refresher Course for all municipal fire holders conducted | 2 x Fire Arm Training/Refresher Course for all municipal fire arm holders conducted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Fire Arm Training/Refresher Course Material |
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 07 | NKPA 6 - CROSS CUTTING | Disaster Management | Awareness Campaigns | All | (5) Number of awareness campaigns | To increase the capacity for Public Safety in the community | 6 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2017 | Number of disaster awareness campaigns conducted | 6 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Awareness campaigns attendance register 2017/06/03 |
| F | F2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | PSDM 08 | NKPA 6 - CROSS CUTTING | Disaster Management | Implementation of the approved Disaster management plan | All | Draft DM PLAN | Implementation of the approved Disaster management plan | 100% implementation of the approved Disaster management plan by the 30th of June 2017 | % implementation of the approved Disaster management plan | 100% implementation of the approved Disaster management plan by the 30th of June 2017 | N/A | 2 (70% - 99%) | Sector plan meetings did not take place due to the many service delivery protest(- due to electrical water related outages) and the regular sitting of the Joint Operations Centre | meeting is scheduled for the 26th July 2017 | N/A | minutes of the various JOC sittings |

| INDEX | IDP REF- ERENCE | CDS REFER- ENCE | SDBP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 PROGRESS REPORT ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|---------------------|-------------------------------------|--------------------------|---|------|---|---|--|---|---|---|--|-------------------------|-----------------------|---|----------------------|
| F | F2 | 3 - IMPROVED INFRA- STRUCTURE EFFICIENCY | PSDM 09 | NKPA 6 - CROSS CUTTING | Disaster Man- agement | Implementation of the Approved Disaster man- agement plan/ strategy | All | Currently there is no set standard for turnaround times | 24 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy | 24 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2017 | Turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy | 24Hours turn around time to respond to di- saster related in- cidents reported according to the Approved DM plan/strategy by the 30th of June 2017 | 24Hours turn around time to respond to di- saster related in- cidents reported according to the Approved DM plan/strategy by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Beneficiary lists |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

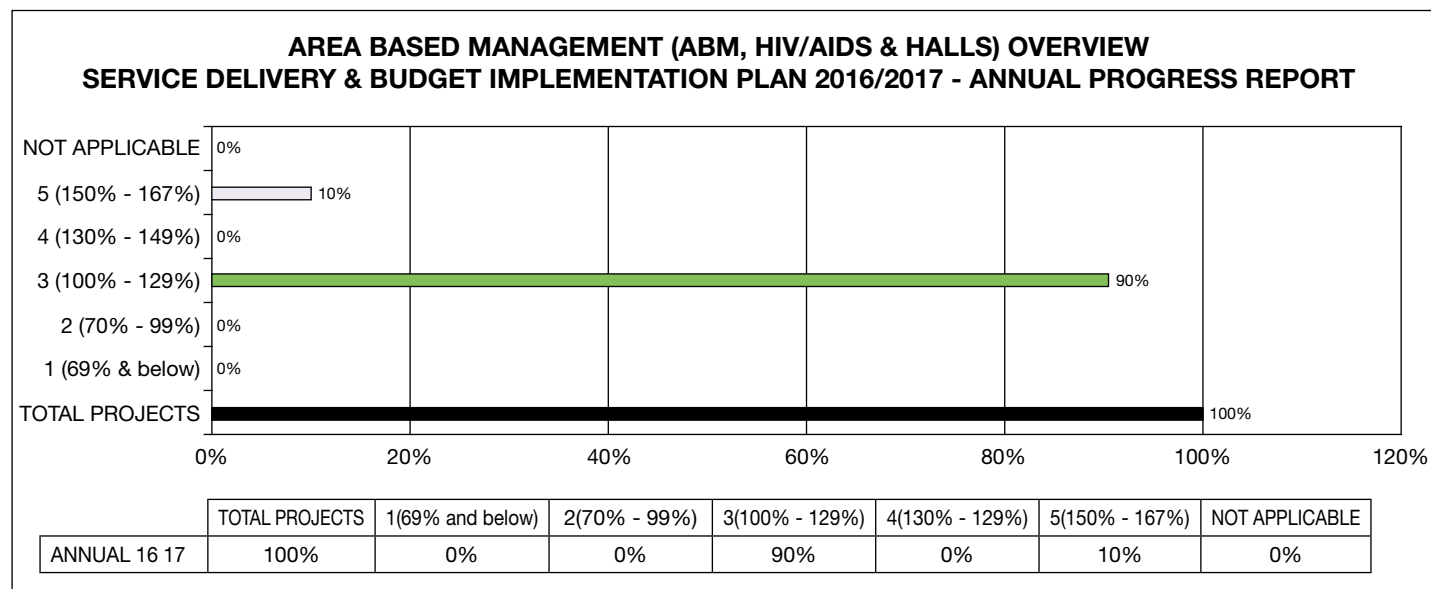
**AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS) OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS) OVERVIEW

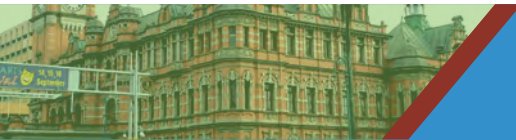
| | | |
|--------------|---------------------------|-----------|
| 1.1 | TOTAL PROJECTS: | 10 |
| 1.1.1 | OPERATING PROJECTS | 10 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: COMMUNITY SERVICES
SUB UNIT: AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS)

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 PROGRESS REPORT | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | |
|-------|---------------|--------------------|-----------------|---|--|---|------|---|--|--|--|---|--------------------------|--|----------------------|--------------------|--|--------------------------------|-------------------------|
| E | E2 | 2 - BACK TO BASICS | ABM 01 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation | Complaints referral/ | All | All community complaints forwarded to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2017 | Community complaints received referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2017 | Community complaints received referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2017 | Turnaround time Community complaints received referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2017 | Community complaints received referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Complaints File | |
| E | E1 | 2 - BACK TO BASICS | ABM 02 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation | Community Based Planning | 1-39 | all wards development plan will be conducted | 1 ward plan for 20 unidentified wards of council developed and submitted to SMC by the 28th of February 2017 | Number of ward plans developed and submitted to SMC | Number of ward plans developed and submitted to SMC by the 28th of February 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | CBP SMC resolution file |
| E | E2 | 2 - BACK TO BASICS | ABM 03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation | Conduct IDP/ Budget needs surveys | All | 5 zones Survey conducted 2015/16 | 1 x IDP/ Budget needs Izimbizo Survey conducted in each of the 5 Zones of Council by the 31st of December 2016 | Number of IDP/ Budget needs Izimbizo Surveys conducted in each of the 5 Zones of Council by the 31st of December 2016 | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | IDP File | |
| E | E2 | 2 - BACK TO BASICS | ABM 04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Effective mechanisms, processes and procedures for Community Participation | Strengthening formal linkage with LAC (Local Aids Council) | All | No strong structural/ formal linkage with Local Aids Council | 12 monthly OSS functionality reports submitted to LAC by the 30th of June 2017 | Number of OSS functionality reports submitted to LAC (LAC) | Number of OSS functionality reports produced and submitted to LAC by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | LAC presentations File |
| E | E3 | 2 - BACK TO BASICS | ABM 05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation | Implement the public participation policy | All | Public participation policy presented to all new 37 ward committees in 2017 | 1 x public participation policy presentation conducted for each of the new 37 ward committees of council by the 30th of December 2016 | Number of public participation policy presentations conducted for each of the new 37 ward committees of council by the 30th of December 2016 | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Community Policy register file | |
| E | E1 | 2 - BACK TO BASICS | ABM 06 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation | Ward Audits | All | Existing ward audits | 4 x quarterly ward audit reports prepared and submitted to OMC on Audits conducted in each of the 37 wards in order to identify ward based service delivery challenges and forwarded to relevant business units for actioning by the 30th of June 2017 | Number of quarterly ward audit reports prepared and submitted to OMC on Audits conducted in each of the 37 wards in order to identify ward based service delivery challenges and forwarded to relevant business units for actioning by the 30th of June 2017 | 4 x quarterly ward audit reports prepared and submitted to OMC on Audits conducted in each of the 37 wards in order to identify ward based service delivery challenges and forwarded to relevant business units for actioning by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Ward audits file | |
| E | E1 | 2 - BACK TO BASICS | ABM 07 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Effective mechanisms, processes and procedures for Community Participation | Institutionalization of Participation | All | SDBIP | 1 x ABM Report on the presentation of the SDBIP 2015/2016 to each of the 37 wards (ward based SDBIP) of Council prepared and submitted to OMC by the 31st of May 2017 | Date ABM Report on the presentation of the SDBIP 2015/2016 to each of the 37 wards (ward based SDBIP) of Council prepared and submitted to OMC by the 31st of May 2017 | 1 x ABM Report on the presentation of the SDBIP 2015/2016 to each of the 37 wards (ward based SDBIP) of Council prepared and submitted to OMC by the 31st of May 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Institutionalization File | |
| E | E1 | 2 - BACK TO BASICS | ABM 08 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | War Rooms | Support Established war rooms | All | 32 Established War Rooms | 12 x monthly reports produced and submitted to OMC on the functioning of OSS & established war rooms by the 30th of June 2017 | Number of monthly reports produced and submitted to OMC on the functioning of OSS & established war rooms by the 30th of June 2017 | 12 x monthly reports produced and submitted to OMC on the functioning of OSS & established war rooms by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | OSS File |



| INDEX | IDP REFER- ENCE | CDS REF- ERENCE | SDRIP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET/ OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | COR- RECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|-----------------------|----------------------|---------------------------------------|----------------------------------|--|------|-------------------------|---|---|--|---|---|--|-------------------------|----------------------------|---|----------------------|
| F | F2 | 2 - BACK TO BASICS | H&SS6 | NKPA 2-BASIC SERVICE DE- LIVERY | HIV/AIDS & SOCIAL SERVICES | Ward visits to be conducted to support HIV/AIDS groups | All | N/A | 216 Ward visits conducted to sup- port HIV/AIDS Groups | 216 Ward visits be conducted to support HIV/AIDS Groups by the 30th of June 2017 | Number of ward visits conducted to support HIV/AIDS Groups | 216 Ward visits be conducted to support HIV/AIDS Groups by the 30th of June 2017 | 215 Ward visits be conducted to support HIV/AIDS Groups by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | HIV/AIDS Register |
| F | F2 | 2 - BACK TO BASICS | H&SS7 | NKPA 2-BASIC SERVICE DE- LIVERY | HIV/AIDS & SOCIAL SERVICES | HIV/AIDS and Social Support Programmes | All | N/A | 420 HIV/AIDS and Social support programmes to be coordinated | 420 HIV/AIDS and Social support programmes to be coordinated by the 30th of June 2017 | Number of HIV/AIDS and Social support programmes to be coordinated | 420 HIV/AIDS and Social support programmes to be coordinated by the 30th of June 2017 | 597 HIV/AIDS and Social support programmes to be coordinated by the 30th of June 2017 | 5 (150% - 187%) | N/A | N/A | N/A | HIV/AIDS Register |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

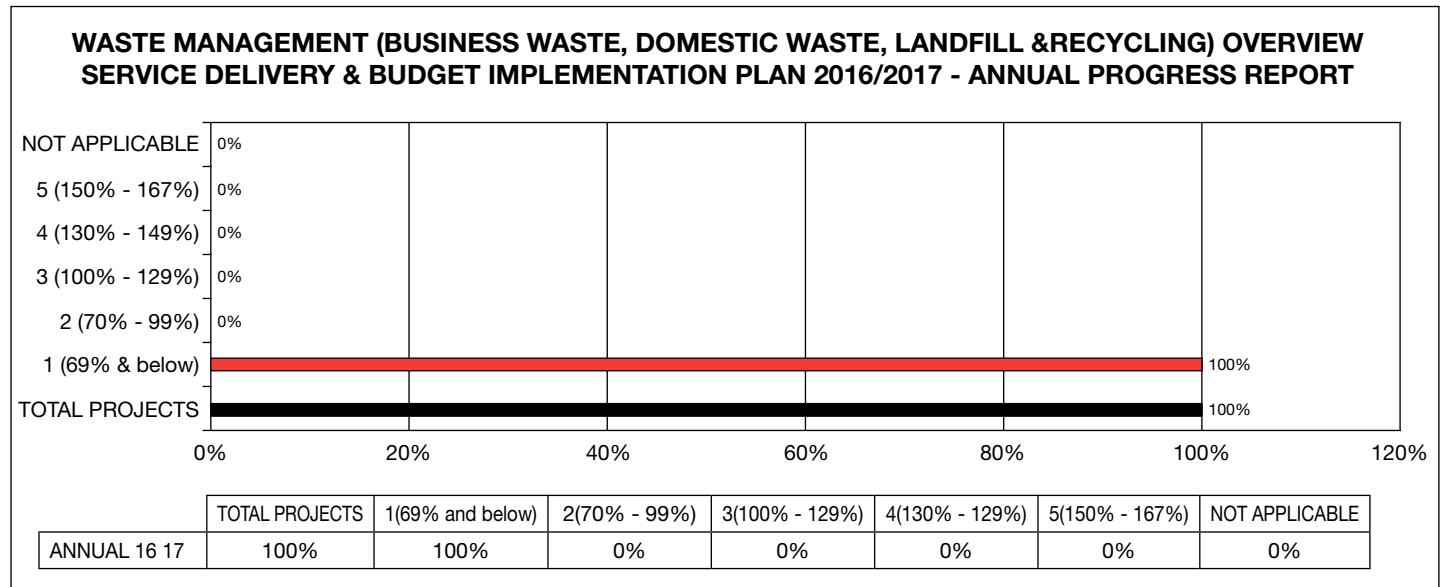
WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

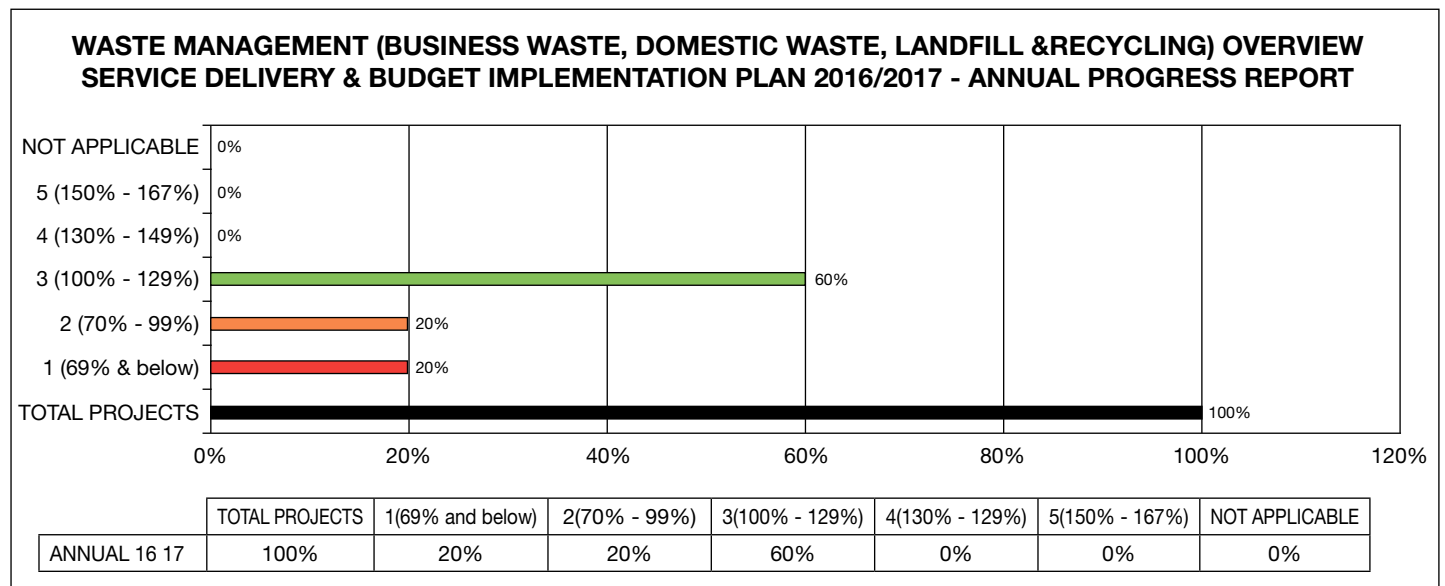
1 WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 6 |
| 1.1.1 | OPERATING PROJECTS | 1 |
| 1.1.2 | CAPITAL PROJECTS | 5 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: COMMUNITY SERVICES
SUB UNIT: WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING)

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL SDBIP 2016/2017 PROGRESS REPORT | | | | | SOURCE DOCUMENT | | | |
|-------|---------------|--|-----------------|---------------------------------|--|--|--------|-----------------------------|--|--|--|---|---|------------------------------------|--|---|--|--|--|--|
| | | | | | | | | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | | |
| B | B1 | 2 - BACK TO BASICS | COM DEV 08 | NKPA 2 - BASIC SERVICE DELIVERY | Waste Management | SMME's Refuse Collection - Vukilela | 1 to 9 | NIL | 43 000 households refuse collected in Wards 1 to 9 | 43 000 households refuse collected in Wards 1 to 9 by the 30th of June 2017 | Number of households refuse collected in Wards 1 to 9 | 43 000 households refuse collected in Wards 1 to 9 by the 30th of June 2017 | Nil achieved | 1 (69% & below) | *Item not approved in the project budget for the 2016/2017 financial year. This item should have been removed in the mid-year review | to implement the project on the new budget allocation 2017/18 | 31-Jan-18 | Nil | | |
| B | B1 | 2 - BACK TO BASICS | COM DEV 09 | NKPA 2 - BASIC SERVICE DELIVERY | Waste Management | Purchase of 5 x 15m³ skip bins | ALL | 20 | 5 x 15m³ skip bins purchased | 5 x 15m³ skip bins purchased by the 31st of December 2016 | Number of bins purchased | 37500 | 5 x 15m³ skip bins purchased by the 31st of December 2016 | N/A | The service provider failed to complete the work in 2015/2016 financial year. The three year contract for this item was cancelled. Unfortunately there was no re-appointment for that item in 2016/2017 financial year and the money was re-allocated. | an amount of R1m have been allocated on 2017/18 budget | N/A | 31-Oct-18 | appointment letter and letter from services provider | |
| B | B1 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | COM DEV 10 | NKPA 2 - BASIC SERVICE DELIVERY | Waste Minimisation | Construction of Kwa-Pata Buy-Back centre | 16 | NIL | 100% Construction of Kwa-Pata Buy-Back centre first phase (concrete slab, roof shelter, supply of ablution and office container) | 100% Construction of Kwa-Pata Buy-Back centre first phase (concrete slab, roof shelter, supply of ablution and office container) by the 30th of April 2017 | % of Construction of Kwa-Pata Buy-Back centre first phase (concrete slab, roof shelter, supply of ablution and office container) | N/A | The concrete slab & roof shelter was completed, however the ablution container couldn't be supplied due to shortage of funds. | N/A | 2 (70% - 99%) | shortage of funds to purchase the container for ablution | to seek funds during the mid-term review | N/A | Jan-18 | completion certificate and photos |
| B | B2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | LS01 | NKPA 2 - BASIC SERVICE DELIVERY | Extension of the life of the Landfill Site | Infrastructure upgrade | 35 | Berm height 33m constructed | 350 metres of berm constructed to 2.5m height | 350 metres of berm constructed to 2.5m height by the 31st of May 2017 | metres of berm constructed and m height | N/A | 350 metres of berm constructed to 2.5m height by the 31st of May 2017 | N/A | N/A | N/A | N/A | N/A | N/A | progress chart, payment certificate |
| B | B2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | LS02 | NKPA 2 - BASIC SERVICE DELIVERY | Extension of the life of the Landfill Site | Infrastructure upgrade | 35 | Leachate system defective | 1 x Leachate tank commissioned | 1 x Leachate tank commissioned by the 30th of April 2017 | Date Leachate tank commissioned | N/A | 1 x Leachate tank commissioned by the 30th of April 2017 | N/A | N/A | N/A | N/A | N/A | N/A | progress chart, payment certificate |
| B | B2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | LS03 | NKPA 2 - BASIC SERVICE DELIVERY | Extension of the life of the Landfill Site | Infrastructure upgrade | 35 | Site levels uneven | 100 000sqm of Landfill Site reshaped | 100 000sqm of Landfill Site reshaped by the 30th of June 2017 | sqm of Landfill Site reshaped | N/A | 88 224.21sqm of Landfill Site reshaped by the 30th of June 2017 | N/A | As per the engineers report the undulating surface of the landfill only allowed for the reshaping of 88 224.21sqm of landfill site. | N/A | N/A | N/A | N/A | progress chart, payment certificate . engineers report |

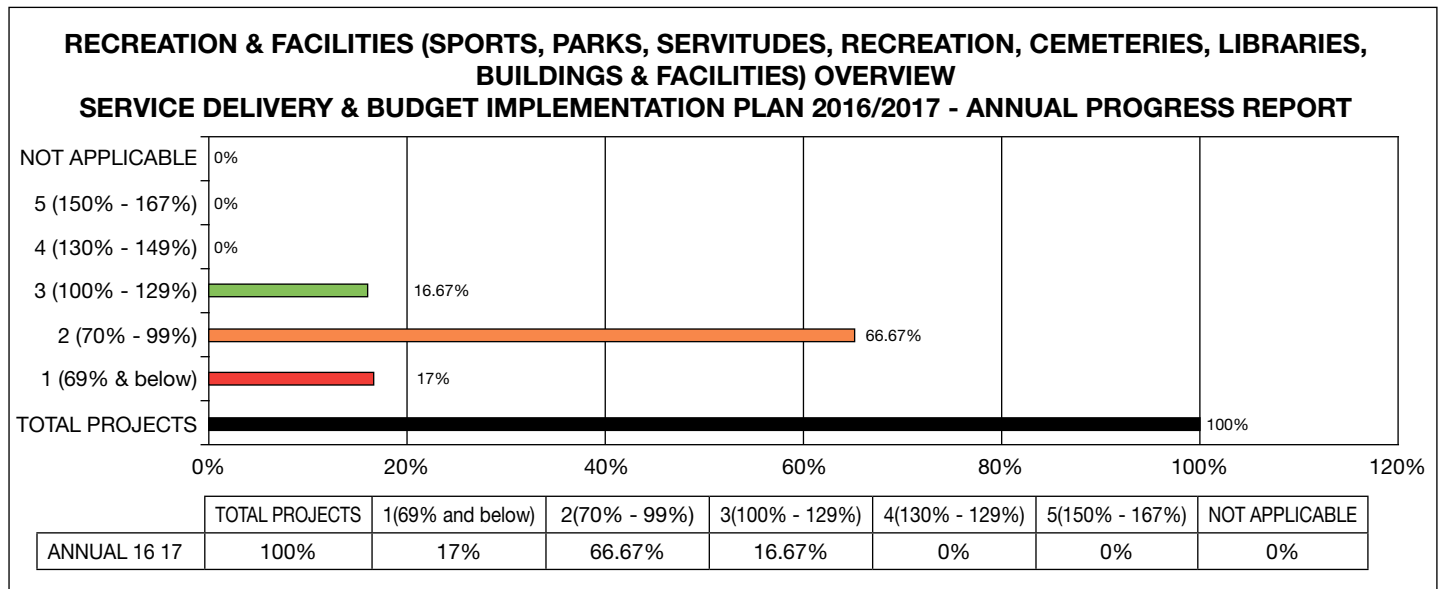
RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

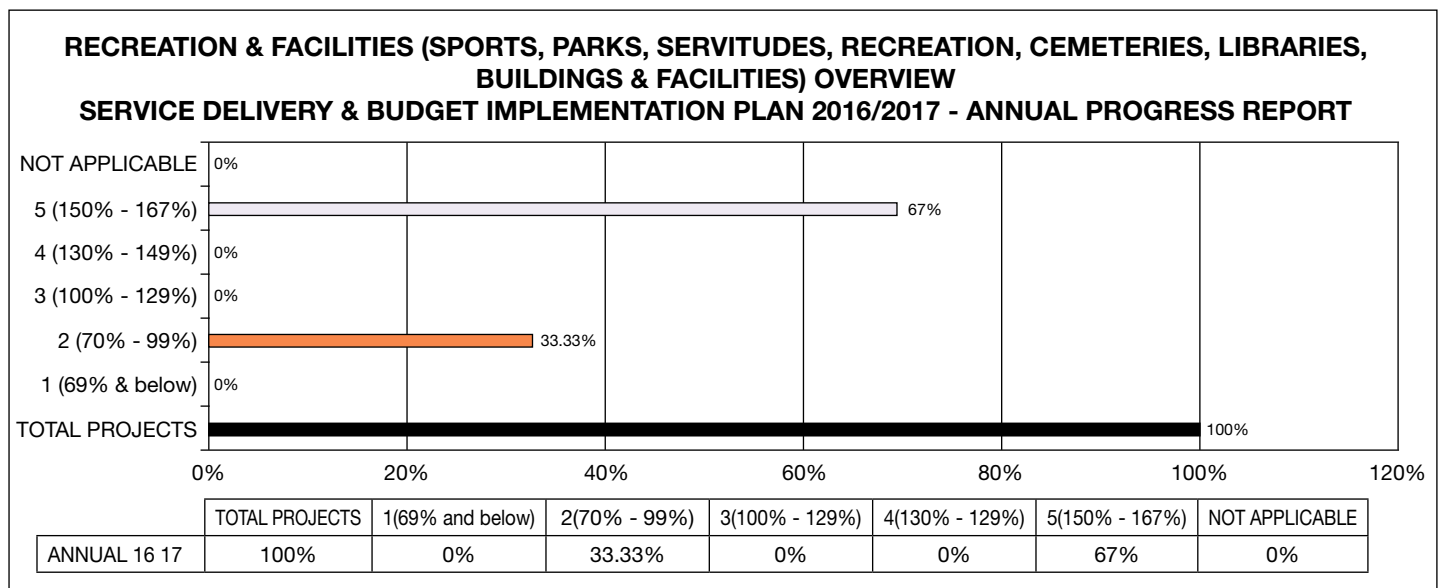
1 RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 9 |
| 1.1.1 | OPERATING PROJECTS | 6 |
| 1.1.2 | CAPITAL PROJECTS | 3 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: COMMUNITY SERVICES
SUB UNIT: RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETRIES, LIBRARIES, BUILDINGS & FACILITIES)

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|-----------------|---------------------------------|------------------------|---|------------------------------------|--|---|---|--|---|--|---|---|--|---|---|
| B | B1 | 2 - BACK TO BASICS | OOM DEV 01 | NKPA 2 - BASIC SERVICE DELIVERY | Grass cutting | Maintenance of verges, open spaces and parks | Oct-38 | 3 cuts in 29 wards per grass cutting season (September 2015 to May 2016) | Grass cut in 29 wards three times a season. (September 2016 to May 2017) | Grass cut in 29 wards three times a season by the 31st of May 2017 (September 2016 to May 2017) | Number of cuts per ward per season | Grass cut in 29 wards three times a season by the 31st of May 2017 (September 2016 to May 2017) | Grass was cut in 29 Wards but not all areas were covered | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workshop and overtime schedules | CCTV and 150 brushcutters by 30 August 2015 | Grass cutting state and schedules |
| B | B1 | 2 - BACK TO BASICS | OOM DEV 02 | NKPA 2 - BASIC SERVICE DELIVERY | Landscaping | Maintenance and landscaping of islands, municipal gardens and main entrances | All | 15 islands and 15 main arterial entrances maintained monthly | 15 islands and 15 main entrances of Council Buildings maintained monthly by the 30th of June 2017 | 15 islands and 15 main entrances of Council Buildings maintained monthly by the 30th of June 2017 | Number of islands and main entrances of Council Buildings maintained monthly | 2437729 | 10 islands and 10 main entrances of Council Buildings maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workshop and overtime schedules | CCTV and 150 brushcutters by 30 August 2017 | Maintenance schedules |
| B | B1 | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | OOM DEV 03 | NKPA 2 - BASIC SERVICE DELIVERY | Libraries | Maintenance and landscaping of council grounds and gardens at libraries and halls | All | 9 Libraries maintained every month | 11 libraries maintained every month by 30th of June 2017 | 11 libraries maintained every month by 30th of June 2017 | Number of libraries maintained | 812576 | 7 libraries maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workshop and overtime schedules | 1-Sep-17 | Maintenance schedules |
| B | B1 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | OOM DEV 04 | NKPA 2 - BASIC SERVICE DELIVERY | Libraries | Maintenance and landscaping of council grounds and gardens at libraries and halls | All | 9 Libraries maintained every month | 36 operational halls maintained every month by 30th of June 2017 | 36 operational halls maintained every month by the 30th of June 2017 | Number of operational halls maintained every month | 406288 | 20 halls maintained monthly | 2 (70% - 99%) | No of brushcutters stolen and not replaced to date. 38 Brushcutters at the workshop for repairs | Purchase of brushcutters, installation of CCTV cameras, 3 month contract for appointment of small plant mechanic to repair brushcutters, revisit workshop and overtime schedules | 1-Sep-17 | Maintenance schedules |
| B | B2 | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | OOM DEV 05 | NKPA 2 - BASIC SERVICE DELIVERY | Libraries | Purchase of Library Material | 12, 13, 24, 27, 28, 32, 34, 35, 37 | 35 279 Books | 5000 Library Books purchased by 30th of April 2017 | 5000 Library Books purchased by 30th of April 2017 | Number of Books purchased | 406288 | 10248 books purchased in the financial year | 5 (150% - 167%) | N/A | N/A | N/A | Invoices |
| B | B2 | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | OOM DEV 06 | NKPA 2 - BASIC SERVICE DELIVERY | Upgrading of Libraries | Upgrading of Sobantu, Georgetown and Woodlands Libraries | 12, 32, and 35 | 11 Libraries | 3 Libraries (Sobantu, Georgetown and Woodlands Libraries) Upgraded | 3 Libraries (Sobantu, Georgetown and Woodlands Libraries) Upgraded by the 31st of December 2016 | Number of Libraries (Sobantu, Georgetown and Woodlands Libraries) Upgraded | N/A | 1 Libraries Upgraded Georgetown and 2 in progress by the 31st of December 2016 | N/A | N/A | N/A | N/A | "Payment schedules/ Invoices" |
| B | B2 | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | OOM DEV 07 | NKPA 2 - BASIC SERVICE DELIVERY | Alternative Energy | Installation of generators | 28, 12, 34 | 1 Generator at Bessie Head | 3 Generators (Georgetown, Eastwood & Northdale) installed and commissioned by the 30th of June 2017 | 3 Generators (Georgetown, Eastwood & Northdale) installed and commissioned by the 30th of June 2017 | Number of Generators (Georgetown, Eastwood & Northdale) installed and commissioned | N/A | 6 Generators installed and commissioned by the 30th of June 2017 | N/A | N/A | N/A | N/A | "Payment schedules/ Photos, Completion certificate" |

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|-----------------|---------------------------------|----------------|-------------------------------|------|-----------------------|---|--|--|--|--|---|--|---|--|------------------------------|
| B | B2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | COM DEV 12 | NKPA 2 - BASIC SERVICE DELIVERY | Swimming Pools | Upgrading of 2 swimming pools | 27 | 7 Pools | 2 x Council Pools (Buchanan & Alex Pool) upgraded | 2 x Council Pools (Buchanan & Alex Pool) upgraded by 31st of December 2016 | Number of Council Pools (Buchanan & Alex Pool) upgraded | 2 x Council Pools (Buchanan & Alex Pool) upgraded by 31st of December 2016 | 2 x Council Pools (Buchanan & Alex Pool) upgraded by 31st of December 2016 (Q1 - Geysers replaced at Buchanan, Abulion block repairs at Alex) & (Q2 - Repairs to Building and Stairs - Buchanan, Pavillion fibreglass seating repairs at Alex) | 3 (100% - 129%) | N/A | N/A | N/A | * Payment schedules/ Photos* |
| B | B2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | COM DEV 13 | NKPA 2 - BASIC SERVICE DELIVERY | Swimming Pools | Construction of a new pool | 5 | 7 Pools | First Phase construction of new pool in ward 5 (Mundlela) completed as per approved construction plan | First Phase construction of new pool in ward 5 (Mundlela) completed as per approved construction plan by the 30th of June 2017 | Date First Phase construction of new pool in ward 5 (Mundlela) completed as per approved construction plan | N/A | Completion of designs, first phase could not commence due to budget cut | 1 (69% & below) | Budget insufficient to complete construction | Awaiting new budget in 2017/2018 financial year | Oct-17 | Design schedules |

ANNEXURE I

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT - INFRASTRUCTURE SERVICES

INFRASTRUCTURE SERVICES OVERVIEW

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

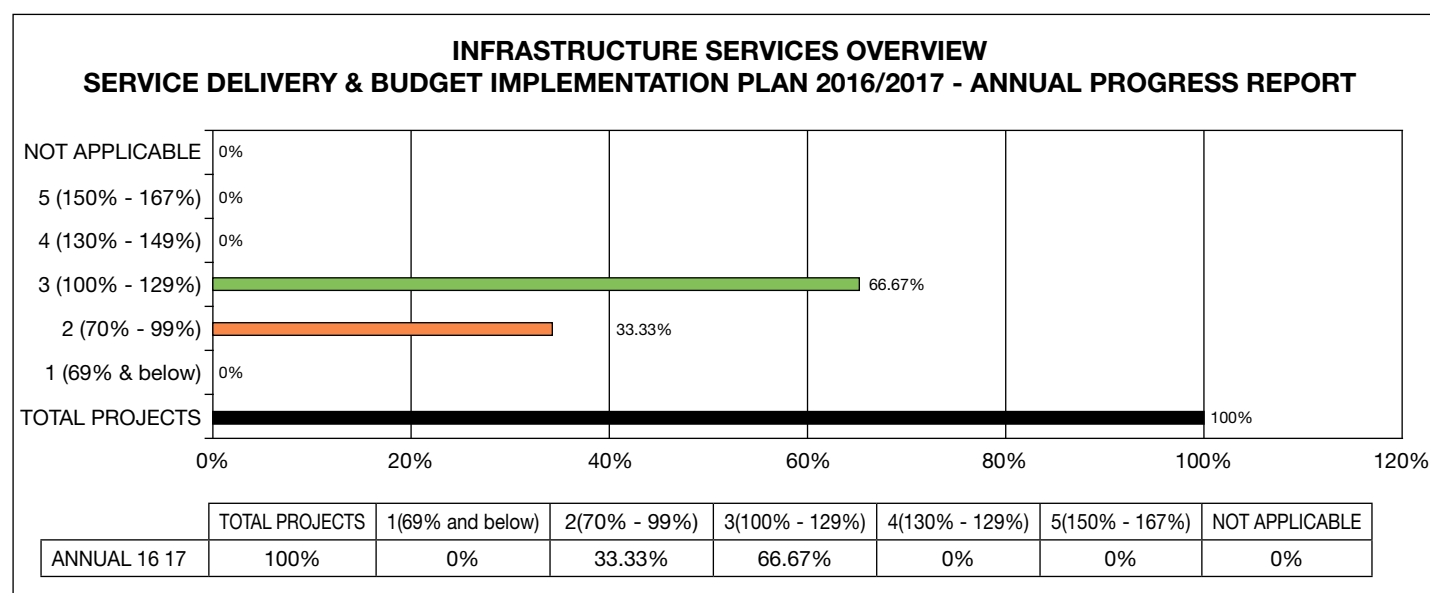
1 INFRASTRUCTURE SERVICES OVERVIEW

1.1 TOTAL PROJECTS: 76

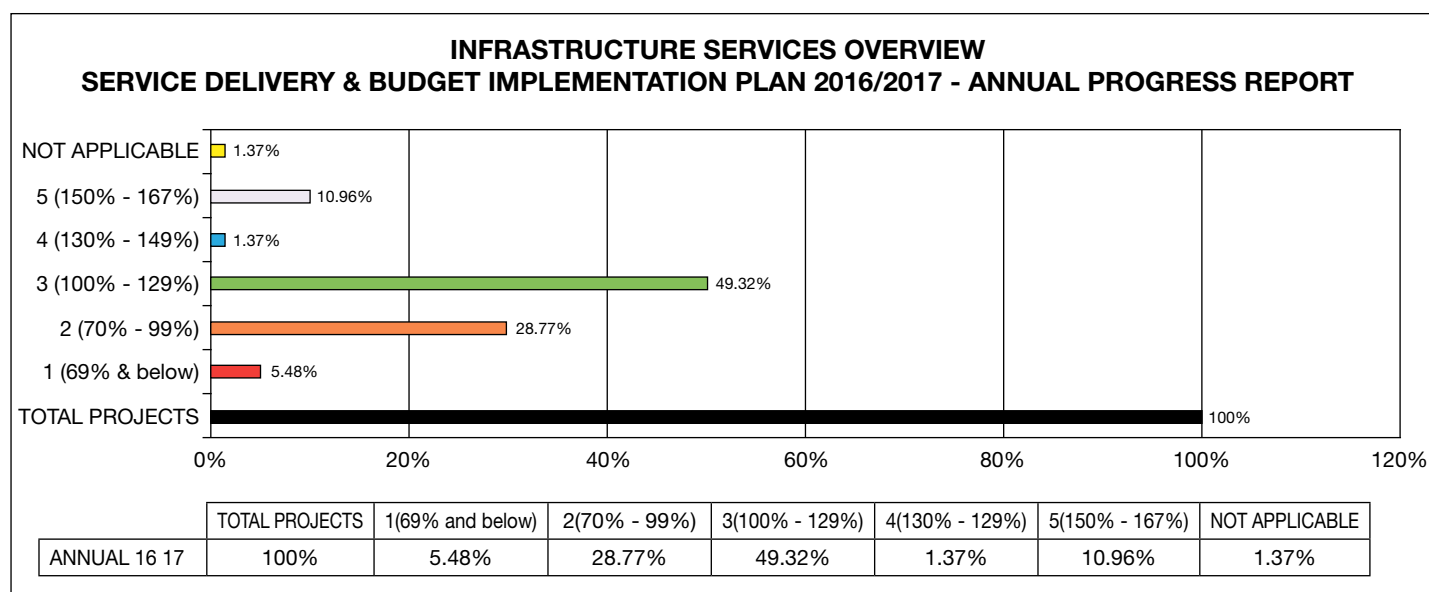
1.1.1 OPERATING PROJECTS 3

1.1.2 CAPITAL PROJECTS 73

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



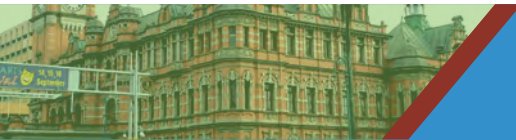
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR

INFRASTRUCTURE SERVICES OVERVIEW NARRATIVE

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|--------------------------|---|---------------------------|-------------------------|-----------------------|---|--------------|---|--|------------------------------------|---|---|
| 3 | INFRA-STRUCTURE SERVICES | WATER & SANITATION | 1 | 18 | 19 | 4 | W & S 04 | 1 km of Sewer pipeline replaced by the 30th of June 2017 | Panel of contractors Awarded at BAC by 31st May 2017 | 2 (70% - 99%) | Adjudication took longer than anticipated due to thenumber of tenders received. | Approve specification whilst tender in currently been finalised. |
| | | ROADS & TRANSFORMATION OVERVIEW CAPITAL | 0 | 43 | 43 | 17 | W & S 08 | 21 new toilets completed and 0,6 km of new sewer pipe installed by 30 June 2017 | Panel of contractors Awarded at BEC by 30 April 2017 | 1 (69% & below) | Adjudication took longer than anticipated due to thenumber of tenders received. | Approve specification whilst tender in currently been finalised. |
| | | | | | | | W & S 18 | 40 % of Reservoir Completed 30th of June 2017 | Project had to suspended due unstable soil conditions whilst the geotechnical study is been undertaken. | 1 (69% & below) | Unsuitable soil conditions | Undertake geotechnical Density Test for new site. |
| | | | | | | | W & S 21 | 6 sets of Office Furniture Purchased & Delivered by the 30th of June 2017 | NIL | 1 (69% & below) | Funds were re allocated to Machinery and equipment | Procurement to take place next financial year |
| | | | | | | | R & T 01 | 1,6km of surfaced roads to blacktop with storm water completed by the 28th of February 2017 | Target not Met. Cpmpleted Priming. Surfacing to start 1st week in July 2017. | 2 (70% - 99%) | No funding available to complete project. | Fast track outstanding payments and fast track contractor to complete outstanding works. |
| | | | | | | | R & T 03 | Revised EIA application submitted to the EDTEA by the 30th of June 2017 | Additional EIA Wetland Offset Plan specialist study complete. | 2 (70% - 99%) | Insufficient budget-available in 2017/18 FY for completion of additional studies as requested by the EDTEA. BAC approval VO3 for additional Geotech study obtained on 29 June 2017. | Revised EIA submission in 2017/18 FY when Geotech study is completed with funding is received for payment of completed specialist studies . |
| | | | | | | | R & T 04 | 100 % Base-course, kerb & channeling completed by the 30th of June 2017 | 92% of G9 completed, 80% of G7 completed. | 2 (70% - 99%) | Contractor suspended contract for two months due to cash flow problems as there was no money in the budget to make payments for work done. There is also a delay in the Electrical Unit relocating electrical services on site. | Work has commenced on site as money was relocated and there are funds available in the new budget. There will be a delay in the completion date. Electrical Unit have been requested to relocate their services as a matter of urgency. |
| | | | | | | | R & T 09 | Concrete bridge substructure, river embankment protection, and earthwork platform to 0.26 km of road way completed by the 30th of June 2017 | Substructure of west abutment 80% complete. Concrete footing of East Abutment complete. River embankment protection commenced. | 2 (70% - 99%) | Relocation of Eskom services causing delays to construction. Delays by municipality in paying upfront relocations costs to Eskom . Delays by approval of report to Full council | Report submitted to Council again for upfront payment approval to Eskom in May 2016. |
| | | | | | | | R & T 17 | 800m of gravel road upgraded to asphalt surface by the 30th of June 2017 | Culvert , stormwater piping , manholes , stormwater catchpits and earthworks completed. Gabions and subbase layer 50% completed. | 1 (69% & below) | The pace of the work was slow on site due to the Contractor lacking finances, resources and key staff to undertake the works. | Projected duration extended by three months and penalties will be applied for late finishing. |
| | | | | | | | R & T 23 | 0,75 km of gravel roads to surfaced/concrete standard upgraded by the 28th of February 2017 | 0,75 km of gravel roads to surfaced/concrete standard upgraded by the 30th May 2017 | 2 (70% - 99%) | Additional Funding required to complete the surfacing of the road. The funding was only made available in May 2017 | Funding made available to complete project |
| | | | | | | | R & T 25 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of January 2017 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move offsite and delay works. |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PATIALLY MET | OP REFERENCE | ANNUAL - PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|--------------------------|---|---------------------------|-------------------------|-----------------------|--|--------------|--|--|------------------------------------|---|--|
| 3 | INFRA-STRUCTURE SERVICES | ROADS & TRANSFORMATION OVERVIEW CAPITAL | | | | | R & T 26 | 1.0 km of gravel roads to surfaced/concrete standard upgraded by the 28th of February 2017 | Target date not Met. Completed 1.0km in May 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move offsite and delay works. |
| | | | | | | | R & T 27 | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of January 2017 | 0.5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 2 (70% - 99%) | Late payment to contractor hindered the work to be completed on time. Completed in May 2017 | Ensure that payments are completed on time to ensure that contractor does not move offsite and delay works. |
| | | | | | | | R & T 28 | Contractor for Ashdown Bank Protection against Collapsing of Adjacent Houses- P 15 appointed by the 31st of May 2017 | Target not met Tender Adjudication Stage | 1 (69% & below) | Draft BSC report was received mid February and approved by BSC Committee by the 2nd March 2017. Report was submitted to Acting Municipal Manager's office thereafter and delayed for +/-2.5 months before the report was approved and sent back to SCM by 15 May 2017. The report had to be registered at SCM and a SITE BRIEFING was conducted on the 31 May 2017. | speed up adjudication process and table the report to BEC by 4th August |
| | | | | | | | R & T 29 | EIA and WULA submitted to DW & S & Tender for construction advertised by the 30th of June 2017 | General Authorisation for WULA/EIA from DW&S received on 11 November 2016. BSC report for advertising approved by BSC on 9 March 2017. | 2 (70% - 99%) | Advertising of Tender by Supply Chain Management awaited. | Emails submitted to SCM requesting advertising date. |
| | | | | | | | R & T 30 | Tender for construction of 1.5m wide steel pedestrian bridge completed awarded by the 30th of April 2017 | Finalised Report Submitted to BEC on 20 June 2016. | 2 (70% - 99%) | Delays in adjudication process attributable to Professional Service Provider. Delays due to Amendments to SCM tax compliance policy to tenders. Departmental delays to BEC report approvals process. Insufficient budget to award tender. Adjudication report stood down by BEC on 22 June 2017 | Amended BEC report submission executed. Further extension of tender validity period requested. |
| | | | | | | | R & T 32 | 0.7km of Guard Rails installed as and when requested by the 31st of March 2017 | Target partially met. 0.83km of Guard Rails installed by the 30th of June 2017 | 2 (70% - 99%) | Not completed in March 2017 due to contractors leaving site because of late payments. Savings to achieve additional 0.13km were realised since the rate per meter decreases as length of guardrails to be installed increases. | Finance to ensure that contractors are paid on time to ensure that they do not abandon site. |
| | | | | | | | R & T 35 | Completed preliminary design for option 2A and specialist studies (EIA & WULA) submission, for Eastern Ring Road from Murray Road/Hesketh Drive intersection to Rogers Avenue by the 30th of June 2017 | Target not met. Wetland study completed and recommendationa are that alternative route alignment being 2C has to be investigated as the proposed route alignment has a negative impact on the grassland where the road is traversing. Alternative route alignment to be investigated was finalised in June 2017 with the guidance of Msunduzi internal environment unit. | 1 (69% & below) | Environmental constraints (seepage and grassland) were found on the proposed alternative route alignment (Option 2A). Therefore another alternative has to be investigated option 2C. | Project has been put on hold. Meeting held on 6th June 2017 with Environment department to discuss and finalise the alternative route as per the Wetland Study recommendations. Project to resume in the new financial year. |
| | | | | | | | R & T40 | 3 x Bus/Taxi Laybys constructed by the 31st of March 2017 | Target partially met. 2 x Bus/Taxi Laybys constructed by the 31st of March 2017 | 2 (70% - 99%) | 3rd Bus/Taxi Layby could not be constructed due to funds being reallocated to cover the budget shortfall on the Installation of Traffic Signals project | Review annual targets and budgets to ensure that the KPI's are met. |
| | | | | | | | R & T41 | EIA Authorization, and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | letter of Extension from EDTEA for further assessments required. | 2 (70% - 99%) | EDTEA required further assessments that were not required at the beginning stages of application. BAR submitted and EDTEA advised further studies required. | Extension requested and granted and consultant working on additional studies |
| | | | | | | | R & T 42 | EIA Authorization, and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | WULA studies and Basic Assessment completed but WULA has not been submitted to DW&S. EIA previously completed and approved. | 2 (70% - 99%) | Consultant awaiting reply from DW&S from 09 May 2017 concerning the application route that's needs to be followed for this project. | Consultant and Municipality to request DW&S to expedite decision concerning the application. |
| | ELECTRICITY | | 0 | 12 | 12 | 6 | ELEC 01 | 37 X HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED by the 30th of June 2017 | ALL 37 HIGH MASTS HAVE BEEN ERCTED. 11 X HIGH MASTS HAVE BEEN COMMISSIONED. | 2 (70% - 99%) | DELAYS BY ESKOM IN APPOINTING CONTRACTORS | CONTRACTORS HAVE SINCE BEEN APPOINTED AND INTALLATIONS IN PROGRESS |
| | | | | | | | ELEC 03 | 200 NEW HOUSEHOLD CONNECTIONS TO BE ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | 193 NEW HOUSEHOLD CONNECTIONS ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | 2 (70% - 99%) | The 200 new households was an estimate of the number of houses to be connected. At the time of completion it was 193 | There is no corrective measure. We cannot give the exact number of household to be connected until completion |
| | | | | | | | ELEC 06 | 132kv OUTDOOR SWITCHGEAR AND AUXLLARY POWER CABLES COMMISSIONED by the 30th of June 2017 | PART ONE IS 99% COMPLETE AND PART TWO HAS COMENCED WITH 23% OF THE WORK DONE. ENTIRE PROJECT PROGRESS IS 94% | 2 (70% - 99%) | LACK OF AVAILABILITY OF WIRING OF PANELS INFORMATION REQUIRED RESULTING IN NEW INFORMATION HAVING TO BE COMPILED | EXTENSION FOR THE CONTRACT WAS APPROVED |



Msunduzi Annual Report 2016/2017

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PATIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|--------------------------|---|---------------------------|-------------------------|-----------------------|--|--------------|--|--|------------------------------------|--|--|
| 3 | INFRA-STRUCTURE SERVICES | ELECTRICITY | | | | | ELEC 08 | 2 X 40MVA POWER TRANSFORMERS PURCHASED AND DELIVERED by the 30th of June 2017 | 2 X 40MVA POWER TRANSFORMERS PURCHASED | 2 (70% - 99%) | DELAYS EXPERIENCED DURING SHIPPING OF THE UNITS RESULTING IN LATE ARRIVAL AT DURBAN PORT | DELIVERY TO SITE EXPECTED ON 31 JULY 2017 |
| | | | | | | | ELEC 10 | MANUFACTURING PROCESS OF 28 X 11kv FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS COMPLETED by the 30th June 2017 | MANUFACTURING PROCESS OF 28 X 11kv FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS IS IN PROCESS by the 30th June 2017 | 2 (70% - 99%) | DELAYS IN THE MANUFACTURING PROCESS | DELIVERY DATE HAVE BEEN EXTENDED TO OCTOBER 2017 |
| | | | | | | | ELEC 11 | 4 RMUS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED by the 31st of May 2016 | 4 RMUS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED by the 30 JUNE 2017 | 2 (70% - 99%) | Delays during construction resulted in the target date being missed. Construction work took longer than anticipated. | Contractor to add more teams to assist with fast tracking completion of works. |
| | | MECHANICAL WORKSHOPS OVERVIEW OPERATING | 2 | 0 | 2 | 1 | FLT 02 | 768 x Council vehicles and plant serviced by the 30th of June 2017 | 642 x Council vehicles and Plant serviced as at 30 June 2017 | 2 (70% - 99%) | Poor response from the Business Units to Fleet Management service plan. | Increase the number of services on the service plan |
| TOTAL | | | | | 76 | 28 | | | | | | |

WATER & SANITATION OVERVIEW

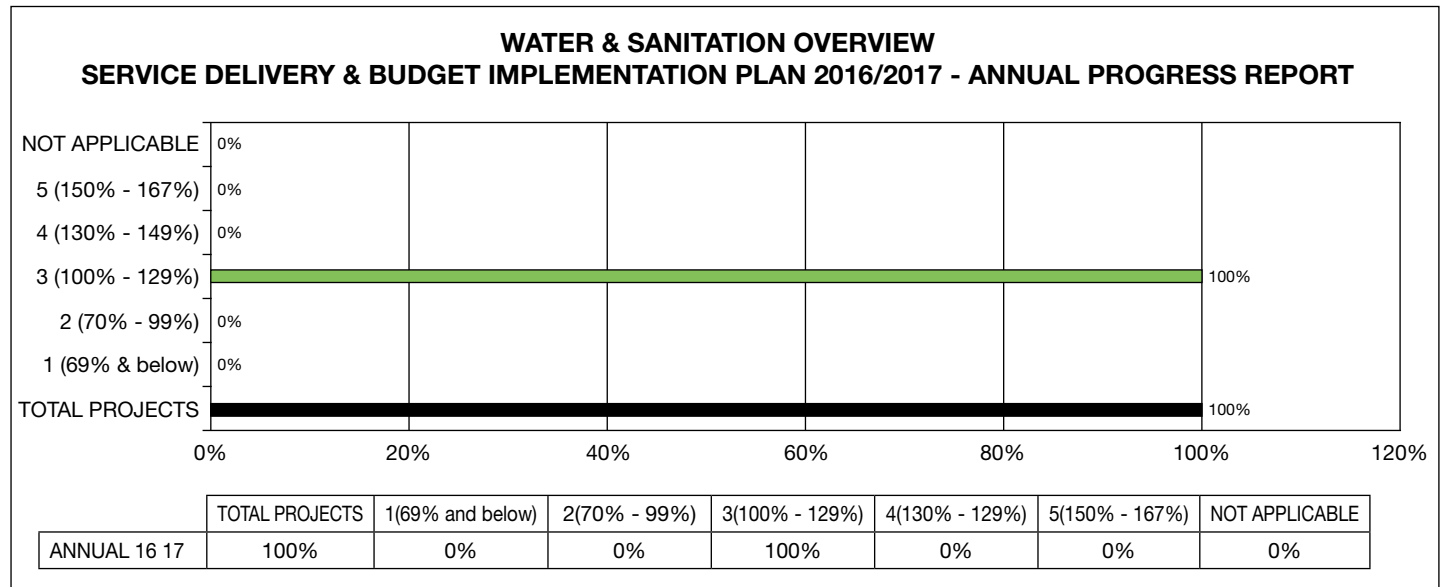
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

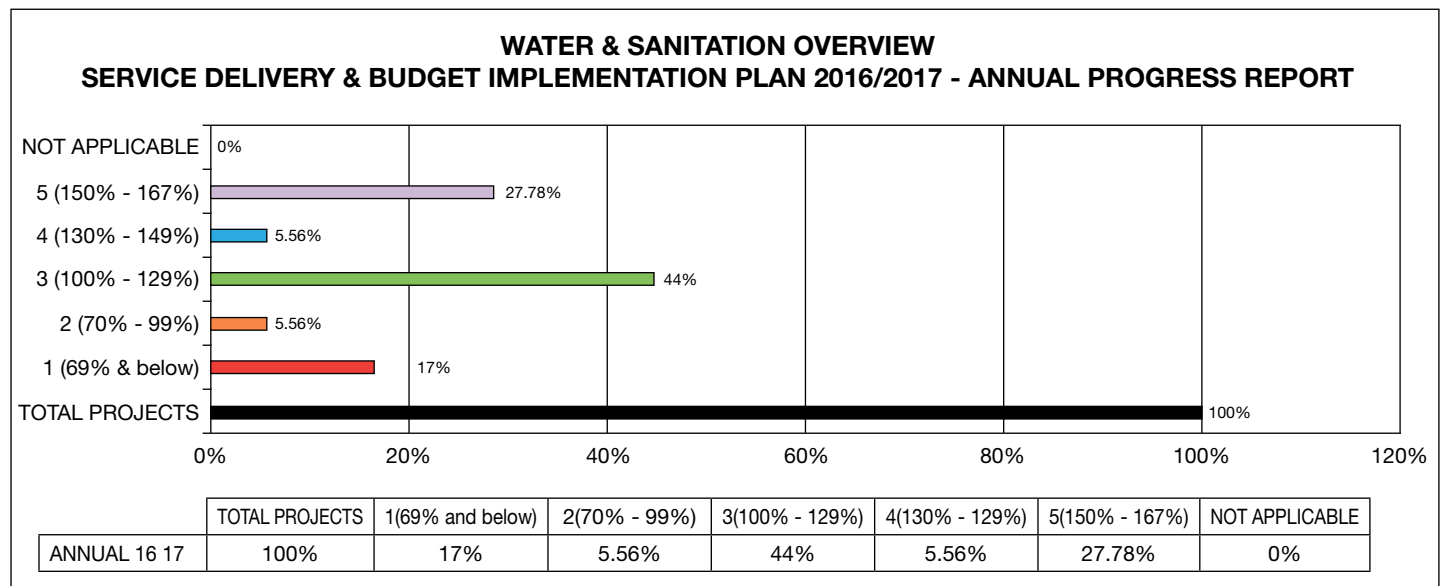
1 WATER & SANITATION OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 19 |
| 1.1.1 | OPERATING PROJECTS | 1 |
| 1.1.2 | CAPITAL PROJECTS | 18 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR BUSINESS UNIT: INFRASTRUCTURE SERVICES SUB UNIT: WATER & SANITATION

| INDEX | IDP REFERENCE | CDS REFERENCE | SDIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|--------------------|----------------|---------------------------------|------------|--|--|---|--|---|--|--|---|---|----------------------|--|--|---|
| B | B1 | 2 - BACK TO BASICS | W & S 01 | NKPA 2 - BASIC SERVICE DELIVERY | Water | CNL - REHABILITATION OF WATER INFRASTRUCTURE | 10 to 37 | 5 km of water pipe replaced and 2 Reservoirs refurbished by the 30 April 2016. | 3 km of water pipe replaced | 3 km of water pipe replaced by the 30th of June 2017 | Number of km of water pipe replaced | 3 km of water pipe replaced by the 30th of June 2017 | 9.4 km of water pipe replaced by the 30th of June 2017 | 5 (150% - 167%) | N/A | The designs were completed and was to be implemented with the use of the panel. | N/A | Project Technician Email, Monthly Report |
| B | B1 | 2 - BACK TO BASICS | W & S 03 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | CNL - COMPUTER | N/A | 11 Computers procured and installed by 30 June 2016. | 16 x Computers procured and installed by the 31st of March 2017 | 16 x Computers procured and installed by the 31st of March 2017 | Number of Computers procured and installed by the 31st of March 2017 | 3300000 | 19 x Computers procured and installed by the 31st of March 2017 | N/A | N/A | N/A | Approved invoices | |
| B | B1 | 2 - BACK TO BASICS | W & S 04 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE | 15, 19, 16, 30, 32, 33, 26, 25, 29, 31, 28 | 9.2 km of Sanitation pipeline replaced as of the 30 June 2017. | 1 km of Sewer pipeline replaced | 1 km of Sewer pipeline replaced by the 30th of June 2017 | km of Sewer pipeline replaced | N/A | R 417,932 | N/A | N/A | The designs were completed and was to be implemented with the use of the panel. | N/A | Design report summary. |
| B | B1 | 2 - BACK TO BASICS | W & S 05 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SEWER PIPES UNIT H | 16 | 85223 have access to Sanitation as of the 30 March 2016 | 1.5 km of new sewer pipe installed | 1.5 km of new sewer pipe installed by the 30th of June 2017 | km of new sewer pipe installed | 2850000 | 2.6 km of new sewer pipe installed by the 30th of June 2017 | N/A | N/A | N/A | N/A | Email, Payment Certificate and minutes of meeting |
| B | B1 | 2 - BACK TO BASICS | W & S 06 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SEWER PIPES AZALEA - PHASE 2 | 10 | 85223 have access to Sanitation as of the 30 March 2016 | 4.5 km of new sewer pipe installed | 4.5 km of new sewer pipe installed by the 30th of June 2017 | km of new sewer pipe installed | 2798943 | 6.1 km of new sewer pipe installed by the 30th of June 2017. | N/A | N/A | N/A | N/A | Approved Payment certificate no 31. |
| B | B1 | 2 - BACK TO BASICS | W & S 07 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - BASIC SANITATION VIP TOILETS | 1 to 9 | 85223 have access to Sanitation as of the 30 March 2016 | 600 x VIP constructed | 600 x VIPs constructed by the 30th of June 2017 | Number of VIPs constructed | 12207067 | 638 x VIPs constructed by the 30th of June 2017 | N/A | N/A | N/A | N/A | VIP construction summary and payment certificates |
| B | B1 | 2 - BACK TO BASICS | W & S 08 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SERVICE MID-BLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER) | 15,35,19 | 33 Toilets completed by May 2016, 5.7km of Sanitation pipeline replaced as of the 30 June 2015. | 21 x new toilets completed and 0.6 km of new sewer pipe installed | 21 x new toilets completed and 0.6 km of new sewer pipe installed by 30 June 2017 | Number of new toilets completed and km of new sewer pipe installed | N/A | 21 new toilets completed and 0.6 km of new sewer pipe installed by 30 June 2017 | N/A | N/A | N/A | N/A | Payment Certificate |
| B | B1 | 2 - BACK TO BASICS | W & S 09 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - MASTER PLANNING SANITATION | All | Reviewed Master Plan incomplete, WSDP PHASE 1 complete | Final Phase 2 of WSDP submitted to SMC for Approval by Council | Final Phase 2 of WSDP submitted to SMC for Approval by Council by the 30th of June 2017 | Date Final Phase 2 of WSDP submitted to SMC for Approval by Council | 2478643 | R 2,388,866 | N/A | N/A | Service Provider's contract expired in June 2016 and the new Service provider began during 2016/2017 FY. Funds were re-allocated from the project in February 2017 | N/A | Draft Sanitation master plan |
| B | B1 | 2 - BACK TO BASICS | W & S 10 | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SHENSTONE AMBLETON SANITATION SYSTEM | 18, 13 | 85223 have access to Sanitation as of the 30 March 2016 | Design Drawings and Bill of Quantities | Design drawings and Bill of Quantities submitted by the 30th of June 2017 | Date Design Drawings and Bill of Quantities submitted | 300000 | Design drawings and Bill of Quantities submitted by the 30th of June 2017 | N/A | N/A | N/A | N/A | Design drawings and BoQ. |
| B | B2 | 2 - BACK TO BASICS | W & S 11 | NKPA 2 - BASIC SERVICE DELIVERY | Water | MIG - REDUCTION OF NON REVENUE WATER | 10 to 37 | Total Water losses for the 2014-2015 financial year projected at closed on 31.5%. | Reduced Total Water Losses by 1.5% from last 31.5% to 30% by the 30th of June 2017 | Reduced Total Water Losses by 1.5% from last 31.5% to 30% by the 30th of June 2017 | % Reduced Total Water Losses | 1800000 | Reduced Total Water Losses by 2.6% from last 31.5% to 28.9% by the 30th of June 2017 (May 2017) | N/A | N/A | N/A | N/A | Water Loss report for May 2017 |
| | | | | | | | | | | | | | | | | | | |

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|-------|--------------------|-----------------------|----------------------|---|-----------|---|---|--|---|--|--|------------------|-------------------------------|--|-------------------------|-----------------------|---|--------------------------------|----------------------------|--|--|
| | | | | | | | | | | | | | | | | | | | | | |
| B | B1 | 2 - BACK TO BASICS | W & S 12 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | MIG - ELIMINATION OF CONSERVANCY TANKS - (WATER) | 12, 20, 21 | 11 km of water pipe installed by 30 June 2016. | Design Drawings and Bill of Quantities submitted by the 30th of June 2017 | Design draw- ings and Bill Of Quantities submitted by the 30th of June 2017 | Date Design Drawings and Bill of Quantities submitted | 1500000 | R 1,217,789 | 3 (100% - 129%) | N/A | N/A | N/A | Design drawings and BoQ. | | | |
| B | B2 | 2 - BACK TO BASICS | W & S 13 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | MIG - SERVICE MID- BLOCK ERADICA- TION IN SOBANTU, ASHDOWN & IMBALI (WATER) | 15,35,19 | 5 km of water pipe replaced and 2 Reservoirs rehabilitated by the 30 April 2016. | 0.5 Km of Water Pipe Installed | 0.5 km of water pipe installed by the 30 June 2017 | km of water pipe installed | 1500000 | R 1,217,789 | 5 (150% - 167%) | N/A | N/A | N/A | N/A | Progress minutes | | |
| B | B1 | 2 - BACK TO BASICS | W & S 15 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | MIG - MASTER PLANNING WATER | All | Reviewed Master Plan incomplete. WSDP PHASE 1 complete | Final Phase 2 of WSDP sub- mitted to SMC for Approval by Council | Final Phase 2 of Draft Water Master Plan Completed by 30th of June 2017 | Date Final Phase 2 of WSDP submitted to SMC for Approval by Council | 176664 | R 2,388,866 | N/A | N/A | N/A | N/A | N/A | Draft Water master plan | | |
| B | B2 | 2 - BACK TO BASICS | W & S 17 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | MWIG - REDUCTION OF NON REVENUE WATER | 1 to 9 | Total Water losses for the 2014-2015 financial year projected at closed on 31.5%. | Reduced Total Water Losses by 1.5% from last 31.5% to 30% by the 30th of June 2017 | Reduced Total Water Losses by 1.5% from last 31.5% to 30% by the 30th of June 2017 | % Reduced Total Water Losses | 300000 | R 0 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | Water Loss report for May 2017 | |
| B | B1 | 2 - BACK TO BASICS | W & S 18 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | MWIG - BASIC WATER SUPPLY | 1 to 9 | 11 km of water pipe installed by 30 June 2016. | 40 % of Reser- voir Completed 30th of June 2017 | 40 % of Reser- voir Completed 30th of June 2017 | % Reservoir completed | 25230000 | R 26,025,614 | N/A | N/A | N/A | N/A | N/A | N/A | Email corre- spondence, BAC report, Geotech reports. | |
| B | B2 | 2 - BACK TO BASICS | W & S 19 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | MIG - SANITATION INFRASTRUCTURE FEASIBILITY STUDY | 10, 12, 13, 15, 16, 17, 19 and 21 to 37 | 32 feeder catch- ments identified with significant stormwater ingress by the 30 April 2016. | 15 x highest infil- tration manholes identified and retrofit for the use of Flow and rainfall monitor- ing equipment by the 30th of June 2017 | 15 x highest infiltration man- holes identified and retrofitted for the use of Flow and rainfall monitoring equipment by the 30th of June 2017 | Number of highest infiltration manholes identified and retrofit for the use of Flow and rainfall monitoring equipment | 10990481 | R 2,300,261 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | N/A | Photographic confirmation and site description. |
| B | B1 | 2 - BACK TO BASICS | W & S 20 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | CNL - ACQUISITION OF NEW FURNI- TURE & EQUIPMENT | N/A | OLD REDUNDANT AND OBSOLETE FURNITURE | 19 X Beds and Mattresses purchased & delivered | 19 X Beds and Mattresses purchased & delivered by the 31st of January 2017 | Number of Beds and Mattresses purchased & delivered | 1500000 | R 1,252,361 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | N/A | Invoice |
| B | B1 | 2 - BACK TO BASICS | W & S 21 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | CNL - ACQUISITION OF NEW FURNI- TURE & EQUIPMENT | N/A | OLD REDUNDANT AND OBSOLETE FURNITURE | 6 sets of Of- fice Furniture Purchased & Delivered by the 30th of June 2017 | 6 sets of Of- fice Furniture Purchased & Delivered by the 30th of June 2017 | Number of sets of Office Furniture Purchased & De- livered by the 30th of June 2017 | 0 | R 37,699 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | Reallocation form |
| B | B1 | 2 - BACK TO BASICS | W & S 22 | NKPA 2 - BASIC SERVICE DE- LIVERY | Water | CNL - NEW MACHINERY AND EQUIPMENT | N/A | OLD REDUNDANT AND OBSOLETE WELDING MA- CHINES | 2 x Welding Machines purchased and delivered | 2 x Welding Machines purchased and delivered by the 30th of June 2017 | Number of Welding Machines purchased and delivered | 166000 | R 0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | Specification and minutes |
| | | | | | | | | | | | | | | | | | | | | | |

ROADS & TRANSPORTATION OVERVIEW

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

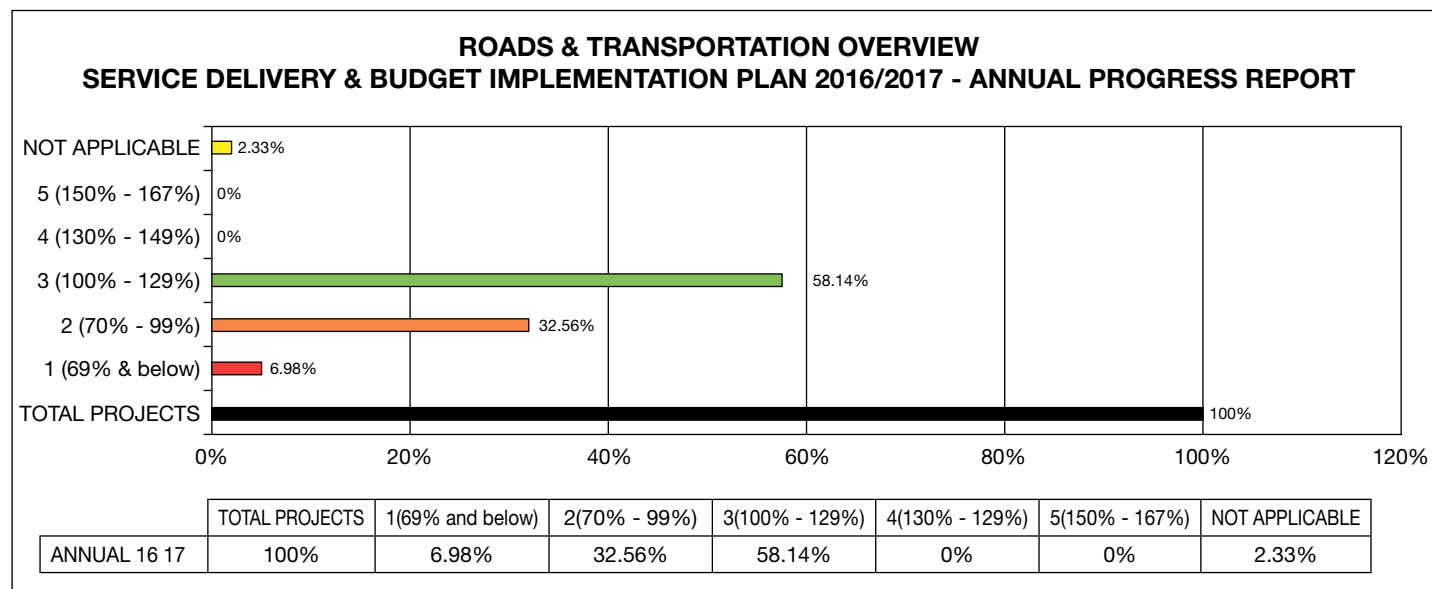
1 ROADS & TRANSPORTATION OVERVIEW

1.1 TOTAL PROJECTS: 43

1.1.1 OPERATING PROJECTS 0

1.1.2 CAPITAL PROJECTS 43

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASILINE / STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SOBP 2016/2017 (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | |
|-------|---------------|--------------------|-----------------|---------------------------------|-----------------------------------|--|--------|---|---|--|--|---|---|---|---|---|---|---|---|
| B | B1 | 2 - BACK TO BASICS | R & T 01 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | CNL - UPGRADING OF ROADS IN ASHBURTON - Design | 37 | Gravel seal roads with limited access levels and in poor condition in need of upgrade to all weather access | 1.6km of surfaced roads to blacktop with storm water completed | 1.6km of surfaced roads to blacktop with storm water completed by the 28th of February 2017 | km of surfaced roads to blacktop with storm water completed | 1.6km of surfaced roads to blacktop with storm water completed by the 28th of February 2017 | Target not Met. Completed Priming. Surfacing to start 1st week in July 2017. | 2 (70% - 99%) | No funding available to complete project. | Fast track outstanding payments and fast track contractor to complete outstanding works. | 2 months | Monthly progress report. | |
| B | B1 | 2 - BACK TO BASICS | R & T 02 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | CNL - ROAD REHABILITATION - PMS | 1-37 | Inadequate preventative maintenance in Municipal roads | Complete 48 000m2 (equivalent to 9.6km) of surfaced roads rehabilitated (asphalt overlay, crack slurry seal, crack sealing and diluted immulsion) | Complete 48 000m2 (equivalent to 9.6km) of surfaced roads rehabilitated (asphalt overlay, crack slurry seal, crack sealing and diluted immulsion) by the 31 December 2016. | m2 of (equivalent to 9.6km) of surfaced roads rehabilitated (asphalt overlay, crack slurry seal, crack sealing and diluted immulsion) by the 31 December 2016. | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Practical Completion certificate. |
| B | B2 | 2 - BACK TO BASICS | R & T 03 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | CNL - CONNOR - OTTO'S BLUFF ROADS - LINK | 25, 32 | Undetermined road alignment | Revised EIA, application submitted to the EDTEA | Revised EIA application submitted to the EDTEA by the 30th of June 2017 | Date revised EIA application submitted to the EDTEA | Revised EIA application submitted to the EDTEA by the 30th of June 2017 | Additional EIA Wetland Offset Plan specialist study complete. | 2 (70% - 99%) | Insufficient budget/available in 2017/18 FY for completion of additional studies as requested by the EDTEA. BAC approval V03 is received for additional Geotech study obtained on 28 June 2017. | Revised EIA submission in 2017/18 FY when Geotech study is completed with funding from EDTEA. BAC approval V03 is received for completed specialist studies. | 3 months | Wetland Offset plan specialist study, Correspondence-Additional studies, BAC approval of V03 -additional Geotech study. | |
| B | B2 | 2 - BACK TO BASICS | R & T 04 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | CNL - LESTER BROWN LINK ROAD | 36 | Gravel Road | 100% Base-course, kerb & channeling completed | 100 % Base-course, kerb & channeling completed by the 30th of June 2017 | % Base-course, kerb & channeling completed | 100% Base-course, kerb & channeling completed by the 30th of June 2017 | 92% of G9 completed, 80% of G7 completed. | 2 (70% - 99%) | Contractor suspended contract for two months due to cash flow problems as there was no money in the budget to make payments for the completion date. Electrical Unit have been requested to relocate their services as a matter of urgency. | Work has commenced on site as money was relocated and there are funds available in the new budget. There will be a delay in the completion date. Electrical Unit have been requested to relocate their services as a matter of urgency. | Additional two months extension to the completion date. | Monthly progress report. | |
| B | B1 | 2 - BACK TO BASICS | R & T 05 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN ROADS | 14 | Gravel Road | EIA and WULA applications submitted to EDTEA | EIA and WULA applications submitted to EDTEA by the 31st of March 2017 | Date EIA and WULA applications submitted to EDTEA | EIA approved and WULA submitted to EDTEA. | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | EDTEA acknowledgements of EA &WULA submissions. |
| B | B1 | 2 - BACK TO BASICS | R & T 06 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADING OF ROADS IN EDENDALE - KWANYA-MAZANE ROADS | 13 | Road damaged by inadequate swd | Completed upgrading 0.2 km of gravel roads to concrete surface in kwanyamazane area | Completed upgrading 0.2 km of gravel roads to concrete surface in kwanyamazane area by the 31st of March 2017 | km of gravel roads to concrete surface in kwanyamazane area upgraded | Completed upgrading 0.2 km of gravel roads to concrete surface in kwanyamazane area by the 31st of March 2017 | Completed upgrading 0.3 km of gravel roads to concrete surface in kwanyamazane area by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 07 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADE OF GRAVEL ROADS IN EDENDALE - WARD 16 | 16 | Gravel roads with limited access levels in need of upgrade to all weather access | Completed 0.4km of gravel roads to all weather/black top surface | Completed 0.4km of gravel roads to all weather/black top surface by the 28th of February 2017 | km of gravel roads to all weather/black top surface | Completed 0.4km of gravel roads to all weather/black top surface by the 28th of February 2017 | 0.4km of all weather surface concrete roadway completed on 30 November 2016. | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Practical Completion certificate. |

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|-------|---------------|--------------------|-----------------|---------------------------------|-----------------------------------|--|---------|--|--|---|---|---|--------------------------|--|----------------------|---|---|-----------------------------------|--|
| | | | | | | | | | | | | | | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | | | |
| B | B1 | 2 - BACK TO BASICS | R & T08 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADE OF INTERNAL ROADS - HANVILLE | 29 | Gravel roads with limited access levels in need of upgrade to all weather access | 0.8 km of Internal roads in Hanville upgraded | 0.8 km of Internal roads in Hanville upgraded by the 30th of June 2017 | km of Internal roads in Hanville upgraded | 0.8 km of Internal Roads in Hanville by 30 of June 2017 | Completed | 3 (100% - 129%) | N/A | N/A | N/A | Practical Completion certificate. | |
| B | B2 | 2 - BACK TO BASICS | R & T09 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP-GRADING OF GRAVEL ROADS - EDENDALE - STATION RD | 11,12 | Unstable vehicle low level crossing. | Concrete bridge substructure, river embankment protection, and earthwork platform to 0.26 km of road way completed | Concrete bridge substructure, river embankment protection, and earthwork platform to 0.26 km of road way completed by the 30th of June 2017 | Date Concrete bridge substructure, river embankment protection, and earthwork platform to 0.26 km of road way completed | N/A | N/A | 2 (70% - 99%) | N/A | Relocation of Eskom services causing delays to construction. Delays by municipality in Eskom in May 2016. paying upfront costs to Eskom officer. Delays by approval of report to Full council | Report submitted to Council again for upfront payment to Eskom. Correspondence. Report to Accounting officer. Progress- site meeting no7 minutes. | N/A | Report to full Council for upfront payment to Eskom. Correspondence. Report to Accounting officer. Progress- site meeting no7 minutes. |
| B | B1 | 2 - BACK TO BASICS | R & T 11 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADE OF GRAVEL ROADS - EDENDALE - Roads in Unit 14/Unit P - Design | 18 | Gravel roads with limited access levels in need of upgrade to all weather access | 0.4km of gravel roads in Edendale: Unit 14/Unit P upgraded to black top surfacing | 0.4km of gravel roads in Edendale: Unit 14/Unit P upgraded to black top surfacing by the 30th of June 2017 | km of gravel roads in Edendale: Unit 14/Unit P upgraded to black top surfacing | 1300000 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Practical Completion certificate. |
| B | B2 | 2 - BACK TO BASICS | R & T 12 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP-GRADING OF GRAVEL ROADS - EDENDALE - MACHIBISA DAMBUZA RDS | 21 | Gravel roads | 0.5km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | 0.5km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | km of Gravel Roads upgraded to black top surface in Dambuza by the 31st of March 2017 | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Practical Completion certificate. |
| B | B2 | 2 - BACK TO BASICS | R & T 13 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADE OF ROADS IN PEACE VALLEY - (Plan & Design in 2014/19) - 10km | 26 & 27 | Gravel Roads with limited access levels in need of upgrade to all weather access | Water usage license for Peace Valley External Roads submitted to DW&S by the 30th of June 2017 | Water usage license for Peace Valley External Roads submitted to DW&S by the 30th of June 2017 | Date Water usage license for Peace Valley External Roads submitted to DW&S | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Copy of WULA and EIA |
| B | B1 | 2 - BACK TO BASICS | R & T 14 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP-GRADING OF GRAVEL ROADS - GREATER EDENDALE - WARD 17 Roads (Phase 3, Unit 13) | 17 | Gravel roads | Completed upgrading of 0.85km of walkways in ward 17 by the 30th of December 2016 | Completed upgrading of 0.85km of walkways in ward 17 by the 30th of December 2016 | km of walkways upgrade completed in ward 17 by the 30th of December 2016 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 15 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP-GRADING OF GRAVEL ROADS - GREATER EDENDALE - Smeroe Roads and SW | 20 | Gravel roads | Completed upgrading 0.6 km of gravel roads to black top surface in Smeroe Ward 20 by the 31st of March 2017 | Completed upgrading 0.6 km of gravel roads to black top surface in Smeroe Ward 20 by the 31st of March 2017 | km of gravel roads upgrade completed to black top surface in Smeroe Ward 20 by the 31st of March 2017 | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Practical Completion certificate. |
| B | B2 | 2 - BACK TO BASICS | R & T 17 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP-GRADING OF GRAVEL ROADS - VULINDLELA - D2069 (MTHALANE RD) -Phase2 | 2 | Gravel Roads | 800m of gravel road upgraded to asphalt surface | 800m of gravel road upgraded to asphalt surface by the 30th of June 2017 | m of gravel road upgraded to asphalt surface by the 30th of June 2017 | N/A | N/A | 1 (69% & below) | N/A | The pace of the work was slow on site due to the Contractor lacking financial resources and key staff to undertake the works. | Projected duration extended by three months and penalties will be applied for late finishing. | N/A | Monthly Progress Report. |
| B | B1 | 2 - BACK TO BASICS | R & T 18 | NKPA 2 - BASIC SERVICE DELIVERY | REHABILITATION OF ROADS | MIG - UP-GRADING OF GRAVEL ROADS - GREATER EDENDALE - Ward 10 Roads - Stormwater | 10 | Ineffective storm-water drainage system which compromises the integrity of roads | 2.2 km of Roads in Ward 10 rehabilitated | 2.2km of Roads in Ward 10 rehabilitated by the 31st of January 2017 | km of Roads in Ward 10 rehabilitated | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Practical Completion certificate. |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

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|-------|---------------|--------------------|----------------|---------------------------------|-----------------------------------|---|------|---------------------|--|---|---|---|------------------------------------|----------------------|--------------------|--|-----------------------------------|
| | | | | | | | | | | | | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | |
| B | B1 | 2 - BACK TO BASICS | R & T 19 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - GREATER ENDENDALE - Snathing Rds - | 11 | Gravel Roads | 0.5 km of gravel roads upgraded to black top surface in Ward 11 | 0.5 km of gravel roads upgraded to black top surface in Ward 11 by the 31st of March 2017 | km of gravel roads upgraded to black top surface in Ward 11 | 0.5 km of gravel roads upgraded to black top surface in Ward 11 by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 20 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS | 3 | Gravel Roads | 0.5 km of gravel roads upgraded to black top surface in Ward 03 | 0.5 km of gravel roads upgraded to black top surface in Ward 03 by the 31st of March 2017 | km of gravel roads upgraded to black top surface in Ward 03 | 0.5 km of gravel roads upgraded to black top surface in Ward 03 by the 31st of November 2016 | 3 (100% - 129%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B2 | 2 - BACK TO BASICS | R & T 21 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - GREATER ENDENDALE - HAREWOOD AREA | 20 | Gravel Roads | 0.5 km of gravel roads upgraded to black top surface in Ward 20 | 0.5 km of gravel roads upgraded to black top surface in Ward 20 by the 30th of June 2017 | km of gravel roads upgraded to black top surface in Ward 20 | 0.5 km of gravel roads upgraded to black top surface in Ward 20 by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 22 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS | 1 | Gravel Roads | Contractor appointed and commenced with upgrading of 1.9 km of gravel roads to subgrade in Ward 01 | Contractor appointed and commenced with upgrading of 1.9 km of gravel roads to subgrade in Ward 01 by the 30th of June 2017 | Date contractor appointed and commenced with upgrading of 1.9 km of gravel roads to subgrade in Ward 01 | Contractor appointed and commenced with upgrading of 1.9 km of gravel roads to subgrade in Ward 01 by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 23 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS | 4 | Gravel Roads | 0.75 km of gravel roads to surfaced/concrete standard upgraded | 0.75 km of gravel roads to surfaced/concrete standard upgraded by the 28th of February 2017 | km of gravel roads to surfaced/concrete standard upgraded | 0.75 km of gravel roads to surfaced/concrete standard upgraded by the 30th of May 2017 | 2 (70% - 99%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 24 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS | 6 | Gravel Roads | 0.5 km of gravel roads to surfaced/concrete standard upgraded | 0.5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | km of gravel roads to surfaced/concrete standard upgraded | 0.5 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 25 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS | 7 | Gravel Roads | 1.3 km of gravel roads to surfaced/concrete standard upgraded | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of January 2017 | km of gravel roads to surfaced/concrete standard upgraded | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 2 (70% - 99%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 26 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS - Masoyi Rd, etc. | 8 | Gravel Roads | 1.0 km of gravel roads to surfaced/concrete standard upgraded | 1.0 km of gravel roads to surfaced/concrete standard upgraded by the 28th of February 2017 | km of gravel roads to surfaced/concrete standard upgraded | 1.0 km of gravel roads to surfaced/concrete standard upgraded by the 28th of February 2017 | 2 (70% - 99%) | N/A | N/A | N/A | Practical Completion certificate. |
| B | B1 | 2 - BACK TO BASICS | R & T 27 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UP- GRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS | 9 | Gravel Roads | 1.3 km of gravel roads to surfaced/concrete standard upgraded | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of January 2017 | km of gravel roads to surfaced/concrete standard upgraded | 1.3 km of gravel roads to surfaced/concrete standard upgraded by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Practical Completion certificate. |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REFER- ENCE | CDS REFER- ENCE | SDBIP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | |
|-------|--------------------|-----------------------|----------------------|-------------------------------------|--|---|--------|---|--|--|---|---|--|--|---|--|---|---------------------|---|
| B | B2 | 2 - BACK TO BASICS | R & T 28 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADED STORM WATER BRIDGES | ASHDOWN BANK PROTEC- TION AGAINST COLLAPSING OF ADJACENT HOUSES - P15 | 22 | Scouring of river banks | Contractor for Ashdown Bank Protection against Collapsing of Adjacent Houses- P15 appointed | Contractor for Ashdown Bank Protection against Collapsing of Adjacent Houses- P15 Housed by the 31st of May 2017 | Date Contractor for Ashdown Bank Protection against Collapsing of Adjacent Houses- P15 appointed | Contractor for Ashdown Bank Protection against Collapsing of Adjacent Houses- P 15 appointed by the 31st of May 2017 | Target not met Tender Adjudica- tion Stage | 1 (69% & below) | Draft BSC report was received mid February and approved by BSC Committee by the 2nd March 2017. Report was submitted to Acting Municip- al Manager's office thereafter and delayed for 4-2.5 months before the report was approved and sent back to SCM by 15 May 2017. The report had to be registered at SCM and a SITE BRIEFING was conducted on the 31 May 2017. | speed up adju- dication process and table the report to BEC by 4th August | 1 month | BAC Reso- lution | |
| B | B2 | 2 - BACK TO BASICS | R & T 29 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADED VEHICLE AND PEDESTRIAN BRIDGES | MIG - UPGRADE OF BRIDGES - Pedestrian Bridge Over River - Smeru/ Esigodini | 20 | Dilapidated un- safe pedestrian bridge | EIA and WULA submitted to DW & S & Tender for construction advised | EIA and WULA submitted to DW & S & Tender for construction advised by the 30th of June 2017 | Date EIA and WULA submitted to DW & S & Tender for construction advised | EIA and WULA submitted to DW & S & Tender for con- struction advertised by the 30th of June 2017 | N/A | 2 (70% - 99%) | Advertising of Tender by Supply Chain Management awaited. | Enails sub- mitted to SCM requesting ad- vertising date. | N/A | 2 months | General Au- thorisation for DW&S. BSC approval of Specifications. Email corre- spondence to SCM |
| B | B2 | 2 - BACK TO BASICS | R & T 30 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADED VEHICLE AND PEDESTRIAN BRIDGES | MIG - WOOD- HOUSE PEDES- TRIAN BRIDGE | 33, 35 | Unsafe pedestrian and vehicle low level crossing | Tender for construction of 1.5m wide steel pedestrian bridge completed awarded | Tender for construction of 1.5m wide steel pedes- trian bridge completed awarded by the 30th of April 2017 | Date Tender for construction of 1.5m wide steel pedestrian bridge completed awarded | Tender for construc- tion of 1.5m wide steel pedestrian bridge completed awarded by the 30th of April 2017 | N/A | 2 (70% - 99%) | Delays in adjudication process attributable to Professional Service Pro- vider. Delays due to Amend- ments to SCM tax compliance policy to tenders. Departmental delays to BEC report approv- als process. Insufficient budget to award tender report stood down by BEC on 22 June 2017 | Amended BEC report submis- sion executed. Further extension of tender validity period requested. | N/A | 2 months | Finalised report to BEC signed by GM: IS - Email correspon- dence. Initial Extension of tender validity period. |
| B | B2 | 2 - BACK TO BASICS | R & T 31 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADED VEHICLE AND PEDESTRIAN BRIDGES | MIG - MABANE BRIDGE PROJ- ECT | 2 | Unsafe pedestrian and vehicle low level crossing | Completed Design of a 1.5m wide steel pedestrian bridge and submitted EIA and WULA to DW & S | Completed Design of a 1.5m wide steel pedestri- an bridge and submitted EIA and WULA to DW & S by the 30th of June 2017 | Date Completed Design of a 1.5m wide steel pedestrian bridge completed and date EIA and WULA submitted to DW & S | Completed Design of a 1.5m wide steel pe- destrian bridge and submitted EIA and WULA to DW & S by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Copy of Design |

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 PROGRESS REPORT (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | |
|-------|---------------|--------------------|-----------------|---------------------------------|--------------------------------------|---|------------------------------------|--|---|--|--|--|---|---|--|---|--|------------------------|------------------------------------|
| B | B2 | 2 - BACK TO BASICS | R & T 32 | NKPA 2 - BASIC SERVICE DELIVERY | GUARD RAILS INSTALLATION | CNL - INSTALLATION OF NEW GUARD RAILS (as and when requested) | 1-37 | | 0.7km of Guard Rails installed as and when requested | 0.7km of Guard Rails installed as and when requested by the 31st of March 2017 | km of Guard Rails installed as and when requested | 0.7km of Guard Rails installed as and when requested by the 31st of March 2017 | Target partially met. 0.83km of Guard Rails installed by the 30th of June 2017 | 2 (70% - 99%) | Not completed in March 2017 due to contractors leaving site because of late payments. Savings to achieve additional 0.13km were realised since the rate per meter decreases as length of guardrails to be installed increases. | Finance to ensure that contractors are paid on time to ensure that they do not abandon site. | 3 months | Completion Certificate | |
| B | B1 | 2 - BACK TO BASICS | R & T 33 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF PUBLIC TRANSPORT SYSTEM | MIG - BUS STOP SHELTERS | 7,10,11,12,13,17,18,20,21,22,23,24 | Lack of bus shelters | 40 x bus shelters installed as per approved bus shelter implementation plan | 40 x bus shelters installed as per approved bus shelter implementation plan by the 31st of March 2017 | Number of bus shelters installed as per approved bus shelter implementation plan | Target met. 41 x bus shelters installed by the 31st of January 2017 | 3 (100% - 129%) | N/A | Savings realised due to the cost of replacing shelters being cheaper than installation of new shelters | N/A | N/A | N/A | Completion Certificate |
| B | B1 | 2 - BACK TO BASICS | R & T 34 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - TRAFFIC CALMING MEASURES | 1-37 | Unsafe sites | 33 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule | 33 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st of March 2017 | Number of traffic calming measures installed in various sites as per approved traffic calming implementation schedule | Target met. 35 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 31st of March 2017 | N/A | N/A | Savings for 2 additional traffic measures were realised due to some road widths being smaller which resulted in lesser rate. | N/A | N/A | N/A | Completion Certificate |
| B | B1 | 2 - BACK TO BASICS | R & T 35 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF PUBLIC TRANSPORT SYSTEM | CNL - EASTERN RING ROAD - DETAIL DESIGN AND CONSTRUCTION | 37 | Lack of new roads to cater for the growth of the City | Completed preliminary design for option 2A and specialist studies (EIA & WULA) submission, for Eastern Ring Road from Murray Road/Hesketh Drive intersection to Rogers Avenue | Completed preliminary design for option 2A and specialist studies (EIA & WULA) submission, for Eastern Ring Road from Murray Road/Hesketh Drive intersection to Rogers Avenue by the 30th of June 2017 | Date completed preliminary design for option 2A and specialist studies (EIA & WULA) submission, for Eastern Ring Road from Murray Road/Hesketh Drive intersection to Rogers Avenue | Completed preliminary design for option 2A and specialist studies (EIA & WULA) submission, for Eastern Ring Road from Murray Road/Hesketh Drive intersection to Rogers Avenue by the 30th of June 2017 | Target not met. Wetland study completed and recommended route alternative being investigated as the proposed route alignment being investigated as the proposed route alignment has a negative impact on the grassland where the road is traversing. Alternative route alignment to be investigated was finalised in June 2017 with the guidance of Msunduzi internal environment unit. | 1 (69% & below) | Environmental constraints (seepage and grassland) were found on the proposed alternative route alignment to discuss and finalise (Option 2A). Therefore the alternative route as per the Wetland Study recommendations. Project to resume in the new financial year. | Project has been put on hold, Meeting held on 6th June 2017 with Environment department to discuss the alternative route alignment and finalise (Option 2A). Therefore the alternative route as per the Wetland Study recommendations. Project to resume in the new financial year. | Three months | N/A | Progress report and wetland report |
| B | B1 | 2 - BACK TO BASICS | R & T 36 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - PLANT AND EQUIPMENT - (Traffic Lights spares, equip etc.) | 1-37 | Faulty traffic signals controllers damaged by high voltage | Traffic signals spares and equipment purchased by the 28th of February 2017 | Traffic signals spares and equipment purchased by the 28th of February 2017 | Date Traffic signals spares and equipment purchased | 700000 | Target met. Traffic signals spares and equipment purchased by the 28th of February 2017 | N/A | N/A | N/A | N/A | N/A | Delivery Note |
| B | B1 | 2 - BACK TO BASICS | R & T 37 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - PLANT AND EQUIPMENT (NEW TRAFFIC CONTROLLERS) | 27 | Old traffic signal controllers | Purchase of New Traffic Signal Controllers | Purchase of New Traffic Signal Controllers by the 31st of March 2017 | Date New traffic controllers purchased | N/A | Target met. New Traffic Signal Controllers purchased by the 31st of March 2017 | N/A | N/A | N/A | N/A | N/A | Delivery Note |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|--------------------|----------------|---------------------------------|--------------------------------------|--|---------|--|---|--|---|--|--|--|---|--|--|--|
| B | B1 | 2 - BACK TO BASICS | R & T 38 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - Installation of new traffic signals | 35 | Stop sign controlled intersection | Traffic signals installed at Northdale Hospital intersection for signalised traffic control | Traffic signals installed at Northdale Hospital intersection for signalised traffic control by the 30th of June 2017 | Date Traffic signals installed at Northdale Hospital intersection for signalised traffic control | Traffic signals installed at Northdale Hospital intersection for signalised traffic control by the 30th of June 2017 | Target met. | 3 (100% - 129%) | N/A | N/A | N/A | Completion Certificate |
| B | B1 | 2 - BACK TO BASICS | R & T 39 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - MAYORS WALK ROAD WIDENING | 26 & 27 | Inadequate roads to cater for the growth of the City | Completed specialist studies being Geotechnical investigations, EIA & WULA For Mayors Walk/ Zwartkop Road | Completed specialist studies being Geotechnical investigations, EIA & WULA For Mayors Walk/Zwartkop Road by the 31st of March 2017 | Date Completed specialist studies For Mayors Walk/ Zwartkop Road completed | Completed specialist studies being Geotechnical investigations, EIA & WULA For Mayors Walk/Zwartkop Road by the 31st of March 2017 | Target met. | 3 (100% - 129%) | N/A | N/A | N/A | Specialists Studies Reports |
| B | B1 | 2 - BACK TO BASICS | R & T 40 | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY | CNL - BUS / TAXI LAY-BYES | 26 & 27 | Inadequate roads to cater for the growth of the City | 3x Bus/Taxi Laybys constructed | 3 x Bus/Taxi Laybys constructed by the 31st of March 2017 | Number of Bus/ Taxi Laybys constructed | 3 x Bus/Taxi Laybys constructed by the 31st of March 2017 | Target partially met. 2 x Bus/ Taxi Laybys constructed by the 31st of March 2017 | 2 (70% - 99%) | 3rd Bus/ Taxi Layby could not be constructed due to funds being reallocated to the budget shortfall on the Installation of Traffic Signals project | Review annual targets and budgets to ensure that the KPIs are met. | 6mths | Completion Certificate and reallocation form |
| B | B1 | 2 - BACK TO BASICS | R & T 41 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADE OF CANNALISATION AND STREAMS | CNL - CANALIZATION OF STREAMS IN NORTHDALE (Revised design, EIA and Const) | 26 & 27 | Inadequate roads to cater for the growth of the City | EIA Authorization , and WULA application completed and submitted to DW & S and Design | EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | Date EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | N/A | 2 (70% - 99%) | EDTEA required further assessments that were not required at the beginning stages of application. BAR submitted and EDTEA advised further studies required. | Extension requested and granted and consultant working on additional studies | N/A | Copy of the Extension letter |
| B | B1 | 2 - BACK TO BASICS | R & T 42 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | CNL - UPGRADING OF NEW ENGLAND ROAD | 33/36 | Inadequate roads to cater for the growth of the City | EIA Authorization , and WULA application completed and submitted to DW & S and Design | EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | Date EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | EIA Authorization , and WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | N/A | 2 (70% - 99%) | Consultant awaiting reply from DW&S from 09 May 2017 concerning the application route that's needed to be followed for this project. | Consultant and Municipality to request DW&S to expedite decision concerning the application. | N/A | Letter from consultant. |
| B | B1 | 2 - BACK TO BASICS | R & T 43 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | MIG - UPGRADE DESIGN OF GRAVEL ROADS - VUINDLELA (Designs & WULA) | 1-9 | Inadequate roads to cater for the growth of the City | WULA application completed and submitted to DW & S and Design | WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | Date WULA application completed | WULA application completed and submitted to DW & S and Design by the 30th of June 2017 | Funds were reallocated. Project carried over to the new financial year. | NOT APPLICABLE | Funds were reallocated for another project to ensure completion. | Project will be revisited in the new financial Year. | N/A | Email correspondence |
| B | B1 | 2 - BACK TO BASICS | R & T 44 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF COUNCIL Resources | CNL - COMPUTERS | N/A | OLD PRINTERS AND COMPUTERS | NEW DESKTOPS, LAPTOPS AND ACCESSORIES PURCHASED | NEW DESKTOPS, LAPTOPS AND ACCESSORIES PURCHASED by the 31st of December 2016 | DATE NEW DESKTOPS, LAPTOPS AND ACCESSORIES PURCHASED | NEW DESKTOPS, LAPTOPS AND ACCESSORIES PURCHASED by the 31st of December 2016 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Copy of Delivery Note |
| B | B1 | 2 - BACK TO BASICS | R & T 45 | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF COUNCIL FURNITURE | CNL - FURNITURE | N/A | INADEQUATE FURNITURE AND FITTINGS IN THE DEPOT | NEW FURNITURE AND FITTINGS PURCHASED | NEW FURNITURE AND FITTINGS PURCHASED by the 31st of March 2017 | DATE NEW FURNITURE AND FITTINGS PURCHASED | NEW FURNITURE AND FITTINGS PURCHASED by the 31st of March 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Copy of Delivery Note |
| | | | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A |

ELECTRICITY OVERVIEW

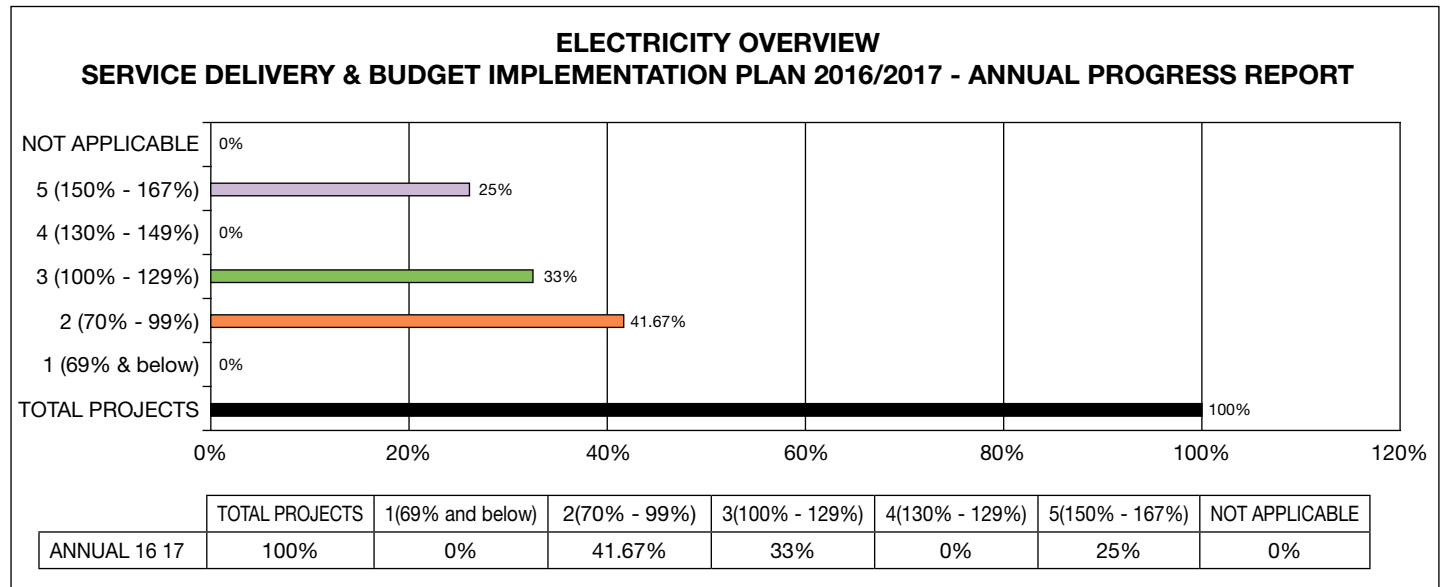
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 ELECTRICITY OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 12 |
| 1.1.1 | OPERATING PROJECTS | 0 |
| 1.1.2 | CAPITAL PROJECTS | 12 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR BUSINESS UNIT: INFRASTRUCTURE SERVICES SUB UNIT: ELECTRICITY

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET/ OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|--|-----------------|---------------------------------|--|--|------------------------|---------------------------------|--|--|---|---|--|--|--|--|--|--|
| B | B 1 | 2 - BACK TO BASICS | ELEC 01 | NKPA 2 - BASIC SERVICE DELIVERY | PUBLIC LIGHTING | HIGH MAST LIGHTS INSTALLATION | 3, 4, 5, 6, 7, 8 and 9 | 35 HIGH MASTS | 37 X HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED | 37 X HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED by the 30th of June 2017 | Number of HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED | 37 X HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED by the 30th of June 2017 | ALL 37 HIGH MASTS HAVE BEEN ERCTED. 10 X HIGH MASTS HAVE BEEN COMMISSIONED. | 1 (69% & below) | DELAYS BY ESKOM IN APPOINTING CONTRACTORS | CONTRACTORS HAVE SINCE BEEN APPOINTED AND INSTALLATIONS IN PROGRESS | IMMEDIATELY | PROGRESS REPORT |
| B | B 1 | 2 - BACK TO BASICS | ELEC 03 | NKPA 2 - BASIC SERVICE DELIVERY | ELECTRIFICATION | REGINA ROAD INFORMAL SETTLEMENT ELECTRIFICATION | 28 | NIL | 200 NEW HOUSEHOLD CONNECTIONS TO BE ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) | 200 NEW HOUSEHOLD CONNECTIONS TO BE ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | NUMBER OF NEW HOUSEHOLD CONNECTIONS TO BE ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) | 2900000 | 193 NEW HOUSEHOLD CONNECTIONS ACHIEVED (REGINA ROAD INFORMAL SETTLEMENT) by the 30th of June 2017 | N/A | N/A | There is no corrective measure. We cannot give the exact number of household to be connected. At the time of completion it was 193 | N/A | PROGRESS REPORT AND COMPLETION CERTIFICATES |
| B | B 2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 04 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132KV REHABILITATION PLAN | PURCHASE OF 11KV CAPITAL EQUIPMENT | VARIOUS | 128 UNITS PURCHASED | 23 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED | 23 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED by the 30th of June 2017 | NUMBER OF 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED | 2900000 | 39 X 11KV EQUIPMENT PURCHASED AND DELIVERED by the 30th of June 2017 | 5 (150% - 167%) | N/A | N/A | N/A | PURCHASE ORDERS, INVOICES & DELIVERY NOTES |
| B | B 1 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 05 | NKPA 2 - BASIC SERVICE DELIVERY | ENERGY EFFICIENCY DEMAND SIDE MANAGEMENT | RETROFITTING OF CONVENTIONAL STREET LIGHTS WITH LED LIGHTS | CBD | 752 LED STREET LIGHTS INSTALLED | 1200 LED LIGHT FITTINGS INSTALLED WITHIN THE CBD | 1200 LED LIGHT FITTINGS INSTALLED WITHIN THE CBD by the 30th of June 2017 | NUMBER OF LED LIGHT FITTINGS INSTALLED WITHIN THE CBD by the 30th of June 2017 | 1000000 | 1752 LED LIGHT FITTINGS INSTALLED WITHIN THE CBD by the 30th of June 2017 | 4 (100% - 149%) | N/A | N/A | N/A | CLOSE-OUT REPORT AND COMPLETION CERTIFICATES |
| B | B 2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 06 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132KV REHABILITATION PLAN | UPGRADE AND COMMISSIONING OF 132/11KV NORTHDALE PRIMARY SUBSTATION | 28 | NIL | 132KV OUTDOOR SWITCHGEAR AND AUXILIARY POWER CABLES COMMISSIONED | 132KV OUTDOOR SWITCHGEAR AND AUXILIARY POWER CABLES COMMISSIONED by the 30th of June 2017 | DATE 132KV OUTDOOR SWITCHGEAR AND AUXILIARY POWER CABLES COMMISSIONED | 8000000 | PART ONE IS 99% COMPLETE AND PART TWO HAS COMENCED WITH 23% OF THE WORK DONE. ENTIRE PROJECT PROGRESS IS 94% | N/A | LACK OF AVAILABILITY OF PANELS INFORMATION REQUIRED RESULTING IN NEW INFORMATION HAVING TO BE COMPILED | EXTENSION FOR THE CONTRACT WAS APPROVED | 31-Dec-17 | PROGRESS REPORT AND EXTENSION OF THE CONTRACT RESOLUTION |
| B | B 2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 07 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132KV REHABILITATION PLAN | ESTABLISHMENT OF NEW 132/11KV EASTWOOD SUBSTATION | 34 | NIL | NEW 132/11KV PRIMARY SUBSTATION IN EASTWOOD CONSTRUCTED | NEW 132/11KV PRIMARY SUBSTATION IN EASTWOOD CONSTRUCTED by the 30th of June 2017 | DATE NEW 132/11KV PRIMARY SUBSTATION IN EASTWOOD CONSTRUCTED | 3382128 | CIVILS WORKS ARE AT 98 % COMPLETE. ELECTRICAL INSTALLATION WORKS IN PROGRESS AND IS AT 28 % COMPLETE. OVERALL PROJECT PROGRESS IS 90 % COMPLETE. | N/A | LAND LEASING DISPUTE BETWEEN COUNCIL AND COMMUNITY BASED ORGANISATION | EXTENSION FOR THE CONTRACT WAS APPROVED | 31-Dec-17 | PROGRESS REPORT AND CORRESPONDENCES BETWEEN TWO PARTIES ON LAND DISPUTE ISSUE. |
| B | B 2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 08 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132KV REHABILITATION PLAN | SUPPLY AND DELIVERY OF 2 X 40MVA POWER TRANSFORMERS AT 132/11KV SUBSTATION | 34 | NIL | 2 X 40MVA POWER TRANSFORMERS PURCHASED AND DELIVERED | 2 X 40MVA POWER TRANSFORMERS PURCHASED AND DELIVERED by the 30th of June 2017 | NUMBER OF 40MVA POWER TRANSFORMERS PURCHASED AND DELIVERED | 1775402.3 | 2 X 40MVA POWER TRANSFORMERS PURCHASED AND DELIVERED by the 30th of June 2017 | N/A | DELAYS EXPERIENCED DURING SHIPPING OF THE UNITS RESULTING IN LATE ARRIVAL AT DURBAN PORT | DELIVERY TO SITE EXPECTED ON 31 JULY 2017 | N/A | PROGRESS REPORT AND SHIPPING DOCUMENTS |
| B | B 2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 09 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132KV REHABILITATION PLAN | SUPPLY AND INSTALL 1 X 13-PANEL 11KV SWITCHBOARD AT 132/11KV EASTWOOD SUBSTATION | 34 | NIL | MANUFACTURING PROCESS OF 1 X 13-PANEL 11KV SWITCHBOARD FOR NEW 132/11KV SUBSTATION COMPLETED | MANUFACTURING PROCESS OF 1 X 13-PANEL 11KV SWITCHBOARD FOR NEW 132/11KV SUBSTATION COMPLETED BY 30th June 2017 | DATE MANUFACTURING PROCESS OF 1 X 13-PANEL 11KV SWITCHBOARD FOR NEW 132/11KV SUBSTATION COMPLETED | 15000000 | 1 X 13 PANEL 11KV SWITCHBOARD FOR 132/11KV EASTWOOD SUBSTATION MANUFACTURED AND DELIVERED JUNE 2017 | N/A | N/A | N/A | N/A | PROGRESS REPORT AND DELIVERY NOTES |
| | | | | | | | | | | | | 7300000 | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 PROGRESS REPORT (1,2,3,4,5; Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|--|-----------------|---------------------------------|-----------------------------------|--|----------------|---------------------|--|--|---|---------------|--------------------------|---|-------------------------------------|--|--|-----------------|
| B | B2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 10 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132kv REHABILITATION PLAN | SUPPLY AND INSTALL 11kv/28 PANEL FIXED PATTERN SWITCHGEARS FOR THREE DISTRIBUTOR SUBSTATIONS | 30, 33, HILTON | NIL | MANUFACTURING PROCESS OF 28 X 11kv FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS COMPLETED by the 30th June 2017 | MANUFACTURING PROCESS OF 28 X 11kv FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS COMPLETED by the 30th June 2017 | DATE MANUFACTURING PROCESS OF 28 X 11kv FIXED PATTERN SWITCHGEARS FOR 3 DISTRIBUTOR SUBSTATIONS COMPLETED | 9100000 | N/A | 1 (69% & below) | DELAYS IN THE MANUFACTURING PROCESS | DELIVERY DATE HAVE BEEN EXTENDED TO OCTOBER 2017 | 31-Oct-17 | PROGRESS REPORT |
| B | B2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 11 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132kv REHABILITATION PLAN | INSTALL RML'S AND EARTH FAULT INDICATORS | 2 | NIL | 4 RMLS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED | 4 RMLS AND 5 SPANS OF MV MINK PURCHASED AND INSTALLED by the 31st of May 2016 | NUMBER OF RMLS SPANS OF MV MINK PURCHASED AND INSTALLED | 9100000 | N/A | 2 (70% - 99%) | N/A | Contractor to add more teams to assist with fast tracking completion of works. | N/A | N/A |
| B | B2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 12 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132kv REHABILITATION PLAN | INSTALL 13MVA CCT BETWEEN WESTGATE & MKONDENI | 24 | NIL | 14700M OF 630MM 1/C CABLE PURCHASED & INSTALLED | 14700M OF 630MM 1/C CABLE PURCHASED & INSTALLED by the 30th of June 2017 | METRES OF 630MM 1/C CABLE PURCHASED & INSTALLED | 233523 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| B | B2 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | ELEC 13 | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132kv REHABILITATION PLAN | INSTALL 300MM AL CABLE BETWEEN WORLDS VIEW & QE PARK | HILTON | NIL | 1800M OF 300MM 3/C CABLE PURCHASED & INSTALLED | 1800M OF 300MM 3/C CABLE PURCHASED & INSTALLED by the 30th of June 2017 | METRES OF 300MM 3/C CABLE PURCHASED & INSTALLED | 2716925.73 | N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | | | | | | | | 1115319.08 | N/A | N/A | N/A | N/A | N/A | N/A |

MECHANICAL WORKSHOPS OVERVIEW

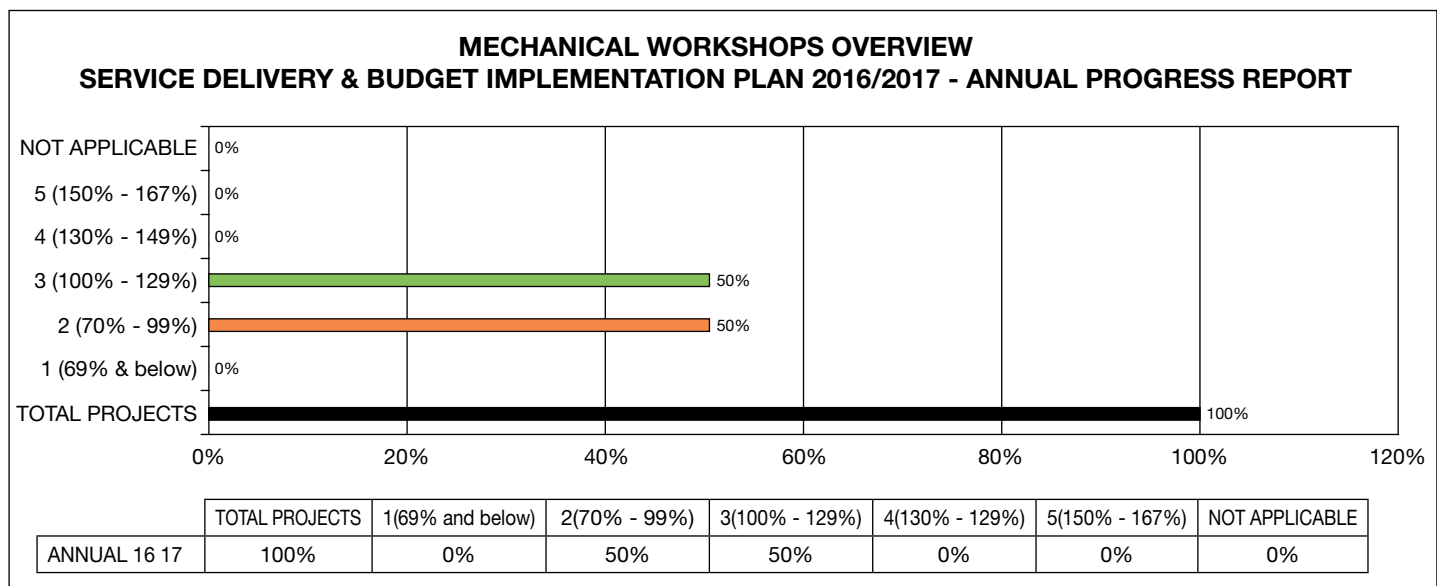
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 MECHANICAL WORKSHOPS OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 2 |
| 1.1.1 | OPERATING PROJECTS | 2 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REFERENCE | CDS REFERENCE | SDBP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | COBRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|----------------|--|---|--|------|--|---|---|---|--|--|--|---|---|--|-------------------|
| A | A2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | FLT 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Preventative maintenance | Vehicle and plant service | ALL | Zero vehicle and plant service at the beginning of July 2015 | 768 x Council vehicles & plant to be serviced | 768 x Council vehicles & plant to be serviced by the 30th of June 2017 | Number of Council vehicles & plant serviced | 768 x Council vehicles and plant serviced by the 30th of June 2017 | 642 x Council vehicles and Plant serviced as at 30 June 2017 | 2 (70% - 99%) | Poor response from the Business Units to Fleet Management service plan. | Increase the number of services on the service plan | In the New Financial Year. | Job Cards |
| A | A2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | FLT 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Enhance Infrastructure services processes | Average turnaround time on repairs (in days) | ALL | 0 | 30 days turnaround time achieved on council vehicle and plant repairs completed | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2017 | Turnaround time achieved on council vehicle and plant repairs completed | 1707328 | N/A | N/A | N/A | N/A | N/A | Workshop Backlogs |
| | | | | | | | | | | | | | | 3 (100% - 129%) | | | | |
| | | | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A |

ANNEXURE J

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT - SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

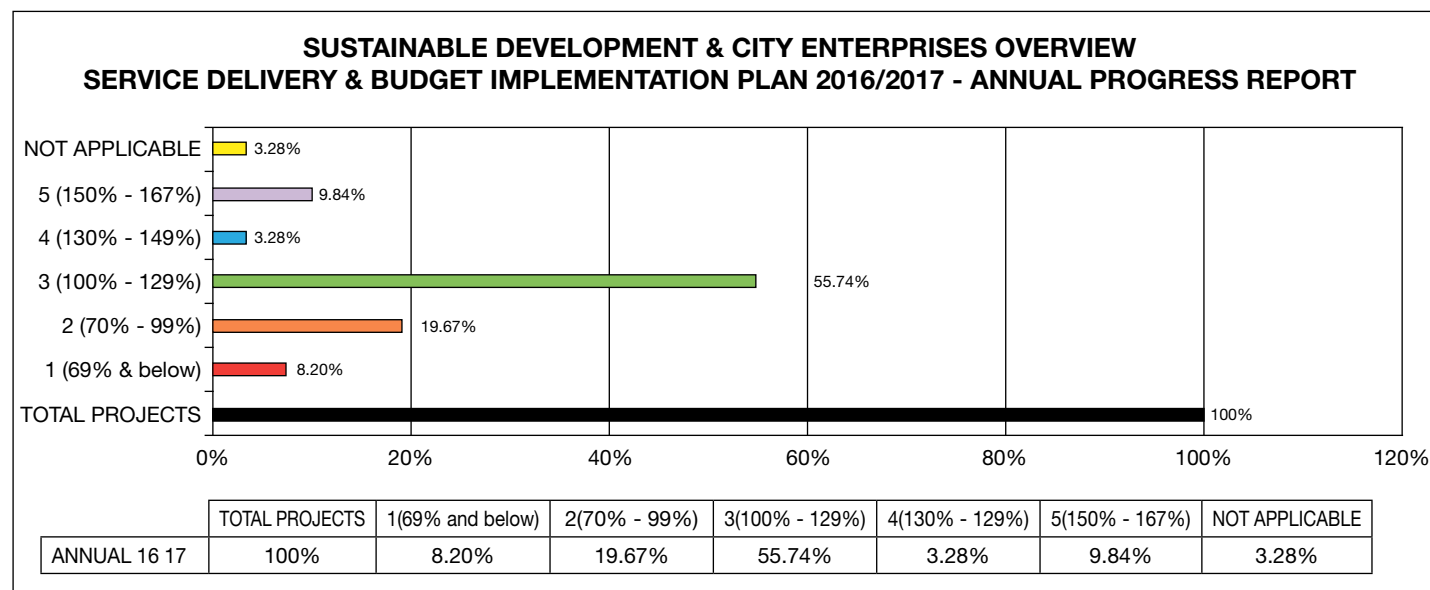
1 SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW

1.1 TOTAL PROJECTS: 86

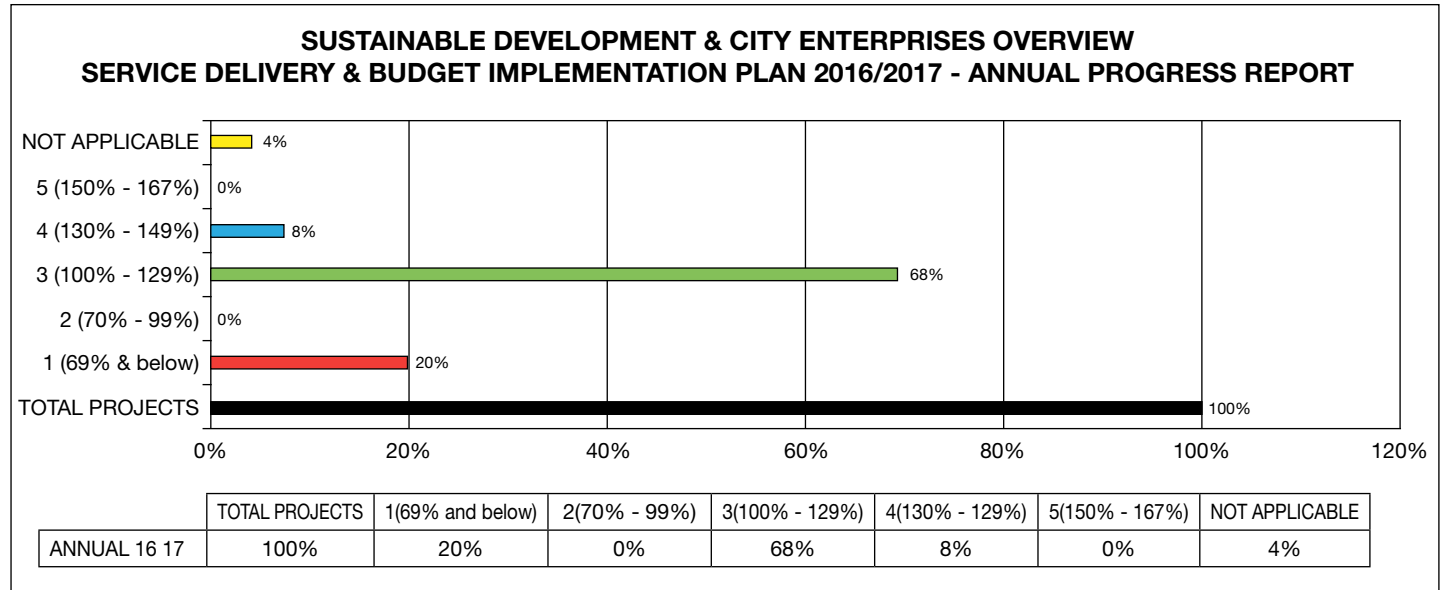
1.1.1 OPERATING PROJECTS 61

1.1.2 CAPITAL PROJECTS 25

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|--|---|---------------------------|-------------------------|-----------------------|---|--------------|--|---|------------------------------------|--|--|
| 4 | SUSTAINABLE DEVELOPMENT & CITY ENTITIES OVERVIEW OPERATING | DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) | 12 | 0 | 12 | 6 | LED 05 | LED strategy reviewed and completed Implementation plan submitted to SMC for approval by the 30th of June 2017 | Draft LED strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 1 | SMME strategy developed and submitted to SMC by the 30th of June 2017 | Draft SMME strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 2 | Cooperatives strategy developed and submitted to SMC by the 30th of June 2017 | Draft Cooperatives strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 3 | Women and Disabled economic empowerment strategy developed & submitted to SMC by the 30th of June 2017 | Draft Women and Disabled strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 4 | Youth economic empowerment strategy developed & submitted to SMC by the 30th of June 2017 | Draft Youth Economic Empowerment strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | | | | | | EDS 5 | 100% development of a programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 30th of June 2017 | 50% development of a programme of action for improving the business environment in the Mkhondeni Industrial area | 2 (70% - 99%) | Training of Volunteers could not be done before the establishment of the Task Team/Steering Committee | Finalisation of programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 31st of August 2017 |
| | | | | | | | EDS 8 | Industrial Promotion strategy prepared and submitted to SMC by the 30th of June 2017 | Project Inception Report and Inception meeting held in June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion |
| | | HUMAN SETTLEMENTS | 8 | 2 | 10 | 4 | HS 08 | 41 x new housing units constructed by the 30th of June 2017 | Target Partially Achieved - 19 houses at roof level, 6 slabs has been cast, 7 sites been cleared by the 30 June 2017 | 2 (70% - 99%) | Social Challenges, communities are blocking the project | Social facilitation is in progress. |
| | | | | | | | HS 09 | 30 x new housing units constructed by the 30th of June 2017 | Target Not Achieved - 30 Slabs casted and 1 house at the roof level. | 1 (69% & below) | Slow Progress on site | Contractor to increase human and capital resources on site to keep up with the construction program. |
| | | | | | | | HS 10 | 100% Stage 1 Application Completed for SACCA - Mkhondeni submitted to DOHS by the 30th of June 2017 | The tender to appoint an Implementing Agent to compile the Stage 1 application to the DoHS is due to be presented at the BAC on 13 July 2017. | 1 (69% & below) | Delays in the appointment of an Implementing Agent | Finalise the appointment of Implementing Agent and preparation of the Stage 1 Application to DoHS. |
| | | | | | | | HS 12 | 100% Feasibility Studies completed and Stage 1 Application Completed for Shenstone City submitted to DOHS by the 30th of June 2017 | Prefeasibility studies have been not yet been completed and funding for stage 1 has not yet been submitted to the DoHS for approval | 1 (69% & below) | The Municipality is still sorting out social issues and land invasions within the project area | Formalisation of Township and prepare land invasion |
| | | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | 18 | 16 | 34 | 11 | COM DEV 11 | 12 x planned Exhibitions held by the 30th of June 2017 | only 11 Exhibitions managed per annum because of floods | 2 (70% - 99%) | Flood Incident in June | Clear Flood Damage |
| | | | | | | | LED 02 | 100% Completed Pallet Park construction as per approved construction plan by the 30th of June 2017 | | 1 (69% & below) | The Engineers report for the assessment of Pallet Park were above our budget, sourced additional funding | Review the specifications and new bill of quantities issued |
| | | | | | | | LED 04 | 100% Municipal wide tourism signage revamped and installed by the 30th of April 2017 | Signs currently being manufactured. | 1 (69% & below) | Supplier did not quote according to the contract, amendments to the quotation and invoices had to be made. | Facilitate the completion and installation of the signage by 31 July 2017 |
| | | | | | | | CE 01 | 44 X CCTV Cameras installed with recording and site monitoring system linked to the Safe City control room by the 30th of June 2017 | This project could not be implemented | 1 (69% & below) | It was unfunded mandate and dependant on opportunistic non-expenditure by other business units | Subject to budget availability and the project is still unfunded in current financial year. |
| | | | | | | | CE 07 | Repairs to Ormolu Clock effected and completed by the 30th of June 2017 | Project Cancelled | 1 (69% & below) | Delays in obtaining Authority | Postponed project |
| | | | | | | | CE 11 | 100% construction of ground parking equipment at the PMB Airport completed by the 30th of June 2017 | 90 % of construction done. | 2 (70% - 99%) | Contractor delays | Contractor to complete by 15 July 2017 |
| | | | | | | | CE 16 | 100% Airport roof repairs completed at the PMB Airport by the 30th of June 2017 | Engineer completed assessment and report submitted. | 1 (69% & below) | Delay in obtaining completed design | To ensure procurement is completed and project is implemented |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|--|---|---------------------------|-------------------------|-----------------------|---|--------------|---|---|------------------------------------|----------------------|--|
| 4 | SUSTAINABLE DEVELOPMENT & CITY ENTITIES OVERVIEW | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | | | | | CE 19 | 100% Office furniture for the PMB Airport staff procured by the 30th of June 2017 | Nil furniture purchased. | 1 (69% & below) | Nil Capex Available. | Capex requested in 2017/18 Budget |
| | | | | | | | CE 20 | 100% Purchase and installation of the overhead tank for the PMB Airport procured by the 30th of June 2017 | Nil OHD tanker purchased. | 1 (69% & below) | Nil Capex available. | Reallocations done from 16/17 unit savings |
| | | | | | | | CE 24 | Appointment of Facilities Management Company at the PMB Airport completed by the 31st of March 2017 | Service Provider bids are in Adjudication stage | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process |
| | | | | | | | CE 25 | 100% maintenance of infrastructure by the appointed Facilities Management Company for the PMB Airport completed the 30th of June 2017 | Service Provider bids are in Adjudication stage | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process |
| TOTAL | | | | | 78 | | | | | | | |

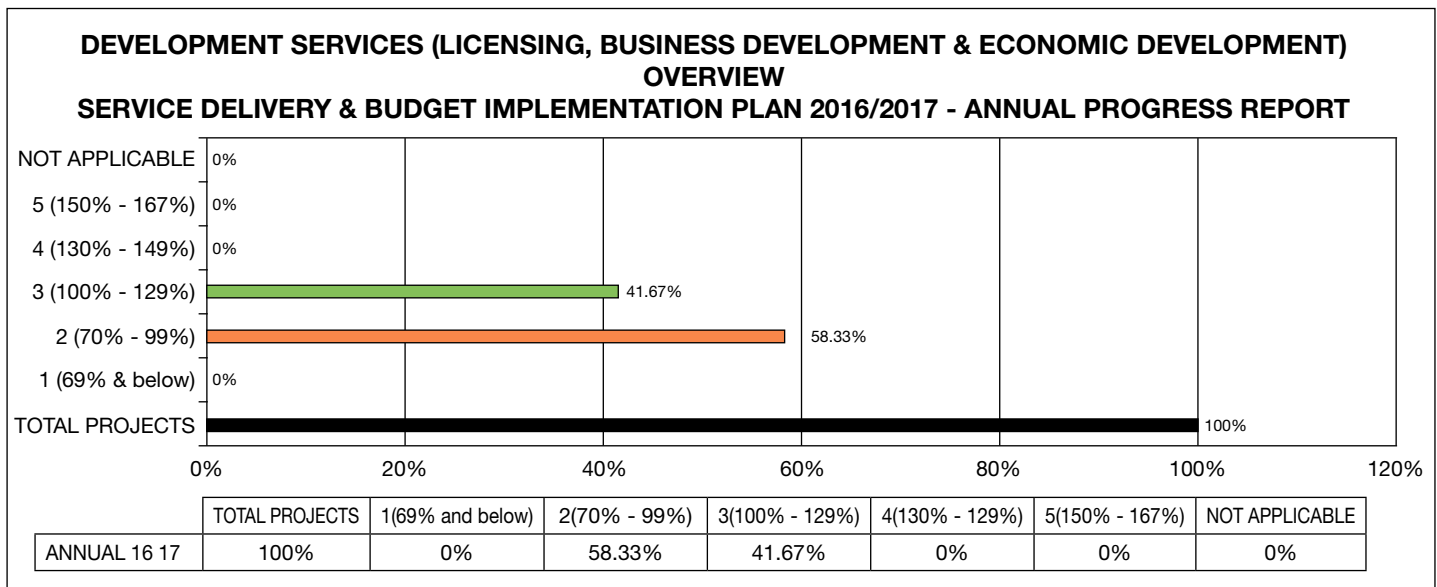
**DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) OVERVIEW

| | | |
|--------------|---------------------------|-----------|
| 1.1 | TOTAL PROJECTS: | 12 |
| 1.1.1 | OPERATING PROJECTS | 12 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES
SUB UNIT: DEVELOPMENT SERVICES (BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT)

| INDEX | IDP REFERENCE | CDS REFERENCE | SBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|----------------------------------|----------------|-------------------------------------|--|--|-----------|--|---|--|--|--|--|------------------------------------|---|--|--|--|
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | LED 05 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | LED Strategy | Implementation of LED Strategy | N/A | 1 | LED strategy reviewed and completed implementation plan submitted to SMC for approval | LED strategy reviewed and completed implementation plan submitted to SMC for approval by the 30th of June 2017 | Date LED strategy reviewed and completed implementation plan submitted to SMC for approval | LED strategy reviewed and completed implementation plan submitted to SMC for approval by the 30th of June 2017 | Draft LED strategy received on the 29th of June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion | 3 months | Draft LED strategy |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | LED 06 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business partnerships | Growth Coalition meetings | N/A | 2015 LED forum | 2 x meetings of the Pmb Growth Coalition facilitated | 2 x meetings of the Pmb Growth Coalition facilitated by the 30th of June 2017 | Number of meetings of the Pmb Growth Coalition facilitated by the 30th of June 2017 | R15,000.00 | N/A | N/A | N/A | N/A | N/A | List of Invites; Notes of 10 March Meeting; Invitation email |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | LED 07 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Training workshops for SMME and Co-ops | Training workshops for SMME and Co-ops | All wards | 8 | 8 x training workshops facilitated for SMMEs and Co-ops by the 30th of June 2017 | 8 x training workshops facilitated for SMMEs and Co-ops by the 30th of June 2017 | Number of training workshops facilitated for SMMEs and Co-ops by the 30th of June 2017 | R15,000.00 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Attendance registers |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | EDS 1 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | SMME Development | SMME strategy | All | LED strategy | SMME strategy developed and submitted to SMC | SMME strategy developed and submitted to SMC by the 30th of June 2017 | Date SMME strategy developed and submitted to SMC | R15,000.00 | N/A | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion | N/A | Draft SMME strategy |
| C | C3 | 5 - GROWING THE REGIONAL ECONOMY | EDS 2 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Cooperatives Development | Cooperatives strategy | All | LED strategy | Cooperatives strategy developed and submitted to SMC | Cooperatives strategy developed and submitted to SMC by the 30th of June 2017 | Date Cooperatives strategy developed and submitted to SMC | 200000 | N/A | N/A | Delay in initiating the project | Project timeframe has been extended to allow more time for completion | N/A | Draft Cooperatives strategy |
| C | C4 | 5 - GROWING THE REGIONAL ECONOMY | EDS 3 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Empowerment of women and the disabled | Women and Disabled economic empowerment strategy | All | LED strategy | Women and Disabled economic empowerment strategy developed and submitted to SMC | Women and Disabled economic empowerment strategy developed and submitted to SMC by the 30th of June 2017 | Date Women and Disabled economic empowerment strategy developed and submitted to SMC | 200000 | N/A | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion | N/A | Draft Women and Disabled strategy |
| C | C5 | 5 - GROWING THE REGIONAL ECONOMY | EDS 4 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Youth Empowerment | Youth economic empowerment strategy | All | LED strategy | Youth economic empowerment strategy developed and submitted to SMC | Youth economic empowerment strategy developed and submitted to SMC by the 30th of June 2017 | Date Youth economic empowerment strategy developed and submitted to SMC | 200000 | N/A | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion | N/A | Draft Youth Economic Empowerment strategy |
| C | C7 | 5 - GROWING THE REGIONAL ECONOMY | EDS 5 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business Retention and Expansion | BR&E | All | Inauguration of BR&E programme completed; Questionnaire completed; | 100% development of a programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC | 100% development of a programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 30th of June 2017 | % development of a programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC | 200000 | N/A | 2 (70% - 99%) | Training of Volunteers could not be done before the establishment of the Task Team/Steering Committee | Finalisation of programme of action for improving the business environment in the Mkhondeni Industrial area prepared and submitted to SMC by the 31st of August 2017 | N/A | Survey Questionnaires, Registers, Mkhondeni Database, Volunteer List |
| C | C8 | 5 - GROWING THE REGIONAL ECONOMY | EDS 6 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Airport development | Technology Hub | 24 | NIL | EIA for the Airport Master Plan prepared and submitted to the EDTEA for authorisation | EIA for the Airport Master Plan prepared and submitted to the EDTEA for authorisation by the 28th of February 2017 | Date EIA for the Airport Master Plan prepared and submitted to the EDTEA for authorisation | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Authorisation letter from EDTEA |
| C | C8 | 5 - GROWING THE REGIONAL ECONOMY | EDS 7 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Airport development | Technology Hub | 24 | NIL | Phase 1A of the Technology Hub prepared and submitted to SMC for approval | Phase 1A of the Technology Hub prepared and submitted to SMC for approval by the 28th of February 2017 | Date Phase 1A of the Technology Hub prepared and submitted to SMC for approval | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | SMC resolution/Phase 1A plan |

| INDEX | IDP REFER- ENCE | CDS REFER- ENCE | SBIP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|--|---------------------|---|---------------------------------------|--|------|-----------------------------|---|---|---|--|---|--|---------------------------------------|--|---|--|
| C | C9 | 5 - GROWING THE REGION- AL ECONOMY | EDS 8 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Industrial Promotion | Develop- ment of Municipal Industrial Develop- ment Strategy | ALL | LED strategy | Industrial Pro- motion strategy prepared and submitted to SMC | Industrial Promotion strategy prepared and submitted to SMC by the 30th of June 2017 | Date Industrial Promotion strategy prepared and sub- mitted to SMC | Industrial Promotion strategy prepared and submitted to SMC by the 30th of June 2017 | Project Inception Report and Inception meeting held in June 2017 | 2 (70% - 99%) | Delay in initiating the project | Project timeframe has been extended to allow more time for completion | 6 months | Inception report |
| C | C10 | 5 - GROWING THE REGION- AL ECONOMY | EDS 9 | NKPA 3- Local Eco- nomic Development | Development of Informal Economy | Formation of Informal sector rep- resentative bodies | All | Nil | 2 x Informal Sector repre- sentative bodies established | 2 x Informal Sector representative bodies established by the 30th of June 2017 | Date & Number of Informal Sector rep- resentative bodies established | 2 x Informal Sector representative bodies established by the 30th of June 2017 | 2 x Informal Sector repre- sentative bodies established by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Ratified Minutes of election meeting |
| | | | | | | | | | | | | R20 000 | N/A | N/A | N/A | N/A | N/A | N/A |

TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW

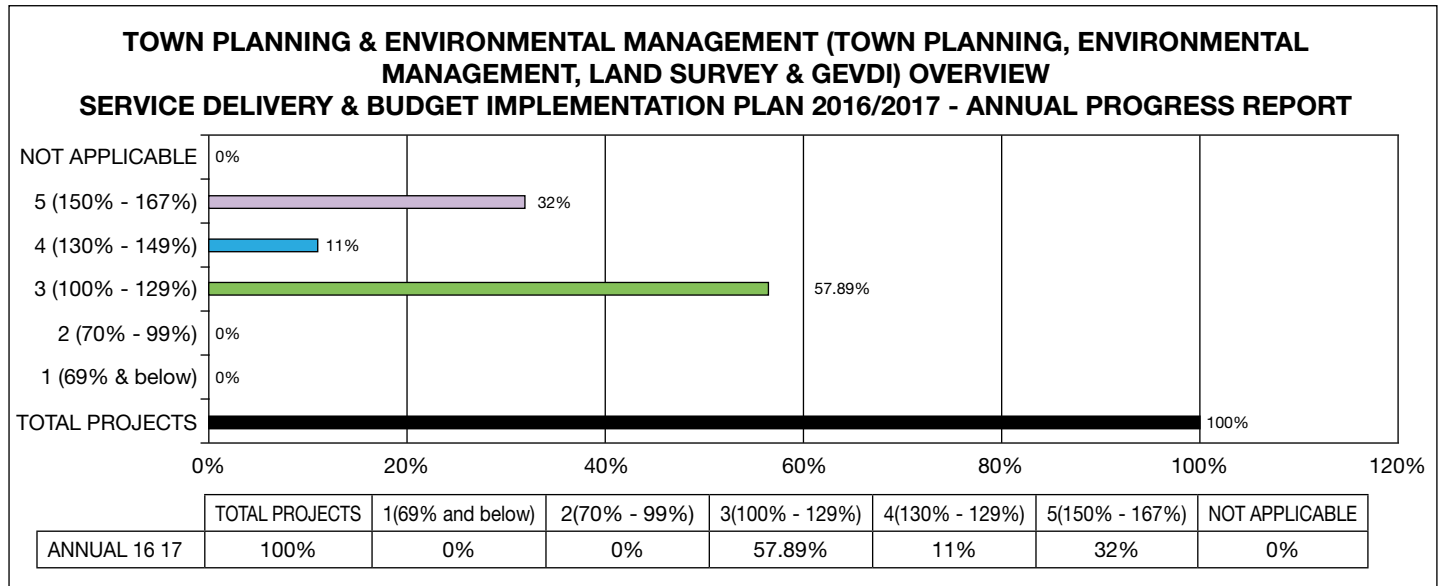
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

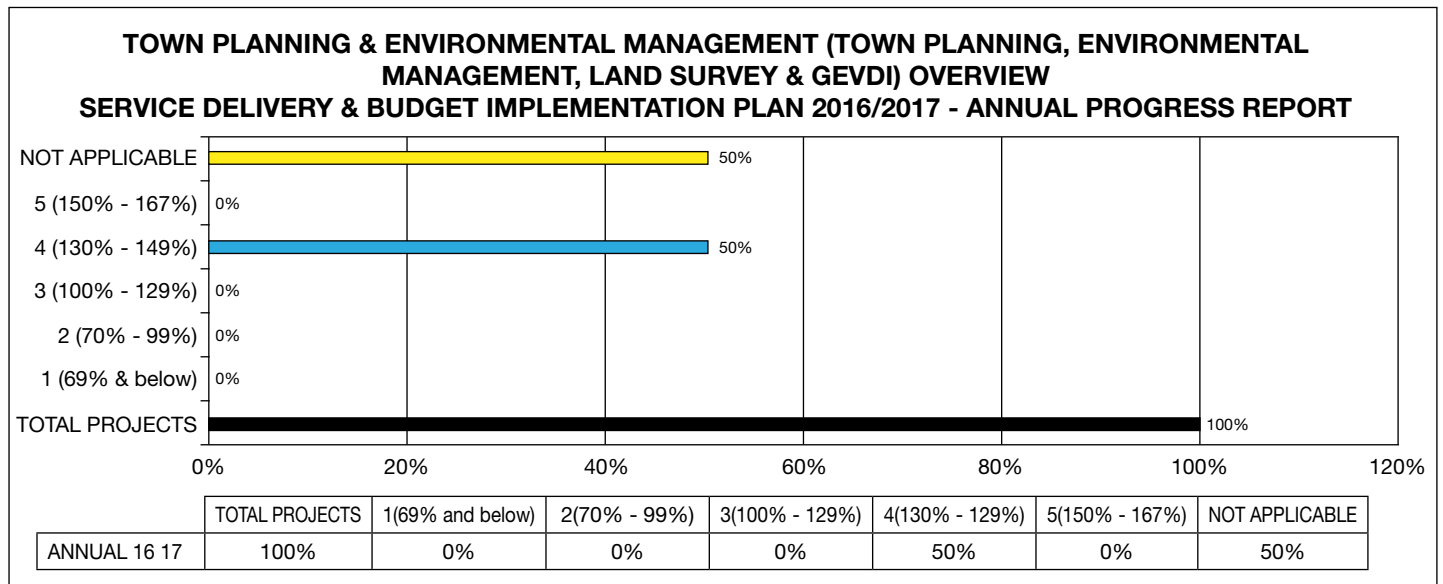
1 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 21 |
| 1.1.1 | OPERATING PROJECTS | 19 |
| 1.1.2 | CAPITAL PROJECTS | 2 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES SUB UNIT: TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI)

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|-------------------------------------|-----------------|--|--|--|---------------------------|---|---|--|--|--|--|---|----------------------|------------------------------------|--|--|
| F | F1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 01 | NKPA 6 - CROSS CUTTING | Spatial Planning and land administration | Northdale Local Area Plan | 25, 28, 29, 34, 37 and 38 | In terms of approved Municipal Planning programme | Draft Northdale Local Area Plan Report and Draft Implementation Framework prepared & submitted to SMC | Draft Northdale Local Area Plan Report and Draft Implementation Framework prepared & submitted to SMC by the 30th of June 2017 | Date Draft Northdale Local Area Plan Report submitted to SMC for approval | Draft Northdale Local Area Plan Report submitted to SMC by the 30th of June 2017 | The Draft Northdale Local Area Plan was submitted to the Municipality on 19 June 2017. It was further submitted to SMC for approval on 27 June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Draft Northdale Local Area Plan |
| F | F1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 02 | NKPA 6 - CROSS CUTTING | Pietermaritzburg Airport Precinct and Management Plan | Airport Precinct Implementation Plan | 24, 36 | Approved Airport Master Plan and SDF 2015 | Final Airport Precinct Plan submitted to SMC for approval | Final Airport Precinct Plan submitted to SMC for approval by the 28th of February 2017 | Date Final Airport Precinct Plan submitted to SMC for approval | Final Airport Precinct Plan submitted to SMC for approval by the 28th of February 2017 | Final Airport Precinct Plan submitted to SMC for approval by the 28th of February 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Final Airport Precinct Plan and SMC resolution |
| F | F1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 03 | NKPA 6 - CROSS CUTTING | LAND USE MANAGEMENT SYSTEM | REVIEW OF THE TOWN PLANNING SCHEME | ALL | Pietermaritzburg Town Planning Scheme | Final Draft Pietermaritzburg Planning Schemes reviewed and submitted to SMC for approval | Final Draft Pietermaritzburg Planning Schemes reviewed and submitted to SMC for approval by the 30th of June 2017 | Date Final Draft Pietermaritzburg Planning Schemes reviewed and submitted to SMC for approval | Final Draft Pietermaritzburg Planning Schemes reviewed and submitted to SMC for approval by the 30th of June 2017 | The First Draft Reviewed Pietermaritzburg Town Planning Scheme was submitted on 18 May 2017, and the Final Draft Town Planning Scheme was forwarded to SMC on 29 June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Draft Town Planning Scheme |
| A | A1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 07 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Provision of up-to-date and efficient equipment to ensure productivity | Replacement of obsolete land survey equipment | All | Certain land survey equipment obsolete and inefficient | Replacement of obsolete land survey equipment | Replacement of obsolete land survey equipment by the 30th of June 2017 | Date Obsolete land survey equipment replaced | Replacement of obsolete land survey equipment by the 30th of June 2017 | N/A | NOT APPLICABLE | N/A | N/A | N/A | N/A |
| A | A1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 07 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | LAND USE MANAGEMENT SYSTEM | REVIEW OF THE HOME BASED BUSINESS POLICIES | ALL | NONE | Final Draft Homebased Business Policies (Tavern Policy, Tuckshop Policy, Boarding House Policy and Bed and Breakfast Policy) Reviewed and Submitted to SMC for approval | Final Draft Homebased Business Policies (Tavern Policy, Tuckshop Policy, Boarding House Policy and Bed and Breakfast Policy) Reviewed and Submitted to SMC for approval by the 30th of June 2017 | Date Final Draft Homebased Business Policies (Tavern Policy, Tuckshop Policy, Boarding House Policy and Bed and Breakfast Policy) Reviewed and Submitted to SMC for approval | Final Draft Homebased Business Policies (Tavern Policy, Tuckshop Policy, Boarding House Policy and Bed and Breakfast Policy) Reviewed and Submitted to SMC for approval by the 30th of June 2017 | Final Draft Homebased Business Policies were approved by SMC on 10/10/16 | 5 (150% - 187%) | N/A | N/A | N/A | Draft Home Based Policies and SMC resolution |
| A | A1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 08 | NKPA 6 - CROSS CUTTING | Environmental Management Framework (EMF) | Review of the adopted Msunduzi Environmental Management Framework (EMF) is dated 2010 and requires re-running in accordance with 2010 council resolution | All | The current Environmental Management Framework (EMF) is dated 2010 and requires re-running in accordance with 2010 council resolution | 100% of all refined datasets and spatial layers as per the approved ToR submitted to Environmental Management Unit by the 30th of June 2017 | 100% of all refined datasets and spatial layers as per the approved ToR submitted to Environmental Management Unit by the 30th of June 2017 | Date Final Draft Homebased Business Policies (Tavern Policy, Tuckshop Policy, Boarding House Policy and Bed and Breakfast Policy) Reviewed and Submitted to SMC for approval | Final Draft Homebased Business Policies (Tavern Policy, Tuckshop Policy, Boarding House Policy and Bed and Breakfast Policy) Reviewed and Submitted to SMC for approval by the 30th of June 2017 | Draft datasets submitted as of 30 June 2017. | 3 (100% - 129%) | N/A | N/A | N/A | GIS datasets |
| C | C3 | Spatial Effectiveness | TP & EM 09 | NKPA F - Cross Cutting Issues | GEVDI | Imbali Tourism and Mixed Use Investment Precinct | Ward 19 | Draft NDPG Imbali Regeneration Strategy [2010] | 1 x Report prepared and submitted to SMC to endorse the Detail Manaye Precinct Upgrade and designs | 1 x Report prepared and submitted to SMC to endorse the Detail Manaye Precinct Upgrade and designs by the 30th of June 2017 | Date Report prepared and submitted to SMC to endorse the Detail Manaye Precinct Upgrade and designs | Report dated 30th June 2017 has been submitted to SMC for approval | Report dated 30th June 2017 has been submitted to SMC for approval | 3 (100% - 129%) | N/A | N/A | N/A | Report dated 30 June 2017 |

| INDEX | IDP REF-ERENCE | CDS REF-ERENCE | SDBIP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL SDBIP 2016/2017 PROGRESS REPORT | | | | SOURCE DOCUMENT |
|-------|----------------|--------------------------------------|------------------|-------------------------------|----------------|--|---------|---|---|---|--|---|----------------------|--------------------|--|--|
| | | | | | | | | | | | | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | |
| C | C3 | Financial sustain-ability | TP & EM 10 | NKPA F - Cross Cutting Issues | GEVDI | Imbali Light Industrial Hub: SMME Incubator | Ward 19 | Draft NDPG Imbali Regen-eration Strategy [2010] | 1 x Report prepared and submitted to SMC on the technical feasibility of the NDPG Imbali regeneration and the scope of work for the construction process to initiate the SCM process towards the appointment of a contractor by the 30th of June 2017 | 1 x Report prepared and submitted to SMC on the technical feasibility of the NDPG Imbali regeneration and the scope of work for the construction process to initiate the SCM process towards the appointment of a contractor by the 30th of June 2017 | Date Report prepared and submitted to SMC on the technical feasibility of the NDPG Imbali regeneration and the scope of work for the construction process to initiate the SCM process towards the appointment of a contractor by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Report dated 30 June 2017 has been submitted to SMC for approval |
| F | F1 | Improving infra-structure efficiency | TP & EM 11 | NKPA F - Cross Cutting Issues | NDPG Programme | NDPG Mt Partridge Road Upgrade [Basic Assessment Report] | Ward 22 | Edendale SEA Report and Msunduzi Environmental Framework | 1 x basic assessment report on the NDPG Mt Partridge Road Upgrade prepared and submitted to the Department of Environmental Affairs by the 31st of March 2017 | 1 x basic assessment report on the NDPG Mt Partridge Road Upgrade prepared and submitted to the Department of Environmental Affairs by the 31st of March 2017 | The Basic Assessment Report on MT Partridge Road was submitted and approved by Dept of Environmental Affairs on 09 March 2017. | N/A | N/A | N/A | N/A | N/A |
| F | F1 | Improving infra-structure efficiency | TP & EM 12 | NKPA F - Cross Cutting Issues | NDPG Programme | NDPG Mt Partridge Road Upgrade [WULA] | Ward 22 | Edendale SEA Report and Msunduzi Environmental Framework | 100% Submission of Water License Application on the NDPG Mt Partridge Road Upgrade [WULA] to relevant Water Authority by the 31st of March 2017 | 100% Submission of Water License Application on the NDPG Mt Partridge Road Upgrade [WULA] to relevant Water Authority by the 31st of March 2017 | The Water Use Application on the NDPG Mt Partridge Road Upgrade [WULA] was submitted to Dept of Water & Sanitation on 17 April 2017. | N/A | N/A | N/A | N/A | N/A |
| F | F1 | Improving infra-structure efficiency | TP & EM 13 | NKPA F - Cross Cutting Issues | NDPG Programme | NDPG Mt Partridge Road Upgrade [Construction] | Ward 22 | Letter of Approval to proceed with Construction | 1 x report on the appointment of a Contractor for the NDPG Mt Partridge Road Upgrade [Construction] prepared & submitted to the BAC | 1 x report on the appointment of a Contractor for the NDPG Mt Partridge Road Upgrade [Construction] prepared & submitted to the BAC by the 31st of March 2017. | The SCM Unit provisionally appointed Contractor for MT Partridge Road Upgrade on the 20th June 2017. | N/A | N/A | N/A | N/A | N/A |
| F | F1 | FINANCIAL SUSTAIN-ABILITY | TP & EM 14 | NKPA F - Cross Cutting Issues | NDPG Programme | Edendale Town Centre Precinct Management Plan | Ward 22 | Edendale Town Centre Concept Plan [Endorsed by NT and as per the Approved Msunduzi IDP and SDF] | 1 x report on the appointment of Consultants to produce the Edendale Town Centre Precinct Management Plan prepared and submitted to BAC | 1 x report on the appointment of Consultants to produce the Edendale Town Centre Precinct Management Plan prepared and submitted to BAC by the 30th of June 2017 | Consultant to produce the Edendale Town Centre Precinct Management Plan was sourced through Municipal Panel of Service Providers on 31 March 2017. | N/A | N/A | N/A | N/A | N/A |
| F | F1 | Improving infra-structure efficiency | TP & EM 15 | NKPA F - Cross Cutting Issues | NDPG Programme | Town Centre: Promenade 1 [Design] | Ward 22 | Letter of Approval to proceed with Design Work | 1 x report on the appointment of Consultants to undertake the Engineering Design (Town Centre: Promenade 1) work and prepare Bill of Quantities prepared and submitted to SMC | 1 x report on the appointment of Consultants to undertake the Engineering Design (Town Centre: Promenade 1) work and prepare Bill of Quantities prepared and submitted to SMC by the 30th of June 2017 | Consultants to undertake the Engineering Design (Town Centre: Promenade 1) work and prepare Bill of Quantities have been sourced through Municipal Panel of Service Providers on 20 June 2017. | N/A | N/A | N/A | N/A | N/A |
| F | F1 | Improving infra-structure efficiency | TP & EM 16 | NKPA F - Cross Cutting Issues | NDPG Programme | Town Centre: Promenade 1 [Basic Assessment Report] | Ward 22 | Edendale SEA Report and Msunduzi Environmental Framework | 100% Appointment of Environmental Consultants via the Consulting Engineer to prepare the BAR submission by the 30th of June 2017 | 100% Appointment of Environmental Consultants via the Consulting Engineer to prepare the BAR submission by the 30th of June 2017 | Appointment of Environmental Consultants via the Consulting Engineer to prepare the BAR submission was undertaken on 20 June 2017 | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REF-ERENCE | CDS REF-ERENCE | SOBIP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG-RESS - ACTUAL | ANNUAL SDBIP 2016/2017 PROGRESS REPORT | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|--------------------------------------|------------------|-------------------------------|----------------|--|---------|--|---|---|--|---|---------------------------|---|----------------------|--------------------|--|----------------------------|
| F | F1 | Improving infra-structure efficiency | TP & EM 17 | NKPA F - Cross Cutting Issues | NDPG Programme | Town Centre: Promenade 1 [WULA] | Ward 22 | Edendale SEA Report and Environmental Framework | 100% Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | 100% Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | % Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | 100% Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | 3 (100% - 129%) | Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | N/A | N/A | N/A | Copy of appointment letter |
| F | F1 | Improving infra-structure efficiency | TP & EM 18 | NKPA F - Cross Cutting Issues | NDPG Programme | Town Centre: Promenade 2 [Design] | Ward 22 | Letter of Approval from NT to proceed with Design Work | Submission of Report to BAC: On the appointment of Consultant to undertake the Engineering Design work and prepare Bill Of Quantities by 30 June 2017 | Submission of Report to BAC: On the appointment of Consultant to undertake the Engineering Design work and prepare Bill Of Quantities by 30 June 2017 | % Submission of Reports to BAC Committee: On the SCM process and appointment of Consultant | N/A | N/A | Consultants to undertake the Engineering Design Centre: Promenade 1 work and prepare Bill of Quantities have been sourced through Municipal Panel of Service Providers on 20 June 2017. | N/A | N/A | N/A | Copy of appointment letter |
| F | F1 | Improving infra-structure efficiency | TP & EM 19 | NKPA F - Cross Cutting Issues | NDPG Programme | Town Centre: Promenade 2 [Basic Assessment Report] | Ward 22 | Edendale SEA Report and Environmental Framework | 100% Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | 100% Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | % Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | 2059346 | N/A | Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | N/A | N/A | N/A | Copy of appointment letter |
| F | F1 | Improving infra-structure efficiency | TP & EM 20 | NKPA F - Cross Cutting Issues | NDPG Programme | Town Centre: Promenade 2 [WULA] | Ward 22 | Edendale SEA Report and Environmental Framework | 100% Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | 100% Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | % Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | N/A | N/A | Appointment of Environmental Consulting Engineers via the WULA submission by the 30th of June 2017 | N/A | N/A | N/A | Copy of appointment letter |
| F | F1 | Financial sustainability | TP & EM 21 | NKPA F - Cross Cutting Issues | NDPG Programme | Edendale Town Centre: Technical Assistance on Informal Settlement Relocation Strategy | Ward 22 | Edendale Town Centre Conceptual Design Report | 1 x Report prepared and submitted to the BAC for the appointment of Consultants to prepare the Informal Settlement Relocation Strategy by the 31st of March 2017 | 1 x Report prepared and submitted to the BAC for the appointment of Consultants to prepare the Informal Settlement Relocation Strategy by the 31st of March 2017 | Date Report prepared and submitted to the BAC for the appointment of Consultants to prepare the Informal Settlement Relocation Strategy | N/A | N/A | Consultant to prepare the Edendale Town Centre Informal Settlement Relocation Strategy was sourced through Municipal Panel of Service Providers on 31 March 2017. | N/A | N/A | N/A | Copy of appointment letter |
| F | F1 | Improving infra-structure efficiency | TP & EM 22 | NKPA F - Cross Cutting Issues | NDPG Programme | Edendale Town Centre: Technical Assistance on SPLUMA and Land Development Application | Ward 22 | Edendale Town Centre Conceptual Design Report | 1 x report prepared and submitted to the BAC for the appointment of Consultants to prepare the SPLUMA and Land Development Application for the Edendale town Centre by the 31st of March 2017 | 1 x report prepared and submitted to the BAC for the appointment of Consultants to prepare the SPLUMA and Land Development Application for the Edendale town Centre by the 31st of March 2017 | Date report prepared and submitted to the BAC for the appointment of Consultants to prepare the SPLUMA and Land Development Application for the Edendale town Centre | N/A | N/A | Consultant to prepare the SPLUMA and Land Development Application for the Edendale town Centre was sourced through Municipal Panel of Service Providers on 31 March 2017. | N/A | N/A | N/A | Copy of appointment letter |
| F | F1 | Improving infra-structure efficiency | TP & EM 23 | NKPA F - Cross Cutting Issues | NDPG Programme | Edendale Town Centre: Technical Assistance on Environmental Compliance [WULA and BAR submission] | Ward 22 | Edendale Town Centre Conceptual Design Report | 1 x report prepared and submitted to the BAC for the appointment of Consultants to prepare the WULA and BAR Application for the Edendale Town Centre by the 31st of March 2017 | 1 x report prepared and submitted to the BAC for the appointment of Consultants to prepare the WULA and BAR Application for the Edendale Town Centre by the 31st of March 2017 | Date report prepared and submitted to the BAC for the appointment of Consultants to prepare the WULA and BAR Application for the Edendale Town Centre | N/A | N/A | Consultants to prepare the WULA and BAR Application for the Edendale Town Centre was sourced through Municipal Panel of Service Providers on 31 March 2017. | N/A | N/A | N/A | Copy of appointment letter |

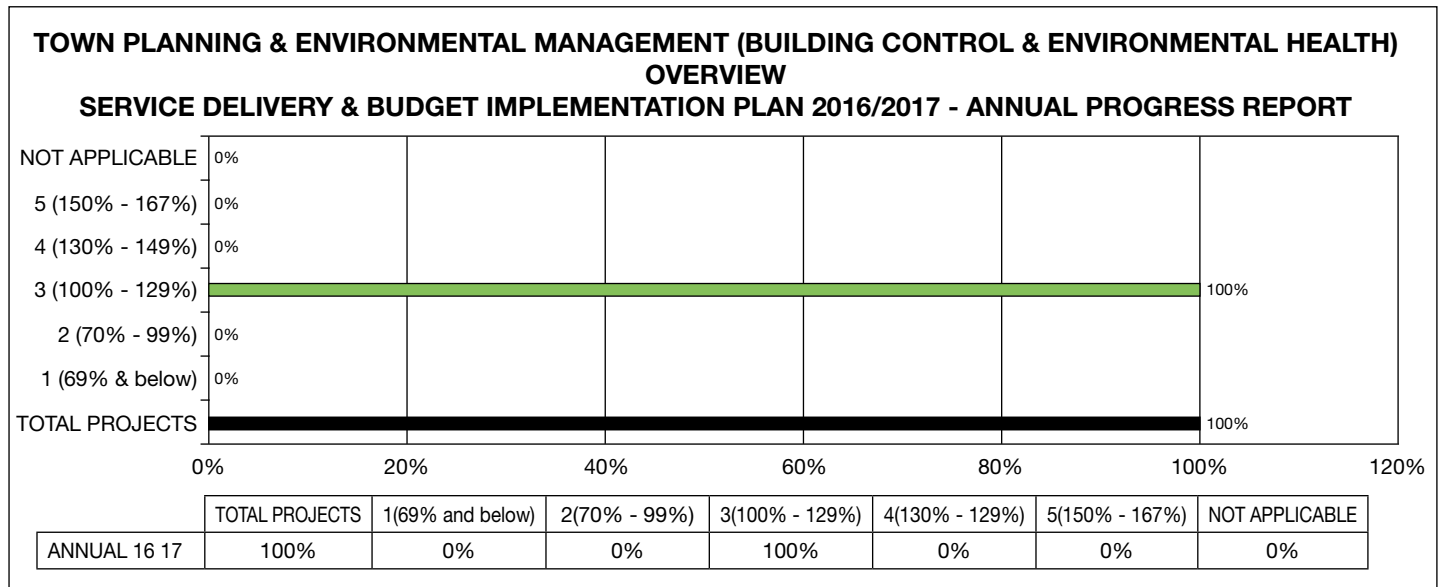
TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

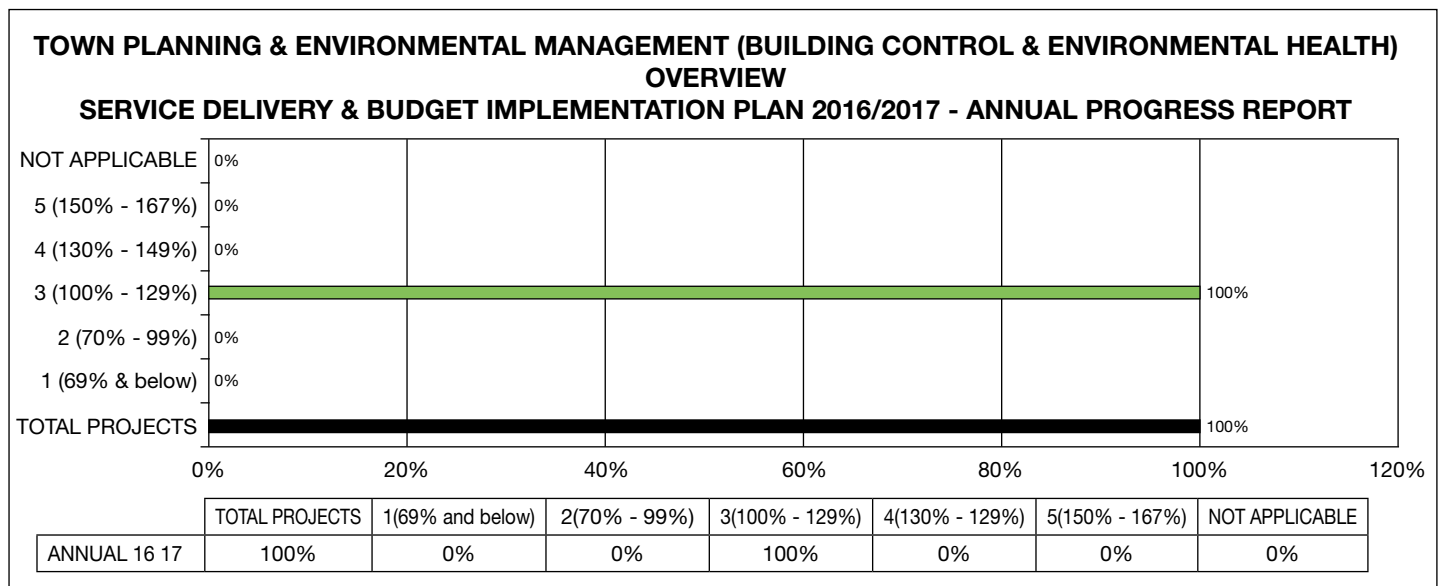
1 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 9 |
| 1.1.1 | OPERATING PROJECTS | 4 |
| 1.1.2 | CAPITAL PROJECTS | 5 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES
SUB UNIT: TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH)

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE STATUS Q4O | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBP 2016/2017 ACTUAL (1,2,3,4,5; Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|--------------------|----------------|-------------------------------|--|---|------|---|--|---|---|--|---|--|----------------------|------------------------------------|--|----------------------|
| F | F2 | 2 - BACK TO BASICS | H&SS 01 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Vector Control | All | 11 000 sites baited and/or treated for Vector Control in 2015/2016 FY | 12 000 sites baited and/or treated for Vector Control | 12 000 sites baited and/or treated for Vector Control by the 30th of June 2017 | Number of sites baited and/or treated for Vector Control | 12 000 sites baited and/or treated for Vector Control by the 30th of June 2017 | 14 263 sites baited and/or treated for Vector Control by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Vector Control file |
| F | F2 | 2 - BACK TO BASICS | H&SS 02 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Food Sampling | All | 480 Food samples and 480 Food swabs taken & analyzed in 2015/2016 FY | 480 Food samples and 480 Food swabs taken & analyzed | 480 Food samples and 480 Food swabs taken & analyzed by the 30th of June 2017 | Number of Food samples and 480 Food swabs taken & analyzed | RI58 000.00 | 510 Food samples and 510 Food swabs taken & analyzed by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Food sampling files |
| F | F2 | 2 - BACK TO BASICS | H&SS 03 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Water Quality Control | All | 1 250 water samples taken & analyzed for Water Quality Control in 2015/2016 FY | 1 800 water samples taken & analyzed for Water Quality Control | 1 800 water samples taken & analyzed for Water Quality Control by the 30th of June 2017 | Number of water samples taken & analyzed for Water Quality Control | RI25 000.00 | 2 012 water samples taken & analyzed for Water Quality Control by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Water sampling files |
| F | F2 | 2 - BACK TO BASICS | H&SS 08 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | AQM Analysers | All | NIL | 2 x AQM Analysers purchased | 2 x AQM Analysers purchased by the 31st of March 2017 | Number of AQM Analysers purchased | RI25 000.00 | 2 x AQM Analysers purchased by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Invoice |
| F | F2 | 2 - BACK TO BASICS | H&SS 09 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Sound Level Meter | All | NIL | 1 x Sound Level Meter purchased | 1 x Sound Level Meter purchased by the 31st of March 2017 | Number & Date Sound Level Meter purchased | N/A | 1 x Sound Level Meter purchased by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Invoice |
| F | F2 | 2 - BACK TO BASICS | H&SS 10 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Office Furniture | All | NIL | Office Furniture purchased | Office Furniture purchased by the 31st of March 2017 | Date Office Furniture purchased | RI100 000.00 | Office Furniture purchased by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Invoice |
| F | F2 | 2 - BACK TO BASICS | H&SS 11 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Laboratory Equipment: Chemical/ Microbiological | All | NIL | Laboratory Equipment purchased | Laboratory Equipment purchased by the 30th of April 2017 | Date Laboratory Equipment purchased | N/A | Laboratory Equipment purchased by the 30th of April 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Invoice |
| F | F2 | 2 - BACK TO BASICS | H&SS 12 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Light Delivery Vehicles (LDVs) | All | NIL | 2 x LDVs purchased | 2 x LDVs purchased by the 31st of May 2017 | Number of LDVs purchased | R300 000.00 | 2 x LDVs purchased by the 31st of May 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Invoice |
| F | F2 | 2 - BACK TO BASICS | H&SS 13 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Data Management of Air Quality Monitoring Network | All | Servicing and calibration of analysers and data management at various air pollution monitoring stations in 2016/2017 FY | 100% Implementation of the Servicing and Calibration contract for analysers and data management at various air pollution monitoring stations | 100% Implementation of the Servicing and Calibration contract for analysers and data management at various air pollution monitoring stations by the 30th of June 2017 | % Implementation of the Servicing and Calibration contract for analysers and data management at various air pollution monitoring stations | R510 000.00 | 100% Implementation of the Servicing and Calibration contract for analysers and data management at various air pollution monitoring stations by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Letter of award |

HUMAN SETTLEMENTS OVERVIEW

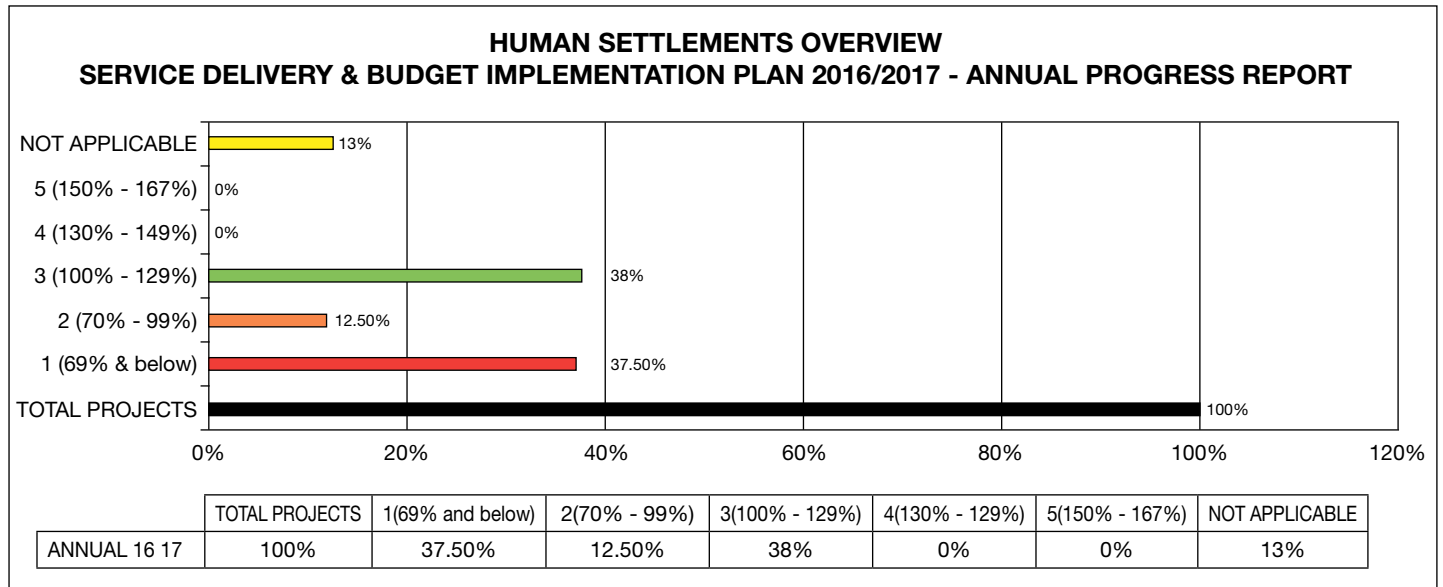
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 HUMAN SETTLEMENTS OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 10 |
| 1.1.1 | OPERATING PROJECTS | 8 |
| 1.1.2 | CAPITAL PROJECTS | 2 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES
SUB UNIT: HUMAN SETTLEMENTS

| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | SDBP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET/ OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS -ACTUAL | ANNUAL SOBP 2016/2017 ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | | |
|-------|--------------------|-----------------------|---------------------|-------------------------------------|--|--|---|--|---|---|--|---|---|--|---|-----------------------|---|--|-----------------------------------|------------------------|
| F | F3 | 2 - BACK TO BASICS | HS 01 | NKPA 6 - CROSS CUTTING | Municipal Rental Stock | Verification of Occupancy of Council Flats | 25 and 33 | 2015 Audit | 100% Implementa- tion of Legal Processes against tenants who refused verifica- tion (rental flats verified to have occupancy by the correct tenants) initiated | 100% Implementa- tion of Legal Processes against tenants who refused verification (rental flats verified to have occupancy by the correct tenants) initiated by the 30th June 2017 | % Implementation of Legal Processes against tenants who refused verification (rental flats verified to have occupancy by the correct tenants) initiated | 100% Implementa- tion of Legal Processes against tenants who refused verification (rental flats verified to have occupancy by the correct tenants) initiated by the 30th June 2017 | Following discon- tinctions, 50 tenants came forward and verified their occu- pancy. Those tenants who were found to be tampering have been referred to legal for eviction. | 3 (100% - 129%) | N/A | N/A | N/A | Tenants Verification | | |
| F | F3 | 2 - BACK TO BASICS | HS 02 | NKPA 6 - CROSS CUTTING | Municipal Rental Stock | Prepare new Leases for all tenancies | 25 and 33 | 8 | 100% Implementa- tion of Legal Processes initiat- ed for new leases prepared and signed for council rental flats | 100% Implementa- tion of Legal Processes initiated for new leases pre- pared and signed for council rental flats by the 30th of June 2017 | % Implementation of Legal Processes initiated for new leases prepared and signed for council rental flats | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Tenants Verification | | |
| F | F3 | 2 - BACK TO BASICS | HS 04 | NKPA 6 - CROSS CUTTING | Municipal Rental Stock | Valuation and Rent Determina- tion | 25 and 33 | 1 x report developed and submitted on the valuation and rent de- termination of rental stock to SMC for Council Approval | 1 x report devel- oped and submitted on the valuation and rent determination of rental stock to SMC for Council Approval by the 30th of June 2017 | Date report devel- oped and submitted on the valuation and rent determination of rental stock to SMC for Council Approval by the 30th of June 2017 | N/A | N/A | 1 x report developed and submitted on the valuation and rent determination of rental stock to SMC for Council Approval by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Report on the valuation and rent deter- mination of rental stock to SMC | | |
| F | F3 | 2 - BACK TO BASICS | HS 06 | NKPA 6 - CROSS CUTTING | Construction of Infrastructure Services | Edendale S Phase 8 Extension | 10 | Nil | 100% Manage- ment of the IA for the construction of engineering services to a value of R 18 150 000.00 | 100% Management of the IA for the construction of en- gineering services to a value of R 18 150 000.00 by the 30th of June 2017 | % Management of the IA for the construction of en- gineering services to a value of R18 150 000.00 by the 30th of June 2017 | N/A | N/A | Target Achieved - 100% Management of the IA for the construction of engineering services to a value of R18 150 000.00 by the 30 June 2017 | N/A | N/A | N/A | N/A | Payment Certificates | |
| F | F3 | 2 - BACK TO BASICS | HS 07 | NKPA 6 - CROSS CUTTING | Construction of Infrastructure Services | Jika Joe Community Residential Unit | 33 | Nil | 100% Manage- ment of the IA for the construction of engineering services to a value of R6,800,000 by the 30th of June 2017 | 100% Management of the IA for the construction of en- gineering services to a value of R6,800,000 by the 30th of June 2017 | % Management of the IA for the construction of engi- neering services to a value of R6,800,000 by the 30th of June 2017 | N/A | N/A | Target Achieved - The works to the value of R 9 823 000.00 has been constructed by 30 June 2017. | 4 (100% - 149%) | N/A | N/A | N/A | Payment Certificates | |
| F | F3 | 2 - BACK TO BASICS | HS 08 | NKPA 6 - CROSS CUTTING | Construction of Top Structures | Presidential OSS Phase 1 | 13, 14, 15, 16, 18, 20, 21, 22, 29, 31, 34 and 35 | 76 Units | 41 x new housing units constructed by the 30th of June 2017 | 41 x new housing units constructed by the 30th of June 2017 | Number of new housing units constructed | 6800000 | N/A | N/A | Target Partially Achieved - 19 houses at roof level, 6 slabs has been cast, 7 sites been cleared by the 30 June 2017 | N/A | N/A | N/A | Meeting Attendance register | |
| F | F3 | 2 - BACK TO BASICS | HS 09 | NKPA 6 - CROSS CUTTING | Construction of Top Structures | Operation Su- kuma Sakhe Phase 2 | 32 | 0 Units | 30 x new housing units constructed by the 30th of June 2017 | 30 x new housing units constructed by the 30th of June 2017 | Number of new housing units constructed | 10000000 | N/A | N/A | Target Not Achieved - 30 Slabs casted and 1 house at the roof level. | 1 (69% & below) | N/A | N/A | N/A | Progress Report |
| F | F3 | 2 - BACK TO BASICS | HS 10 | NKPA 6 - CROSS CUTTING | Planning and Construction of Interim Housing | SACCA - Mkhondeni | 37 | Nil | 100% Stage 1 Application Com- pleted for SACCA - Mkhondeni | 100% Stage 1 Ap- plication Completed for SACCA - Mkhondeni submitted to DOHS by the 30th of June 2017 | % Stage 1 Applica- tion Completed for SACCA - Mkhondeni | 18000000 | N/A | N/A | The tender to appoint an Implementing Agent to compile the Stage 1 application to the DOHS is due to be presented at the BAC on 13 July 2017. | 1 (69% & below) | N/A | N/A | N/A | Funding Application |
| | | | | | | | | | | | | 48000000 | N/A | N/A | N/A | N/A | N/A | N/A | | |

| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | SDBIP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL SDBIP 2016/2017 PROGRESS REPORT ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|-----------------------|----------------------|-------------------------------------|-----------|-------------------|------|-------------------------|--|---|--|---|-----------------------------|--|--|---|---|--------------------|
| F | F3 | 2 - BACK TO BASICS | HS 11 | NKPA 6 - CROSS CUTTING | IRDP | Ethembeni | 37 | Nil | 100% Feasibility Studies completed and Stage 1 Application Completed for Ethembeni submitted to DOHS | 100% Feasibility Studies completed and Stage 1 Application Completed for Ethembeni submitted to DOHS by the 30th of June 2017 | % Feasibility Studies completed and Stage 1 Application Completed for Ethembeni submitted to DOHS | 100% Feasibility Studies completed and Stage 1 Application Completed for Ethembeni submitted to DOHS by the 30th of June 2017 | 2000000 | 3 (100% - 129%) | N/A | N/A | N/A | Feasibility report |
| F | F3 | 2 - BACK TO BASICS | HS 12 | NKPA 6 - CROSS CUTTING | IRDP | Shenstone City | 18 | Nil | 100% Feasibility Studies completed and Stage 1 Application Completed for Shenstone City submitted to DOHS | 100% Feasibility Studies completed and Stage 1 Application Completed for Shenstone City submitted to DOHS by the 30th of June 2017 | % Feasibility Studies completed and Stage 1 Application Completed for Shenstone City submitted to DOHS | 100% Feasibility Studies completed and Stage 1 Application Completed for Shenstone City submitted to DOHS by the 30th of June 2017 | 3000000 | 1 (69% & below) | The Municipality is still sorting out social issues and land invasions within the project area | Formalisation of Township and prepare land invasion | 31-Jul-17 | None |
| | | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A |

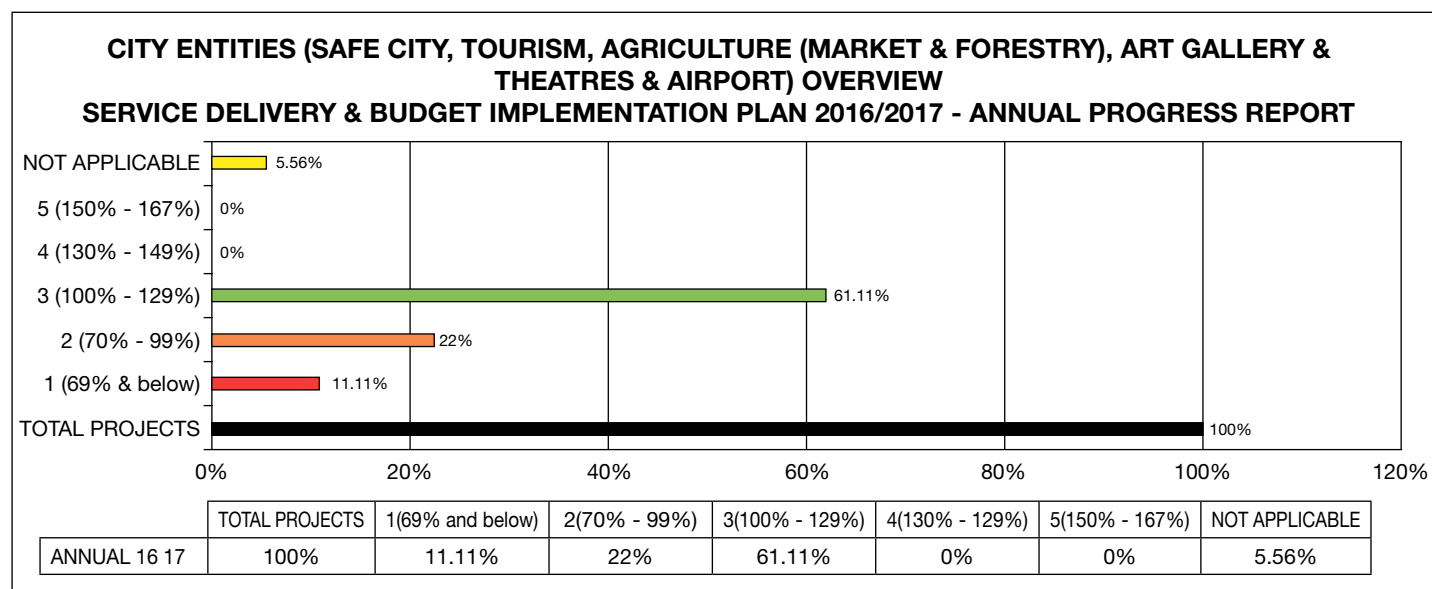
**CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2016/2017 - ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

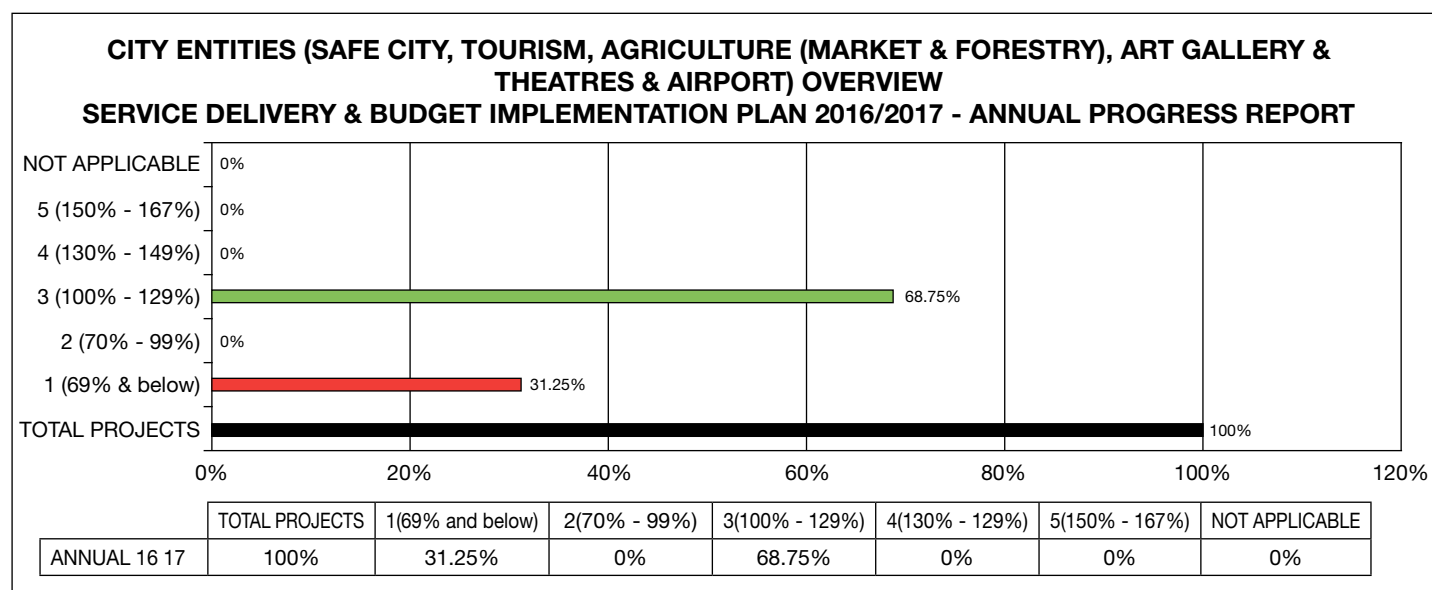
1 CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) OVERVIEW

| | |
|---------------------------------|-----------|
| 1.1 TOTAL PROJECTS: | 34 |
| 1.1.1 OPERATING PROJECTS | 18 |
| 1.1.2 CAPITAL PROJECTS | 16 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES
SUB UNIT: CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT)

| INDEX | IDP REF-ERENCE | CDS REF-ERENCE | SDBIP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1-2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|---|------------------|-------------------------------------|---|--|----------------------------|----------------------------------|--|--|---|---|--|------------------------------------|--|---|--|--|
| F | F2 | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | SC 01 | NKPA 6 - CROSS CUTTING | Crime, Bylaw and Sub Station Monitoring through CCTV Camera | 24 Hour crime watch through CCTV Cameras in areas with CCTV coverage | 27, 30, 32, 33, 35, 36, 37 | 169 CCTV Cameras installed | 169 CCTV Cameras as to be monitored 24 hours in all areas with CCTV coverage by the 30th June 2017 | 169 CCTV Cameras as to be monitored 24 hours in all areas with CCTV coverage by the 30th June 2017 | Number of CCTV Cameras monitored 24 hours in all areas with CCTV coverage | 169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2017 | 169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Safe City monthly report to GM Sustainable Growth and City Entities |
| B | B1 | 5 - GROWING THE REGIONAL ECONOMY | COM DEV 11 | NKPA 2 - BASIC SERVICE DELIVERY | Community Outreach Programme | Art Exhibitions | ALL | 24 Art Exhibitions Annually | 12 x planned Art Exhibitions held | 12 x planned Art Exhibitions held by the 30th of June 2017 | Number of planned Art Exhibitions held | 12 x planned Exhibitions held by the 30th of June 2017 | 14 x planned Exhibitions held by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Director's Annual Report to Chairman of the Iatlam Art Gallery Board |
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | LED 02 | NKPA 2 - BASIC SERVICE DELIVERY | PMB MARKET | Pallet Park | 24 | The park design and site | 100% Completed Pallet Park construction as per approved construction plan | 100% Completed Pallet Park construction as per approved construction plan by the 30th of June 2017 | % Completed Pallet Park construction as per approved construction plan | 100% Completed Pallet Park construction as per approved construction plan by the 30th of June 2017 | N/A | 1 (69% & below) | The Engineers report for the assessment of Pallet Park were above the our budget, sourced additional funding | Review the specifications and new bill of quantities issued | 6 months | Engineers report |
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | LED 03 | NKPA 2 - BASIC SERVICE DELIVERY | PMB MARKET | Erection of internal fencing | 24 | Construction of internal fencing | 100% construction of the Market internal fencing completed | 100% construction of the Market internal fencing completed by the 30th of June 2017 | % construction of the Market internal fencing completed | 100% construction of the Market internal fencing completed by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | LED 04 | NKPA 2 - BASIC SERVICE DELIVERY | Municipal wide tourism signage | Revamp of tourism signage in the municipality | ALL | Old and insufficient signs | 100% Municipal wide tourism signage revamped and installed | 100% Municipal wide tourism signage revamped and installed by the 30th of April 2017 | % Municipal wide tourism signage revamped and installed | 100% Municipal wide tourism signage revamped and installed by the 30th of April 2017 | N/A | 1 (69% & below) | Supplier did not quote according to the contract, amendments to the quotation and invoices had to be made. | Facilitate the completion and installation of the signage by 31 July 2017 | By 31 July 2017 | Amended quotation and order |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | LED 09 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | CORPORATE IMAGE & PROMOTIONS | Tourism corporate gifts | ALL | N/A | 50 x Tourism corporate gifts procured | 50 x Tourism corporate gifts procured by the 30th of June 2017 | Number of Tourism corporate gifts procured | 50 x Tourism corporate gifts procured by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | LED 10 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | TOURISM EVENTS | Participation in tourism events | ALL | N/A | Registration and participation in the tourism indaba completed | Registration and participation in the tourism indaba completed by the 31st of May 2017 | Date Registration and participation in the tourism indaba completed | Registration and participation in the tourism indaba completed by the 31st of May 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | LED 11 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | TOURISM MENTORSHIP PROGRAMME | Training and work-shops | ALL | 2 | 3 x training work-shops facilitated for existing tourism businesses | 3 x training work-shops facilitated for existing tourism businesses by the 31st of March 2017 | Number of training workshops facilitated for existing tourism businesses | 3 x training work-shops facilitated for existing tourism businesses by the 31st of March 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Attendance registers |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | LED 12 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | TOURISM MARKETING | development of tourism brochure | ALL | N/A | 100 x branding and promotional materials procured | 100 x branding and promotional materials procured by the 30th of June 2017 | Number of branding and promotional materials procured | 200 000 x tourism brochures procured, promoting and marketing msunduzi as a tourism destination designed, produced & distributed by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Promotional brochure |
| | | | | | | | | | | | | R71 088.00 | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | PERFORMANCE REPORTING - QUARTER 4 - QUARTER ENDING JUNE 2017 | | | | | SOURCE DOCUMENT | | | | |
|-------|---------------|----------------------------------|-----------------|-------------------------------------|---|---|------|---|---|---|--|--|--|------------------------------------|----------------------|--|---|--|-----|--|--|
| | | | | | | | | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1-2,3,4,5; Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | | | |
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | CE 01 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Installation of CCTV cameras at the Airport | Installation of CCTV at the airport | 24 | 20 | 44 X CCTV Cameras installed with recording and site monitoring system linked to the Safe City control room by the 30th of June 2017 | 44 X CCTV Cameras installed with recording and site monitoring system linked to the Safe City control room by the 30th of June 2017 | Number of CCTV Cameras installed with recording and site monitoring system linked to the Safe City control room by the 30th of June 2017 | R2364783 | 7 x new coldroom compressors purchased & installed at the PMB Market by 31st of April 2017 | N/A | 1 (69% & below) | It was unfunded mandate and dependent on opportunistic non-expenditure by other business units | Subject to budget availability and the project is still unfunded in current financial year. | N/A | N/A | | |
| B | B2 | 5 - GROWING THE REGIONAL ECONOMY | CE 02 | NKPA 2 - BASIC SERVICE DELIVERY | PMB MARKET | Installation of coldroom compressors | 24 | 7/49 | 7 x new coldroom compressors purchased & installed at the PMB Market by the 31st of April 2017 | 7 x new coldroom compressors purchased & installed at the PMB Market by 31st of April 2017 | Number of new coldroom compressors purchased & installed at the PMB Market by the 31st of April 2017 | 425000 | 100% procurement of Office furniture for the Tourism Hub completed by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Completion Certificate | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 03 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | TOURISM FURNITURE | Office furniture | 27 | No office furniture | 100% procurement of Office furniture for the Tourism Hub completed | % procurement of Office furniture for the Tourism Hub completed by the 30th of June 2017 | Number of Office furniture for the Tourism Hub completed by the 30th of June 2017 | 198000 | 100% procurement of Office furniture for the Tourism Hub completed by the 30th of June 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Delivery Invoice | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 04 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | BUSINESS DEVELOPMENT & BRANDING | Branding and promotional materials | ALL | N/A | 100 x branding and promotional materials procured | Number of branding and promotional materials procured by the 30th of June 2017 | Number of branding and promotional materials procured by the 30th of June 2017 | 71068 | 100% branding and promotional materials procured by the 30th of June 2017 | N/A | 3 (100% - 129%) | None | N/A | N/A | N/A | Signed SLA | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 05 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Furniture and fittings Art Gallery | Acquisition of 120 chairs, tables and tressle tables | 27 | Replacement of old and redundant furniture required | 100% replacement of old and redundant furniture to accommodate adequate seating for functions at the TAG and tables for workshops (120 chairs & 6 tressle tables) completed by the 30th of April 2017 | 100% replacement of old and redundant furniture to accommodate adequate seating for functions at the TAG and tables for workshops (120 chairs & 6 tressle tables) completed by the 30th of April 2017 | % replacement of old and redundant furniture to accommodate adequate seating for functions at the TAG and tables for workshops (120 chairs & 6 tressle tables) completed by the 30th of April 2017 | 53500 | 100% replacement of old and redundant furniture to accommodate adequate seating for functions at the TAG and tables for workshops (120 chairs & 6 tressle tables) completed by the 31st May 2017 | N/A | N/A | N/A | N/A | N/A | N/A | TAG and tables for workshops (120 chairs & 6 tressle tables) completed | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 06 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Plant and Equipment | Acquisition of Cinema projector, CCTV cameras, printer | 27 | Currently insufficient CCTV coverage. Cinema projector required for lecture theatre. Colour printer required. | 100% acquisition and installation of equipment for the administration department at the TAG (CCTV cameras, Cinema projector & Printer) completed by the 31st of May 2017 | % acquisition and installation of equipment for the administration department at the TAG (CCTV cameras, Cinema projector & Printer) completed by the 31st of May 2017 | % acquisition and installation of equipment for the administration department at the TAG (CCTV cameras, Cinema projector & Printer) completed by the 31st of May 2017 | 70000 | 100% acquisition and installation of equipment for the administration department at the TAG (CCTV cameras, Cinema projector & Printer) completed by the 31st of May 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | cameras, Cinema projector & Printer) completed |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 07 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Conservation of Ormolu Clock | Conservation of Ormolu clock including replacement of sculpted angels | 27 | Ormolu clock is not working | Repairs to Ormolu Clock effected and completed | Repairs to Ormolu Clock effected and completed by the 30th of June 2017 | Date Repairs to Ormolu Clock effected and completed | 70000 | Project Cancelled | N/A | N/A | Delays in obtaining Authority | Postponed project | N/A | N/A | Postponed | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 08 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | New machinery -Generator, | Acquisition and installation of generator | 27 | No existing generator | 1 x new Generator installed and commissioned at the TAG | 1 x new Generator installed and commissioned at the TAG by the 30th of April 2017 | Date 1 x new Generator installed and commissioned at the TAG | 500000 | 1 x new Generator installed and commissioned at the TAG by the 30th of April 2017 | N/A | N/A | N/A | N/A | N/A | N/A | Generator installation | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 09 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Infrastructure- Replacement of aircon chiller | Acquisition of new aircon chiller and installation | 27 | Replacement of 26 year old equipment | 1 x New Chiller for reliable and effective air conditioning control for art works installed and commissioned | 1 x New Chiller for reliable and effective air conditioning control for art works installed and commissioned by the 31st of May 2017 | Date 1 x New Chiller for reliable and effective air conditioning control for art works installed and commissioned by the 31st of May 2017 | 850000 | 1 x New Chiller for reliable and effective air conditioning control for art works installed and commissioned by the 31st of May 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Replacement of aircon chiller | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 10 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Infrastructure - Wide angle CCTV cameras | Acquisition and installation of wide angle CCTV cameras | 27 | Insufficient CCTV from existing cameras | 4 x new cameras for adequate CCTV coverage in display area of the TAG installed and operational | 4 x new cameras for adequate CCTV coverage in display area of the TAG installed and operational by the 31st of May 2017 | Number of new cameras for adequate CCTV coverage in display area of the TAG installed and operational by the 31st of May 2017 | 300000 | 4 x new cameras for adequate CCTV coverage in display area of the TAG installed and operational by the 31st of May 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | TAG installed and operational | |

| INDEX | IDP REFERENCE | CDS REFERENCE | SDBP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | PERFORMANCE REPORTING - QUARTER 4 - QUARTER ENDING JUNE 2017 | | | | | SOURCE DOCUMENT |
|-------|---------------|----------------------------------|----------------|-------------------------------------|---|---|------|-----------------------|---|--|--|---|------------------------------------|---|--|---|------------------------------|
| | | | | | | | | | | | | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 11 | NKPA 2 - BASIC SERVICE DELIVERY | GROUND EQUIPMENT PARKING BAY | Construction of ground parking equipment | 24 | None | 100% construction of ground parking equipment at the PMB Airport completed | 100% construction of ground parking equipment at the PMB Airport completed by the 30th of June 2017 | % construction of ground parking equipment at the PMB Airport | 100% construction of ground parking equipment at the PMB Airport completed by the 30th of June 2017 | 2 (70% - 99%) | Contractor delays | Contractor to complete by 15 July 2017 | 42931 | Invoice, Site handover |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 12 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Airport Management | Indiza Airport Management | all | None | 100% Compliance with the airport licence requirements | 100% Compliance with the airport licence requirements by the 30th of June 2017 | % Compliance with the airport licence requirements | R143 000.00 | N/A | The service was cancelled with Indiza and now the airport is managed by the municipality. | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 13 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Provision of air navigation services | Air Traffic and Navigation Services | all | None | 100% provision of Airport Navigation services at the PMB airport | 100% provision of Airport Navigation services at the PMB airport by the 30th of June 2017 | % provision of Airport Navigation services at the PMB airport | N/A | N/A | N/A | N/A | N/A | Service Contract Termination |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 14 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Provision of X-ray equipment at the airport | X-ray and Screening Equipment | all | None | 100% Provision of X-ray services for the screening of passengers and goods at the PMB airport | 100% Provision of X-ray services for the screening of passengers and goods at the PMB airport by the 30th of June 2017 | % Provision of X-ray services for the screening of passengers and goods at the PMB airport | 247000 | N/A | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 15 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Provision of airport security | Airport Security | All | None | 100% security provision at the PMB airport | 100% security provision at the PMB airport by the 30th of June 2017 | % security provision at the PMB airport | 40000 | N/A | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 16 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Roof Repairs at the airport | Roof repairs | 24 | None | 100% Airport roof repairs completed at the PMB Airport | 100% Airport roof repairs completed at the PMB Airport by the 30th of June 2017 | % Airport roof repairs completed at the PMB Airport | 250000 | N/A | Delay in obtaining completed design | N/A | To ensure procurement is completed and project is implemented | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 17 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Office construction at the airport | Office construction | 24 | None | 100% of new offices constructed at the PMB Airport | 100% of new offices constructed at the PMB Airport by the 30th of June 2017 | % of new offices constructed at the PMB Airport | 300000 | N/A | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 18 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Replacement of emergency gates at the airport | Replacement of emergency gates | 24 | No | 100% installation of emergency gate at the PMB Airport | 100% installation of emergency gate at the PMB Airport by the 30th of June 2017 | % installation of emergency gate at the PMB Airport | 150000 | N/A | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 19 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Office furniture for airport staff | Purchase of office furniture | 24 | No | 100% Office furniture for the PMB Airport staff procured | 100% Office furniture for the PMB Airport staff procured by the 30th of June 2017 | % Office furniture for the PMB Airport staff procured | 50000 | N/A | N/A | Capex requested in 2017/18 Budget | N/A | Approved 17/18 Budget |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 20 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Overhead Tank | Purchase and installation of the overhead tank | 24 | No | 100% Purchase and installation of the overhead tank for the PMB Airport | 100% Purchase and installation of the overhead tank for the PMB Airport by the 30th of June 2017 | % Purchase and installation of the overhead tank for the PMB Airport | 40000 | N/A | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 21 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Floor repairs for tower and fire station floors | Repairs for damaged floor at the tower and fire station | 24 | No | 100% Repairs to damaged floors at the tower and fire station at the PMB Airport completed | 100% Repairs to damaged floors at the tower and fire station at the PMB Airport by the 30th of June 2017 | % Repairs to damaged floors at the tower and fire station at the PMB Airport | 5000 | N/A | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 22 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Repair Non directional beacon | Scheduled monthly maintenance of beacons | 24 | No | 100% of Scheduled monthly maintenance of beacons at the PMB Airport completed | 100% of Scheduled monthly maintenance of beacons at the PMB Airport by the 30th of June 2017 | % of Scheduled monthly maintenance of beacons at the PMB Airport | 50000 | N/A | N/A | N/A | N/A | N/A |
| C | C2 | 5 - GROWING THE REGIONAL ECONOMY | CE 23 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Cleaning and Hygiene services | The cleaning of the airport ablutions | 24 | No | 100% Provision of Cleaning and Hygiene services at the PMB Airport completed | 100% Provision of Cleaning and Hygiene services at the PMB Airport by the 30th of June 2017 | % Provision of Cleaning and Hygiene services at the PMB Airport | 14000 | N/A | N/A | N/A | N/A | N/A |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | SDBP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG- RESS - ACTUAL | ACTUAL (1-2,3,4-5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|---------------------|---|--|-----------------------------|------|--------------------------|---|---|---|--|---|--|-------------------------|---------------------------------------|---|---|
| C | C2 | 5 - GROW- ING THE REGIONAL ECONOMY | CE 24 | NKPA 3 - LOCAL ECONOMIC DEVEL- OPMENT | Appoint Facilities Management Company for maintenance of infrastructure | Company appoint- ment | 24 | No | Appointment of Facilities Manage- ment Company at the PMB Airport completed | Appointment of Facilities Manage- ment Company at the PMB Airport completed by the 31st of March 2017 | Date Appointment of Facilities Man- agement Company at the PMB Airport completed | Appointment of Fa- cilities Management Company at the PMB Airport completed by the 31st of March 2017 | Service Provider bids are in Adjudi- cation stage | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process | NA | BSC Report. BEC Report. Letter of Ap- pointment. |
| C | C2 | 5 - GROW- ING THE REGIONAL ECONOMY | CE 25 | NKPA 3 - LOCAL ECONOMIC DEVEL- OPMENT | Appoint Facilities Management Company for maintenance of infrastructure | Company appoint- ment | 24 | No | 100% maintenance of infrastructure by the appointed Facilities Manage- ment Company for the PMB Airport completed | 100% main- tenance of infrastructure by the appointed Facilities Manage- ment Company for the PMB Airport completed the 30th of June 2017 | % maintenance of infrastructure by the appointed Facilities Management Com- pany for the PMB Airport completed | N/A | N/A | 2 (70% - 99%) | SCM Process delayed | Depends on Adjudication process | NA | BSC Report. BEC Report. Letter of Ap- pointment. |
| | | | | | | | | | | | | 200000 | N/A | N/A | N/A | N/A | N/A | N/A |

ANNEXURE 2

ANNUAL PROGRESS REPORT - OPERATIONAL PLAN 2016/2017 FY

ANNEXURE A

OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT - ORGANISATIONAL OVERVIEW

OPERATIONAL PLAN ORGANISATIONAL OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

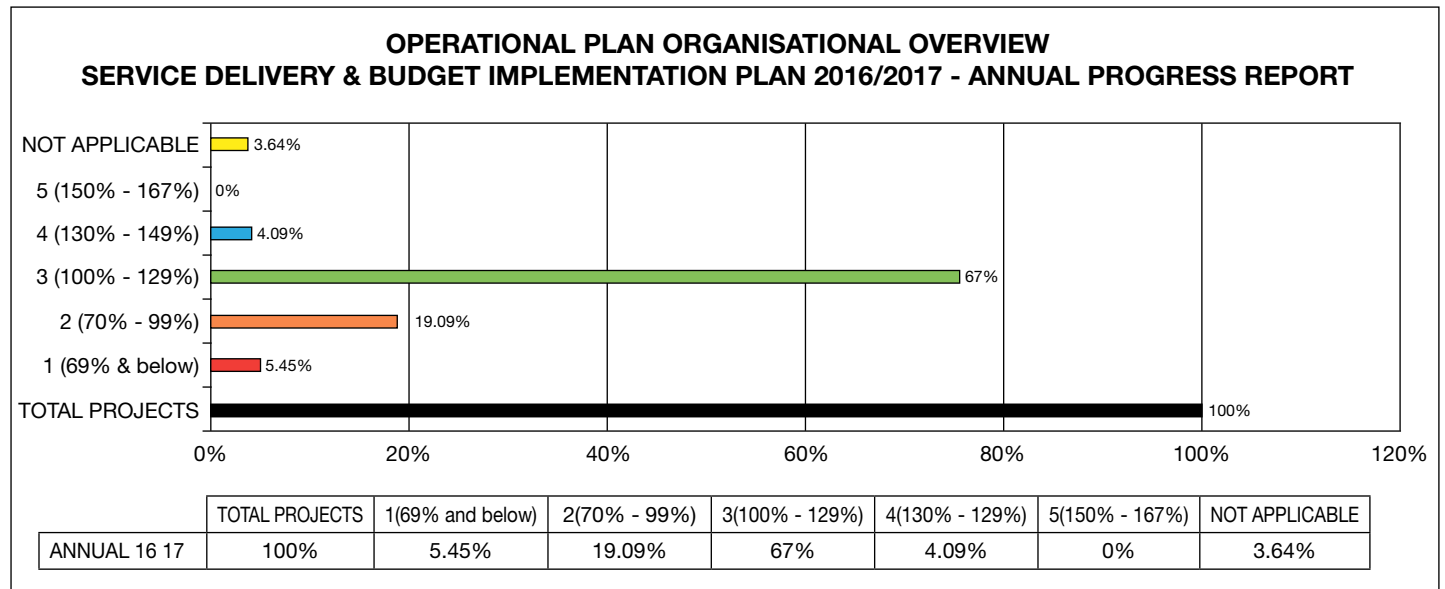
| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

OPERATIONAL PLAN ORGANISATIONAL OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

1 OPERATIONAL PLAN ORGANISATIONAL OVERVIEW

| | | |
|-------|--------------------|-----|
| 1.1 | TOTAL PROJECTS: | 220 |
| 1.1.1 | OPERATING PROJECTS | 220 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- 1.2.1 A total of 220 Operating Projects were reported on the Operational Plan ANNUAL 2016/2017 FY PROGRESS REPORT
- 1.2.2 5.45% of the projects were reported as having achieved a 1 on the Operational Plan for ANNUAL 2016/2017 FY PROGRESS REPORT
- 1.2.3 19.09% of the projects were reported as having achieved a 2 on the Operational Plan ANNUAL 2016/2017 FY PROGRESS REPORT
- 1.2.4 67% of the projects were reported as having achieved a 3 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT
- 1.2.5 4.09% of the projects were reported as having achieved a 4 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT
- 1.2.6 0% of the projects were reported as having achieved a 5 on the Operational Plan for the ANNUAL 2016/2017 FY PROGRESS REPORT
- 1.2.7 3.64% of the projects were reported as not applicable due to not having any targets on the Operational Plan ANNUAL 2016/2017 FY

OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR

ORGANISATIONAL OVERVIEW NARRATIVE

OPERATIONAL PLAN 2016/2017 FY - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|----------------------------|---|---------------------------|-------------------------|-----------------------|---|--------------|--|--|------------------------------------|--|--|
| 1 | OFFICE OF THE CITY MANAGER | INTERNAL AUDIT | 13 | 0 | 13 | 1 | IA 02 | Completion of internal audit assignments as per approved Annual Audit Plan 2016/2017 by the 30th of June 2017 | Work performed this month is as follows: 1. Skills Development (management of training and development)- Administration and planning documents have been completed. System description, risk and control matrix and audit program completed. Fieldwork is currently in progress. 2 Accounts Payables and SCM- The audit is in progress. Data Analytics testing has been completed and close- out meeting held with the Internal Audit team to go through the report. IT testing is still in progress looking at the system design, access parameters and profiles, etc. 3 Expenditure- Trade Payables Special Runs for Quarter 2- The audit has started and is in progress. The sample population will include all payments and not only be limited to Special Payments. 4 Business Licensing- Completed and preparing report for SMC submission. 5. ACR on Real Estate and Valuation System- Reviewed the draft report for amendment by the consultants. Reviewed the audit file for completeness. | 2 (70% - 99%) | Some assignments could not be completed timeously due to expiry of the contract with service providers. A new contract has since been entered into. | A revised plan was submitted and approved by the Audit Committee. |
| | | STRATEGIC PLANNING (INTEGRATED DEVELOPMENT PLAN) | 7 | 0 | 7 | 1 | IDP04 | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2017 | 2 x IDP Representatives forum meetings facilitated by the 30th of June 2017 | 2 (70% - 99%) | chairperson postpone the meeting twice | To brief the chairperson regularly and send continuous communication to stakeholders |
| | | ORGANIZATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT | 15 | 0 | 15 | 1 | PMS 15 | 36 x individual performance assessments of all managers up to level 3 conducted on a quarterly basis (Q3 assessments for the 16/17 financial year) | 5 x individual performance assessments of GMs conducted for the 15/16 FY. MM assessment still outstanding | 1 (69% & below) | The assessments were held up by the Local Government Elections due to the unavailability of the MM, GMs & the Evaluation Assessment panel members. Then there was the change of political leadership whereby a new Mayor was sworn in. The audit committee chairperson resigned. The MM was also suspended during this time. | A new evaluation assessment panel report was developed and approved by Council in January 2017. |
| TOTAL | | | | | 48 | 3 | | | | | | |
| | | EXPENDITURE MANAGEMENT | 3 | 0 | 3 | 2 | EXP 02 | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared submitted to SMC by the 30th of June 2017 | 11 x monthly reports on Fruitless and Wasteful Expenditure prepared submitted to SMC by the 30th of June 2017 | 2 (70% - 99%) | Awaiting year end closure of June 2017 | Will be done immediately as soon as June has been officially closed and final balances are available |
| | | | | | | | EXP 03 | 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 2017 | 90% of all creditors are paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2017 | 2 (70% - 99%) | Awaiting year end closure of June 2017 | Will be done immediately as soon as June has been officially closed and final balances are available |
| | | REVENUE MANAGEMENT | 9 | 0 | 9 | 1 | REV 05 | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 84% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 2 (70% - 99%) | Number of faulty Meters not yet replaced and shortage of vehicles contribute to our failure to meet the target | Installation of electronic meters and water pre-paid meters |
| | | mSCOA | 3 | 0 | 3 | 3 | B & T 11 | 4 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the Implementation of mSCOA by the 15th of April 2017 | 3 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the Implementation of mSCOA by the 15th of April 2017, 1 report completed and submitted after the 15th of April 2017 | 2 (70% - 99%) | Report was not prepared on time reason being emphasis was on submission of original budget for 2018 into NT portal | Report has since been prepared |
| | | | | | | | B & T 12 | 9 x Monthly Reports on the Implementation of mSCOA. Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2017 | Budget to be done on SAP Budget Module | 1 (69% & below) | Non availability of the budget module from SAP caused the delay in making the information available | Currently 2017/18 is already loaded into SAP in version 5.4 the same shall be converted into version 6.1 and submitted to National Treasury |
| | | MSCOA 01 | | | | | | 100 X Council Staff training facilitated on mSCOA either through accredited or non-accredited training done through National Treasury by the 30th of June 2017 | Service is readily available to undertake training challenge of the venue is being addressed it is anticipated that training shall start full swing in July | 2 (70% - 99%) | addressing technical challenges with the service provider thereby ensuring that training venue is appropriate and conducive for training | training material and computers are being organised to ensure the smooth running of training hence the delay in commencing with the training |
| TOTAL | | | | | 44 | 6 | | | | | | |

Msunduzi Annual Report

2016/2017

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|--------------|--------------------------|--------------------------------------|---------------------------|-------------------------|-----------------------|---|--------------|---|--|------------------------------------|---|---|
| 3 | INFRA-STRUCTURE SERVICES | PROJECT MANAGEMENT OFFICE | 6 | 0 | 6 | 1 | PMU 02 | 24 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of June 2017 | 17 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of April 2017 | 2 (70% - 99%) | No progress in most sites for the first three months of financial year, due to non payment of the Service providers | Invoices must be sent to PMO for processing, and the Project Champions have to start attending the Meetings |
| TOTAL | | | | | 6 | 1 | | | | | | |
| 4 | CORPORATE SERVICES | LEGAL SERVICES | 7 | 0 | 7 | 3 | LGLO2 | 1 X specified bylaws (wayleaves) submitted to SMC for authority to invite comments by the 31st of May 2017 | Further input on the policy is being awaited from the various technical departments. Draft framework bylaws completed. | 2 (70% - 99%) | Further input on the policy is being awaited from the various technical departments. | Technical Departments to provide technical inputs to finalise policy. |
| | | | | | | | LGLO4 | 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 2017 | Not all legal input provided into contracts within the required time periods. | 2 (70% - 99%) | Two of the four professional staff were absent from work for extensive periods during quarter 2 due to medical reasons resulting in capacity constraints. | Improve work planning and prioritization. |
| | | | | | | | LGLO5 | 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 2017 | Not all comments legal advice provided within 7 working days of receipt of the request/notification by Legal Services by the 30th of June 2017 | 2 (70% - 99%) | Two of the four professional staff were absent from work for extensive periods during quarter 2 due to medical reasons resulting in capacity constraints. | Improve work planning and prioritization. |
| | | INFORMATION COMMUNICATION TECHNOLOGY | 6 | 0 | 6 | 1 | ICT 07 | 5 x CT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Service Desk and Incident Management Policy) updated & submitted to SMC for onward submission to Council by the 31st of October 2016 | Changes were made to the policies to conform with the current standard format and submitted to the OD unit. | 2 (70% - 99%) | OD to approve the policies. | OD to approve the policies. |
| | | SECRETARIAT & AUXILIARY SERVICES | 6 | 0 | 6 | 3 | SG 04 | 1 x Folding Machine procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A |
| | | | | | | | SG 05 | 1 x Compressor procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A |
| | | | | | | | SG 06 | 1 x Trolley procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A |
| | | HUMAN RESOURCES | 9 | 0 | 9 | 3 | HR 02 | 60 x Councillors trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 27 Councillors were trained in line with the 2016/17 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2.Training implementation was suspended due to non-availability of Cllrs as they are engaged on the bi – elections campaigns. 3. Poor attendance of Councillors at the 2 programmes implemented. | Get buy-in and support from Speakers Office. |
| | | | | | | | HR 03 | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2.Delays in the turnaround time of approval from MM's Office and SCM to the appoint training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. | Review Appointment Process and work closer with Supply Chain Unit |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|--------------|---|---|---------------------------|-------------------------|-----------------------|---|--------------|--|--|------------------------------------|---|--|
| 4 | CORPORATE SERVICES | HUMAN RESOURCES | | | | | HR 06 | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2.Delays in the turnaround time of approval from MM's Office and SCM to the appoint training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. | Review Appointment Process and work closer with Supply Chain Unit |
| TOTAL | | | | | 28 | 10 | | | | | | |
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) | 22 | 0 | 22 | 1 | TP & EM 36 | 100% coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot) on the Formalization process of Ambleton/Shenston by the 30th of June 2017 | Social facilitators have been appointed | 2 (70% - 99%) | This item is handled by Human Settlements. Human Settlements stopped the process of Public Notification | This item must be under Human Settlements. Written MEMO of taking out this item from LMO |
| | | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) | 15 | 0 | 15 | 4 | IP&S 09 | After approval of new process, 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2017 | New approval process not approved, so no applications approved. | 1 (69% & below) | New approval process not yet approved | Report approved by SMC 14 June 2017, recommended to SD&CE Portfolio Committee (August 2017). |
| | | | | | | | IP&S 10 | Appointment of Signage Management Company to manage all Outdoor Advertising Signage by 31 March 2017. | Signage Management Company not appointed. | 1 (69% & below) | Signage Management Company not yet appointed due to faulty SCM process. | In SCM process. To next meeting of BEC. |
| | | | | | | | IP&S 11 | Appointment of Clean-up Co-operatives/ Companies to deal with all illegal signage by 31 March 2017. | Signage Clean-Up co-operative/s not yet appointed. | 1 (69% & below) | Clean-up co-operatives not yet appointed due to faulty SCM process. | In SCM process. BAC to approve cancellation and re-advertisement of contract. |
| | | | | | | | IP&S 12 | Submission of 3 x monthly reports to SMC on the removal of all illegal advertising signage on Council property, detailing results of the clean-up, following the appointment of Clean-up Co-operatives/ Companies by the 30th of June 2017 | No monthly reports submitted due to non-appointment of Clean-Up co-operative/s. | 1 (69% & below) | Clean-up co-operatives not yet appointed due to faulty SCM process. | BAC to approve re-advertisement of tender. Clean-up co-operatives expected to be appointed in October 2017. |
| | | HUMAN SETTLEMENTS | 34 | 0 | 34 | 20 | HS 13 | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | WULA not prepared. The Tripartite Agreement Contract has been submitted to Municipality for signing by the City Manager but it has been deferred back for discussion between DoHS and Municipal Manager. It should be noted that the Environmental Authorisation (RoD) for this project is in place. Once the IA will commence with Detailed Planning for the project. | 1 (69% & below) | The delays in the renewal of contract of which and Municipality does not have control has over contracting process. | To fast track signing of Tripartite agreement contract |
| | | | | | | | HS 14 | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | WULA not prepared. The Tripartite Agreement Contract has now been signed by all parties. The IA has started packaging Water Use License Application for the project which will be submitted to the Department of Water and Sanitation for approval. | 2 (70% - 99%) | The delays in the renewal of contract of which the Municipality does not have control has over contracting process. The IA has not appointed the service provider to prepare the WULA application because the Tripartite agreement was signed on the only signed towards the end of May 2017 by the HoD. Municipality has No control over contracting process. | The IA has submitted quotation for WULA and is now in a process to appoint an Environmentalist to prepare the WULA application |
| | | | | | | | HS 16 | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | The Tripartite Agreement Contract is with the Municipality once the contract has been signed. The Service provider will be able to submit all work undertaken | 1 (69% & below) | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement |
| | | | | | | | HS 17 | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | The Tripartite Agreement Contract is with the Municipality once the contract has been signed. The Service provider will be able to submit all work undertaken. | 1 (69% & below) | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement |
| | | | | | | | HS 18 | Implementing Agent for Glenwood South East Sector IRDP housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. The report was deferred back to SCM for amendments. | 2 (70% - 99%) | The report was differed to SCM for amendments. | Amendments to be incorporated by SCM by 31 July 2017. |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|---|-------------------|---------------------------|-------------------------|-----------------------|---|--------------|--|--|------------------------------------|--|---|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | HUMAN SETTLEMENTS | | | | | HS 19 | 2 x properties acquired for housing construction by the 30th of June 2017 | The target has not achieved due to budget constraints at GEVDI office. Since the land has not yet been acquired by the Municipality the DoHS emphasised that they will not provide funding for the project until the land has been acquired and transferred to the Municipality. | 1 (69% & below) | Lack of funding for Land acquisition | GEVDI to fast-track the land acquisition process |
| | | | | | | | HS 20 | Stage 2 application for Signal Hill prepared and submitted to DoHS by the 30th of June 2017 | The Report was presented to the BAC committee and was approve subject to amendments. | 2 (70% - 99%) | The report has been referred back for amendments. | The BAC Report will be presented on the 30th of June 2017 to address comments that were made. |
| | | | | | | | HS 22 | Implementing Agent for Harewood housing appointed by the 30th of June 2017 | The Bid Evaluation report was presented on the 7 June 2017 and was approved by the Bid Evaluation committee (BEC). The recommendation of the BEC will be presented in the next meeting of the Bid Adjudication Committee (BAC). | 2 (70% - 99%) | Supply Chain is Evaluation of the Tender documents took very long time to be completed due to many tender documents received. | To present to the Bid evaluation committee |
| | | | | | | | HS 23 | Implementing Agent for Caluza, Smero and Bhobhonono housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | 2 (70% - 99%) | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. |
| | | | | | | | HS 24 | Implementing Agent Snathing Phase 1 housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | 2 (70% - 99%) | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. |
| | | | | | | | HS 25 | 100% Land Acquisition in wards 16,21 & 22 for housing projects completed by the 30th of June 2017 | Various portions of land have been acquired by GEVDI for this project. However, it has not been concluded. | 2 (70% - 99%) | There are various properties to be acquired through expropriation. This process is lengthy | Speed up the process and engage legal reps to finalise expro and friendly saes. |
| | | | | | | | HS 26 | 73 x new housing units completed for Willowfontan EE Phase 1 by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. access to site and there is heavy boulders cannot use manual labour to remove | Fastracking of Appointment process. Use TLB to digg and get material on site. |
| | | | | | | | HS 27 | Completion of 60 Units and Renovation of 50 Units. | 24 units have been completed. 8 Units are at roof level and 12 units are at wall-plate level. 20 units have been handed over. Building plans have been approved and began. Renovation to one double storey and one single unit completed. Temporary camp 50 units completed. The IA has submitted a BOQ for renovations to DoHS and still waiting for an approval from consultant BMK, last approval was on 16 December 2016. The IA has requested to demolish further structures from DoHS. | 2 (70% - 99%) | The demolition approvals for beneficiaries have not been concluded. Slow pace of Implementing Agent. Where there is approval for demolitions beneficiaries refuse to move to none electrified transit camps. | The approval of the demolitions. The approval of the BOQ for renovations by BMK. More sub-contractures have been employed on site. Get electricity for transit camp |
| | | | | | | | HS30 | 60 x new hosing units constructed in ward 10 (Edendae Unit s Phase 8 Ext.) by the 30th of June 2017 | 8 Units have been completed and handed, 10 units are at roof level. 20 units are at wall plate level. 11 slabs have been cast. | 2 (70% - 99%) | Slow progress by the Implementing Agent. The meeting was held with the IA to instruct them to increase the resources and speed up the process. | Implementing Agent to increase resources to speed up the project. |
| | | | | | | | HS31 | 16 x temporary housing units completed in ward 32 (Happy Valley Housing project) by the 30th of June 2017. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS32 | 20 x temporary housing units completed in ward 32 (Site 11 Housing project) by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS33 | 25 x temporary housing units completed in ward 38 (Thamboville Housing project) by the 30th of June 2017s. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS34 | 20 x temporary housing units completed in ward 38 (Glenwood Q-Section Housing project) by the 30th of June 2017. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS35 | 25 x temporary housing units completed in ward 38 (Thembalihle Housing project) by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS36 | 1 x Project Close-out report for NUSP Phase 2B prepared and submitted to SMC by the 30th of June 2017 | The Close-out report for for NUSP Phase 2B was prepared but not submitted. | 2 (70% - 99%) | The report was not submitted as it is in a draft format as the final close-out report is awaited from the Service Provider who has not been able to finalise the report. | Put pressure on the Service Provider to finalise the report to the Municipality so as to finalise the close-out report and submit to SMC. |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|---|---|---------------------------|-------------------------|-----------------------|---|--------------|--|---|------------------------------------|---|---|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | 23 | 0 | 23 | 12 | CE 26 | 100 % Establishment of the Pmb Airport as a Municipal Entity by the 30th of June 2017 | Advert to establish a board was done and resume received and report written to SMC for finality | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 27 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 28th of February 2017 | Advert to establish a board was done and resume received and report written to SMC for finality | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 28 | 100% Fully functional Market (Market manager appointed) by the 31st of December 2017 | Interviews have been conducted for Market manager . | 2 (70% - 99%) | Finalisation of the process and appointment | Finalisation of a process and Priority post budget allocation. |
| | | | | | | | CE 29 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 30th of June 2017 | THE ADVERT FOR THE BOARD WAS DONE AND THE RESPONSES WERE RECEIVED AND EVALUATED, THE RECOMMENDED CANDIDATE WERE FORWARDED TO SMC FOR CONSIDERATION AND WE ARE WAITING FOR DECISION. | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 30 | 100% Fully functional Forestry entity (Board appointed and CEO appointed) by the 30th of June 2017 | The advert for the board was done and the responses were received and evaluated, the recommended candidate were forwarded to smc for consideration and we are waiting for decision. | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 31 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO by the 30th of June 2017 | The advert for the board was done and the responses were received and evaluated, the recommended candidate were forwarded to smc for consideration and we are waiting for decision. | 2 (70% - 99%) | SMC has not taken decision on Entity board members and only the board will be eligible to appoint CEO | Subject to the Council |
| | | | | | | | CE 35 | Service Level Agreements with Winstill Churchill reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |
| | | | | | | | CE 36 | Trust Deed of the Tatham Art Gallery reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |
| | | | | | | | CE 39 | 4 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 2 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 1 (69% & below) | Delays in commencing with the process of assessments | To ensure in future that planned targets are met |
| | | | | | | | CE 41 | Business Plan for Winstill Churchill reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |
| | | | | | | | CE 42 | Business Plan for reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |
| | | | | | | | CE 44 | 100% Review the partnership between the Province, the District and the Municipality in managing theatre completed by the 31st of May 2017 | Report submitted to GM : SD & CE | 1 (69% & below) | Report returned by GM. | Met with DoAC regarding plan. Province to re-appoint Board first. |
| TOTAL | | | | | 94 | | | | | | | |

ANNEXURE B

OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT - OFFICE OF THE CITY MANAGER

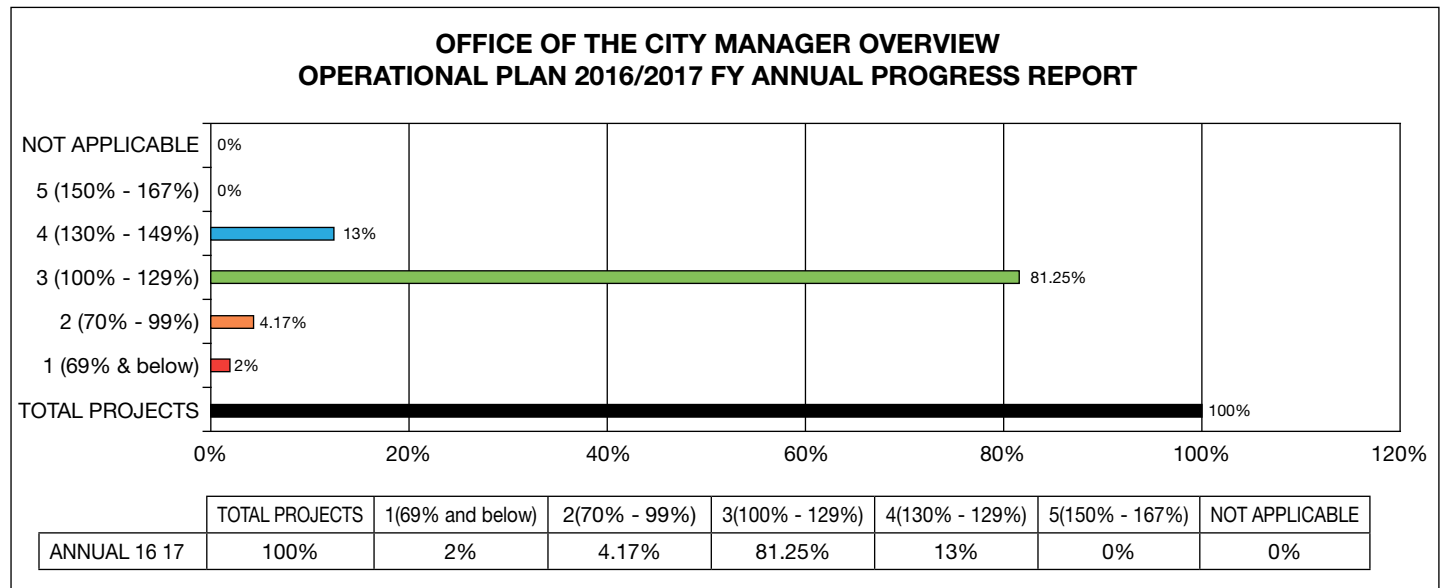
OFFICE OF THE CITY MANAGER OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 OFFICE OF THE CITY MANAGER OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 48 |
| 1.1.1 | OPERATING PROJECTS | 48 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR OFFICE OF THE CITY MANAGER OVERVIEW NARRATIVE OPERATIONAL PLAN 2016/2017 FY - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PATIALLY MET | OP REFER-ENCE | ANNUAL- PRO-JECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|----------------------------|---|---------------------------|-------------------------|-----------------------|--|---------------|--|--|------------------------------------|---|---|
| 1 | OFFICE OF THE CITY MANAGER | INTERNAL AUDIT | 13 | 0 | 13 | 1 | IA 02 | Completion of internal audit assignments as per approved Annual Audit Plan 2016/2017 by the 30th of June 2017 | Work performed this month is as follows: 1. Skills Development (management of training and development)- Administration and planning documents have been completed. System description, risk and control matrix and audit program completed. Fieldwork is currently in progress. 2 Accounts Payables and SCM- The audit is in progress. Data Analytics testing has been completed and close- out meeting held with the Internal Audit team to go through the report. IT testing is still in progress looking at the system design, access parameters and profiles, etc. 3 Expenditure- Trade Payables Special Runs for Quarter 2- The audit has started and is in progress. The sample population will include all payments and not only be limited to Special Payments. 4 Business Licensing- Completed and preparing report for SMC submission. 5. ACR on Real Estate and Valuation System- Reviewed the draft report for amendment by the consultants. Reviewed the audit file for completeness. | 2 (70% - 99%) | Some assignments could not be completed timeously due to expiry of the contract with service providers. A new contract has since been entered into. | A revised plan was submitted and approved by the Audit Committee. |
| | | STRATEGIC PLANNING (INTEGRATED DEVELOPMENT PLAN) | 7 | 0 | 7 | 1 | IDP04 | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2017 | 2 x IDP Representatives forum meetings facilitated by the 30th of June 2017 | 2 (70% - 99%) | chairperson postpone the meeting twice | To brief the chairperson regularly and send continuiuos communication to stakeholders |
| | | ORGANIZATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT | 15 | 0 | 15 | 1 | PMS 15 | 36 x individual performance assessments of all managers up to level 3 conducted on a quarterly basis (Q3 assessments for the 16/17 financial year) | 5 x individual performance assessments of GMs conducted for the 15/16 FY. MM assessment still outstanding | 1 (69% & below) | The assessments were held up by the Local Government Elections due to the unavailability of the MM, GMs & the Evaluation Assessment panel members. Then there was the change of policitcal leadership whereby a new Mayor was sworn in. The audit committee chairperson resigned. The MM was also suspended during this time. | A new evaluation assessment panel report was developed and approved by Council in January 2017. |
| TOTAL | | | | | 48 | 3 | | | | | | |

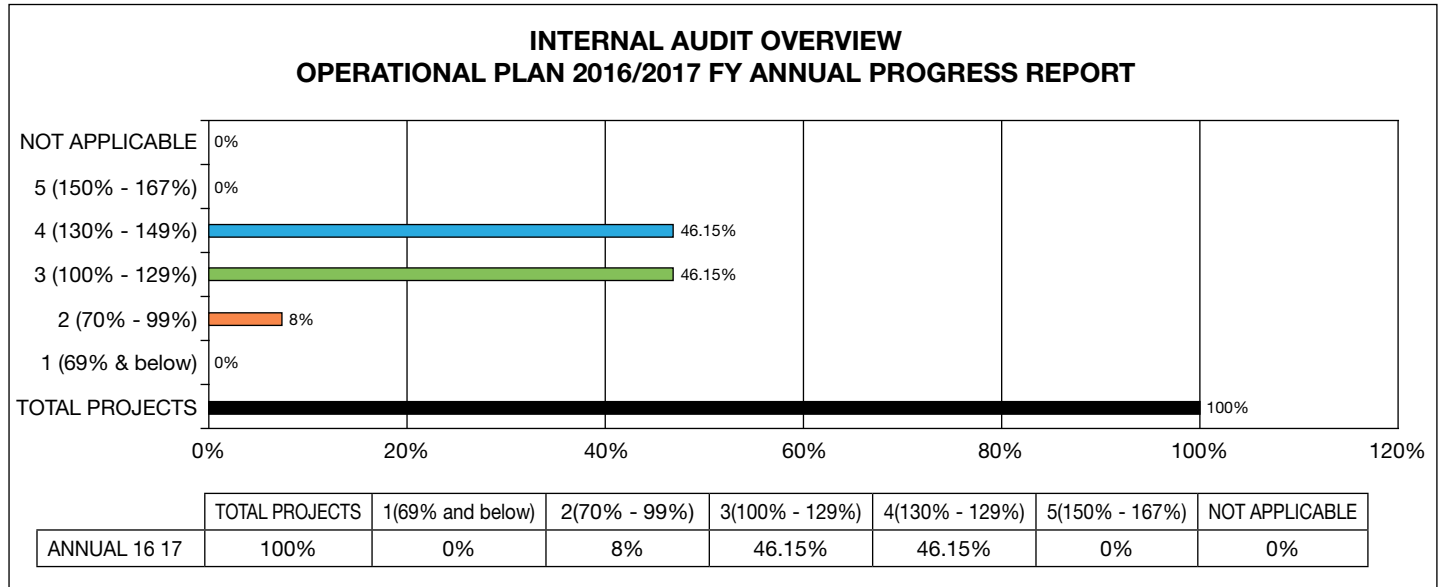
INTERNAL AUDIT OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 INTERNAL AUDIT OVERVIEW

| | | |
|--------------|---------------------------|-----------|
| 1.1 | TOTAL PROJECTS: | 13 |
| 1.1.1 | OPERATING PROJECTS | 13 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

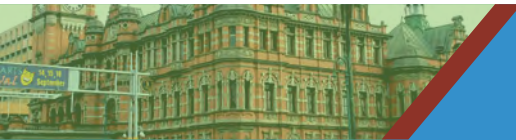
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: OFFICE OF THE CITY MANAGER
SUB UNIT: INTERNAL AUDIT

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|--------------------|--|------|---|---|--|--|--|--|------------------------------------|----------------------|--------------------|---|--|
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Assurance Services | Development of an Annual Audit Plan | N/A | Audit coverage as per MFMA including issues of governance, risk management & system of internal control | Development & submission of an Annual Audit plan for 2017/18 FY to the Audit Committee for approval | Development & submission of an Annual Audit plan for 2017/18 FY Developed & submitted to the Audit Committee for approval by the 30th of June 2017 | Date Annual Audit plan for 2017/18 FY Developed & submitted to the Audit Committee for approval | Development & submission of an Annual Audit plan for 2017/18 FY to the Audit Committee for approval by the 30th of June 2017 | Internal Audit Plan for the 17/18 financial year was submitted and approved by the Audit Committee on 2 June 2017. | 4 (130% -149%) | N/A | N/A | N/A | Audit Committee minutes |
| E | E1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Assurance Services | Implementation of the Annual Audit Plan each year | N/A | 90 audits completed in 2015/16 | To ensure effective reporting on systems of internal control, Governance & Risk Management to the SMC, Audit Committee & Executive | Completion of internal audit assignments as per approved Annual Audit Plan 2016/2017 by the 30th of June 2017 | All internal audit assignments completed against the dates in the approved Annual Audit Plan | 6047552 | Work performed this month is as follows: 1. Skills Development (management of training and development)- Administration and planning documents have been completed. System description, risk and control matrix and audit program completed. Fieldwork is currently in progress. 2 Accounts Payables and SCM- The audit is in progress. Data Analytics testing has been completed and close-out meeting held with the Internal Audit team to go through the report. IT testing is still in progress looking at the system design, access parameters and profiles, etc. 3 Expenditure- Trade Payables Special Runs for Quarter 2- The audit has started and is in progress. The sample population will include all payments and not only be limited to Special Payments. 4 Business Licensing- Completed and preparing report for SMC submission. 5. ACR on Real Estate and Valuation System- Reviewed the draft report for amendment by the consultants. Reviewed the audit file for completeness. | 2 (70% - 99%) | N/A | N/A | Some assignments could not be completed timeously due to expiry of the contract with service providers. A new contract has since been entered into. | Approved revised Internal Audit plan and audit committee minutes |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Assurance Services | Review of the Internal Audit charter | N/A | Internal Audit charter last reviewed in May 2016 | To ensure that the Internal Audit Charter is aligned with the requirements of the MFMA, IIA standards and best practice [King Report] | Internal Audit Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2017 | Date Internal Audit Charter reviewed & submitted to the Audit Committee for approval | N/A | Internal Audit Charter was submitted and approved by the Audit Committee on 2 June 2017. | 4 (130% -149%) | N/A | N/A | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Assurance Services | Review of the Audit Committee charter | N/A | Audit charter last reviewed in 2016 | To ensure that the Audit Committee charter is aligned with the requirements of the MFMA, IIA standards and best practice [King Report] | Audit Committee Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2017 | Date on which the Audit Committee Charter reviewed & submitted to the Audit Committee for approval | N/A | Audit Committee Charter was submitted and approved by the Audit Committee on 2 June 2017. | 4 (130% -149%) | N/A | N/A | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Assurance Services | Effective Independent Oversight by the Audit Committee | N/A | 8 Audit Committee meetings held in 2014/15 | To ensure effective, independent oversight on the internal audit function & systems of internal controls, governance & risk management implemented by the Accounting Officer the Senior management & Exco | Audit Committee meetings facilitated by the Internal Audit Unit as per the approved work plan/calendar of the Audit Committee by the 30th of June 2017 | Number of Audit Committee meetings facilitated by the Internal Audit Unit as per the approved work plan/calendar each year | N/A | 7 Audit Committee meetings have been held during the 2016/17 financial year. | 4 (130% -149%) | N/A | N/A | N/A | N/A |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUD | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL OPERATIONAL PLAN 2016/2017 PROGRESS REPORT | | | | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|---|--|------|---|---|--|---|---|--------------------------|------------------------------------|----------------------|--|
| | | | | | | | | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCIPALITY | IA06 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Risk Management | Combined Assurance | N/A | Best practice requires that combined assurance be applied to ensure that management of risks is adequately managed | To ensure adequate coverage of combined assurance in management of risks within the municipality | Internal audit & audit committee chartered amended to incorporate combined assurance model requirements submitted to the Audit Committee by the 30th of June 2017 | Date on which the amended internal audit & audit committee chartered to incorporate combined assurance model requirements submitted to the Audit Committee by the 30th of June 2017 | Internal audit & Audit Committee Charter was submitted and approved by the Audit Committee on 2 June 2017. | N/A | 4 (100% - 149%) | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCIPALITY | IA07 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Risk Management | Comprehensive Risk Register of the municipality | N/A | Risk register (For ALL Business Units of the Municipality) submitted to RMC & SMC at 15 working days after the end of Q3 of 2015/2016 | To ensure adequacy of the risk management function | Updated risk register submitted to the RMC & SMC by the 30th of June 2017 | Date on which the updated risk register was submitted to the RMC & SMC by the 30th of June 2017 | Updated risk register was submitted to the Audit Committee on 2 June 2017 | N/A | 3 (100% - 129%) | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCIPALITY | IA08 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Risk Management | Effective Risk Management Strategy | N/A | 2 updates of the Consolidated Risk Management Strategy for the Municipality as a whole. | To ensure adequacy of the risk management strategy | 1 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC & SMC by the 30th of June 2017 | Date on which the report on the Consolidated Risk Management Strategy developed & submitted to the RMC | 1 x report on the Consolidated Risk Management Strategy was submitted to the Audit Committee on 2 June 2017. | N/A | 3 (100% - 129%) | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCIPALITY | IA09 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Risk Management | Effective Risk Management | N/A | At least 1 Risk Management Strategy report produced and submitted to RMC at per quarter. | To ensure that the Risk Management function is effective | 4 x Risk Management reports produced and submitted to RMC & SMC within 1 month after the end of each quarter by the 30th of June 2017 | Date & number of risk management reports submitted to RMC | 5 Risk Management reports were submitted to the Audit Committee during the 2016/17 financial year as at 2 June 2017. | N/A | 4 (100% - 149%) | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCIPALITY | IA10 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Risk Management | Risk Management Plan | N/A | There is currently SAP Risk/Assurance Project done by the Unit | To ensure that the selected projects achieve the desired Assurance benefit & results completed within the agreed timeframes & budgeted costs. | 4 x quarterly reports on Project's Risk/Assurance produced & submitted to the RMC & SMC by the 30th of June 2017 | Number of quarterly reports on Project's Risk/Assurance produced & submitted to the RMC/SMC | 4 SAP reports were submitted to SMC & Audit Committee on Project's Risk/Assurance. | N/A | 3 (100% - 129%) | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCIPALITY | IA11 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Continued Professional Development within the IAU | Training and development of Internal Audit staff | N/A | Training plan in place for 2015/16 | To develop a training plan that is aligned to the individual PDP recorded on Skills Audit form and internal audit competency requirements. | Training plan for Internal Audit Staff developed and submitted to HRD by the 31st of May 2017 | Date Training plan for Internal Audit Staff developed and submitted to HRD | Training plan for Internal Audit Staff developed and submitted. | N/A | 3 (100% - 129%) | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCIPALITY | IA12 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Forensic Investigations | Whistle-Blowing Hotline | N/A | (500) contacts were made by the whistle-blowers to the hotline during the 2014/15 financial year. 100 reports were generated. | To ensure that members of the public, councilors, employees, Stakeholders and service providers have a facility to report fraud, corruption, working days theft & other irregularities anonymously. | 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 2017 | Number & Date of quarterly reports on cases reported through the whistle blowing hotline prepared and submitted to SMC | 4 x quarterly reports on cases reported through the whistle blowing hotline prepared and submitted to the Audit Committee as at 2 June 2017 | N/A | 3 (100% - 129%) | N/A | N/A |



| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TAR- GET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|-------------------|--|------------------------------|------------------------------|------|---|--|--|---|---|---|--|-------------------------|-----------------------|---|--------------------|
| A | A1 | 1 - BUILD- ING A CAPABLE & DEVELOP- MENTAL MUNICI- PALITY | IA13 | NKPA 1 - MUNI- CIPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Forensic Inves- tigations | Forensic Inves- tigations | N/A | Thirty three (33) matters were un- der investigation in the year under review including six (6) cases that were carried over from 2013/14. Of the thirty three (33) cases thirteen were finalized. | To ensure that allegations fraud, corruption, theft & other irregulari- ties identified by members of the public, council, employees, Stakeholders & service providers are investigated & remedial measures recommended | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2017 | Number forensic investigation reports on cases reported are prepared and submitted to the SMC | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2017 | 4 x quarterly reports on cases re- ported through the whistle blowing hotline prepared and submitted to the Audit Committee as at 2 June 2017 | N/A | N/A | N/A | N/A | |
| | | | | | | | | | | 4900000 | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

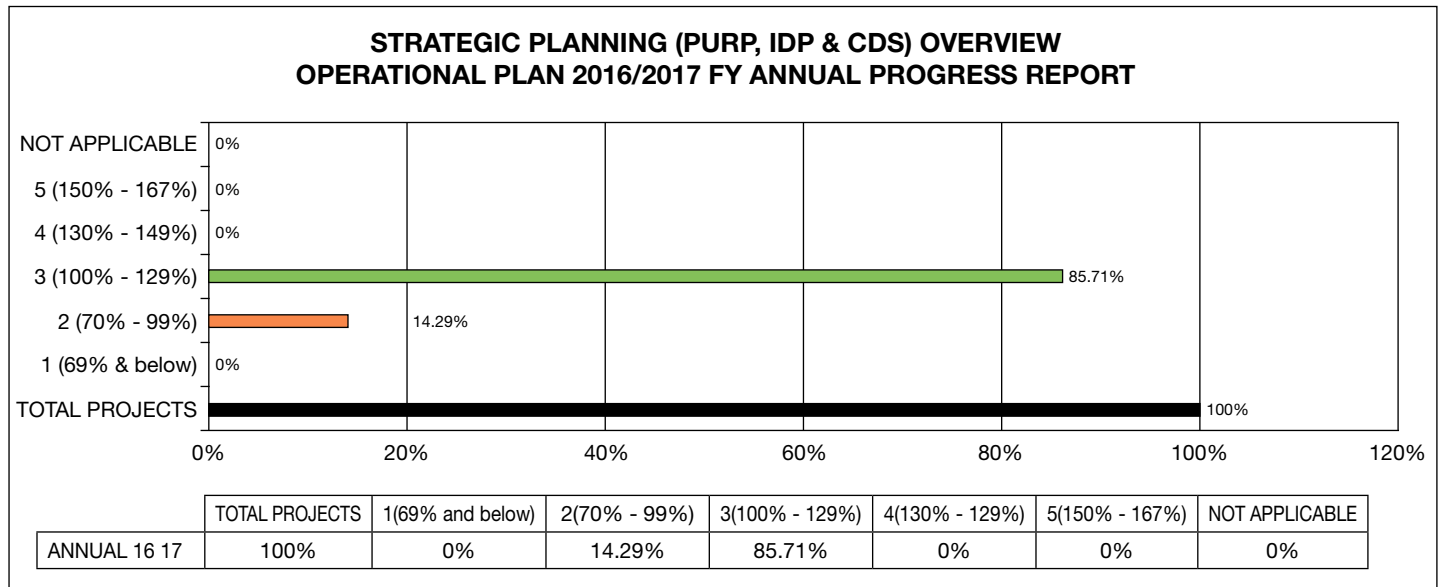
**STRATEGIC PLANNING ([PURP, IDP & CDS] OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 STRATEGIC PLANNING ([PURP, IDP & CDS] OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 7 |
| 1.1.1 | OPERATING PROJECTS | 7 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: OFFICE OF THE CITY MANAGER
SUB UNIT: STRATEGIC PLANNING (PIETERMARITZBURG URBAN RENEWAL PROGRAMME, INTEGRATED DEVELOPMENT PLAN & CITY DEVELOPMENT STRATEGY)

| INDEX | IDP REF-ERENCE | CDS REFERENCE | OP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5: Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|---|---------------|--|---------------------------------|-----------------------------|------|---|--|--|--|--|--------------------------|------------------------------------|----------------------|-------------------------|--|---|
| F | F1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP01 | CROSS CUTTING ISSUES | Integrated Development Planning | Develop and review the IDP. | N/A | 1 x IDP Review conducted in 2015/2016 | 1 x IDP Review 2017/2018 FY completed | 1 x IDP Review 2017/2018 FY completed by the 31st of May 2017 | Number & Date IDP Review 2017/2018 FY completed | 1 x IDP Review 2017/2018 FY completed by the 31st of May 2017 | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | 1 x IDP Reviewed 2017/2018 FY |
| F | F1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP02 | CROSS CUTTING ISSUES | Integrated Development Planning | Develop and review the IDP. | N/A | 1 x IDP/Budget/ PMS Process plan developed and submitted to SMC for approval and onwands submission to CoGTA in 2015/2016 | Draft IDP/ Budget/PMS Process plan 2017/2018 FY developed and submitted to SMC by the 31st of August 2016 for approval and onwands submission to CoGTA | Draft IDP/Budget/ PMS Process plan 2017/2018 FY developed and submitted to SMC by the 31st of August 2016 for approval and onwands submission to CoGTA | Date Draft IDP/ Budget/PMS Process plan 2017/2018 FY developed and submitted to SMC for approval | Draft IDP/ Budget/PMS Process plan 2017/2018 FY developed and submitted to SMC by the 31st of August 2016 for approval and onwands submission to CoGTA | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | Draft IDP/ Budget/PMS Process plan 2017/2018 FY |
| F | F1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP03 | CROSS CUTTING ISSUES | Integrated Development Planning | Internal alignment session | N/A | 4 x Internal Alignment working group sessions facilitated in 2015/2016 | 4 x Internal Alignment working group sessions facilitated | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2017 | Number of Internal Alignment working group sessions facilitated | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2017 | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| F | F1 | 6 - SERVING AS A PROVINCIAL CAPITAL | IDP04 | CROSS CUTTING ISSUES | Integrated Development Planning | IDP representatives forum | N/A | 7 x IDP Representatives forum meetings facilitated in 2015/2016 | 4 x IDP Representatives forum meetings facilitated | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2017 | Number of IDP Representatives forum meetings facilitated | 2 x IDP Representatives forum meetings facilitated by the 31st of May 2017 | 2 (70% - 99%) | 2 (70% - 99%) | N/A | N/A | Dec-17 | Minutes and Attendance Registers |
| F | F1 | 6 - SERVING AS A PROVINCIAL CAPITAL | IDP05 | CROSS CUTTING ISSUES | Integrated Development Planning | IDP/Mayoral Roadshows | All | 2 x cross boarder alignment meetings facilitated in 2015/2016 | 2 x cross boarder alignment meetings facilitated | 2 x cross boarder alignment meetings facilitated by the 31st of May 2017 | Number of cross boarder alignment meetings facilitated | 2 x cross boarder alignment meetings facilitated by the 31st of May 2017 | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | Minutes and Attendance Registers |
| F | F1 | 6 - SERVING AS A PROVINCIAL CAPITAL | IDP06 | GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning | IDP/Mayoral Roadshows | All | 4 x Community needs analysis circulated to sector departments in 2015/2016 | 4 x Community needs analysis circulated to sector departments | 4 x Community needs analysis circulated to sector departments by the 31st of May 2016 | Number of Community needs analysis circulated to sector departments | 4 x Community needs analysis circulated to sector departments by the 31st of May 2016 | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | Community needs analysis |
| F | F1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP07 | GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning | IDP/Mayoral Roadshows | All | 6 x IDP/Mayoral Roadshows facilitated in 2015/2016 | 6 x IDP/Mayoral Roadshows facilitated | 6 x IDP/Mayoral Roadshows facilitated by the 28th of February 2017 | Number of IDP/Mayoral Roadshows facilitated | 6 x IDP/Mayoral Roadshows facilitated by the 30th April 2017 | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | 6 x IDP/Mayoral Roadshows |
| | | | | GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning | | | 6 IDP/Mayoral Roadshows facilitated and held | 6 IDP/Mayoral Roadshows facilitated and held | 6 IDP/Mayoral Roadshows facilitated and held | | N/A | 4500000 | | N/A | N/A | N/A | N/A |

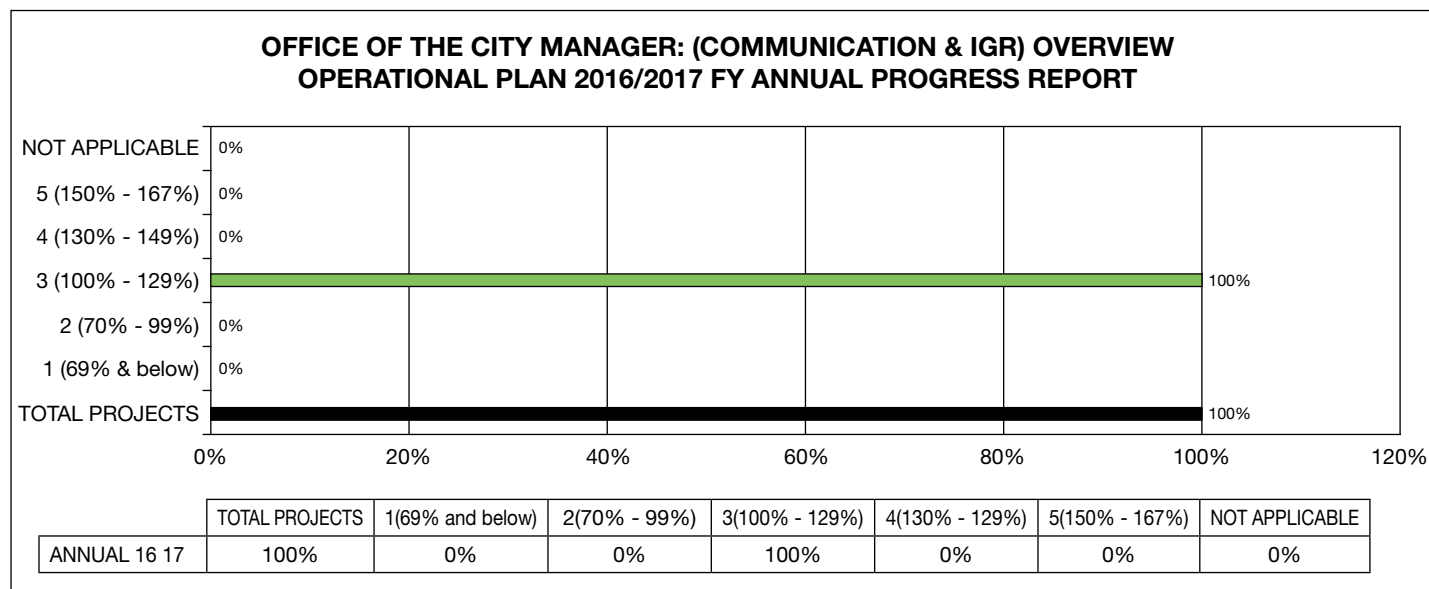
**OFFICE OF THE CITY MANAGER: (COMMUNICATIONS & IGR) OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 OFFICE OF THE CITY MANAGER: (COMMUNICATIONS & IGR) OVERVIEW

| | | |
|--------------|---------------------------|-----------|
| 1.1 | TOTAL PROJECTS: | 13 |
| 1.1.1 | OPERATING PROJECTS | 13 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: BUSINESS UNIT: OFFICE OF THE CITY MANAGER
SUB UNIT: OFFICE OF THE CITY MANAGER: (COMMUNICATIONS & IGR)

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL OPERATIONAL PLAN 2016/2017 | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAE TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|--|---|------|---|---|--|---|--|--------------------------|-----------------------------------|----------------------|--------------------|---|---|
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | MKT 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Events Management | Events Coordination | N/A | Approved Annual Municipal Events Calendar (2016 /2017) | A Municipal Events Calendar 2017/2018 FY developed and submitted to SMC for approval by Council | A Municipal Events Calendar 2017/2018 FY developed and submitted to SMC by the 30th of June 2017 for approval by Council | Date Municipal Events Calendar 2017/2018 FY submitted to SMC | A Municipal Events Calendar 2017/2018 FY developed and submitted to SMC by the 30th of June 2017 for approval by Council | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Resolution Draft of Municipal Events Calendar 2017/2018 FY developed and submitted to the M:OMM. |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | MKT 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Municipal Publications | Internal Newsletter | N/A | 12 x internal newsletters published in 2016 /2017. | 10 X Internal Newsletters published on Corporate Communications and Municipal Website | 10 X Internal Newsletters published on Corporate Communications and Municipal Website by the 30th of June 2017 | Number of Internal Newsletters published on Corporate Communications and Municipal Website | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | 11X Internal Newsletters published on Corporate Communications and Municipal Website by the 30th of June 2017. |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | MKT 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Municipal Publications | External newsletter | N/A | 12 x monthly External Newspapers published in 2016/2017 | 12 x Monthly Msunduzi Newspapers developed and published | 12 x Monthly Msunduzi Newspapers developed and published by the 30th of June 2017 | Number of Monthly Msunduzi Newspapers published | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | 12 x Monthly Msunduzi Newspapers developed and published by the end of 30th June 2017. |
| A | A1 | 5 - GROWING THE REGIONAL ECONOMY | MKT 04 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Review Marketing and Communication strategy | Strategy review | N/A | 2015/2016 approved Marketing & Communication Strategy | Reviewed Marketing & Communication Strategy developed and submitted to SMC | Reviewed Marketing & Communication Strategy developed and submitted to SMC by the 30th of June 2017 | Date Reviewed Marketing & Communication Strategy developed and submitted to SMC | Reviewed Marketing & Communication Strategy developed and submitted to SMC by the 30th of June 2017 | 120,000 | N/A | N/A | N/A | N/A | Reviewed Marketing & Communication Strategy developed and submitted to SMC by the 30th of June 2017. |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | MKT 05 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Stakeholder Coordination | Quarterly engagements | N/A | Media engagements meetings held | Quarterly Media/Stakeholder Liaison engagements conducted | 4 x Quarterly Media/Stakeholder Liaison engagements conducted by the 30th of June 2017 | Number of Quarterly Media/Stakeholder Liaison engagements conducted | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | 4 x Quarterly Media/Stakeholder Liaison engagements Register. |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | MKT 06 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Event Management | Development of Events Management Policy | N/A | Approved Events Management Policy (2016 /2017) | Reviewed Events Management Policy developed and submitted to SMC | A revised Events Management Policy developed and submitted to SMC by the 30th of June 2017 | Revised Events Management Policy developed and submitted to SMC for approval by Council | R 5,000 | N/A | N/A | N/A | N/A | N/A | Reviewed Events Management Policy resolution developed and submitted to SMC by the 30th of June 2017. |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SG 07 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Implementation plan for Msunduzi Municipality Service Excellence Awards | ALL | 1st Service Excellence Awards held December 2015 | 5 x Monthly progress reports on the Msunduzi Municipality Service Excellence awards prepared and submitted to SMC | 5 x Monthly progress reports on the Msunduzi Municipality Service Excellence awards prepared and submitted to SMC by the 31st of December 2016 | Number of Monthly progress reports on the Msunduzi Municipality Service Excellence awards prepared and submitted to SMC | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A | 6x Monthly progress reports on the Msunduzi Municipality Service Excellence awards prepared and submitted to SMC by the 31st of December 2016 |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL OPERATIONAL ACTUAL (1,2,3,4,5, Not Applicable) | PLAN 2016/2017 REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|--|--|------|---|--|---|---|---|--------------------------|---|-------------------------------------|------------------------------------|--|--|
| A | A2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SG 08 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Business Unit Service Charter | ALL | NIL | 8 x Workshops on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele forum | 8 x Workshops on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele forum by the 30th of June 2017 | Number of Workshops on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele forum by the 30th of June 2017 | 8 x Workshops on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele forum by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | 8 x Workshop Registers on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele forum by the 30th of June 2017 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SG 09 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Implementation of Batho Pele Principles | ALL | NIL | 11 x monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2017 | 11 x monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2017 | Number of monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter | 11x meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | 11x Register and minutes of the Msunduzi Batho Pele forum meeting CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2017 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SG 10 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Developing Implementation plan for Msunduzi Municipality Service Excellence Awards | ALL | 1st Service Excellence Awards held December 2016 (Close Out Report) and Service Excellence Awards Review Session (Report) | Report on the Draft Implementation Plan for Msunduzi Municipality Service Excellence Awards developed and submitted to SMC by the 31st of March 2017 | Report on the Draft Implementation Plan for Msunduzi Municipality Service Excellence Awards developed and submitted to SMC by the 31st of March 2017 | Date Implementation Plan for Msunduzi Municipality Service Excellence Awards developed and submitted to SMC | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | 1x Report on the Draft Implementation plan for Msunduzi Municipality Service Excellence Awards developed and submitted to SMC by the 31st of March 2017 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SG 11 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Implementation of Batho Pele Principles | ALL | Monitoring tool has been developed | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 30th of September 2016 | Date Report on the reviewed Monitoring tool developed and submitted to SMC for approval | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 30th of September 2016 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SG 12 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Implementation of Batho Pele Principles | ALL | The Implementation plan of Batho Pele Principles, belief sets we belong, we care, we serve. | 1 x Report on the reviewed implementation plan of Batho Pele Principles, belief sets we belong, we care, we serve developed and submitted to SMC for approval | 1 x Report on the reviewed implementation plan of Batho Pele Principles, belief sets we belong, we care, we serve developed and submitted to SMC for approval by the 31st of December 2016 | Date Report on the reviewed implementation plan of Batho Pele Principles, belief sets we belong, we care, we serve developed and submitted to SMC for approval | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | 1 x Report on the reviewed implementation plan of Batho Pele Principles, belief sets we belong, we care, we serve developed and submitted to SMC for approval by the 31st of December 2016 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SG 13 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Developing Implementation plan for Msunduzi Municipality Service Excellence Award | ALL | | 1 x Close out report on the Service Excellence Awards held by 31 December 2016 submitted to SMC | 1 x Close out report on the Service Excellence Awards held by 31 December 2016 submitted to SMC by the 28th of February 2017 | Date Close out report on the Service Excellence Awards held by 31 December 2016 submitted to SMC | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | 1 x Close out report on the Service Excellence Awards held by 31 December 2016 submitted to SMC by the 28th of February 2017 |

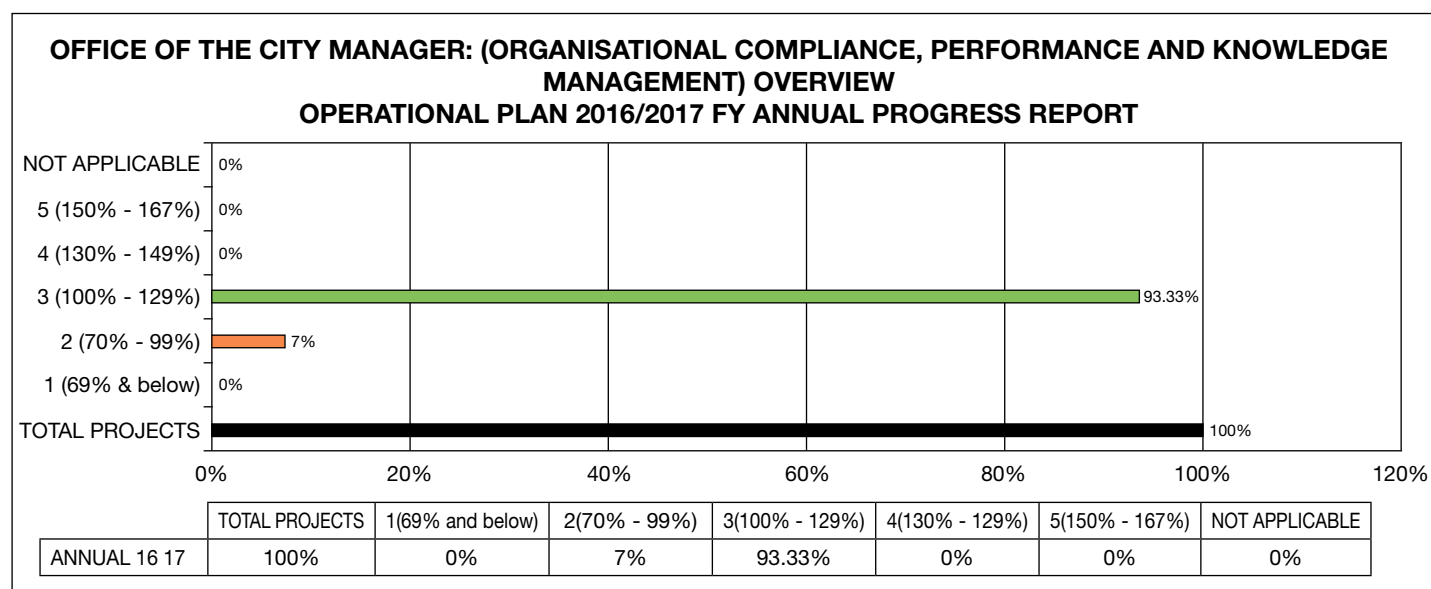
**OFFICE OF THE CITY MANAGER: (ORGANIZATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT) OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 OFFICE OF THE CITY MANAGER: (ORGANIZATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT) OVERVIEW

| | | |
|--------------|---------------------------|-----------|
| 1.1 | TOTAL PROJECTS: | 15 |
| 1.1.1 | OPERATING PROJECTS | 15 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REF-ERENCE | CDS REF-ERENCE | OP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|---|---------------|---|---------------------------------------|-----------------------------|------|--|--|--|---|--|--------------------------|--|--|--------------------|--|---|
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 01 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | SBIP | N/A | Draft SBIP 2016/2017 submitted to the Mayor on the 15th of June 2016 | Draft SBIP 2016/2017 submitted to the Mayor for approval within 28 days after the approval of the budget | Draft SBIP 2016/2017 submitted to the Mayor for approval within 28 days after the approval of the budget | Date of submission of Draft SBIP 2016/2017 to the Mayor for Approval | Draft SBIP 2016/2017 submitted to the Mayor for approval within 28 days after the approval of the budget (28 June 2017) | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Mayors Signed Letter of Approval at & SBIP & OP 2017/2018 |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | SBIP | N/A | Organizational Performance Management framework for the 16/17 financial year was approved on the 5th of April 2016 | Annual organizational performance framework 2017/2018 reviewed and submitted to SMC by the 31st of May 2017 | Annual organizational performance framework 2017/2018 reviewed and submitted to SMC by the 31st of May 2017 | Date Annual organizational performance management framework 2017/2018 submitted to SMC | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | SMC resolution, Annual organizational performance management framework 2017/2018 |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Individual Performance Management | SBIP | N/A | Individual Performance Management framework for the 16/17 financial year was approved on the 5th of April 2016 | Annual individual performance management framework 2017/2018 reviewed and submitted to SMC by the 31st of May 2016 | Annual individual performance management framework 2017/2018 reviewed and submitted to SMC by the 31st of May 2016 | Date Individual performance management framework 2017/2018 submitted to SMC | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | SMC resolution, Annual individual performance management framework 2017/2018 |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 06 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | SBIP | N/A | Approved SBIP 2015/2016 made public on municipal website within 14 days after the approval by the mayor | Approved SBIP 2016/2017 made public on municipal website within 14 days after the approval by the mayor | Approved SBIP 2016/2017 made public on municipal website within 14 days after the approval by the mayor | Turnaround time 2016/2017 made public on municipal website r | Approved SBIP 2016/2017 made public on municipal website within 14 days after the approval by the mayor (published on the 22nd of June 2016) | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Internal ICT communication to PMS indicating publishing date and date of request submitted to Internal ICT unit |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 07 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | SBIP | N/A | 8 X SBIP & OP 2016/2017 monthly reports submitted to the OMC | 8 X SBIP & OP 2016/2017 monthly reports submitted to the OMC (End July, August, October, November, January, February, April, May) by the 30th of June 2017 | 8 X SBIP & OP 2016/2017 monthly reports submitted to the OMC (End July, August, October, November, January, February, April, May) by the 30th of June 2017 | Number of SBIP & OP 2016/2017 monthly reports submitted to the OMC (End July, August, October, November, January, February, April, May) | N/A | 2 (70% - 99%) | The SBIP & OP 2016/2017 was developed and approved on the old structure, with the implementation of the new 2013 structure, the SBIP & OP could not be reported on in July & August 2016 and had to therefore be reviewed. | The SBIP & OP 2016/2017 was reviewed and reported in Quarter 1 of 16/17 FY. It was further reviewed during Mid-Year review of January 2017 | N/A | N/A | OMC resolutions, SBIP & OP 2016/2017 monthly reports |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 08 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Organizational Performance Management | SBIP | N/A | 4 X SBIP & OP 2015/2016 quarterly reports submitted to the OMC | 4 X SBIP & OP 2016/2017 quarterly reports submitted to the OMC (Q4 of 15/16 FY & Q1, Q2, Q3 of 16/17 FY) | 4 X SBIP & OP 2016/2017 quarterly reports submitted to the OMC (Q4 of 15/16 FY & Q1, Q2, Q3 of 16/17 FY) by the 30th of April 2017 | Number of SBIP & OP 2016/2017 quarterly reports submitted to the OMC (Q4 of 15/16 FY & Q1, Q2, Q3 of 16/17 FY) | 4 X SBIP & OP 2016/2017 quarterly reports submitted to the OMC (End July, August, October, November, January, February, April, May) by the 31st of August 2016 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | OMC Resolutions, 4 X SBIP & OP 2016/2017 quarterly reports |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 09 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Performance Management Reporting | Annual Performance Report | N/A | Completed Annual Performance Report submitted to the Auditor General by 31st August 2015 | Annual Performance Report submitted to the Auditor General by the 31st of August 2016 | Annual Performance Report submitted to the Auditor General by the 31st of August 2016 | Date Annual Performance Report submitted to the Auditor General | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | AG acknowledgement of receipt letter, Annual Performance Report |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 10 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Performance Management Reporting | Mid-Year Performance Review | N/A | Mid-Year Performance Review submitted to Council on the 22nd of January 2016 | Mid-Year Performance review submitted to Council by the 25th of January 2017 | Mid-Year Performance review submitted to Council by the 25th of January 2017 | Date Mid-Year Performance review submitted to Council | Mid-Year Performance review submitted to Council by the 25th of January 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Council Resolution, Mid-Year Performance review |
| | | | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1-2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|-----------------------------------|--|------|---|---|---|---|---------------|---|------------------------------------|--|---|--|---|
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 11 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Performance Management Reporting | Annual Report | N/A | Annual Report 14/15 tabled in Council on the 27th of January 2016 | Annual Report 15/16 tabled in Council by the 31st of January 2017 | Annual Report 15/16 tabled in Council by the 31st of January 2017 | Date Annual Report 15/16 tabled in Council | N/A | Annual Report 15/16 tabled in Council by the 31st of January 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Council Resolution, Annual Report 15/16 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 12 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Performance Management Reporting | Oversight Report | N/A | Oversight Report tabled 14/15 and adopted by Council on the 30th of March 2016 | Oversight Report 15/16 tabled and adopted by Council by the 31st of March 2017 | Oversight Report 15/16 tabled and adopted by Council by the 31st of March 2017 | Date Oversight Report 15/16 tabled and adopted by Council | N/A | Oversight Report 15/16 tabled and adopted by Council by the 31st of March 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Council Resolution, Oversight Report 15/16 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 13 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Individual Performance Management | Level 3 Performance Agreements | N/A | 29 x signed performance agreements for Managers up to level 3 by the 31st of July 2015 | 30 x signed performance agreements for Managers up to level 3 by the 31st of July 2016 | 30 x signed performance agreements for Managers up to level 3 by the 31st of July 2016 | Number of signed performance agreements for Managers up to level 3 | N/A | 28 x signed performance agreements for Managers up to level 3 by the 31st of July 2016 | 2 (70% - 99%) | Senior Manager Human Settlements did not sign the Performance Agreement. The Performance Agreement for the IPMS Health & Social Services fell away as the unit now reported to Sustainable Development and no longer fell with the IPMS Managers up to level 3. Managers up to level 3 needed to sign the PA. | GMs to ensure that all required personnel within their units as per the IPMS policy did in fact sign the Performance Agreement. | Within 14 days of becoming aware that the Performance Agreement was not signed by a Manager within their Business units | 28 x signed performance agreements for Managers up to level 3 |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 14 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Individual Performance Management | S57 performance agreements | N/A | 6 x signed performance agreements for S56/57 Managers by the 12th of July 2015 | 6 x signed performance agreements for S56/57 Managers by the 6th of July 2016 | 6 x signed performance agreements for S56/57 Managers by the 6th of July 2016 | Number of signed performance agreements for Managers up to level 3 by the 6th of July 2016 | N/A | 6 x signed performance agreements for S56/57 Managers by the 6th of July 2016 | 3 (100% - 129%) | N/A | N/A | N/A | 6 x signed performance agreements for S56/57 Managers |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 15 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Individual Performance Management | Performance assessments | N/A | 35 Quarterly Assessments of all Managers up to level 3 by the 12th of July 2015 | 36 x individual performance assessments of all managers up to level 3 conducted on a quarterly basis | 36 x individual performance assessments of all managers up to level 3 conducted on a quarterly basis | Number of individual performance assessments of all managers up to level 3 conducted on a quarterly basis | N/A | 5 x individual performance assessments of GMs conducted for the 15/16 FY. MM assessment still outstanding | 1 (69% & below) | The assessments were held up by the Local Government Elections due to the unavailability of the MM, GMs & the Evaluation Assessment panel members. Then there was the change of political leadership whereby a new Mayor was sworn in. The audit committee chairperson resigned. The MM was also suspended during this time. | A new evaluation assessment panel report was developed and approved by Council in 90 days of the new FY the annual 16/17 Assessments of the GM & GMs must be completed. | Within 60 days of the new FY the 15/16 assessments of the GMs & MM must be completed. Within 90 days of the new FY the annual 16/17 Assessments of the GM & GMs must be completed. | Copies of the GMs annual 15/16 assessments |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 16 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Individual Performance Management | Development of an individual Performance assessment Schedule | N/A | Individual Performance assessment schedule developed and submitted to SMC on the 5th of April 2016 | An Individual Performance assessment schedule developed and submitted to SMC for approval by the 31st of May 2017 | An Individual Performance assessment schedule developed and submitted to SMC for approval by the 31st of May 2017 | Date Individual Performance assessment schedule developed and submitted to SMC for approval | N/A | An Individual Performance assessment schedule developed and submitted to SMC for approval by the 31st of May 2017 | 3 (100% - 129%) | N/A | N/A | N/A | SMC resolution, An Individual Performance Assessment schedule |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | PMS 17 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Compliance Checklist | Development of a compliance checklist | N/A | 7 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC by the 30th of FY | 12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC by the 30th of June 2017 | 12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC by the 30th of June 2017 | Number of monthly MFMA Legislative compliance checklist reports produced and submitted to OMC | N/A | 12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | OMC resolutions, 12 x monthly MFMA Legislative compliance checklist reports |

ANNEXURE C

OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT - BUDGET & TREASURY

BUDGET & TREASURY UNIT OVERVIEW

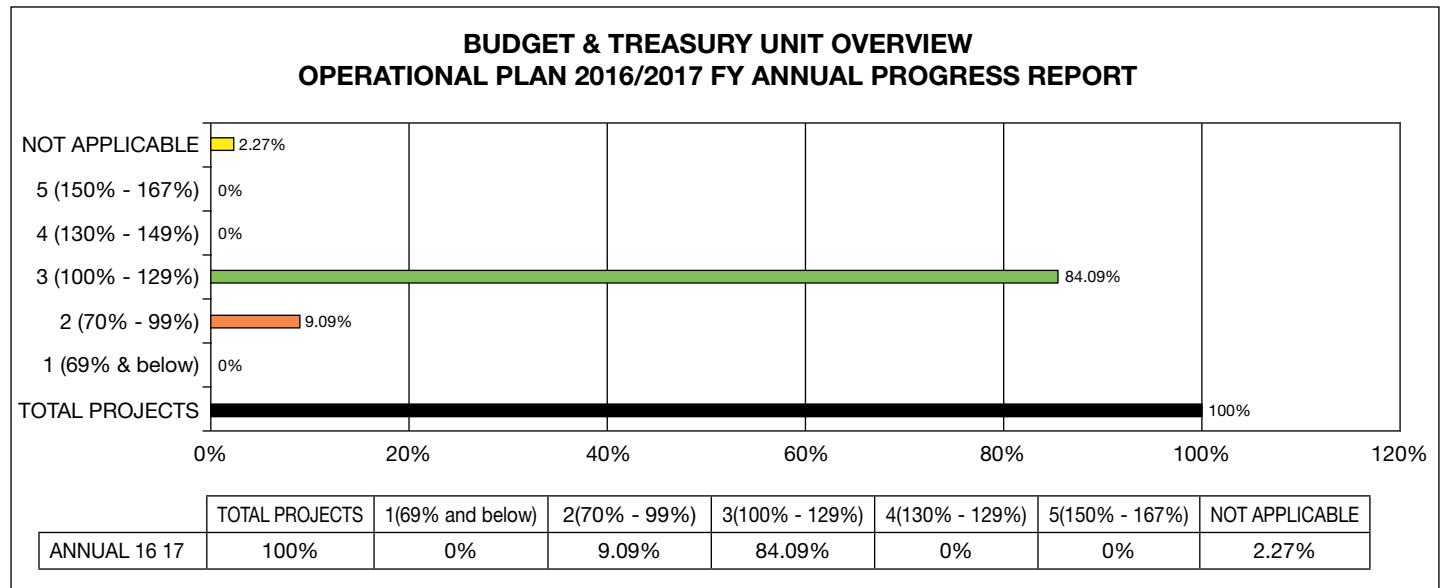
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 BUDGET & TREASURY UNIT OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 44 |
| 1.1.1 | OPERATING PROJECTS | 44 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR

BUDGET & TREASURY UNIT OVERVIEW NARRATIVE

OPERATIONAL PLAN 2016/2017 FY - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL - PROJECT-ED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|---------------|------------------------|---------------------------|-------------------------|-----------------------|---|--------------|--|---|------------------------------------|--|--|
| | | EXPENDITURE MANAGEMENT | 3 | 0 | 3 | 2 | EXP 02 | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared submitted to SMC by the 30th of June 2017 | 11 x monthly reports on Fruitless and Wasteful Expenditure prepared submitted to SMC by the 30th of June 2017 | 2 (70% - 99%) | Awaiting year end closure of June 2017 | Will be done immediately as soon as June has been officially closed and final balances are available |
| | | | | | | | EXP 03 | 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 2017 | 90% of all creditors are paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2017 | 2 (70% - 99%) | Awaiting year end closure of June 2017 | Will be done immediately as soon as June has been officially closed and final balances are available |
| | | REVENUE MANAGEMENT | 9 | 0 | 9 | 1 | REV 05 | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 84% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 2 (70% - 99%) | Number of faulty Meters not yet replaced and shortage of vehicles contribute to our failure to meet the target | Installation of electronic meters and water prepaid meters |
| | | | | | | | B & T 11 | 4 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the Implementation of mSCOA by the 15th of April 2017 | 3 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the Implementation of mSCOA by the 15th of April 2017, 1 report completed and submitted after the 15th of April 2017 | 2 (70% - 99%) | Report was not prepared on time reason being emphasis was on submission of original budget for 2018 into NT portal | Report has since been prepared |
| | | mSCOA | 3 | 0 | 3 | 3 | B & T 12 | 9 x Monthly Reports on the Implementation of mSCOA.Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2017 | Budget to be done on SAP Budget Module | 1 (69% & below) | Non availability of the budget module from SAP caused the delay in making the information available | Currently 2017/18 is already loaded into SAP in version 5.4 the same shall be converted into version 6.1 and submitted to National Treasury |
| | | | | | | | MSCOA 01 | 100 X Council Staff training facilitated on mSCOA either through accredited or non-accredited training done through National Treasury by the 30th of June 2017 | Service is readily available to undertake training challenge of the venue is being addressed it is anticipated that training shall start full swing in July | 2 (70% - 99%) | addressing technical challenges with the service provider thereby ensuring that training venue is appropriate and conducive for training | training material and computers are being organised to ensure the smooth running of training hence the delay in commencing with the training |
| TOTAL | | | | | 44 | 5 | | | | | | |

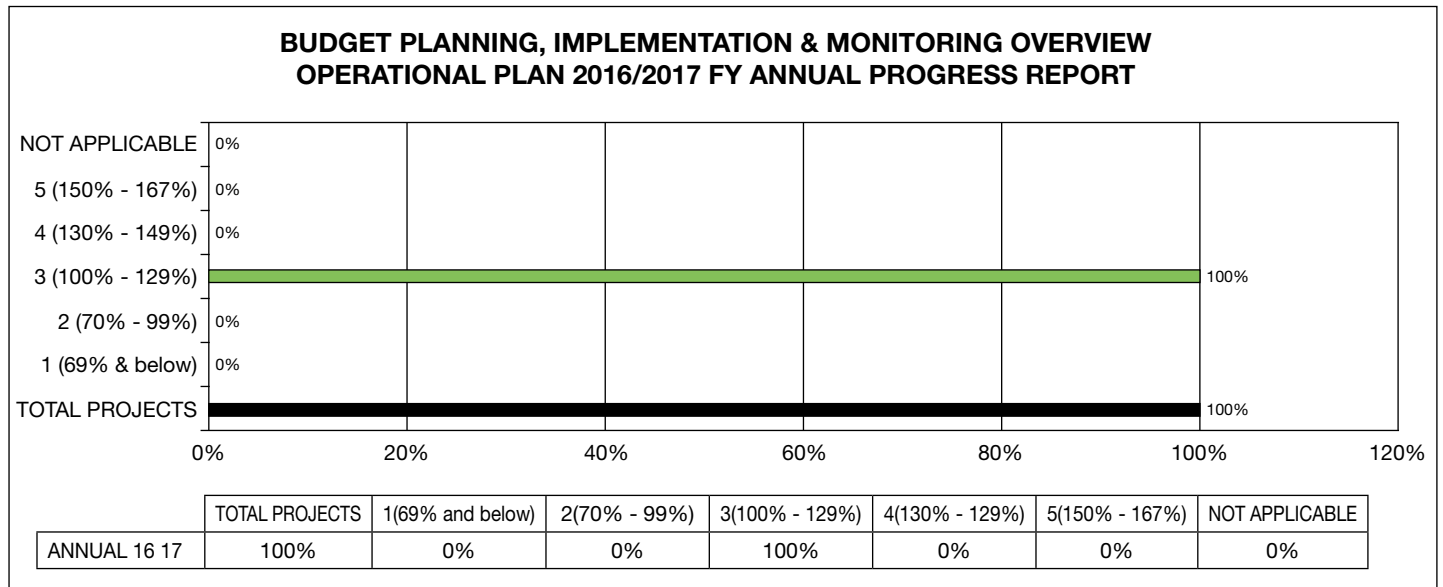
**BUDGET PLANNING, IMPLEMENTATION & MONITORING OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 BUDGET PLANNING, IMPLEMENTATION & MONITORING OVERVIEW

| | | |
|--------------|---------------------------|-----------|
| 1.1 | TOTAL PROJECTS: | 10 |
| 1.1.1 | OPERATING PROJECTS | 10 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR BUSINESS UNIT: BUDGET & TREASURY SUB UNIT: BUDGET PLANNING, IMPLEMENTATION & MONITORING

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|------------------------------|--------------|---|----------------------------------|--|------|---|---|---|---|---|--------------------------|------------------------------------|----------------------|------------------------------------|--|-----------------------------|
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 01 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | IDP/Budget process plan | Implementation of process plan | N/A | Final Draft budget submitted to SMC by the 16th of May 2016 | Final Draft budget for 2017/18 FY & two outer years prepared & submitted to SMC | Final Draft budget for 2017/18 FY & two outer years prepared & submitted to SMC by the 28th of February 2017 | Date Final Draft budget for 2017/18 FY & two outer years prepared & submitted to SMC | Final Draft budget for 2017/18 FY & two outer years prepared & submitted to SMC by the 28th of February 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Minutes |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 02 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | IDP/Budget process plan | Implementation of process plan | N/A | Summary of the approved budget and tariff of charges for the 2016/2017 FY advertised by the 30th of June 2016 | Summary of the approved budget and tariff of charges for the 2017/2018 FY advertised by the 30th of June 2017 | Summary of the approved budget and tariff of charges for the 2017/2018 FY advertised by the 30th of June 2017 | Date Summary of the approved budget and tariff of charges for the 2017/2018 FY advertised | Summary of the approved budget and tariff of charges for the 2017/2018 FY advertised by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 03 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting and auditing | Preparation of annual financial statements | N/A | Annual Financial Statements submitted to the AG on the 31st of August 2015 | Annual financial statements for the 15/16 FY prepared and submitted to AG | Annual financial statements for the 15/16 FY prepared and submitted to AG by the 31st of August 2016 | Date Annual financial statements for the 15/16 FY prepared and submitted to AG | Annual financial statements for the 15/16 FY prepared and submitted to AG by the 31st of August 2016 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Annual Financial Statements |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 04 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | Section 71 reports were prepared and submitted within 10 working days after each month end for 2015/16 Financial year | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2017 | Number of S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2017 | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Minutes |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 05 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | Quarterly submission of Section 52(d) reports to SMC done on an ad-hoc basis in 15/16 FY | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2017 | Number of Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Minutes |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 06 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | 2015/16 mid-year report tabled by 25 January 2016 | Section 72 (mid-year) budget performance report prepared and submitted to SMC | Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2017 | Date Section 72 (mid-year) budget performance report prepared and submitted to SMC | Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Minutes |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 07 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | Grants financial report was tabled to SMC monthly during the 2015/16 FY | 12 x Monthly monitoring of grants reports prepared and submitted to SMC | 12 x Monthly monitoring of grants reports prepared and submitted to SMC by the 15th of each month by the 30th of June 2017 | Number of Monthly monitoring of grants reports prepared and submitted to SMC | 12 x Monthly monitoring of grants reports prepared and submitted to SMC by the 15th of July 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Minutes |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 08 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | Section 66 reports are prepared and submitted within 10 working days after each month end for 2015/16 year | 12 x Monthly S66 reports produced and submitted to SMC within 10 working days after the end of each month | 12 x Monthly S66 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2017 | Number of Monthly S66 reports produced and submitted to SMC within 10 working days after the end of each month | 12 x Monthly S66 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Minutes |
| D | D3 | 4 - FINANCIAL SUSTAINABILITY | B & T 09 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting | Compliance | N/A | 12 x Monthly Cash flow reports prepared and submitted to SMC in 15/16 FY | 12 x Monthly Cash flow reports prepared and submitted to SMC | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of each month by the 30th of June 2017 | Number of Monthly Cash flow reports prepared and submitted to SMC | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Monthly Cashflow reports |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REF-ERENCE | CDS REF-ERENCE | OP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG-RESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|--------------------------------|---------------|--|-----------------------|--|------|---|--|---|--|---|---|------------------------------------|----------------------|--------------------|--|-----------------|
| D | D3 | 4 - FINAN-CIAL SUS-TAINABILITY | B & T 10 | NKPA 4 - FINAN-CIAL VIABILITY & FINANCIAL MANAGEMENT | Strengthen Governance | Ensure compliance to MFMA and Treasury regulations | N/A | 100% of Budget & Treasury policies re-viewed and submitted to SMC in the 15/16 FY | 100% of Budget & Treasury policies re-viewed and submitted to SMC along with standard operating procedures | 100% of Budget & Treasury policies re-viewed and submitted to SMC along with standard operating procedures by the 28th of February 2017 | % of Budget & Treasury policies re-viewed and submitted to SMC along with stan-dard operating procedures | 100% of Budget & Treasury policies re-viewed and submitted to SMC along with standard operating procedures by the 28th of February 2017 | 100% of Budget & Treasury policies re-viewed and submitted to SMC along with standard operating procedures by the 28th of February 2017 | 3 (100% - 129%) | N/A | N/A | N/A | SMC Minutes |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

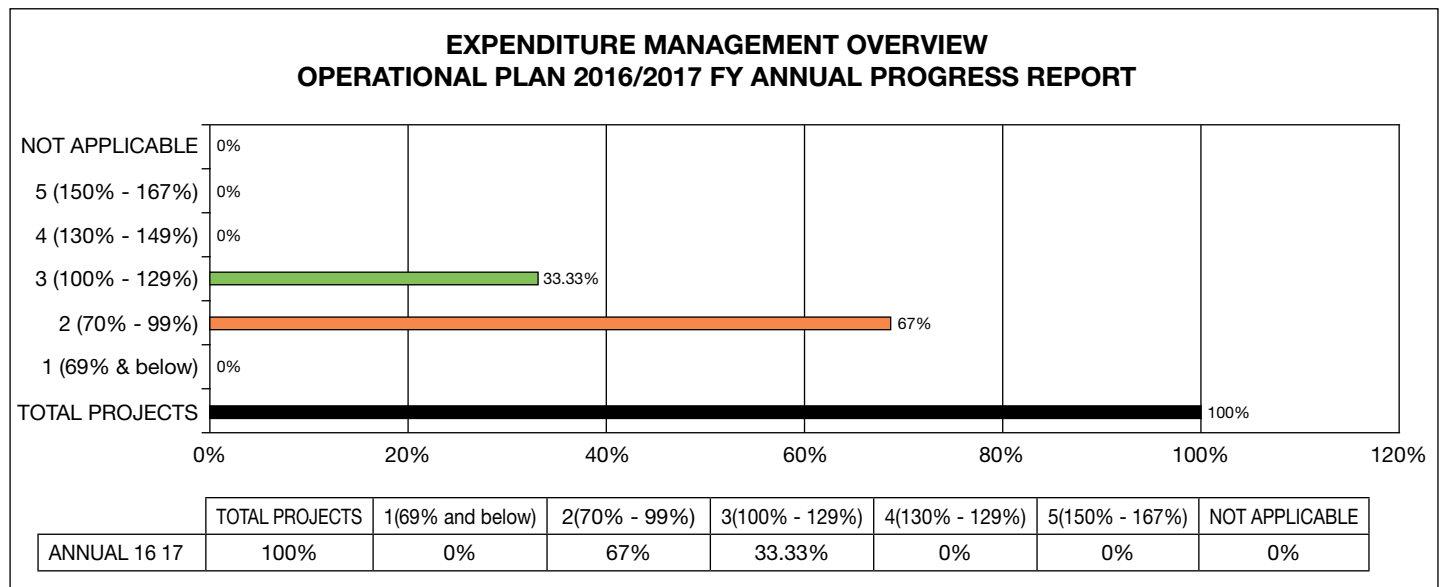
**EXPENDITURE MANAGEMENT OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 EXPENDITURE MANAGEMENT OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 3 |
| 1.1.1 | OPERATING PROJECTS | 3 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REFER- ENCE | CDS REFER- ENCE | OP REFER- ENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TAR- GET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL OPERATIONAL PLAN 2016/2017 ACTUAL (1 2 3 4 5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | |
|-------|--------------------|---------------------------------|-------------------|--|---------------------------|---|------|--|---|--|---|---|---|--|--|---|---|--------------------|-----|
| A | A1 | 4 - FINANCIAL SUSTAINABILITY | EXP 02 | FINANCIAL VIABIL- ITY & FINANCIAL MANAGEMENT | Expenditure Management | Monthly report on Fruitless and Wasteful Expenditure to SMC | N/A | Fruitless and wasteful expenditure reports sub- mitted to SMC for 2015/16 | 12 x monthly re- ports on Fruitless and Wasteful Expenditure pre- pared submitted to SMC | 12 x monthly re- ports on Fruitless and Wasteful Ex- penditure pre- pared submitted to SMC by the 30th of June 2017 | Number of monthly reports on Fruitless and Wasteful Expen- diture prepared submitted to SMC | 12 x monthly reports on Fruitless and Wasteful Ex- penditure prepared submitted to SMC by the 30th of June 2017 | 11 x monthly reports on Fruitless and Wasteful Ex- penditure prepared submitted to SMC by the 30th of June 2017 | 2 (70% - 99%) | Awaiting year end closure of June 2017 | Will be done immediately as soon as June has been officially closed and final balances are available | 31-Jul-17 | N/A | |
| A | A1 | 4 - FINANCIAL SUSTAINABILITY | EXP 03 | FINANCIAL VIABIL- ITY & FINANCIAL MANAGEMENT | Expenditure Management | Payment of council creditors within 30 days from date of receipt of invoice by the creditors department | N/A | 90% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers | 90% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers | 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 2017 | % of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers | N/A | 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 2017 | N/A | N/A | Will be done immediately as soon as June has been officially closed and final balances are available | 31-Jul-17 | N/A | |
| A | A1 | 4 - FINANCIAL SUSTAINABILITY | EXP 04 | NKPA 1 - MUNIC- IPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Expenditure Management | Annual Review of Procedures Manual. | N/A | Procedures are reviewed once a year. | 100% of Expendi- ture Management Procedure Manu- als reviewed and submitted to SMC | 100% of Expendi- ture Management procedure manu- als reviewed and submitted to SMC by the 31st of May 2017 | % of Expenditure Management procedure manu- als reviewed and submitted to SMC | N/A | 100% of Expendi- ture Management procedure manuals reviewed and submitted to SMC by the 31st of May 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A |

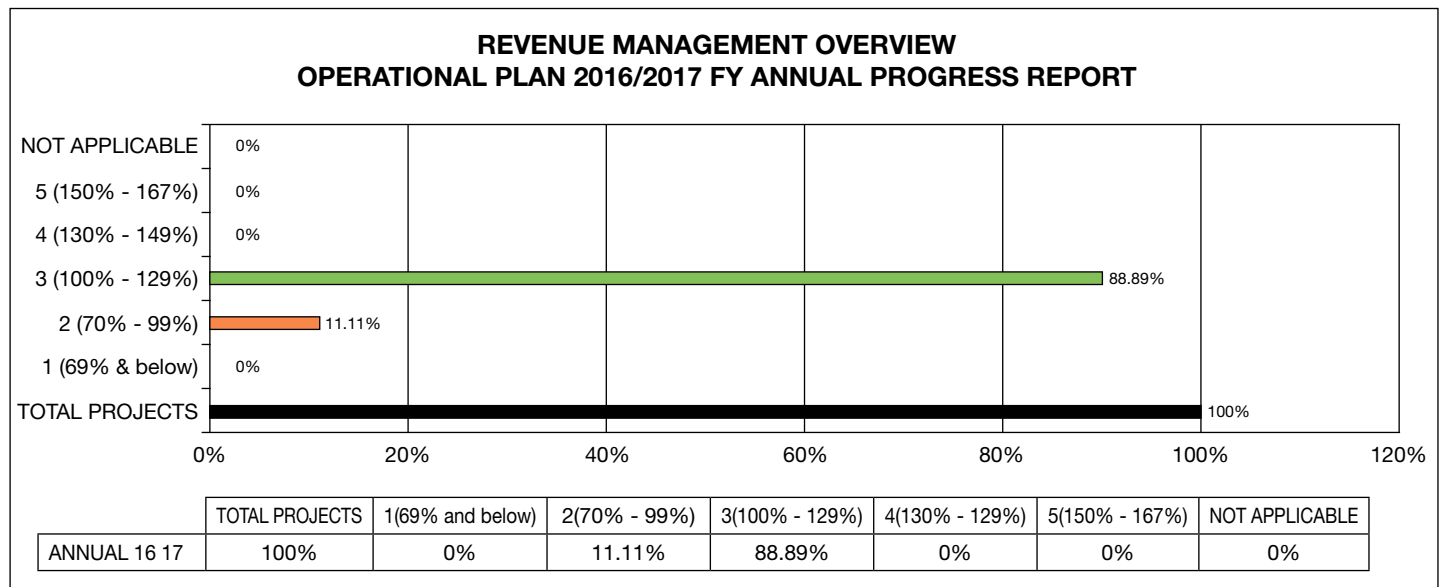
**REVENUE MANAGEMENT OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

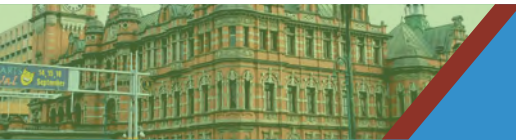
1 REVENUE MANAGEMENT OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 9 |
| 1.1.1 | OPERATING PROJECTS | 9 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | DP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|-------------------|---|-------------------|--|--|----------------------|------|--|---|--|---|--|---|---|--|--|---|--|
| D | D1 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 01 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Adoption of Revenue relat- ed policies | Compliance | N/A | All Revenue related policies were reviewed in 2015/16 budget (Credit Control, Tariffs, Indigent, Rates and Debt Write off policies) | Credit Control, Tar- iffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC for approval by Council | Credit Control, Tar- iffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2017 for approval by Council | Date Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC | Credit Control, Tar- iffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2017 for approval by Council | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies were reviewed and submitted to SMC by the 31st March 2017 for approval by Council | 3 (100% - 129%) | N/A | N/A | N/A | Draft Budget Resolution |
| D | D3 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 02 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Revenue Man- agement | Reports | N/A | Monthly debtors age analysis re- ports submitted to SMC in the 15/16 FY | 12 x monthly debt- ors age analysis reports submitted to SMC | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2017 | Number of monthly debtors age analysis reports submitted | N/A | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| D | D1 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 03 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Revenue Man- agement | Debt collec- tion | N/A | 95% current debt collected in the 15/16FY | 90% Monthly collection rate of current debt | 90% Monthly collec- tion rate of current debt by the 30th of June 2017 | % of Monthly collection rate of current debt | N/A | 90% Monthly collec- tion rate of current debt by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Estimated due to delays in receiving the file from Financial Services |
| D | D1 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 04 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Revenue Man- agement | Debt collec- tion | N/A | 10% arrears debt collected in the 15/16 FY | 10% Monthly collection rate of arrears debt | 10% Monthly col- lection rate of arrears debt by the 30th of June 2017 | % of Monthly collection rate of arrears debt | N/A | 10% Monthly collec- tion rate of current debt by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Estimated due to delays in receiving the file from Financial Services |
| D | D1 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 05 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Billing manage- ment | Accurate Billing | N/A | 90% electricity and water meters read in the 15/16 FY | 85% of all elec- tricity and water meters read on a monthly basis | 85% of all elec- tricity and water meters read on a monthly basis by the 30th of June 2017 | % of all electricity and water meters read on a monthly basis | N/A | 84% of all electricity and water meters read on a monthly basis by the 30th of June 2017 | 2 (70% - 98%) | Number of faulty meters not yet replaced and storage of water prepaid meters | Installation of electronic meters and water prepaid meters | Subject to infra- structure plans. | Meter reading stats |
| D | D3 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 06 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Billing manage- ment | Reports | N/A | Disconnection vs. Reconnection report submitted monthly to smc in 15/16 FY | 12 x monthly reports on disconnection vs. reconnection rates submitted to SMC | 12 x monthly disconnection and reconnection re- ports submitted to SMC by the 30th of June 2017 | Number of monthly reports on disconnection vs. reconnection rates submitted | N/A | 12 x monthly discon- nection and reconnec- tion reports submitted to SMC by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Disconnec- tion and Reconnection report |
| D | D1 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 07 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Billing manage- ment | Data cleansing | N/A | Data cleansing quarterly reports submitted to SMC for 15/16 FY | 4 x Quarterly re- ports on Consumer account data accu- rately updated (data cleansing) (consumer data is exactly as data on billing sys- tem) prepared and submitted to SMC | 4 x Quarterly re- ports on Consumer account data accu- rately updated (data cleansing) (consumer data is exactly as data on billing sys- tem) prepared and submitted to SMC by the 30th of June 2017 | Number of Quarterly reports on Consumer account data accu- rately updated (data cleansing) (consumer data is exactly as data on billing sys- tem) prepared and submitted to SMC | N/A | 4 x Quarterly reports on Consumer account updating Council on the progress on data cleansing was submit- ted to SMC by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Data Cleans- ing report |
| D | D3 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 08 | NKPA 4 - MUNI- CIPAL FINANCIAL VIABILITY | Financial Reporting | rental stock | N/A | rental stock re- ports submitted to SMC 15/16 FY | 12 x monthly reports on Council rental stock sub- mitted to SMC | 12 x monthly rental stock reports sub- mitted to SMC by the 30th of June 2017 | Number of monthly reports on Council rental stock sub- mitted to SMC | N/A | 12 x monthly rental stock reports submit- ted to SMC by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Rental Stock Report |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |



| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (4, 2, 3, 4, 5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|-------------------|--|------------------------------------|--|------|---|--|--|---|---|--|--|-------------------------|-----------------------|---|----------------------------------|
| D | D3 | 4 - FI- NANCIAL SUSTAIN- ABILITY | REV 09 | NKPA 4 - MUNIC- IPAL FINANCIAL VIABILITY | Revenue Enhancement Strategy | Implement the Revenue Enhance- ment Strategy | N/A | revenue enhancement strategy already in place is being reviewed | 4 x Quarterly reports on the implementation of the revenue enhancement strategy produced and submitted to SMC within 10 days after the end of the Quarter | 4 x Quarterly reports on the implementa- tion of the revenue enhancement strategy produced and submit- ted to SMC within 10 days after the end of the Quarter by the 30th of June 2017 | Number of Quarterly reports on the imple- mentation of the rev- enue enhancement strategy produced and submitted to SMC | 4 x Quarterly reports on the implementation of the revenue enhancement strategy produced and submitted to SMC within 10 days after the end of the Quarter by the 30th of June 2017 | 4 x Quarterly reports on the implementa- tion of the revenue enhancement strategy produced and submit- ted to SMC within 10 days after the end of the Quarter by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Revenue enhancement report |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

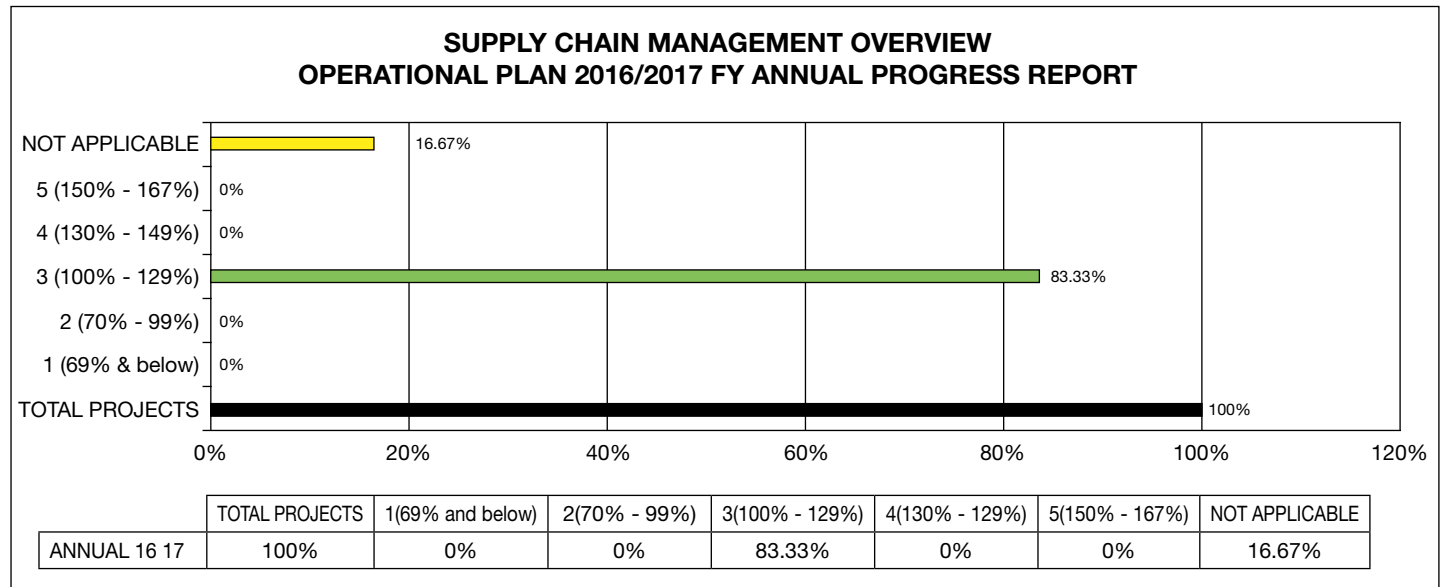
SUPPLY CHAIN MANAGEMENT OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 SUPPLY CHAIN MANAGEMENT OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 6 |
| 1.1.1 | OPERATING PROJECTS | 6 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS





OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: BUDGET & TREASURY
SUB UNIT: SUPPLY CHAIN MANAGEMENT

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL OPERATIONAL PLAN 2016/2017 ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|---|-------------------------|-------------------------------------|------|--|---|--|--|--|--|---|----------------------|------------------------------------|--|-----------------|
| D | D2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | SCM 01 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | SCM Policy Review | N/A | SCM Policy approved by SMC on 30/05/2016 | Supply chain management Policy reviewed and submitted to SMC for approval by Council | Supply chain management Policy reviewed and submitted to SMC by the 28th of February 2017 for approval by Council | Date Supply chain management Policy reviewed and submitted to SMC for approval by Council | Supply chain management Policy reviewed and submitted to SMC by the 28th of February 2017 for approval by Council | Supply chain management Policy reviewed and submitted to SMC by the 28th of February 2017 for approval by Council | 3 (100% - 125%) | N/A | N/A | N/A | SMC |
| D | D2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | SCM 02 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Procurement plan submission | N/A | Procurement plan approved by SMC on 30/06/2016 | 2017/2018 financial year Procurement Plan prepared and submitted to SMC | 2017/2018 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2017 | Date 2017/2018 financial year Procurement Plan prepared | 2017/2018 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2017 | 2017/2018 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2017 | 3 (100% - 125%) | N/A | N/A | N/A | SMC |
| D | D2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | SCM 03 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Procurement Plan implementation | N/A | 15/16 Procurement plan | 4 x quarterly reports produced and submitted to SMC on the implementation of the 16/17FY approved procurement plan | 4 x quarterly reports produced and submitted to SMC on the implementation of the 16/17FY approved procurement plan by the 30th of June 2017 | Number of quarterly reports produced and submitted to SMC on the implementation of the 16/17FY approved procurement plan | 4 x quarterly reports produced and submitted to SMC on the implementation of the 16/17FY approved procurement plan by the 30th of June 2017 | 4 x quarterly reports produced and submitted to SMC on the implementation of the 16/17FY approved procurement plan by the 30th of June 2017 | 3 (100% - 125%) | N/A | N/A | N/A | SMC |
| D | D2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | SCM 04 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monthly Reports | N/A | Report submitted by 25 of each month | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee by the 30th of June 2017 | Number of Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee by the 30th of June 2017 | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee by the 30th of June 2017 | 3 (100% - 125%) | N/A | N/A | N/A | OMC |
| D | D2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | SCM 05 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monthly Reports | N/A | Monthly reports submitted to SMC | 12 x contract management monthly reports prepared and submitted to SMC | 12 x contract management monthly reports prepared and submitted to SMC by the 30th of June 2017 | 12 x contract management monthly reports prepared and submitted to SMC | 12 x contract management monthly reports prepared and submitted to SMC by the 30th of June 2017 | 12 x contract management monthly reports prepared and submitted to SMC by the 30th of June 2017 | 3 (100% - 125%) | N/A | N/A | N/A | SMC |
| D | D2 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | SCM 06 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monitoring of irregular expenditure | N/A | Prepare and submit irregular expenditure report as and when identified | 4 x quarterly Irregular Expenditure reports prepared and submitted to SMC as and when identified | 4 x quarterly Irregular Expenditure reports prepared and submitted to SMC by the 30th of June 2017 as and when identified | Number of quarterly Irregular Expenditure reports prepared | 3 x irregular expenditure quarterly reports produced and submitted to SMC if there is any irregular expenditure identified | N/A | NOT APPLICABLE | N/A | N/A | N/A | N/A |

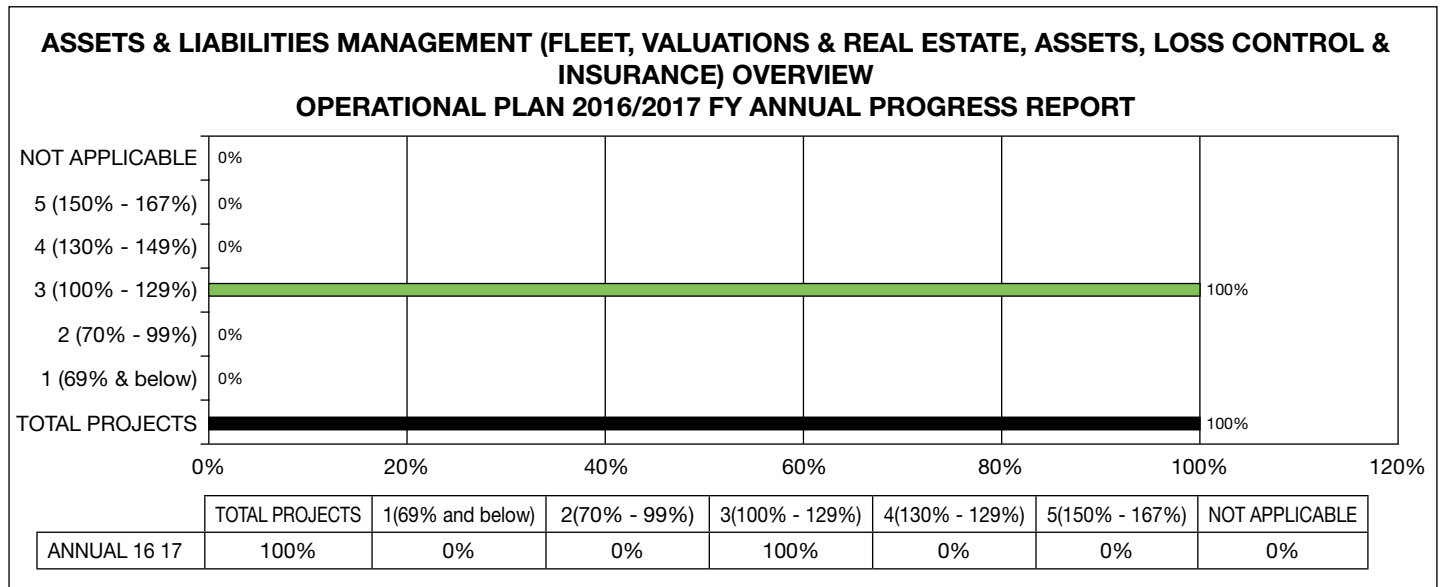
**ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE) OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE) OVERVIEW

| | | |
|--------------|---------------------------|-----------|
| 1.1 | TOTAL PROJECTS: | 12 |
| 1.1.1 | OPERATING PROJECTS | 12 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR

BUSINESS UNIT: BUDGET & TREASURY

SUB UNIT: ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE)

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL OPERATIONAL PLAN 2016/2017 | REASON FOR DEVIATION | PROGRESS FOR CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|--|--|------|---|---|---|--|---|--------------------------|-----------------------------------|----------------------|---------------------------------|--|-----------------|
| A | A1 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | A & LM01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Policy review | N/A | Asset Policy review during 2015/16 | Asset Management Policy reviewed and submitted to OMC for approval by Council | Asset management Policy reviewed and submitted to SMC by the 28 February 2017 for approval by Council | Date Asset Management Policy reviewed and submitted to SMC for approval by Council | Asset management Policy reviewed and submitted to SMC by the 28 February 2017 for approval by Council | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Report |
| A | A1 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | A & LM02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Review Useful Lives of Assets at year end. | N/A | Report prepared and submitted to OMC on the 100% review of all Council assets' useful lives | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2017 | Number & date of reports prepared and submitted to SMC on the 100% review of all Council assets' useful lives | N/A | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |
| A | A1 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | A & LM03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Valuation of Investment Properties | N/A | Report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2017 | Number & date of reports prepared and submitted to SMC on the 100% valuation of all Council Investment Property Assets at year end | N/A | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |
| A | A1 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | A & LM04 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Assess rehabilitation costs of Land fill site at year end. | N/A | Report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end | 1 x report prepared and submitted to OMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2017 | Number & Date of reports prepared and submitted to OMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2017 | N/A | 1 x report prepared and submitted to OMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |
| A | A1 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | A & LM05 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Undertake asset count | N/A | Report prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end | 1 x report prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end by the 30th of June 2017 | Number & Date of reports prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end | N/A | 1 x report prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |
| A | A1 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | A & LM06 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Assess Impairment of Assets at year end. | N/A | Report prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end | 1 x report prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end by the 30th of June 2017 | Number & Date of reports prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end | N/A | 1 x report prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |
| A | A1 | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | A & LM07 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improve Assets and Liabilities | Apply month end controls and procedures | N/A | Monthly reports prepared and submitted to OMC on depreciation journals processed monthly | 12 x monthly reports prepared and submitted to OMC on depreciation journals processed monthly by the 30th of June 2017 | Number of monthly reports on depreciation journals processed monthly submitted to OMC | N/A | 12 x monthly reports prepared and submitted to OMC on depreciation journals processed monthly by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | PROGRESS CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|--------------------------------|--|------|---|---|---|--|---|--------------------------|------------------------------------|----------------------|-----------------------------|--|---------------------|
| A | A1 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | A & LM08 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improve Assets and Liabilities | Apply month end controls and procedures | N/A | Monthly reports prepared and submitted to OMC on reconciliations between Asset Register & General Ledger performed at month end | 12 x monthly reports prepared and submitted to OMC on reconciliations between Asset Register & General Ledger performed at month end by the 30th of June 2017 | 12 x monthly reports prepared and submitted to OMC on reconciliations between Asset Register & General Ledger performed at month end by the 30th of June 2017 | Number of monthly reconciliations between Asset Register & General Ledger performed submitted to | 12 x monthly reports prepared and submitted to OMC on reconciliations between Asset Register & General Ledger performed at month end by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |
| A | A1 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | A & LM09 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improve Assets and Liabilities | Apply month end controls and procedures | N/A | Monthly reports prepared and submitted to OMC on commissioned assets unbundled every month | 12 x monthly reports prepared and submitted to OMC on commissioned assets unbundled every month | 12 x monthly reports prepared and submitted to OMC on commissioned assets unbundled every month by the 30th of June 2017 | Number of monthly reports on commissioned assets unbundled submitted | 12 x monthly reports prepared and submitted to OMC on commissioned assets unbundled every month by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report |
| A | A1 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | A & LM10 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improve Assets and Liabilities | Submit monthly reports on management of insurance claims to OMC. | N/A | Monthly reports on insurance claims submitted to OMC for 2016/17 | 12 x Monthly reports on the management of insurance claims submitted to the Operational Management Committee by the 30th of June 2017 | 12 x Monthly reports on the management of insurance claims submitted to the Operational Management Committee by the 30th of June 2017 | Number of Monthly reports on the management of insurance claims submitted | 12 x Monthly reports on the management of insurance claims submitted to the Operational Management Committee by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC report |
| A | A1 | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | A & LM11 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Expenditure Management | Annual Review of Policies and Procedures. | N/A | Insurance Policy 2015/2016 | Councils Insurance Policy reviewed and submitted to SMC for approval by Council | Councils Insurance Policy reviewed and submitted to SMC by the 28 February 2017 for approval by Council | Date Councils Insurance Policy reviewed and submitted to SMC for approval by Council | Councils Insurance Policy reviewed and submitted to SMC by the 28 February 2017 for approval by Council | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC Report |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | FLT 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Vehicle corporate branding | Branding of Council vehicles and plant | ALL | 681 | 100 x municipal vehicles and plant to be branded | 100 x Council vehicles and plant to be branded by the 30th of June 2017 | Number of Council vehicles & plant branded | 100 x Council vehicles to be branded by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | OMC Report Invoices |
| | | | | | | | | | | 16785 | | | N/A | N/A | N/A | N/A | N/A | |

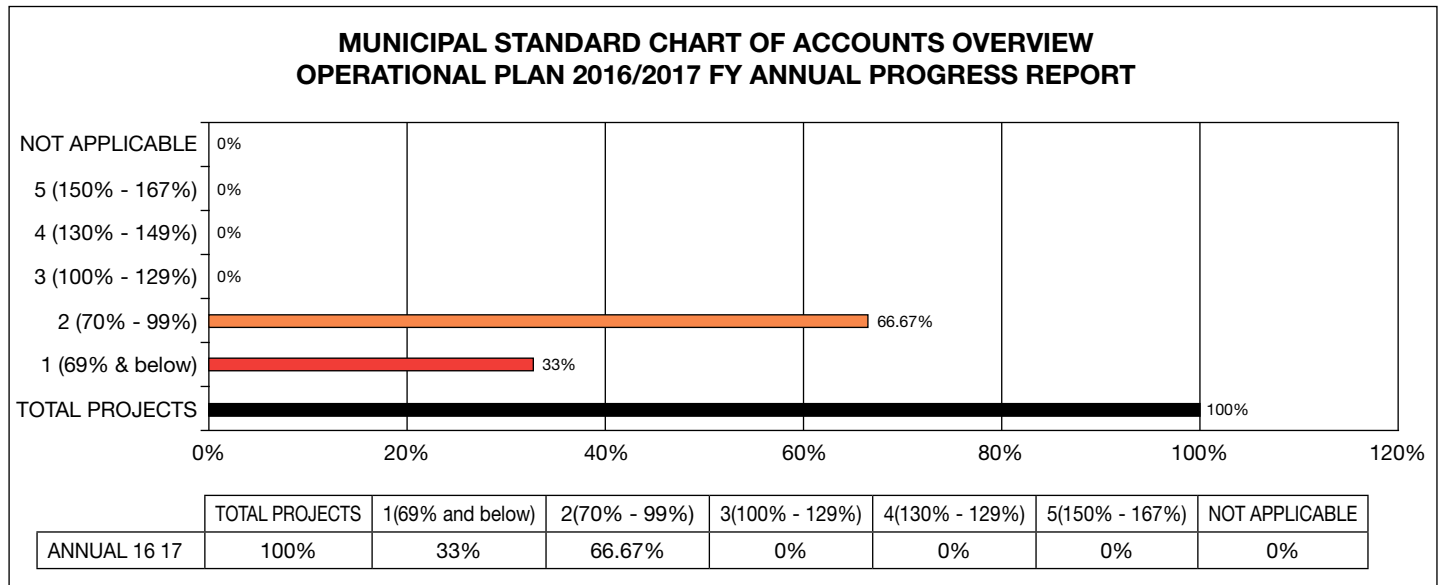
**MUNICIPAL STANDARD CHART OF ACCOUNTS OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 MUNICIPAL STANDARD CHART OF ACCOUNTS OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 3 |
| 1.1.1 | OPERATING PROJECTS | 3 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG- RESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | COP- RECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|-------------------|--|--------------------------|---|------|---|--|---|---|---|-------------------------------|--|--|---|---|--|
| D | D3 | 4 - FI- NANCIAL SUSTAIN- ABILITY | B & T 11 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | Strengthen Governance | Quarterly reporting of the implementation of mSCOA submitted to SMC. | N/A | Quarterly re- ports prepared and submitted to SMC on the implementation of mSCOA | 4 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA | 4 x Quarterly reports prepared and sub- mitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA by the 15th of April 2017 | Number of Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA | 3 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA by the 15th of April 2017. 1 report completed and submitted after the 15th of April 2017 | N/A | 2 (70% - 99%) | Report was not prepared on time since been emphasis was on submission of original budget for 2018 into NT portal | Report has since been prepared | May 2017 | SMC reso- lution |
| D | D3 | 4 - FI- NANCIAL SUSTAIN- ABILITY | B & T 12 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | Financial reporting | Trial run of mSCOA from July 2016 | N/A | NIL | 9 x Monthly Reports on the Implementation of mSCOA Budgeting (seven segments) produced and sub- mitted to SMC | 9 x Monthly Reports on the Implementation of mSCOA Budgeting (seven segments) pro- duced and submitted to SMC by the 30th of June 2017 | Number of Monthly Reports on the Imple- mentation of mSCOA, Budgeting (seven seg- ments) produced and submitted to SMC | N/A | N/A | 1 (69% & below) | Non availability of the budget module from SAP caused the delay in making the information available | Currently 2017/18 is already load- ed into SAP in version 5.4 the same shall be converted into version 6.1 and submitted to National Treasury | Revised time line by National Treasury is 15 August 2017 | Submission proof from NT |
| A | A1 | 4 - FI- NANCIAL SUSTAIN- ABILITY | MSCOA 01 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | Financial reporting | Facilitate mS- COA accredited training through National Treasury for all related staff within the municipality | N/A | NIL | 100 X Council Staff training facilitated on mSCOA either through accredited or non-accredited training done through National Treasury | 100 X Council Staff training facilitated on mSCOA either through accredited or non-accredited training done through National Treasury by the 30th of June 2017 | Number of Council Staff training facilitat- ed on mSCOA either through accredited or non-accredited training done through National Treasury by the 30th of June 2017 | N/A | N/A | 2 (70% - 99%) | Service is readily available to under- take training chal- lenge of the venue is being addressed it is anticipated that training shall start full swing in July | training material and computers are being organ- ised to ensure the smooth running of training hence the delay in commencing with the training | July and August training shall be scheduled | number of staff trained on mSCOA |

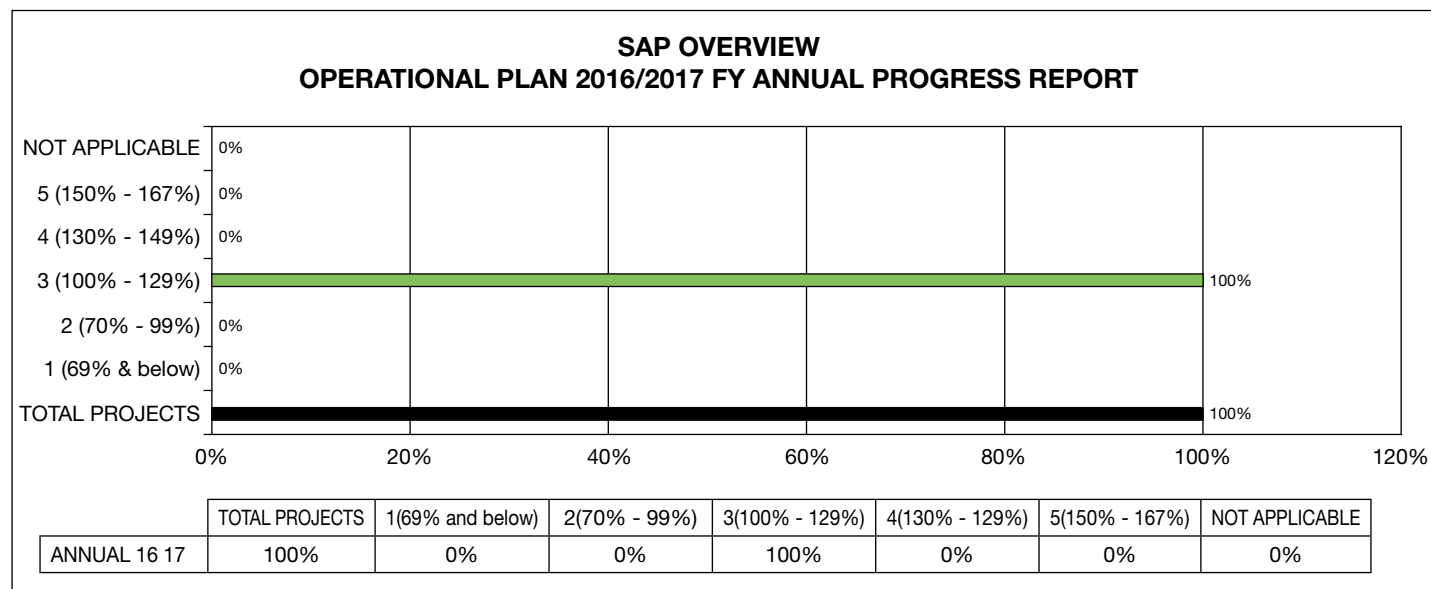
SAP OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 SAP OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 1 |
| 1.1.1 | OPERATING PROJECTS | 1 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: BUDGET & TREASURY
SUB UNIT: SAP

| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG- RESS - ACTUAL | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|-------------------|--|---------------------------|---|------|--|--|---|--|---|--|---|-------------------------|---|--------------------|
| A | A1 | 4 - Fi- NANCIAL SUSTAIN- ABILITY | EXP 01 | FINANCIAL VIABIL- ITY & FINANCIAL MANAGEMENT | Expenditure Management | Financial Man- agement System - DuziSAP Z20 | N/A | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2017 | Number of Quarterly reports prepared and submitted to SMC on the Implementa- tion of Financial Management System. | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2017 | 4x Quarterly Reports on the acquisition and implementation of the financial man- agement system submitted to SMC by 30 June 2017. | 3 (100% - 129%) | N/A | N/A | Reports to SMC. |
| | | | | | | | | | | N/A | | N/A | N/A | N/A | N/A | N/A | N/A |

ANNEXURE D

OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT - INFRASTRUCTURE SERVICES

INFRASTRUCTURE SERVICES OVERVIEW

OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

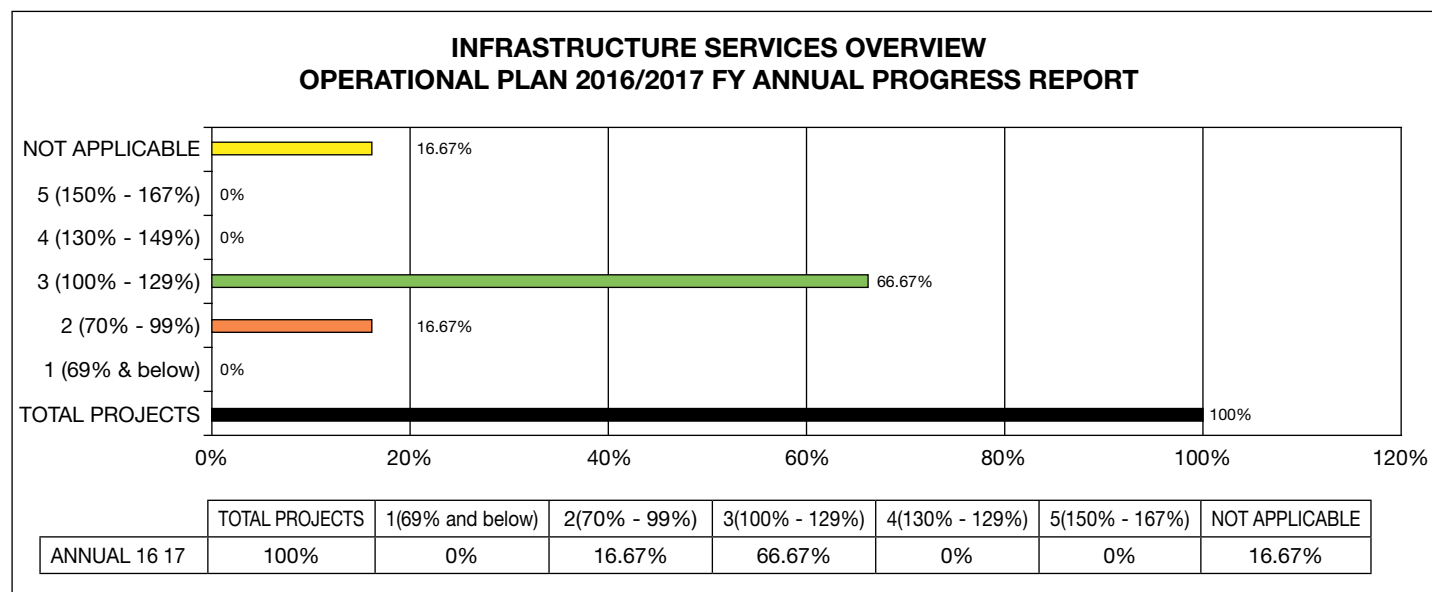
1 INFRASTRUCTURE SERVICES OVERVIEW

1.1 TOTAL PROJECTS: 6

1.1.1 OPERATING PROJECTS 6

1.1.2 CAPITAL PROJECTS 0

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR

INFRASTRUCTURE SERVICES OVERVIEW NARRATIVE

OPERATIONAL PLAN 2016/2017 FY - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFER-ENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|-------------------------|---------------------------|---------------------------|-------------------------|-----------------------|---|---------------|---|--|------------------------------------|---|---|
| 3 | INFRASTRUCTURE SERVICES | PROJECT MANAGEMENT OFFICE | 6 | 0 | 6 | 1 | PMU 02 | 24 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of June 2017 | 17 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of April 2017 | 2 (70% - 99%) | No progress in most sites for the first three months of financial year, due to non payment of the Service providers | Invoices must be sent to PMO for processing, and the Project Champions have to start attending the Meetings |
| TOTAL | | | | | 6 | 1 | | | | | | |

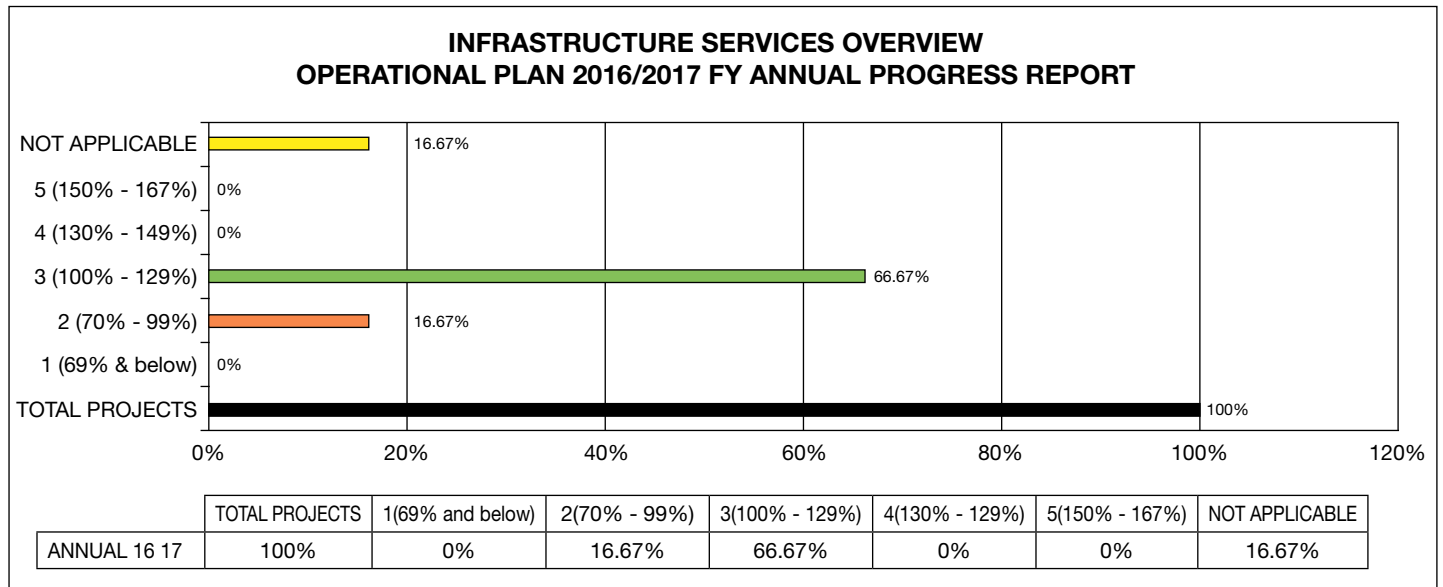
**PROJECT MANAGEMENT OFFICE OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 PROJECT MANAGEMENT OFFICE OVERVIEW

1.1 TOTAL PROJECTS: 6
1.1.1 OPERATING PROJECTS 6
1.1.2 CAPITAL PROJECTS 0

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



**OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: INFRASTRUCTURE SERVICES
SUB UNIT: PROJECT MANAGEMENT OFFICE**

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL OPERATIONAL PLAN 2016/2017 | | | | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|--|----------------------------|--|------|--|--|--|---|--|---|---|--------------------|----------------------|---|---|---|
| | | | | | | | | | | | | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | | | | |
| D | D2 | 3 -IM-PROVED INFRA-STRUCTURE EFFICIENCY | PMU 01 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Project Management support | Monthly programme / project monitoring reports for MIG/OGF/CNL Budget | All | Reports compiled & submitted by 10th of every month in 2015/2016 FY | 12 x Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to Deputy Municipal Manager: Infrastructure Services | 12 x Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to project managers within business units by the 30th of June 2017 | Number of Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted | 12 x Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to project managers within business units by the 30th of June 2017 | 12 x Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to project managers within business units by the 30th of April 2017 | 3 (100% - 129%) | N/A | N/A | Invoices must be sent to PMO for processing, and the Project Champions have to start attending the Meetings | N/A | Monthly MIG financial project listing. |
| D | D2 | 3 -IM-PROVED INFRA-STRUCTURE EFFICIENCY | PMU 02 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Basic Service Delivery | Project Management support | All | Weekly programme/project monitoring reports for MIG/OGF/CNL Budget in 2015/2016 FY | 24 x Bi-weekly reports sent out every second Friday to project managers within business units on expenditure (MIG/OGF/CNL Budget) | 24 x Bi-weekly reports sent out every second Friday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of June 2017 | Number of Bi-weekly reports sent out every second Wednesday | 17 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of June 2017 | 17 x Bi-weekly reports sent out every second Wednesday to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of April 2017 | 2 (70% - 99%) | N/A | N/A | No progress in most sites for the first three months of financial year, due to non payment of the Service providers | N/A | Minutes of PM's Management meeting. |
| D | D2 | 3 -IM-PROVED INFRA-STRUCTURE EFFICIENCY | PMU 03 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Project Management Support | Administration of payment process and ongoing monitoring | All | 100% of all invoices packaged and submitted to client departments within 48 hours in 2015/2016 FY | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMU | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMU by the 30th of June 2017 | Turnaround time for all invoices packaged and submitted to client departments | N/A | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMU by the 30th of June 2017 | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMU by the 30th of April 2017 | 3 (100% - 129%) | N/A | N/A | Copy of signed payment tracking sheet for invoices processed. | |
| D | D3 | 3 -IM-PROVED INFRA-STRUCTURE EFFICIENCY | PMU 04 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Project Management Support | Administration Support and reporting to MIG (Provincial) and reporting to OGF/CNL/EPWP | All | Ensure project documentation completion to report expenditure to MIG/OGF/CNL/EPWP by the 15th of every Month in 2015/2016 FY | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 15th of every month | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 15th of every month by the 30th of June 2017 | Number of Monthly DORA reports for MIG & EPWP prepared and submitted | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 15th of every month by the 30th of June 2017 | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 15th of every month by the 30th of April 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | MIG DoRA report and EPWPW report |
| A | A1 | 3 -IM-PROVED INFRA-STRUCTURE EFFICIENCY | PMU 05 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Year end procedures | Notes to the annual financial statements for MIG | All | Annual financial statements compiled and submitted to Finance in 2015/2016 FY | Notes to the Annual financial statements compiled and submitted to Finance by the 15th of August 2016 | Notes to the Annual financial statements compiled and submitted to Finance by the 15th of August 2016 | Date Notes to the Annual financial statements compiled and submitted | N/A | N/A | N/A | N/A | N/A | N/A | Notes to the CFO | |
| D | D3 | 3 -IM-PROVED INFRA-STRUCTURE EFFICIENCY | PMU 06 | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Project Management Support | Monthly programme / project monitoring reports for COGTA | All | Expenditure and Revenue (E&R) Reports verified & submitted by 15th of every month to COGTA in 2015/2016 FY | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 15th of every month to COGTA | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 15th of every month to COGTA by the 30th of June 2017 | Number of Monthly Expenditure and Revenue (E&R) Reports verified & submitted | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 15th of every month to COGTA by the 30th of June 2017 | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 15th of every month to COGTA by the 30th of April 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Copies of verified Expenditure and Revenue (E&R) reports. |

ANNEXURE E

OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT - CORPORATE SERVICES

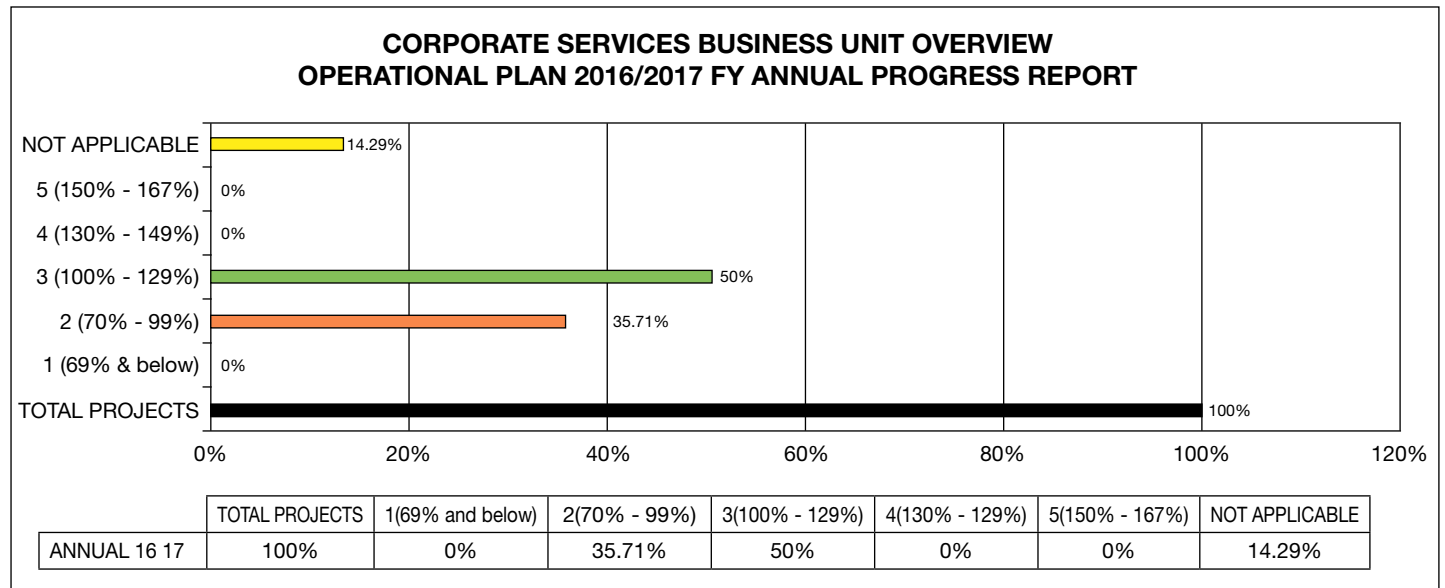
CORPORATE SERVICES BUSINESS UNIT OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 CORPORATE SERVICES BUSINESS UNIT OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 28 |
| 1.1.1 | OPERATING PROJECTS | 28 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR

CORPORATE SERVICES BUSINESS UNIT OVERVIEW NARRATIVE

OPERATIONAL PLAN 2016/2017 FY - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PATIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | |
|----|--------------------|--------------------------------------|---------------------------|-------------------------|-----------------------|--|--------------|--|---|------------------------------------|--|---|--|
| 4 | CORPORATE SERVICES | LEGAL SERVICES | 7 | 0 | 7 | 3 | LGLO2 | 1 X specified bylaws (way/leaves) submitted to SMC for authority to invite comments by the 31st of May 2017 | Further input on the policy is being awaited from the various technical departments. Draft framework bylaws completed. | 2 (70% - 99%) | Further input on the policy is being awaited from the various technical departments. | Technical Departments to provide technical inputs to finalise policy. | |
| | | | | | | | LGLO4 | 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 2017 | Not all legal input provided into contracts within the required time periods. | 2 (70% - 99%) | Two of the four professional staff were absent from work for extensive periods during quarter 2 due to medical reasons resulting in capacity constraints. | Improve work planning and prioritization. | |
| | | | | | | | LGLO5 | 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 2017 | Not all comments legal advice provided within 7 working days of receipt of the request/ notification by Legal Services by the 30th of June 2017 | 2 (70% - 99%) | Two of the four professional staff were absent from work for extensive periods during quarter 2 due to medical reasons resulting in capacity constraints. | Improve work planning and prioritization. | |
| | | INFORMATION COMMUNICATION TECHNOLOGY | 6 | 0 | 6 | 1 | ICT 07 | 5 x CT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Service Desk and Incident Management Policy) updated & submitted to SMC for onward submission to Council by the 31st of October 2016 | Changes were made to the policies to conform with the current standard format and submitted to the OD unit. | 2 (70% - 99%) | OD to approve the policies. | OD to approve the policies. | |
| | | SECRETARIAT & AUXILIARY SERVICES | 6 | 0 | 6 | 3 | SG 04 | 1 x Folding Machine procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A | |
| | | | | | | | SG 05 | 1 x Compressor procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A | |
| | | | | | | | SG 06 | 1 x Trolley procured by the 30th of June 2017 | Tender Evaluation by the 31st of January 2017 | 2 (70% - 99%) | N/A | N/A | |
| | | HUMAN RESOURCES | 9 | 0 | 9 | 3 | HR 02 | 60 x Councilors trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 27 Councilors were trained in line with the 2016/17 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re- advertisement of Training programmes as there were no suitable providers. 2.Training implementation was suspended due to non-availability of Cllrs as they are engaged on the bi – elections campaigns. 3. Poor attendance of Councilors at the 2 programmes implemented. | Get buy-in and support from Speakers Office. | |
| | | | | | | | HR 03 | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re- advertisement of Training programmes as there were no suitable providers. 2.Delays in the turnaround time of approval from MM's Office and SCM to the appoint training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. | Review Appointment Process and work closer with Supply Chain Unit | |
| | | | | | | | HR 06 | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1 (69% & below) | 1.Delays in the appointment of Training Providers due to re- advertisement of Training programmes as there were no suitable providers. 2.Delays in the turnaround time of approval from MM's Office and SCM to the appoint training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. | Review Appointment Process and work closer with Supply Chain Unit | |
| | | TOTAL | | | | | 28 | 10 | | | | | |

LEGAL SERVICES OVERVIEW

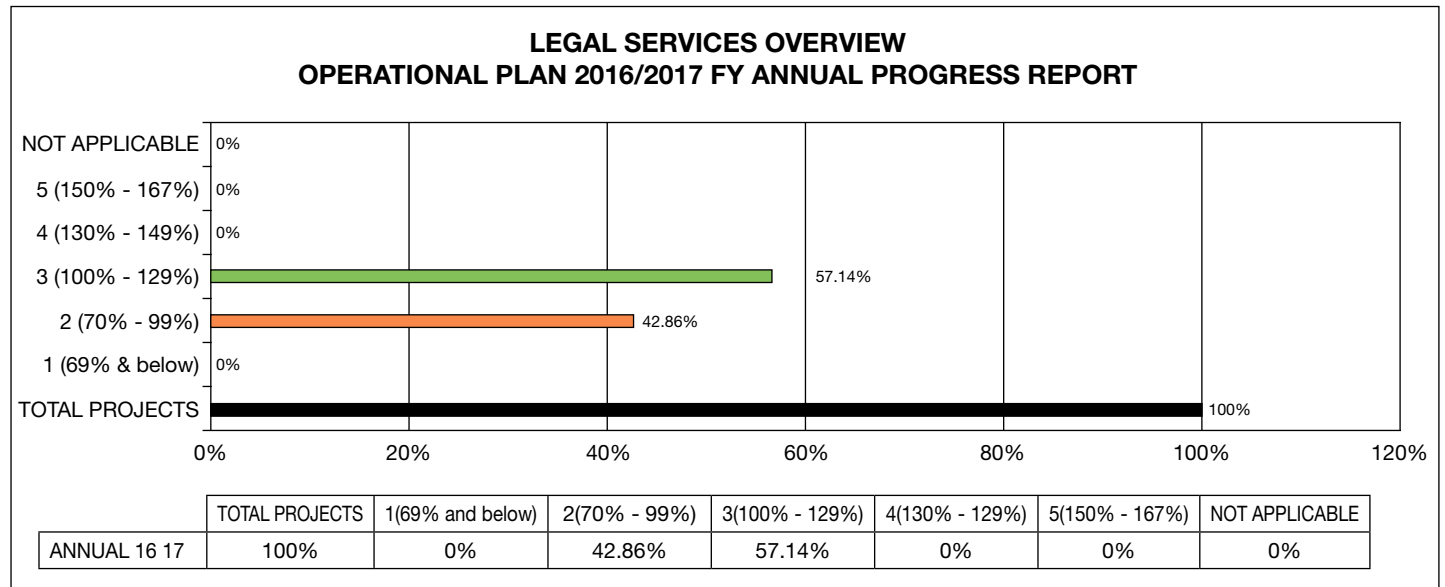
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 LEGAL SERVICES OVERVIEW

| | | |
|-------|--------------------|---|
| 1.1 | TOTAL PROJECTS: | 7 |
| 1.1.1 | OPERATING PROJECTS | 7 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR

BUSINESS UNIT: CORPORATE SERVICES

SUB UNIT: LEGAL SERVICES

| INDEX | DP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------|---|--------------|--|-----------------------|---|------|-----------------------|--|--|--|---|---|------------------------------------|---|---|--|---|
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | LGL01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | STRENGTHEN GOVERNANCE | BYLAWS | ALL | 27 | 6 x specified bylaws (1. planning & land use management, 2. amendment to public (environmental) health, 3. libraries, 4. problem building, 5. events, 6. cellular telecommunication infrastructure bylaws) produced and submitted to full council for adoption | 6 x specified bylaws (1. planning & land use management, 2. amendment to public (environmental) health, 3. libraries, 4. problem building, 5. events, 6. cellular telecommunication infrastructure bylaws) produced and submitted to Full Council for adoption by the 31st of May 2017 | Number of specified bylaws (1. planning & land use management, 2. Amendment to public (environmental) health, 3. libraries, 4. problem building, 5. events, 6. cellular telecommunication infrastructure bylaws) produced and submitted to Full Council for adoption | 6 x specified bylaws (1. planning & land use management, 2. amendment to public (environmental) health, 3. libraries, 4. problem building, 5. events, 6. cellular telecommunication infrastructure bylaws) produced and submitted to Full Council for adoption by the 31st of May 2017 | Amendment to Public (environmental) Health, Libraries Events Cellular Telecommunication Infrastructure Bylaws referred to Full Council at its meeting of 31 May 2017 for further consideration. By-laws referred back for further consideration by Committees. Problem Building and Planning & Land Use Management bylaws published in Gazette. | 3 (100% - 129%) | N/A | N/A | N/A | Resolutions, Draft bylaws, Provincial Gazettes. |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | LGL02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | STRENGTHEN GOVERNANCE | BYLAWS | ALL | 27 | 1 x specified bylaws (wayleaves) submitted to SMC for authority to invite comments | 1 x specified bylaws (wayleaves) submitted to SMC for authority to invite comments by the 31st of May 2017 | Number & date specified bylaws (wayleaves) submitted to SMC for authority to invite comments | 170837 1 x specified bylaws (wayleaves) submitted to SMC for authority to invite comments by the 31st of May 2017 | Further input on the policy is being awaited from the various technical departments. Draft framework bylaws completed. | 2 (70% - 99%) | N/A | Technical Departments to provide technical inputs to finalise policy. | 31 May 2018 as per Operational Plan for 2017/2018. | Draft Policy: Draft bylaws |
| E | E1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | LGL03 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | LEGAL REPRESENTATION | PROVISION OF LEGAL REPRESENTATION | ALL | 100% | 100% provision of legal representation on behalf of Council in all instances of civil and criminal litigation by the 30th of June 2017 | 100% provision of legal representation on behalf of Council in all instances of civil and criminal litigation by the 30th of June 2017 | % Provision of legal representation on behalf of Council in all instances of civil and criminal litigation | N/A | 100% provision of legal representation on behalf of Council in all instances of civil and criminal litigation by the 30th of June 2017 | N/A | N/A | N/A | N/A | Notices and Pleadings, Court Book |
| E | E1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | LGL04 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | LEGAL COMMENTS | PROVISION OF LEGAL ADVICE, OPINIONS, AND INPUTS | ALL | 100% | 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. | 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 legal services by the 30th of June 2017 | Turnaround time for the 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 | R2085.036 100% 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 2017 | N/A | N/A | Two of the four professional staff were absent from work for extensive periods during quarter 2 due to medical reasons resulting in capacity constraints. | N/A | Contracts | |
| E | E1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | LGL05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | LEGAL COMMENTS | PROVISION OF LEGAL ADVICE, OPINIONS, AND INPUTS | ALL | 100% | 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. | 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 2017 | Turnaround time for the completion of all requests for drafting and/or provision of legal input into contracts upon 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 2017 | N/A | 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 2017 | N/A | N/A | N/A | N/A | Legal comments |
| E | E1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | LGL06 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | LEGAL COMMENTS | PROVISION OF LEGAL ADVICE, OPINIONS, AND INPUTS | ALL | 100% | 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. | 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 2017 | Turnaround time for the 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 | N/A | 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 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Draft Policies |

| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL OPERATIONAL PLAN 2016/2017 PROGRESS REPORT ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|-------------------|--|----------------------|-----------------|------|--------------------------|--|--|--|--|---|---|---|-----------------------|---|--------------------------------------|
| E | E1 | 1 - BUILD- ING A CAPABLE & DEVELOP- MENTAL MUNICI- PALITY | LGL07 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | LEGAL EDU- CATION | LEGAL BRIEFS | ALL | 100% | 4 X LEGAL BRIEFS PRODUCED & SUB- MITTED TO SMC | 4 X LEGAL BRIEFS PRO- DUCED & SUBMITTED TO SMC BY THE 30th OF JUNE 2017 | NUMBER OF LEGAL BRIEFS PRODUCED & SUBMITTED TO SMC | 4 X LEGAL BRIEFS PRODUCED & SUB- MITTED TO SMC by the 30th of June 2017 | 4 X LEGAL BRIEFS PRODUCED & SUBMITTED TO SMC BY THE 30th OF JUNE 2017 | 3 (100% - 129%) | N/A NOTE: Legal briefs re- ferred to OMC by SMC. | N/A | N/A | Legal Briefs and Resolu- tions |
| | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

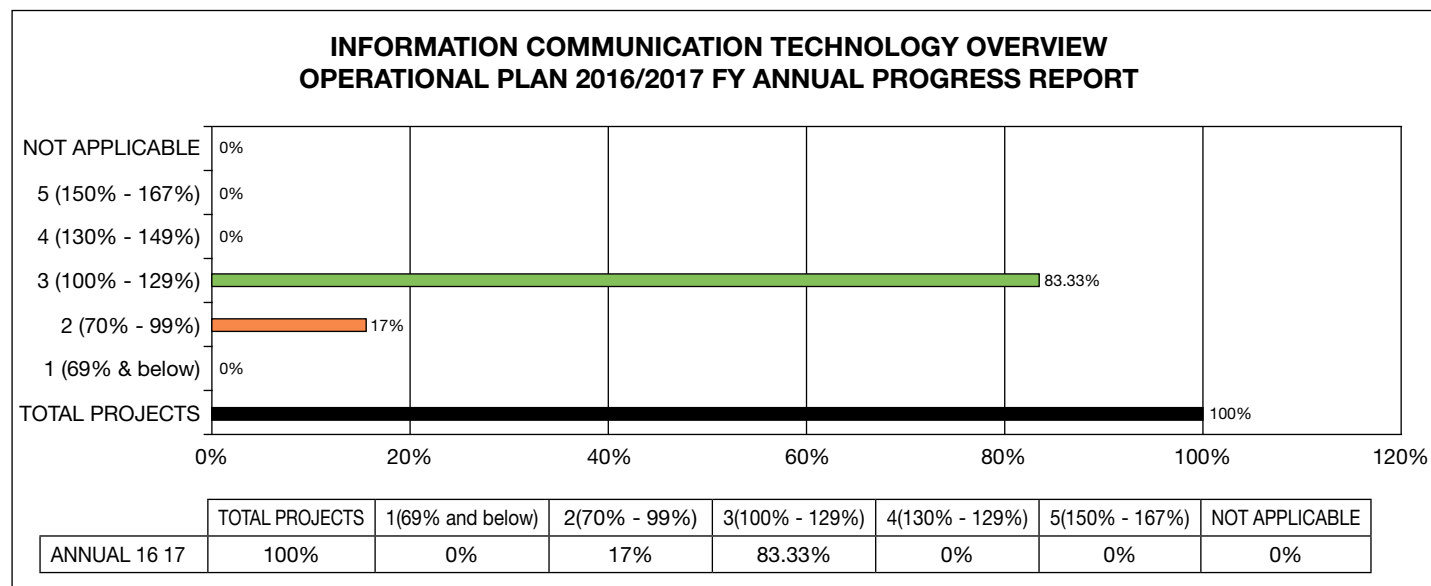
**INFORMATION COMMUNICATION TECHNOLOGY OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 INFORMATION COMMUNICATION TECHNOLOGY OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 6 |
| 1.1.1 | OPERATING PROJECTS | 6 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REF-ERENCE | CDS REF-ERENCE | OP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|---|---------------|--|---------------------|---|------|---------------------------------------|--|--|--|--|---|---|----------------------|-----------------------------|--|--|
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT INFRA-STRUCTURE | TELKOM DIGINET DATA LINES REPLACED WITH FIBRE | N/A | 3 Sites replaced with Fibre | 3 X Sites (Traffic, Market & Airport) replaced with Fibre Data Line by the 31st of May 2017 | 3 X Sites (Traffic, Market & Airport) replaced with Fibre Data Line by the 31st of May 2017 | Number of Sites (Traffic, Market & Airport) replaced with Fibre Data Line by the 31st of May 2017 | 3 X Sites (Traffic, Market & Airport) replaced with Fibre Data Line by the 31st of May 2017 | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | Sign-offs and Fibre test certificates for Harry Gwaia, Market, Parks and Traffic buildings |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT INFRA-STRUCTURE | LANWAN | | ASC (2nd Floor) with CAT 6 Cabling. | 7 x floors at AS Chetty (basement, lower ground, First floor, 3rd floor, 4th floor, 5th floor) building installed with CAT 6 Cabling by the 31st of May 2017 | 7 x floors at AS Chetty (basement, lower ground, First floor, 3rd floor, 4th floor, 5th floor) building installed with CAT 6 Cabling by the 31st of May 2017 | Number of floors at AS Chetty (basement, lower ground, First floor, 3rd floor, 4th floor, 5th floor) building installed with CAT 6 Cabling by the 31st of May 2017 | 7 x floors at AS Chetty (basement, lower ground, First floor, 3rd floor, 4th floor, 5th floor) building installed with CAT 6 Cabling by the 31st of May 2017 | 3 (100% - 129%) | 3 (100% - 129%) | N/A | N/A | N/A | Project Plan, Invoices |
| A | A2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT INFRA-STRUCTURE | Computer Deployment Project Phase III (Laptops & Desktops) | | 400 New Computers have been replaced. | 60 x New Computers purchased & Deployed as per the SMC deployment Schedule for new Computers by the 31st of January 2017 | 60 x New Computers purchased & Deployed as per the SMC deployment Schedule for new Computers by the 31st of January 2017 | Number of New Computers purchased & Deployed as per the SMC deployment Schedule for new Computers by the 31st of January 2017 | 60 x New Computers purchased & Deployed as per the SMC deployment Schedule for new Computers by the 31st of January 2017 | N/A | 3 (100% - 129%) | N/A | N/A | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT 05 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT GOVERNANCE | ICT Risk Register Remediation | | 2015/16 ICT Risk Register | 100 % Implementation of all actions contained in the Approved Risk Management Action Plan Remediated as per stipulated timeframes by the 30th of June 2017 | 100 % Implementation of all actions contained in the Approved Risk Management Action Plan Remediated as per stipulated timeframes by the 30th of June 2017 | % Implementation of all actions contained in the Approved Risk Management Action Plan Remediated as per stipulated timeframes by the 30th of June 2017 | N/A | Continuous implementation of all actions contained in the Approved Risk Management Action Plan Remediated as per stipulated timeframes by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Updated Audit Findings |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT 06 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT GOVERNANCE | ICT Risk Register Reduction | | 2015/16 ICT Risk Register | 100 % Implementation of all actions contained in the Approved Risk Management Action Plan Reduced as per stipulated timeframes by the 30th of June 2017 | 100 % Implementation of all actions contained in the Approved Risk Management Action Plan Reduced as per stipulated timeframes by the 30th of June 2017 | % Implementation of all actions contained in the Approved Risk Management Action Plan Reduced as per stipulated timeframes by the 30th of June 2017 | N/A | Continuous implementation of all actions contained in the Approved Risk Management Action Plan Reduced as per stipulated timeframes by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Updated Risk Register |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT 07 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | ICT GOVERNANCE | Review and Update 5 ICT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Incident Management Policy) | | Outdated ICT Policies | 5 x ICT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Incident Management Policy) updated & submitted to Council for onward submission | 5 x ICT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Incident Management Policy) updated & submitted to Council for onward submission | Number of ICT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Incident Management Policy) updated & submitted to Council for onward submission | 5 x ICT Policies (ICT Security Policy, Backup and Recovery Policy, Change Management and Control Policy, User Account Management Policy and Incident Management Policy) updated & submitted to Council for onward submission | N/A | 1 (69% & below) | N/A | OD to approve the policies. | OD to approve the policies. | Email correspondence |

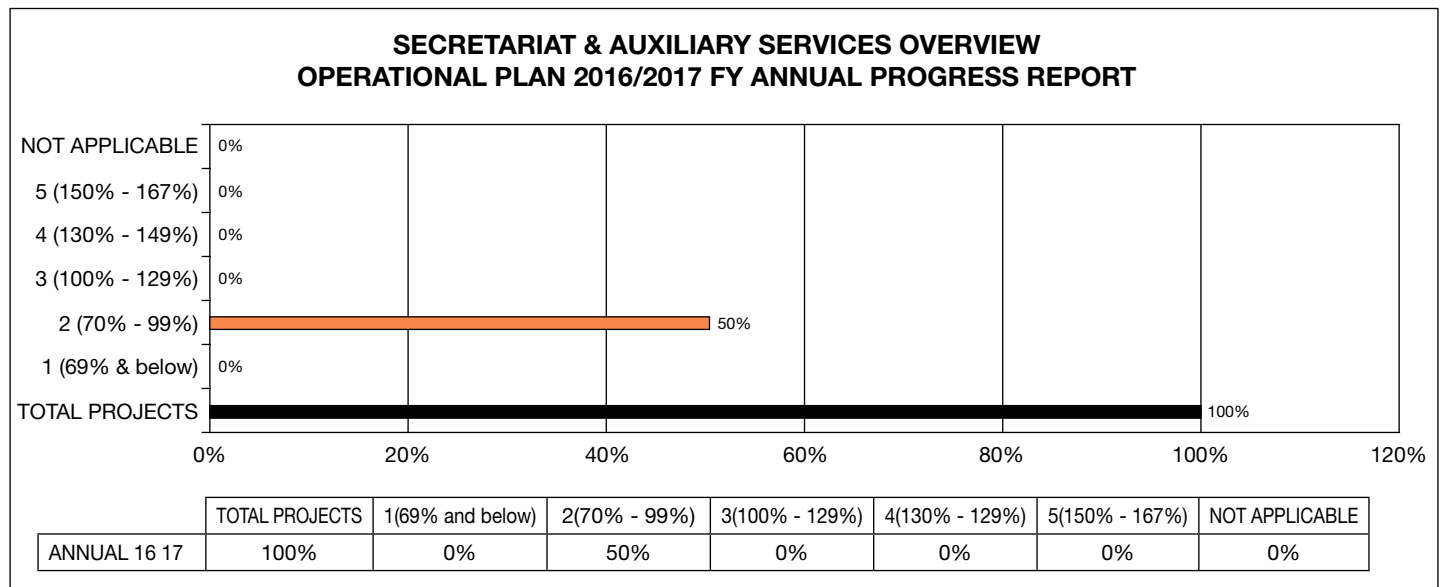
**SECRETARIAT & AUXILIARY SERVICES OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 SECRETARIAT & AUXILIARY SERVICES OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 6 |
| 1.1.1 | OPERATING PROJECTS | 6 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REF. ERENCE | CDS REFER- ERENCE | OP REFER- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG- RES - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|-----------------|---|------------------|--|---|---|------|--|---|---|--|---------------|--|------------------------------------|----------------------|--------------------|--|-------------------|
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOP- MENTAL MU- NICIPALITY | SG 01 | NKPA 1 - MU- NICIPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Co- porate Services Compliance and Risk Reduction | Minute Taking in Meetings | ALL | The minutes of Council and Council committee meetings are not compiled in seven working days at all times. | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2017 | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2017 | Number of days Council and Council committee meetings compiled | N/A | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | signed minutes |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOP- MENTAL MU- NICIPALITY | SG 02 | NKPA 1 - MU- NICIPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Co- porate Services Compliance and Risk Reduction | Making public Council and Council Committee | ALL | Weekly & Monthly calendars published on corporate communications | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2017 | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2017 | Number of weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday | N/A | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2017 | N/A | N/A | N/A | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOP- MENTAL MU- NICIPALITY | SG 03 | NKPA 1 - MU- NICIPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Co- porate Services Compliance and Risk Reduction | Making public Council and Council Committee | ALL | Weekly & Monthly calendars published on corporate communications | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month | Number of monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month | N/A | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Monthly Calendars |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOP- MENTAL MU- NICIPALITY | SG 04 | NKPA 1 - MU- NICIPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Co- porate Services Compliance and Risk Reduction | Procure- ment of Folding machine | ALL | NIL | 1 x Folding Machine procured | 1 x Folding Machine procured by the 30th of June 2017 | Number and date Folding Machine procured | N/A | Tender Evaluation by the 31st of January 2017 | 4 (130% - 149%) | N/A | N/A | N/A | Delivery note |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOP- MENTAL MU- NICIPALITY | SG 05 | NKPA 1 - MU- NICIPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Co- porate Services Compliance and Risk Reduction | Procure- ment of 1 Compressor | ALL | NIL | 1 x Compressor procured | 1 x Compressor procured by the 30th of June 2017 | Number and date Compressor procured | N/A | Tender Evaluation by the 31st of January 2017 | 4 (130% - 149%) | N/A | N/A | N/A | Delivery note |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOP- MENTAL MU- NICIPALITY | SG 06 | NKPA 1 - MU- NICIPAL TRANS- FORMATION & ORGANIZATIONAL DEVELOPMENT | Improving Co- porate Services Compliance and Risk Reduction | Procure- ment of 1 Trolley | ALL | NIL | 1 x Trolley procured | 1 x Trolley procured by the 30th of June 2017 | Number and date Trolley procured | N/A | Tender Evaluation by the 31st of January 2017 | 4 (130% - 149%) | N/A | N/A | N/A | Delivery note |
| | | | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A |

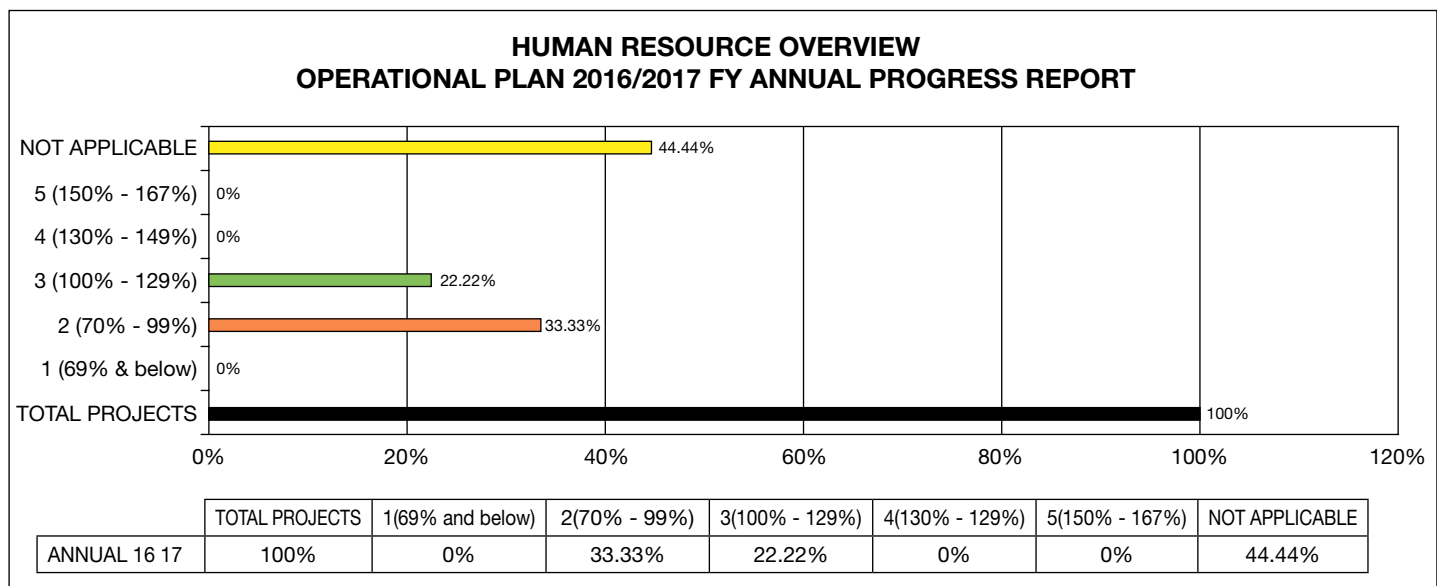
**HUMAN RESOURCES OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

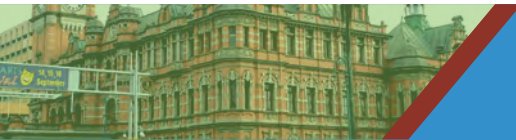
1 HUMAN RESOURCES OVERVIEW

| | | |
|--------------|---------------------------|----------|
| 1.1 | TOTAL PROJECTS: | 9 |
| 1.1.1 | OPERATING PROJECTS | 9 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | IDP REF-ERENCE | CDS REEF-ERENCE | OP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS Q100 | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ANNUAL OPERATIONAL PLAN 2016/2017 PROGRESS REPORT | TIMEFRAME TO IMPLEMENT CO-RECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|---|---------------|--|-------------------------------|---|------|------------------------|--|--|--|--|--|---|--|--|
| A | A2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Sound Co-Operative Governance | Councillor Skills Audit | N/A | N/A | All Councillors (75) Skills Audited and Individual Personal Development Plans established by the 30th of November 2016 | All Councillors (75) Skills Audited and Individual Personal Development Plans established by the 30th of November 2016 | Number of Councillors Audited and Individual Personal Development Plans established | N/A | N/A | N/A | N/A | N/A |
| A | A2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Workplace Skills plan | Implementation of the Workplace Skills Plan | N/A | 40 Councillors trained | 60 x Councillors trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 60 x Councillors trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | Number of Councillors trained in line with the 2016/17 Workplace Skills Plan | 80 x Councillors trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 27 Councillors were trained in line with the 2016/17 Workplace Skills Plan | 1. Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2. Training implementation was suspended due to non-availability of CIs as they are engaged on the bi-elections campaigns. 3. Poor attendance of Councillors at the 2 programmes implemented. | Immediate | Training Registers, BEC Reports and Email to GM: Corporate Services. |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 03 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Workplace Skills plan | Implementation of the Workplace Skills Plan | N/A | 1100 Employees Trained | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | 1020 x Employees trained in line with the 2016/17 Workplace Skills Plan by the 30th of June 2017 | Number of Employees trained in line with the 2016/17 Workplace Skills Plan | 563,988.00 | 655 Employees were trained in the 2016/2017 Workplace Skills Plan | 1. Delays in the appointment of Training Providers due to re-advertisement of Training programmes as there were no suitable providers. 2. Delays in the turnaround time of approval from MM's Office and SCM to the appointment training providers. 3. Due to the above delays the funding to appoint training providers were exhausted and the training has to be implemented in the 2017/2018 Financial Year. | N/A | Training Registers, Appointment Letters and BEC Reports |
| A | A2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 04 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Learnerships | Implementation of Learnership | N/A | 2 Learnerships | 1 x learnership implemented (25 beneficiaries) by the 31st of December 2016 | 1 x learnership implemented (25 beneficiaries) by the 31st of December 2016 | Number of learnerships implemented and number of beneficiaries | 3 301807 | N/A | N/A | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 05 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Process Mapping | Process manuals | N/A | | Organisational Process/Procedure Mapping implemented and submitted to SMC for approval | Organisational Process/Procedure Mapping implemented and submitted to SMC for approval by the 31st of October 2016 | Date Organisational Process/Procedure Mapping implemented and submitted to SMC for approval | N/A | N/A | N/A | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 06 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Process Mapping | Process manuals | N/A | | 1 x Progress report on the implementation of Process Mapping plan prepared & submitted to SMC | 1 x Progress report on the implementation of Process Mapping plan prepared & submitted to SMC by the 30th of June 2017 | Date Progress report on the implementation of Process Mapping plan prepared & submitted to SMC | 1 x Progress report on the implementation of Process Mapping plan prepared & submitted to SMC by the 30th of June 2017 | Clarity required on role of Ngubane and Company | N/A | N/A | N/A |
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 07 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | HR Policies | Employee Communication | N/A | 13/14 HR Policy Manual | Completed and Updated 2016/2017 HR Policy Manual uploaded to the intranet by the 31st of January 2017 | Completed and Updated 2016/2017 HR Policy Manual uploaded to the intranet by the 31st of January 2017 | Date Completed and Updated 2016/2017 HR Policy Manual uploaded to the intranet | N/A | N/A | N/A | N/A | N/A |



| INDEX | DP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------|---|--------------|--|------------------------------|------------------------------|------|---------------------------------------|--|---|--|---|--|------------------------------------|----------------------|--------------------|--|-------------------|
| A | A1 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 08 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Health and Safety | Capacity Building | N/A | N/A | 8 x Occupational Safety and Environmental Policy Workshops facilitated | 8 x Occupational Safety and Environmental Policy Workshops facilitated by the 30th of June 2017 | Number of Occupational Safety and Environmental Policy Workshops facilitated | 8 x Occupational Safety and Environmental Policy Workshops facilitated by the 30th of June 2017 | 9 Occupational Safety and Environmental Policy Workshops held on the 29 July 2016; 1 September 2016; 25 October 2016; 8 November 2016; 17 February 2017; 29 March 2017; 7 April 2017; 13 June 2017 and 15 June 2017. | 3 (100% - 129%) | N/A | N/A | N/A | Register / Photos |
| A | A3 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | HR 09 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Occupational Health & Safety | Employee wellness day events | N/A | 2 x Employee Wellness Day events held | 2 x Mini Employee Wellness Day events held by the 30th of June 2017 | 2 x Mini Employee Wellness Day events held by the 30th of June 2017 | Number of Mini Employee Wellness Day events held | 2 x Mini Employee Wellness Day events held by the 30th of June 2017 | 2 x Mini Employee Wellness Day events held by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Reports / Photos |
| | | | | | | | | | | | | 150 000 | N/A | N/A | N/A | N/A | N/A | N/A |

ANNEXURE F

OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT - SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

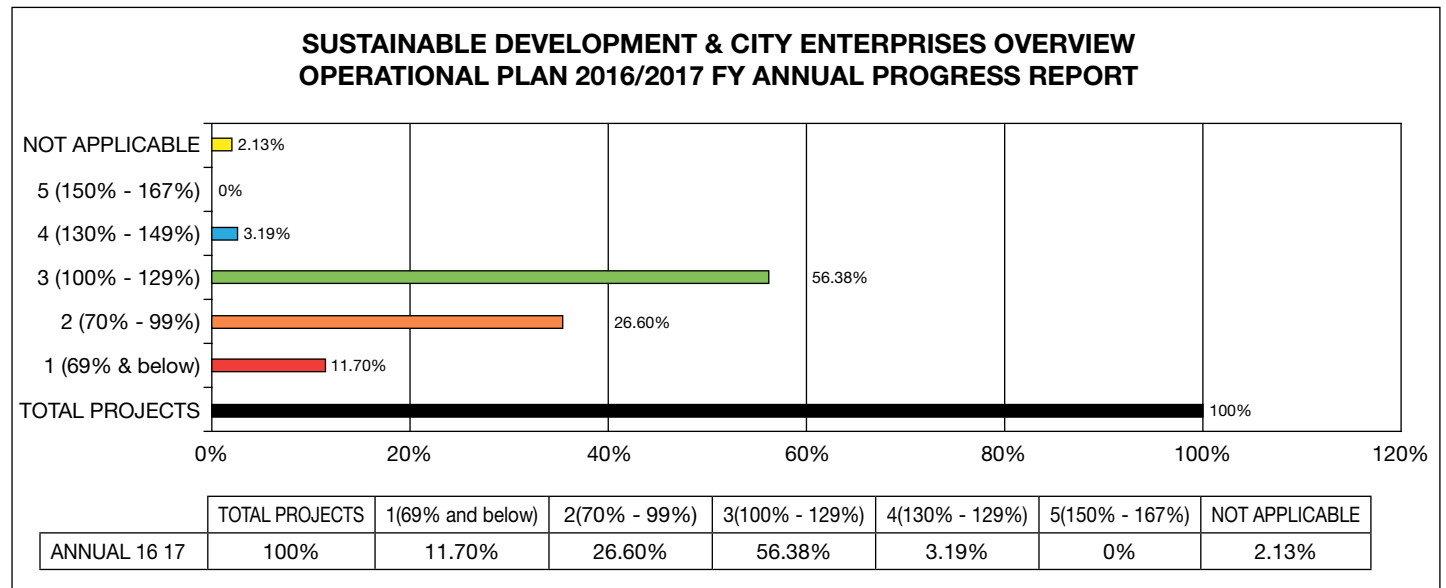
SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 94 |
| 1.1.1 | OPERATING PROJECTS | 94 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR

SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE

OPERATIONAL PLAN 2016/2017 FY - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|---|---|---------------------------|-------------------------|-----------------------|---|--------------|--|--|------------------------------------|--|--|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) | 22 | 0 | 22 | 1 | TP & EM 36 | 100% coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot) on the Formalization process of Ambleton/ Shenston by the 30th of June 2017 | Social facilitators have been appointed | 2 (70% - 99%) | This item is handled by Human Settlements. Human Settlements stopped the process of Public Notification | This item must be under Human Settlements. Written MEMO of taking out this item from LMO |
| | | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) | 15 | 0 | 15 | 4 | IP&S 09 | After approval of new process, 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2017 | New approval process not approved, so no applications approved. | 1 (69% & below) | New approval process not yet approved | Report approved by SMC 14 June 2017, recommended to SD&CE Portfolio Committee (August 2017). |
| | | | | | | | IP&S 10 | Appointment of Signage Management Company to manage all Outdoor Advertising Signage by 31 March 2017. | Signage Management Company not appointed. | 1 (69% & below) | Signage Management Company not yet appointed due to faulty SCM process. | In SCM process. To next meeting of BEC. |
| | | | | | | | IP&S 11 | Appointment of Clean-up Co-operatives/ Companies to deal with all illegal signage by 31 March 2017. | Signage Clean-Up co-operative/s not yet appointed. | 1 (69% & below) | Clean-up co-operatives not yet appointed due to faulty SCM process. | In SCM process. BAC to approve cancellation and re-advertisement of contract. |
| | | | | | | | IP&S 12 | Submission of 3 x monthly reports to SMC on the removal of all illegal advertising signage on Council property, detailing results of the clean-up, following the appointment of Clean-up Co-operatives/ Companies by the 30th of June 2017 | No monthly reports submitted due to non-appointment of Clean-Up co-operative/s. | 1 (69% & below) | Clean-up co-operatives not yet appointed due to faulty SCM process. | BAC to approve re-advertisement of tender. Clean-up co-operatives expected to be appointed in October 2017. |
| | | HUMAN SETTLEMENTS | 34 | 0 | 34 | 20 | HS 13 | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | WULA not prepared. The Tripartite Agreement Contract has been submitted to Municipality for signing by the City Manager but it has been deferred back for discussion between DoHS and Municipal Manager. It should be noted that the Environmental Authorisation (RoD) for this project is in place. Once the IA will commence with Detailed Planning for the project. | 1 (69% & below) | The delays in the renewal of contract of which and Municipality does not have control has over contracting process. | To fast track signing of Tripartite agreement contract |
| | | | | | | | HS 14 | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | WULA not prepared. The Tripartite Agreement Contract has now been signed by all parties. The IA has started packaging Water Use License Application for the project which will be submitted to the Department of Water and Sanitation for approval. | 2 (70% - 99%) | The delays in the renewal of contract of which the Municipality does not have control has over contracting process. The IA has not appointed the service provider to prepare the WULA application because the Tripartite agreement was signed on the only signed towards the end of May 2017 by the HoD. Municipality has No control over contracting process. | The IA has submitted quotation for WULA and is now in a process to appoint an Environmentalist to prepare the WULA application |
| | | | | | | | HS 16 | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | The Tripartite Agreement Contract is with the Municipality once the contract has been signed. The Service provider will be able to submit all work undertaken | 1 (69% & below) | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement |
| | | | | | | | HS 17 | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | The Tripartite Agreement Contract is with the Municipality once the contract has been signed. The Service provider will be able to submit all work undertaken. | 1 (69% & below) | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | ANNUAL - PROJECTED TARGET | ANNUAL PROGRESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|---|-------------------|---------------------------|-------------------------|-----------------------|---|--------------|---|--|------------------------------------|--|---|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | HUMAN SETTLEMENTS | | | | | HS 18 | Implementing Agent for Glenwood South East Sector IRDP housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. The report was deferred back to SCM for amendments. | 2 (70% - 99%) | The report was deferred to SCM for amendments. | Amendments to be incorporated by SCM by 31 July 2017. |
| | | | | | | | HS 19 | 2 x properties acquired for housing construction by the 30th of June 2017 | The target has not achieved due to budget constraints at GEVDI office. Since the land has not yet been acquired by the Municipality the DoHS emphasised that they will not provide funding for the project until the land has been acquired and transferred to the Municipality. | 1 (69% & below) | Lack of funding for Land acquisition | GEVDI to fast-track the land acquisition process |
| | | | | | | | HS 20 | Stage 2 application for Signal Hill prepared and submitted to DoHS by the 30th of June 2017 | The Report was presented to the BAC committee and was approved subject to amendments. | 2 (70% - 99%) | The report has been referred back for amendments. | The BAC Report will be presented on the 30th of June 2017 to address comments that were made. |
| | | | | | | | HS 22 | Implementing Agent for Harewood housing appointed by the 30th of June 2017 | The Bid Evaluation report was presented on the 7 June 2017 and was approved by the Bid Evaluation committee (BEC). The recommendation of the BEC will be presented in the next meeting of the Bid Adjudication Committee (BAC). | 2 (70% - 99%) | Supply Chain is Evaluation of the Tender documents took very long time to be completed due to many tender documents received. | To present to the Bid evaluation committee |
| | | | | | | | HS 23 | Implementing Agent for Caluza, Smero and Bhothonono housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | 2 (70% - 99%) | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. |
| | | | | | | | HS 24 | Implementing Agent Snathing Phase 1 housing appointed by the 30th of June 2017 | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | 2 (70% - 99%) | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. |
| | | | | | | | HS 25 | 100% Land Acquisition in wards 16,21 & 22 for housing projects completed by the 30th of June 2017 | Various portions of land have been acquired by GEVDI for this project. However, it has not been concluded. | 2 (70% - 99%) | There are various properties to be acquired through expropriation. This process is lengthy | Speed up the process and engage legal reps to finalise expro and friendly saes. |
| | | | | | | | HS 26 | 73 x new housing units completed for Willowfontan EE Phase 1 by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. access to site and there is heavy boulders cannot use manual labour to remove | Fastracking of Appointment process. Use TLB to dig and get material on site. |
| | | | | | | | HS 27 | Completion of 60 Units and Renovation of 50 Units. | 24 units have been completed. 8 Units are at roof level and 12 units are at wall-plate level. 20 units have been handed over. Building plans have been approved and began. Renovation to one double storey and one single unit completed. Temporary camp 50 units completed. The IA has submitted a BOQ for renovations to DoHS and still waiting for an approval from consultant BMK, last approval was on 16 December 2016. The IA has requested to demolish further structures from DoHS. | 2 (70% - 99%) | The demolition approvals for beneficiaries have not been concluded. Slow pace of Implementing Agent. Where there is approval for demolitions beneficiaries refuse to move to none electrified transit camps. | The approval of the demolitions. The approval of the BOQ for renovations by BMK. More sub-contractures have been employed on site. Get electricity for transit camp |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PATIALLY MET | OP REFER-ENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROG-RESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|----|---|---|---------------------------|-------------------------|-----------------------|--|---------------|--|---|------------------------------------|--|---|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | HUMAN SETTLEMENTS | | | | | HS30 | 60 x new housing units constructed in ward 10 (Edendae Unit s Phase 8 Ext.) by the 30th of June 2017 | 8 Units have been completed and handed, 10 units are at roof level. 20 units are at wall plate level. 11 slabs have been cast. | 2 (70% - 99%) | Slow progress by the Implementing Agent. The meeting was held with the IA to increase the resources and speed up the process. | Implementing Agent to increase resources to speed up the project. |
| | | | | | | | HS31 | 16 x temporary housing units completed in ward 32 (Happy Valley Housing project) by the 30th of June 2017. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS32 | 20 x temporary housing units completed in ward 32 (Site 11 Housing project) by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS33 | 25 x temporary housing units completed in ward 38 (Thamboville Housing project) by the 30th of June 2017s. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS34 | 20 x temporary housing units completed in ward 38 (Glenwood O-Section Housing project) by the 30th of June 2017. | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS35 | 25 x temporary housing units completed in ward 38 (Thembalihle Housing project) by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. | Fastracking of Appointment process. |
| | | | | | | | HS36 | 1 x Project Close-out report for NUSP Phase 2B prepared and submitted to SMC by the 30th of June 2017 | The Close-out report for for NUSP Phase 2B was prepared but not submitted. | 2 (70% - 99%) | The report was not submitted as it is in a draft format as the final close-out report is awaited from the Service Provider who has not been able to finalise the report. | Put pressure on the Service Provider to finalise the report to the Municipality so as to finalise the close-out report and submit to SMC. |
| | | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | 23 | 0 | 23 | 12 | CE 26 | 100 % Establishment of the Pmb Airport as a Municipal Entity by the 30th of June 2017 | Advert to establish a board was done and resume received and report written to SMC for finality | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 27 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 28th of February 2017 | Advert to establish a board was done and resume received and report written to SMC for finality | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 28 | 100% Fully functional Market (Market manager appointed) by the 31st of December 2017 | Interviews have been conducted for Market manager . | 2 (70% - 99%) | Finalisation of the process and appointment | Finalisation of a process and Priority post budget allocation. |
| | | | | | | | CE 29 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 30th of June 2017 | THE ADVERT FOR THE BOARD WAS DONE AND THE RESPONSES WERE RECEIVED AND EVALUATED, THE RECOMMENDED CANDIDATE WERE FORWARDED TO SMC FOR CONSIDERATION AND WE ARE WAITING FOR DECISION. | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 30 | 100% Fully functional Forestry entity (Board appointed and CEO appointed) by the 30th of June 2017 | The advert for the board was done and the responses were received and evaluated, the recommended candidate were forwarded to smc for consideration and we are waiting for decision. | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council |
| | | | | | | | CE 31 | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO by the 30th of June 2017 | The advert for the board was done and the responses were received and evaluated, the recommended candidate were forwarded to smc for consideration and we are waiting for decision. | 2 (70% - 99%) | SMC has not taken decision on Entity board members and only the board will be eligible to appoint CEO | Subject to the Council |
| | | | | | | | CE 35 | Service Level Agreements with Winstill Churchill reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed hwoever the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |

| NO | BUSINESS UNIT | SUB UNIT | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PATIALLY MET | OP REFER-ENCE | ANNUAL- PROJECTED TARGET | ANNUAL PROG-RESS- ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
|-------|---|---|---------------------------|-------------------------|-----------------------|--|---------------|---|---|------------------------------------|--|---|
| 5 | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) | | | | | CE 36 | Trust Deed of the Tatham Art Gallery reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed hwoever the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |
| | | | | | | | CE 39 | 4 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 2 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 1 (69% & below) | Delays in commencing with the process of assessments | To ensure in future that planned targets are met |
| | | | | | | | CE 41 | Business Plan for Winstill Churchill reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed hwoever the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |
| | | | | | | | CE 42 | Business Plan for reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed hwoever the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings. For stakeholders to comment on TOR so as to finalise the project |
| | | | | | | | CE 44 | 100% Review the partnership between the Province, the District and the Municipality in managing theatre completed by the 31st of May 2017 | Report submitted to GM : SD & CE | 1 (69% & below) | Report returned by GM. | Met with DoAC regarding plan. Province to re-appoint Board first. |
| TOTAL | | | | | 94 | 37 | | | | | | |

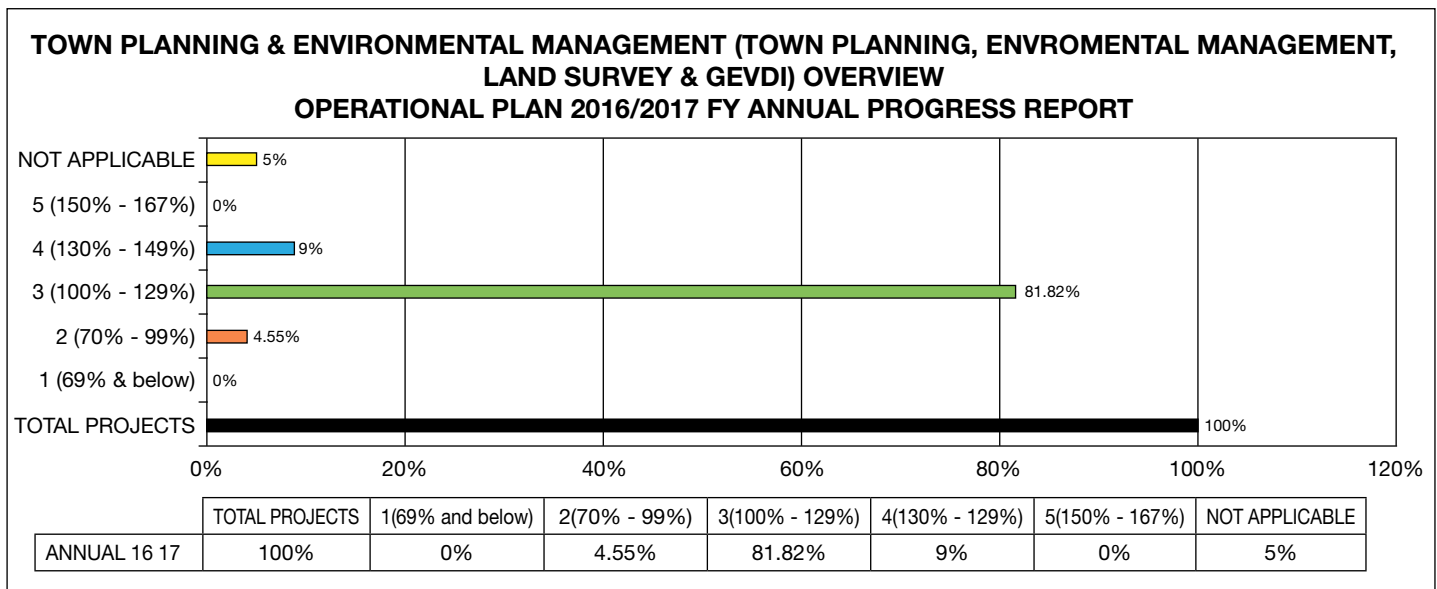
TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW

| | |
|---------------------------------|-----------|
| 1.1 TOTAL PROJECTS: | 22 |
| 1.1.1 OPERATING PROJECTS | 22 |
| 1.1.2 CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| INDEX | ID# REF- ERENCE | CDS REF- ERENCE | OP REFER- ENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | |
|-------|--------------------|--|-------------------|-------------------------------------|--|---|------|---|--|--|--|--|--|--|-------------------------|--|---|--|-------------------------------------|
| A | A1 | 8 - SPATIAL EFFECTIVE- NESS & JUSTICE | TP & EM 04 | NKPA 6 - CROSS CUTTING | LAND USE MANAGEMENT SYSTEM | Implementa- tion of SPLU- MA through Municipal Planning Tribunal | ALL | In terms of approved Municipal Planning work programme | 100% of PDA & SPLUMA applica- tions considered by the MPT within legislated timeframes | 100% of PDA & SPLUMA applica- tions considered by the MPT within legislated time- frames by the 30th of June 2017 | 100% of PDA & SPLUMA applica- tions considered by the MPT within legislated time- frames by the 30th of June 2017 | 100% of PDA & SPLUMA applications considered by the MPT for the months July 2016 to 30 June 2017 and 67 were within timeframe. | 67 applications were considered by the MPT for the months July 2016 to 30 June 2017 and 67 were within timeframe. | 3 (100% - 129%) | N/A | N/A | N/A | Town planning register | |
| F | F1 | 8 - SPATIAL EFFECTIVE- NESS & JUSTICE | TP & EM 24 | NKPA F - Cross Cutting Issues | LAND USE MANAGEMENT SYSTEM. | Town Planning Enquiries | All | Approved SDF, Local Area Plans , Town Planning Scheme and SPLUMA Bylaws | 100% of all public queries responded to within 3 working days of receipt of query by the 30th of June 2017 | % of all public queries responded to within 3 working days of receipt of query by the 30th of June 2017 | 100% of all public queries responded to within 3 working days of receipt of query by the 30th of June 2017 | 172 building plans were received during the month of June and only 100 were done within 3 working days. We received 31 zoning certificates and only 25 were done within 3 working days . | 3 (100% - 129%) | N/A | N/A | 3 Working days | N/A | Building plans & zoning certificates register | |
| F | F1 | 8 - SPATIAL EFFECTIVE- NESS & JUSTICE | TP & EM 25 | NKPA F - Cross Cutting Issues | LAND USE MANAGEMENT SYSTEM. | Enforcement of the Town Planning Regulations | All | SMC Resolution | 1440 x inspections conducted on the Enforcement of the Town Planning Regulations | 1440 x inspections conducted on the Enforcement of the Town Planning Regulations by the 30th of June 2017 | Number of inspec- tions conducted on the Enforcement of the Town Planning Regulations by the 30th of June 2017 | 1440 x inspections conducted on the Enforcement of the Town Planning Regu- lations by the 30th of June 2017 | 1500 inspections were conducted for by the end month of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Inspection register |
| F | F1 | 8 - SPATIAL EFFECTIVE- NESS & JUSTICE | TP & EM 26 | NKPA F - Cross Cutting Issues | LAND USE MANAGEMENT SYSTEM. | Enforcement of the Town Planning Regulations | All | SMC Resolution | 12 x reports pre- pared and submit- ted to OMC on the monthly inspections conducted on the Enforcement of the Town Planning Regulations by the 30th of June 2017 | Number of reports prepared and submit- ted to OMC on the monthly inspec- tions conducted on the Enforcement of the Town Planning Regulations by the 30th of June 2017 | Number of reports prepared and submit- ted to OMC on the monthly inspec- tions conducted on the Enforcement of the Town Planning Regulations by the 30th of June 2017 | 12 x reports prepared and submitted to OMC on the monthly inspections conducted on the Enforcement of the Town Planning Regulations by the 30th of June 2017 | 12 Reports were submitted to OMC | N/A | N/A | N/A | N/A | N/A | OMC Agendas and resolu- tions |
| F | F1 | 8 - SPATIAL EFFECTIVE- NESS & JUSTICE | TP & EM 27 | NKPA F - Cross Cutting Issues | LAND USE MANAGEMENT SYSTEM. | Operation- alisation of the Municipal Planning Tribunal | All | In terms of the Spatial Planning and Land Use Management Act | 21 x meetings conducted by the Municipal Planning Tribunal to assess, approve or refuse Development Appli- cations | 21 x meetings conducted by the Municipal Planning Tribunal to assess, approve or refuse Development Appli- cations by the 30th of June 2017 | Number of meet- ings conducted by the Municipal Planning Tribunal to assess, approve or refuse Develop- ment Applications by the 30th of June 2017 | 21 x meetings con- ducted by the Municipal Planning Tribunal to assess, approve or refuse Development Applications by the 30th of June 2017 | 21x meetings conduct- ed by the Municipal Planning Tribunal from the July 2017 till June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | MPT agendas and minutes |
| A | A1 | 8 - SPATIAL EFFECTIVE- NESS & JUSTICE | TP & EM 05 | NKPA 6 - CROSS CUTTING | Land use management system | Final draft Ecosystem Services Plan (ESP) - Final- ization of 7 key areas. | All | 7 priority areas | Grids groundtruthed and completed: 14E (approx. 212 ha), 15E (approx. 260 ha), 16E (approx. 45 ha), 14F (approx. 730 ha), 15F (approx. 600ha), 15G (ap- prox. 390 ha), 13H (approx 780 ha), 14H (approx 800 ha), 15H (approx. 660 ha), 16H (approx. 40 ha) 121 (approx. 40 ha) 121 (approx 120 ha), 13 (approx 710 ha), 14 (approx 770 ha), 15 (approx 670ha), 16 (approx 180 ha) and submitted to SMC | Grids groundtruthed and completed: 14E (approx. 212 ha), 15E (approx. 260 ha), 16E (approx. 45 ha), 14F (approx. 730 ha), 15F (approx. 600ha), 15G (approx.390 ha), 13H (approx 780 ha), 14H (approx 800 ha), 15H (approx. 660 ha), 16H (approx. 40 ha) 121 (approx 40 ha) 121 (approx 120 ha), 13 (approx 710 ha), 14 (approx 770 ha), 15 (approx 670ha), 16 (approx 180 ha) and submit- ted to SMC by the 30 of June 2017 | Date Grids groundtruthed and completed: 14E (approx. 212 ha), 15E (approx. 260 ha), 16E (approx. 45 ha), 14F (approx. 730 ha), 15F (approx. 600ha), 15G (approx.390 ha), 13H (approx 780 ha), 14H (approx 800 ha), 15H (approx. 660 ha), 16H (approx. 40 ha) 121 (approx 40 ha) 121 (approx 120 ha), 13 (approx 710 ha), 14 (approx 770 ha), 15 (approx 670ha), 16 (approx 180 ha) and submit- ted to SMC by the 30 of June 2017 | Grids 14E, 15E, 16E, 14F, 15F, 15G, 13H, 14H, 15H, 16H, 12I, 13I, 14I, 15I, 16I, additional grids 14J and 15J complete as of 30 June 2017. Report submitted to SMC 01 June 2017 | 4 (130% - 149%) | N/A | N/A | N/A | N/A | GIS shapellies, Maps, SMC report and resolution | |
| A | A1 | 8 - SPATIAL EFFECTIVE- NESS & JUSTICE | TP & EM 06 | NKPA 6 - CROSS CUTTING | Climate Change & Mitigation Strategy | Adaptation & Mitigation Strategy | All | First Draft Approved by Council | Final Draft Climate Change Adaptation & Mitigation Strategy prepared & submitted to SMC for approval for approval by Council | Final Draft Climate Change Adaptation & Mitigation Strategy prepared & submitted to SMC for approval by Council by the 30th of June 2017 | Date Final Draft Climate Change & Mitigation Strategy prepared & submitted to SMC for approval for approval by Council by the 30th of June 2017 | Final Draft Climate Change Adaptation & Mitigation Strategy prepared & submitted to SMC on the 30th of May 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | SMC and SD & CE Portfolio Committee Resolutions | |
| | | | | | | | | | | | | | | | | | | N/A | |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (4.2.3.4.5. Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|-------------------------------------|--------------|--|--|--|----------------|--|--|--|---|---|---|------------------------------------|----------------------|---|--|---|
| F | F1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & SEM 28 | NKPA 6 - CROSS CUTTING | Umgenti Ecological Infrastructure Programme (UEIP) | Baynespruit Rehabilitation Project | 28, 30, 31, 35 | UEIP Memorandum of Understanding signed by the Msunduzi Municipality | An online sewer and storm water monitoring system developed and implemented for the Baynespruit Area by the 30th of June 2017 | An online sewer and storm water monitoring system developed and implemented for the Baynespruit Area by the 30th of June 2017 | Date online sewer and storm water monitoring system developed and implemented for the Baynespruit Area by the 30th of June 2017 | An online sewer and storm water monitoring system developed for the Baynespruit Area by the 30th of June 2017 | An online sewer and storm water monitoring system developed for the Baynespruit Area by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | SMC Resolution dated 21 June 2017 |
| F | F1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & SEM 29 | NKPA 6 - CROSS CUTTING | Environmental Management Program | Environmental Management Program for Msunduzi Municipality | All | N/A | An Environmental Management Program for Msunduzi Municipality developed and submitted to SMC for approval by the 30th of June 2017 | An Environmental Management Program for Msunduzi Municipality developed and submitted to SMC for approval by the 30th of June 2017 | Date Environmental Management Program for Msunduzi Municipality developed and submitted to SMC for approval by the 30th of June 2017 | Final Environmental Management Program for Msunduzi Municipality submitted to SMC by the 30th of June 2017 | Final Environmental Management Program for Msunduzi Municipality submitted to SMC by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Final EIMP Document and SMC Resolution |
| A | A1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 01 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve processes for PDA Applications (Subdivisions & Consolidations of land) | All | Average of 80 days | (80 days) Average number of days taken to process PDA applications for approval in terms of SPLUMA by the 30th of June 2017 | (80 days) Average number of days taken to process PDA applications for approval in terms of SPLUMA by the 30th of June 2017 | Average number of days taken to process PDA applications for approval in terms of SPLUMA by the 30th of June 2017 | 60 days on average taken to process applications | 60 days on average taken to process applications | 3 (100% - 129%) | N/A | N/A | N/A | SPLUMA applications register |
| A | A1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 02 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve processes for Building Plan Applications | All | Average of 97% within 1 working day | 95% of Building Plan Applications to be cleared/declined by the 30th of June 2017 | 95% of Building Plan Applications to be cleared/declined by the 30th of June 2017 | % of Building Plan Applications to be cleared/declined by the 30th of June 2017 | 96% of Building plans were processed within 1 working day | 96% of Building plans were processed within 1 working day | 3 (100% - 129%) | N/A | N/A | N/A | Building plans register |
| A | A1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 04 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve processes for Wayleaves | All | Average of 14 days | Average of 30 days taken to process new way leave applications for the Wayleaves Panel from the date of receipt of the application | Average of 30 days taken to process new way leave applications for the Wayleaves Panel from the date of receipt of the application | Average Number of days taken to process new way leave applications for the Wayleaves Panel from the date of receipt of the application | An average of 28 days were taken to process Wayleaves applications | An average of 28 days were taken to process Wayleaves applications | 3 (100% - 129%) | N/A | N/A | Immediate | SMC resolution |
| A | A1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 06 | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT | Improve Infrastructure Planning & Survey provision of information | Provision of cadastral information to public queries within timeframe | All | Average of 100% within 1 working day | 95% of all public queries for cadastral information responded to within 1 working day of receipt of the query | 95% of all public queries for cadastral information responded to within 1 working day of receipt of the query | % of all public queries & average number of days taken for cadastral information to be responded to | 100 % of public counter queries were processed within 1 working day | 100 % of public counter queries were processed within 1 working day | 3 (100% - 129%) | N/A | N/A | N/A | Counter queries register |
| F | F3 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & SEM 30 | NKPA F - Cross Cutting Issues | GEVDI | Submission of 2020 Business Plan: Edenburg Land Acquisition | Ward 10-24 | 2009: Approved Business Plan [71 m] | 1 x report prepared and submitted to SMC to obtain Authority to submit Business Plan and Signing of SLA with the Department of Human Settlements by the 31st of March 2017 | 1 x report prepared and submitted to SMC to obtain Authority to submit Business Plan and Signing of SLA with the Department of Human Settlements by the 31st of March 2017 | Date report prepared and submitted to SMC to obtain Authority to submit Business Plan and Signing of SLA with the Department of Human Settlements by the 31st of March 2017 | 2020 Business plan has been submitted to the department of Human Settlements and Plenary meetings were held with the department to expedite the process of funding allocation | 2020 Business plan has been submitted to the department of Human Settlements and Plenary meetings were held with the department to expedite the process of funding allocation | 2 (70% - 99%) | N/A | Report will be table at the SMC within the month of July 2017 | Jul-17 | Draft SMC Report and the 2020 Business Plan |
| F | F1 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & SEM 31 | NKPA F - Cross Cutting Issues | GEVDI | Vulindlela LAP | Ward 1-9 | Full Council Resolution: Adoption of Vulindlela LAP | 1 x report prepared and submitted to SMC on the establishment of the joint management committee membership and TOR | 1 x report prepared and submitted to SMC on the establishment of the joint management committee membership and TOR | Date report prepared and submitted to SMC on the establishment of the joint management committee membership and TOR | Report dated 10th November 2016 was submitted to SMC | Report dated 10th November 2016 was submitted to SMC | 3 (100% - 129%) | N/A | N/A | N/A | SMC Report and Resolutions |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QOQ | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL OPERATIONAL PLAN 2016/2017 PROGRESS REPORT | | | | SOURCE DOCUMENT | | |
|-------|---------------|--|--------------|---|------------------------|--|------------|--|--|---|---|---|---|------------------------------------|----------------------|---|--|---|
| | | | | | | | | | | | | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | |
| C | C1, C2 and C3 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 32 | NKPA C - Local Economic Development | Land Management Office | Strategic (Commercial/Industrial) Land Release | All | Land Audit | 1 x report prepared and submitted to the BAC for the disposal of 4 Strategic Sites for investment/economic value | 1 x report prepared and submitted to the BAC for the disposal of 4 Strategic Sites for investment/economic value by the 30th of June 2017 | Date report prepared and submitted to the BAC for the disposal of 4 Strategic Sites for investment/economic value | 1 x report prepared and submitted to the BAC for the disposal of 4 Strategic Sites for investment/economic value by the 30th of June 2017 | 1 x report prepared and submitted to the BAC for the disposal of 4 Strategic Sites for investment/economic value by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | BSC Agenda and resolutions | |
| F | F3 | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 33 | NKPA F - Cross Cutting Issues | Land Management Office | Residential Land Release | All | Land Audit | 1 x report prepared and submitted to the BAC for the disposal of 25 Residential Sites for Human Settlements | 1 x report prepared and submitted to the BAC for the disposal of 25 Residential Sites for Human Settlements by the 30th of June 2017 | Date report prepared and submitted to the BAC for the disposal of 25 Residential Sites for Human Settlements | 1 x report prepared and submitted to the BAC for the disposal of 25 Residential Sites for Human Settlements by the 30th of June 2017 | 1 x report prepared and submitted to the BAC for the disposal of 25 Residential Sites for Human Settlements by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | |
| E | E2 | Improve the customer experience & Public Participation | TP & EM 34 | NKPA E - Good Governance and Public Participation | Land Management Office | Land Application Process Amendment Report | All | Immovable Policy Framework | 1 x report on the Amendment of the Land Application Process prepared and submitted to SMC | 1 x report on the Amendment of the Land Application Process prepared and submitted to SMC by the 30th of June 2017 | Date report on the Amendment of the Land Application Process prepared and submitted to SMC | 1 x report on the Amendment of the Land Application Process prepared and submitted to SMC by the 30th of June 2017 | 1 x report on the Amendment of the Land Application Process prepared and submitted to SMC by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | |
| F | F3 | Spatial effectiveness and justice | TP & EM 35 | NKPA F - Cross Cutting Issues | Land Management Office | Land Invasion Hot Spot Maps | All | Existing Land Invasion Hotspot Map | 100% Identification of land that is vulnerable to land invasion and maintenance of the land invasion Hotspots maps completed | 100% Identification of land that is vulnerable to land invasion and maintenance of the land invasion Hotspots maps completed by the 30th of June 2017 | % Identification of land that is vulnerable to land invasion and maintenance of the land invasion Hotspots maps completed | 100% Identification of land that is vulnerable to land invasion and maintenance of the land invasion Hotspots maps completed by the 30th of June 2017 | 100% Identification of land that is vulnerable to land invasion and maintenance of the land invasion Hotspots maps completed by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | |
| E | E3 | Spatial effectiveness and justice | TP & EM 36 | NKPA E - Good Governance and Public Participation | Land Management Office | Ambleton/Shenstone Publicity Plan | 18 | Council Resolution | 100% coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot) on the Formalization process of Ambleton/Shenstone | 100% coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot) on the Formalization process of Ambleton/Shenstone by the 30th of June 2017 | % coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot) on the Formalization process of Ambleton/Shenstone | 100% coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot) on the Formalization process of Ambleton/Shenstone by the 30th of June 2017 | 100% coordination of public knowledge programmes (Coordinating stakeholder engagement, Newspaper article and notices, radio slot) on the Formalization process of Ambleton/Shenstone by the 30th of June 2017 | 2 (70% - 99%) | N/A | This item is handled by Human Settlements. Human Settlements stopped the process of taking out this item from LMO | N/A | MEMO and Email stopping the Public Notifications. |
| D | D1 | Spatial effectiveness and justice | TP & EM 37 | NKPA E - Financial viability and Financial Management | Land Management Office | Land Applications | All | Poor Land Application response mechanism | 100% of Land applications considered by the LMO within legislated timeframes | 100% of Land applications considered by the LMO within legislated timeframes by the 30th of June 2017 | % of Land applications considered by the LMO within legislated timeframes | 100% of Land applications considered by the LMO within legislated timeframes by the 30th of June 2017 | 100% of Land applications considered by the LMO within legislated timeframes by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Land Applications list |
| F | F3 | Spatial Effectiveness | TP & EM 38 | NKPA F - Cross Cutting Issues | GEVDI | Edendale Land Acquisition | Ward 10-24 | 20 Ha of Land Acquired | 1 x report prepared and submitted to SMC on the Acquisition of Land as per the Expropriation list and the Establishment of the Edendale Town Centre | 1 x report prepared and submitted to SMC on the Acquisition of Land as per the Expropriation list and the Establishment of the Edendale Town Centre by the 31st of March 2017 | Date report prepared and submitted to SMC on the Acquisition of Land as per the Expropriation list and the Establishment of the Edendale Town Centre | 1 x report prepared and submitted to SMC on the Acquisition of Land as per the Expropriation list and the Establishment of the Edendale Town Centre by the 31st of March 2017 | 1 x report prepared and submitted to SMC on the Acquisition of Land as per the Expropriation list and the Establishment of the Edendale Town Centre by the 31st of March 2017 | 4 (130% - 149%) | N/A | N/A | N/A | Full Council resolution |
| | | | | | | | | | | | | | | | N/A | N/A | N/A | N/A |

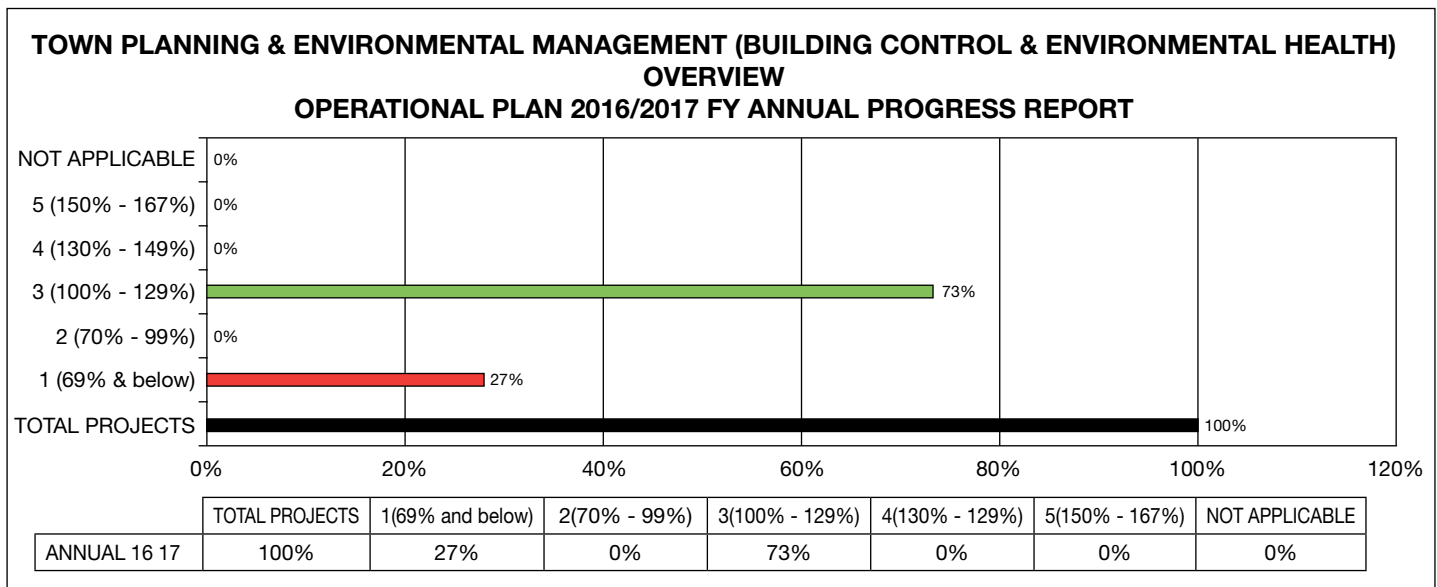
**TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) OVERVIEW
OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT**

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) OVERVIEW

| | |
|---------------------------------|-----------|
| 1.1 TOTAL PROJECTS: | 15 |
| 1.1.1 OPERATING PROJECTS | 15 |
| 1.1.2 CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES
SUB UNIT: TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH)

| INDEX | IDP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG- RESS - ACTUAL | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | PROGRESS FOR CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|--------------------|---|-------------------|--|---|--|------|---|--|---|--|---------------|--|--|--|---------------------------------------|---|--|
| F | F2 | 2 - BACK TO BASICS | H&SS 04 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Environment- tal Health Inspections | All | 12 000 (businesses & residential) premises inspected annually for Environmental Health compliance in 2015/2016 FY | 15 000 (business- es & residential) premises inspected annually for Environmental Health compli- ance | 15 000 (businesses & residential) premises inspected annually for Environmental Health compliance by the 30th of June 2017 | Number of (businesses & residential) premises inspected annually for Environmental Health compliance | N/A | 16 464 (businesses & residential) premises inspected annually for Envi- ronmental Health compliance by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Daily report sheets |
| F | F2 | 2 - BACK TO BASICS | H&SS 05 | NKPA 6 - CROSS CUTTING | Safeguarding the environment for the optimal health of the Community | Air Quality Monitoring | All | 24 real time (continuous) quantitative air quality reports of criteria and other pollutants in 2015/2016 FY | 24 x real time (continuous) quantitative air quality reports of criteria and other pollutants produced and submitted to the GM/SD&CE within 10 days of the beginning of the next month/ quarter for onward submission to SMC by the 30th of June 2017 | 24 x real time (con- tinuous) quantitative air quality reports of criteria and other pollutants produced and submitted to the GM/SD&CE within 10 days of the beginning of the next month/quarter for onward submission to SMC | Number of real time (continuous) quantita- tive air quality reports of criteria and other pollutants produced and submitted to the GM/SD&CE within 10 days of the beginning of the next month/quarter for onward submission to SMC | N/A | 3 (100% - 129%) | N/A | N/A | N/A | Air Quality Monitoring reports on file | |
| A | A1 | 8 - SPATIAL EFFEC- TIVENESS & JUSTICE | IP & S 03 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | Optimize sys- tem, procedures and processes for Infrastructure Planning & Survey | Improve processes for Building Plan Applications. | All | 100% of Building Plan Applications to be processed through plan approval process within av- erage of 30 days | 95% of Building Plan Applications to be processed for <500m2 to be processed for Plan Approval Committee within an average of 30 days from date of receipt of the application | 95% of Building Plan Applications <500m2 to be processed for approval by the Plan Approval Committee within an average of 30 days from date of receipt of the application, by the 30th of June 2017 | % of Building Plan Applications <500m2 and average number of days to process | N/A | 100% of Building Plan Applications to be processed for approval by the Plan Approval Committee within an average of 30 days from date of receipt of the application, by the 30th of June 2017 (Total 680 applications, in average of 21 days) | 3 (100% - 129%) | N/A | N/A | N/A | Schedule of Building Plan Approvals |
| E | E2 | 8 - SPATIAL EFFEC- TIVENESS & JUSTICE | IP & S 05 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | Improve Infra- structure Plan- ning & Survey compliance and reduce risk. | Implement Infrastructure Planning & Survey compliance and risk man- agement | All | 545 building inspections con- ducted for illegal building works | 580 building inspections con- ducted for illegal building works | 580 building contra- vention inspections conducted for illegal building works by the 30th of June 2017 | Number of building inspections conducted for illegal building works | N/A | 607 building contra- vention inspections conducted for illegal building works by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Schedule of Contra- vention Inspections |
| A | A1 | 1 - BUILD- ING A CAPABLE & DEVELOP- MENTAL MUNICI- PALITY | IP&S 08 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | Optimize sys- tem, procedures for Outdoor Advertising Signage | Improve processes for Signage ap- plications for all Posters, Banners & Flags | All | Average number of 4 days taken to approve all poster, Banner or Flag applications | A average number of 3 days taken to process and approve or decline all Poster, Banner or Flag applications | Average of 3 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag appli- cations by the 30th of June 2017 | Number of days taken to process Applications | N/A | Average of 2 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag appli- cations by the 30th of June 2017. | 3 (100% - 129%) | N/A | N/A | N/A | Register of Poster Banner and Flags Appli- cations |
| A | A1 | 1 - BUILD- ING A CAPABLE & DEVELOP- MENTAL MUNICI- PALITY | IP&S 09 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | Optimize sys- tem, procedures and processes for Outdoor Advertising Signage | Improve processes for Signage Applica- tions for all Billboard or Ground Sign Applications on Council owned property. | All | 6- 12 months | After approval of new processes, 95% of all Bill- board or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2017 | After approval of new process, 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2017 | Date of Appointment of Signage Management Company to manage all Outdoor Advertising Signage. | N/A | New approval pro- cess not approved, so no applications approved. | N/A | Report approved by SMC 14 June 2017, recommended to SD&CE Portfolio Committee (Au- gust 2017). | N/A | Copy SMC resolution. | |
| A | A1 | 4 - FI- NANCIAL SUSTAIN- ABILITY | IP&S 10 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | Optimize sys- tem, procedures and processes for Outdoor Advertising Signage | Improve processes for management of all Outdoor Advertising Signage. | All | Previous Signage Management Service Provider contract expired 31 December 2015. | Appointment of Signage Manage- ment Company to manage all Outdoor Adver- tising Signage by 31 March 2017. | Appointment of Sig- nage Management Company to manage all Outdoor Adver- tising Signage by 31 March 2017. | Date of Appointment of Signage Management Company to manage all Outdoor Advertising Signage. | N/A | Signage Manage- ment Company not appointed. | N/A | Signage Management Company not yet appointed due to faulty SCM process. | N/A | Copy BEC report. | |

| | INDEX | IDP REF- ERENCE | CDS REF- ERENCE | OP REF- ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASLINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROG- RESS - ACTUAL | ACTUAL (1,2,3,4,5 -Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | |
|---|-------|---|--------------------|--|--|---|---------|--|--|--|---|---|---|---|--|--|--|---|--|-------------------------------|
| E | E1 | 2 - BACK TO BASICS | IP&S 11 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | Optimize sys- tem, procedures and processes for Outdoor Advertising Signage | Improve control of all Outdoor Advertising Signage displayed on Council property. | All | Illegal Signage dis- played on Council Property | Appointment of Clean-up Co-op- eratives/ Companies to deal with all illegal signage by 31 March 2017. | Appointment of Clean-up Co-op- eratives/ Companies to deal with all illegal signage by 31 March 2017. | Date of Appointment of Clean-up Co-op- eratives/ Companies to deal with all illegal signage. | Appointment of Clean-up Co-op- eratives/ Companies to deal with all illegal signage by 31 March 2017. | N/A | Signature Clean-Up co-operatives not yet appointed. | 1 (69% & below) | Clean-up co-opera- tives not yet appointed due to faulty SCM process. | In SCM process. BAC to approve cancellation and re-advertisement of contract. | October 2017. | Copy Report to BAC. | |
| E | E1 | 2 - BACK TO BASICS | IP&S 12 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | Optimize sys- tem, procedures and processes for Outdoor Advertising Signage | Improve control of all Outdoor Advertising Signage displayed on Council owned property. | All | Much Illegal Ad- vertising Signage displayed on Council Property | Submission of 3 x monthly reports to SMC on the removal of all illegal advertising signage on Council property, detailing results of the clean-up, following the appointment of Clean-up Co-opera- tives/ Companies by the 30th of June 2017 | Submission of 3 x monthly reports to SMC on the removal of all illegal advertising signage on Council property, detailing results of the clean-up, following the appointment of Clean-up Co-opera- tives/ Companies by the 30th of June 2017 | Number of monthly reports to SMC on the removal of all illegal advertising signage on Council property, detailing results of the clean-up, following the appointment of Clean-up Co-opera- tives/ Companies | N/A | No monthly reports submitted due to non-appointment of Clean-up co-opera- tive/s. | N/A | N/A | Clean-up co-opera- tives not yet appointed due to faulty SCM process. | BAC to approve re-advertisement of tender. Clean- up co-operatives expected to be appointed in October 2017. | December 2017. | Copy Report to BAC. | |
| E | E1 | 2 - BACK TO BASICS | IP&S 13 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | BUSINESS REGISTRATION | BUSINESS REGIS- TRATION DATABASE | ALL | 200 businesses | 480 Businesses to be visited to Initiate Business Registration and inclusion in the database of all busi- nesses by the 30th of June 2017 | 480 Businesses to be visited to Initiate Business Registration and inclusion in the database of all busi- nesses by the 30th of June 2017 | Number of Businesses to be visited to Initiate Business Registration and inclusion in the database of all businesses | N/A | 513 Businesses visited to Initiate Business Registra- tion and inclusion in the database of all businesses by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Schedule of Business visited registration | |
| A | A1 | 1 - BUILD- ING A CAPABLE & DEVELOP- MENTAL MUNICI- PALITY | IP&S 14 | NKPA 1 - MUNIC- IPAL TRANSFOR- MATION & OR- GANIZATIONAL DEVELOPMENT | BUSINESS LICENSING | Business license applications received and processed | ALL | Not measured | Average number of days taken to process Business License applica- tions after date of receipt | Average of 21 days taken to process Business License applications after date of receipt by the 30th of June 2017 | Number of days taken to process Business License applications after date of receipt | N/A | Average of 6.1 days taken to process Business License applications after date of receipt by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Schedule of Licence application | |
| E | E1 | 1 - BUILD- ING A CAPABLE & DEVELOP- MENTAL MUNICI- PALITY | IP&S 15 | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICI- PATION | REGULATIONS/ ENFORCEMENT OF BUSINESS LICENSING | Enforcement of Business Regulations | ALL | 610 Formal busi- nesses inspected for Business Licenses | Number of formal Business to be inspected for valid Business Licenses annually | 500 formal Business to be inspected for valid Business Licenses by the 30th of June 2017 | Number of formal Busi- ness inspected for valid Business Licenses | N/A | 600 formal Business to be inspected for valid Business Licenses by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Schedule of businesses visited for compliance | |
| C | C2 | 5 - GROW- ING THE REGIONAL ECONOMY | IP&S 16 | NKPA 3 - Local Economic Devel- opment | Policy Planning | Approval of Street Trad- ing Policy | All | Msunduzi Informal Economy Policy and New Street Trading Bylaws | Draft and submit Street Trading Policy to SMC for approval by Council | Draft and submit Street Trading Policy to SMC for approval by Council by the 30th of June 2017 | Date draft Street Trad- ing Policy submitted to SMC for Council approval | N/A | Draft Street Trading Policy submitted to SMC for approval by Council by the 30 June 2017 | N/A | N/A | N/A | N/A | N/A | Draft Street Trading Policy | |
| C | C2 | 5 - GROW- ING THE REGIONAL ECONOMY | IP&S 17 | NKPA 3 - Local Economic Devel- opment | Policy Planning | Approval of Street Trad- ing Rental Policy | All | Municipal Financial Management Act (MFMA) and Msunduzi Credit Control Policy | Draft and submit Street Trading Rental Policy to SMC for approval by Council | Draft and submit Street Trading Rental Policy to SMC for approval by Council by the 30th of June 2017 | Date draft Street Trading Rental Policy submitted to SMC for Council approval | N/A | Draft Street Trading Rental Policy submitted to SMC for approval by Council by the 30 June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | Draft Street Trading Rental Policy | |
| E | E1 | 5 - GROW- ING THE REGIONAL ECONOMY | IP&S 18 | NKPA 3 - Local Economic Devel- opment | Street Traders Database | Review and update of Street Traders Database | All | Database of +/- 700 Street Traders out of date | Finalise revised Street Traders Database for whole of CBD. | Finalise revised Street Traders Database for whole of CBD by the 30th of June 2017 | Street Traders Database 100% updated. | N/A | Street Traders Database for whole of CBD finalized of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | N/A | N/A | Street Traders Database |
| | | | | | | | | | | | | | | | | | | | | |

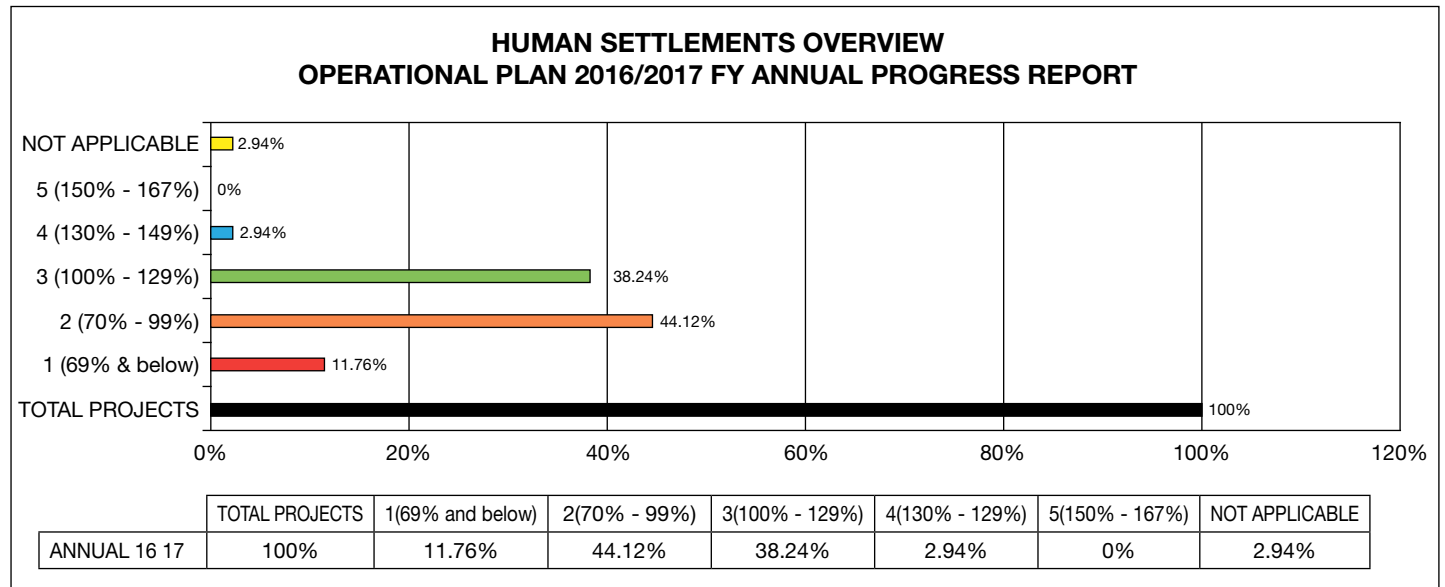
HUMAN SETTLEMENTS OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 HUMAN SETTLEMENTS OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 34 |
| 1.1.1 | OPERATING PROJECTS | 34 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



SUB UNIT: HUMAN SETTLEMENTS

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | | |
|-------|---------------|--------------------|--------------|-------------------------------|----------------|------------------------|------|---|---|--|--|--|---|------------------------------------|--|--|--|-------------------------------|-------------------------------|-----|
| F | F3 | 2 - BACK TO BASICS | HS13 | NKPA 6 - CROSS CUTTING | Implementation | Edendale 22 and Quarry | 15 | Environmental Authorisation is in place | WULA application prepared and submitted to the Department of Water and Sanitation | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | Date WULA application prepared and submitted to the Department of Water and Sanitation | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | *WULA not prepared. The Tripartite Agreement Contract has been submitted to Municipality for signing by the City Manager but it has been deferred back for discussion between DoHS and Municipal Manager. It should be noted that the Environmental Authorisation (RoD) for this project is in place. Once the is in place the IA will commence with Detailed Planning for the project. | 1 (69% & below) | The delays in the renewal of contract, of which Municipality does not have control has over contracting process. | To fast track signing of Tripartite agreement contract | 31-Jul-17 | Tripartite Agreement Contract | | |
| F | F3 | 2 - BACK TO BASICS | HS14 | NKPA 6 - CROSS CUTTING | Implementation | Edendale Bulwer | 14 | Environmental Authorisation in place | WULA application prepared and submitted to the Department of Water and Sanitation | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | Date WULA application prepared and submitted to the Department of Water and Sanitation | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | N/A | 2 (70% - 99%) | N/A | The IA has submitted quotation for WULA and is now in a process to appoint an Environmentalist to prepare the WULA application | N/A | 31-Jul-17 | Tripartite Agreement Contract | |
| F | F3 | 2 - BACK TO BASICS | HS15 | NKPA 6 - CROSS CUTTING | Implementation | Hollingswood PF 35 | 35 | The Stage 1 funding is in place | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | Date Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | N/A | 3 (100% - 129%) | N/A | The delays in the renewal of contract of which the Municipality does not have control has over contracting process. The IA has not appointed the service provider to prepare the WULA application because the Tripartite agreement was signed on the only signed towards the end of May 2017 by the HoD. Municipality has No control over contracting process. | N/A | N/A | Response from KZNEDTEA. | |
| F | F3 | 2 - BACK TO BASICS | HS16 | NKPA 6 - CROSS CUTTING | Implementation | Khalanyoni | 12 | Approval for Stage 1 in place | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | Date Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | N/A | 1 (69% & below) | N/A | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement | 31-Jul-17 | N/A | |
| F | F3 | 2 - BACK TO BASICS | HS17 | NKPA 6 - CROSS CUTTING | Implementation | Kwa30 | 10 | Approval for Stage 1 in place | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | Date Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA | Draft Environmental Impact Assessment Report prepared and submitted to KZNEDTEA by the 30th of June 2016 | N/A | 1 (69% & below) | N/A | There is no contract in place therefore the IA cannot submit or undertake any work | The Acting City Manager to sign the Tripartite Agreement | N/A | 42947 | N/A |

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|-------|---------------|--------------------|--------------|-------------------------------|----------------|-----------------------------------|------------|--------------------------------------|---|--|--|---------------|---|------------------------------------|---|---|--|-------------------------------|
| F | F3 | 2 - BACK TO BASICS | HS18 | NKPA 6 - CROSS CUTTING | Implementation | Glenwood South East Sector IRDP | 37 | The Stage 1 funding is in place | Implementing Agent for Glenwood South East Sector IRDP housing appointed by the 30th of June 2017 | Implementing Agent for Glenwood South East Sector IRDP housing appointed by the 30th of June 2017 | Date Implementing Agent for Glenwood South East Sector IRDP housing appointed | N/A | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. The report was deferred back to SCM for amendments. | 2 (70% - 99%) | The report was differed to SCM for amendments. | Amendments to be incorporated by SCM by 31 July 2017. | 42947 | Report |
| F | F3 | 2 - BACK TO BASICS | HS19 | NKPA 6 - CROSS CUTTING | Implementation | Peace Valley 2 | 23 | EIA Exemption from DEDTEA | 2 x properties acquired for housing construction | 2 x properties acquired for housing construction by the 30th of June 2017 | Number properties acquired for housing construction | N/A | The target has not been achieved due to budget constraints at GEVDI office. Since the land has not yet been acquired by the Municipality the DoHS emphasised that they will not provide funding for the project until the land has been acquired and transferred to the Municipality. | N/A | Lack of funding for land acquisition | GEVDI to fast-track the land acquisition process | 31-Jul-17 | N/A |
| F | F3 | 2 - BACK TO BASICS | HS20 | NKPA 6 - CROSS CUTTING | Implementation | Copesville | 29 | Environmental Authorisation in place | WULA application prepared and submitted to the Department of Water and Sanitation | WULA application prepared and submitted to the Department of Water and Sanitation by the 30th of June 2017 | Date WULA application prepared and submitted to the Department of Water and Sanitation | N/A | The WULA was submitted on the 19th of April 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Email correspondence to DoHS |
| F | F3 | 2 - BACK TO BASICS | HS21 | NKPA 6 - CROSS CUTTING | Implementation | Signal Hill | 26 | Environmental Authorisation in place | Stage 2 application for Signal Hill prepared and submitted to DoHS | Stage 2 application for Signal Hill prepared and submitted to DoHS by the 30th of June 2017 | Date Stage 2 application for Signal Hill prepared and submitted to DoHS | N/A | The Report was presented to the BAC committee and was approved subject to amendments. | N/A | The report has been referred back for amendments. | The BAC Report will be presented on the 30th of June 2017 to address comments that were made. | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS22 | NKPA 6 - CROSS CUTTING | Implementation | Harewood | 20 | The Stage 1 funding is in place | Implementing Agent for Harewood housing appointed | Implementing Agent for Harewood housing appointed by the 30th of June 2017 | Date Implementing Agent for Harewood housing appointed | N/A | The Bid Evaluation report was presented on the 7th of June 2017 and was approved by the Bid Evaluation committee (BEC). The BEC will be presented in the next meeting of the Bid Adjudication Committee (BAC). | N/A | Supply Chain is Evaluation of the Tender documents took very long time to be completed due to many tender documents received. | To present to the Bid evaluation committee | N/A | BEC Agenda |
| F | F3 | 2 - BACK TO BASICS | HS23 | NKPA 6 - CROSS CUTTING | Implementation | Caluza, Smero and Bhubhono | 20 | The Conditional funding is in place | Implementing Agent for Caluza, Smero and Bhubhono housing appointed | Implementing Agent for Caluza, Smero and Bhubhono housing appointed by the 30th of June 2017 | Date Implementing Agent for Caluza, Smero and Bhubhono housing appointed | N/A | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | 2 (70% - 99%) | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. | N/A | Report |
| F | F3 | 2 - BACK TO BASICS | HS24 | NKPA 6 - CROSS CUTTING | Implementation | Snathing Phase 1 | 11 | The Conditional funding is in place | Implementing Agent Snathing Phase 1 housing appointed | Implementing Agent Snathing Phase 1 housing appointed by the 30th of June 2017 | Date Implementing Agent Snathing Phase 1 housing appointed | N/A | BID Evaluation Report was presented on the 7th of June 2017 to the BID evaluation committee. | N/A | Supply Chain received many documents and has to conclude evaluation. Due to shortage of capacity the process took long | The BAC Report will be presented to the Bid Evaluation Committee by the 31st July 2017. | N/A | Report |
| F | F3 | 2 - BACK TO BASICS | HS25 | NKPA 6 - CROSS CUTTING | Implementation | Edendale Priority Housing Project | 16,21 & 22 | Pre-feasibility studies undertaken | 100% Land Acquisition in wards 16,21 & 22 for housing projects completed | 100% Land Acquisition in wards 16,21 & 22 for housing projects completed by the 30th of June 2017 | % Land Acquisition in wards 16,21 & 22 for housing projects completed | N/A | Various portions of land have been acquired by GEVDI for this project. However, it has not been concluded. | 2 (70% - 99%) | There are various properties to be engaged through expropriation. This process is lengthy | Speed up the process and reps to finalise the process is friendly saes. | N/A | Status Report and Financials. |

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|-------|---------------|--------------------|--------------|-------------------------------|----------------|----------------------------------|------------------------|-----------------------|--|---|--|--|--|------------------------------------|--|--|--|-----------------------------|
| F | F3 | 2 - BACK TO BASICS | HS26 | NKPA 6 - CROSS CUTTING | Implementation | Willowfontein EE Phase 1 | 17 | 127 | 73 x new housing units completed for Willowfontein EE Phase 1 | 73 x new housing units completed for Willowfontein EE Phase 1 by the 30th of June 2017 | Number of new housing units completed for Willowfontein EE Phase 1 | 73 x new housing units completed for Willowfontein EE Phase 1 by the 30th of June 2017 | Project at tender Evaluation Stage | 2 (70% - 99%) | Delay on Procurement process. Appointment process. Use there is heavy TLB to dig and boulders cannot get material on site. | Fasttracking of Appointment process. Use TLB to dig and get material on site. | 31-Jul-17 | Tender opening register |
| F | F3 | 2 - BACK TO BASICS | HS27 | NKPA 6 - CROSS CUTTING | Implementation | Wirewall Rectification Project | 10, 15, 17, 23, 16, 14 | 900 | No of Houses Built and Number of Houses renovated. | Complete 360 Houses. Renovation of 450 houses. | No of Houses Completed and Number of houses renovated. | N/A | 24 units have been completed. 8 Units are at roof level and 12 units are at wall-plate level. 20 units have been handed over. Building plans have been approved and begun. Renovation to one double storey and one single unit completed. Temporary camp 50 units completed. The IA has submitted a BOQ for renovations to DoHS and still waiting for an approval from consultant BMK. Last approval was on 16 December 2016. The IA has requested to demolish further structures from DoHS. | N/A | The demolition approvals for beneficiaries have not been concluded. Slow pace of Implementing Agent. Where there is approval for demolitions beneficiaries refuse to move to none electrified transit camps. | The approval of the demolitions. The approval of the BOQ for renovations by BMK. More sub-contractors have been employed on site. Get electricity for transit camp | 30-Sep-17 | Meeting Attendance Register |
| F | F3 | 2 - BACK TO BASICS | HS28 | NKPA 6 - CROSS CUTTING | Implementation | Lot 182 | 11 | 27 | Tender advertised for the construction of 110 new housing units in ward 11 Lot 182 | Tender advertised for the construction of 110 new housing units in ward 11 Lot 182 by the 30th of June 2017 | Date Tender advertised for the construction of 110 new housing units in ward 11 Lot 182 | N/A | The existing implementing agent has reaffirmed their continuation on the project. The revised tripartite agreement has been received and will be signed by 30 August 2017. | 3 (100% - 129%) | | N/A | N/A | Draft Tripartite Agreement |
| F | F3 | 2 - BACK TO BASICS | HS29 | NKPA 6 - CROSS CUTTING | Implementation | Vulindlela Rural Housing Project | 1 to 9 | 12000 | 2250 x new housing units constructed in wards 1 - 9 (Vulindlela Rural Housing Project) | 2250 x new housing units constructed in wards 1 - 9 (Vulindlela Rural Housing Project) by the 30th of June 2017 | Number of new housing units constructed in wards 1 - 9 (Vulindlela Rural Housing Project) by the 30th of June 2017 | N/A | 3236 x new housing units constructed in wards 1-9 (Vulindlela Rural Housing Project) by 30 April 2017 | N/A | N/A | N/A | N/A | D6 Certificates |
| F | F3 | 2 - BACK TO BASICS | HS30 | NKPA 6 - CROSS CUTTING | Implementation | Edendae Unit s Phase 8 Ext. | 10 | | 60 x new housing units constructed in ward 10 (Edendae Unit s Phase 8 Ext.) | 60 x new housing units constructed in ward 10 (Edendae Unit s Phase 8 Ext.) by the 30th of June 2017 | Number of new housing units constructed in ward 10 (Edendae Unit s Phase 8 Ext.) by the 30th of June 2017 | N/A | 8 Units have been completed and handed, 10 units are at roof level. 20 units are at wall plate level. 11 slabs have been cast. | N/A | Slow progress by the Implementing Agent. The meeting was held with the IA to instruct them to increase the resources and speed up the process. | Implementing Agent to increase resources to speed up the project. | 31-Jul-17 | Meeting Attendance Register |
| F | F3 | 2 - BACK TO BASICS | HS31 | NKPA 6 - CROSS CUTTING | Implementation | Happy Valley Housing project | 32 | | 16 x temporary housing units completed in ward 32 (Happy Valley Housing project) | 16 x temporary housing units completed in ward 32 (Happy Valley Housing project) by the 30th of June 2017 | Number of temporary housing units completed in ward 32 (Happy Valley Housing project) by the 30th of June 2017 | N/A | Project at tender Evaluation Stage | 1 (69% & below) | Delay on Procurement process. | Fasttracking of Appointment process. | 31-Jul-17 | Tender opening register |
| F | F3 | 2 - BACK TO BASICS | HS32 | NKPA 6 - CROSS CUTTING | Implementation | Site 11 Housing project | 32 | | 20 x temporary housing units completed in ward 32 (Site 11 Housing project) | 20 x temporary housing units completed in ward 32 (Site 11 Housing project) by the 30th of June 2017 | Number of temporary housing units completed in ward 32 (Site 11 Housing project) by the 30th of June 2017 | N/A | Project at tender Evaluation Stage | N/A | Delay on Procurement process. | Fasttracking of Appointment process. | 31-Jul-17 | Tender opening register |
| | | | | | | | | | | | | N/A | | N/A | N/A | N/A | N/A | N/A |

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|-------|---------------|--------------------|--------------|-------------------------------|----------------|------------------------------------|-------------------------------------|---|---|--|--|--|--|------------------------------------|---|---|--|--|
| F | F3 | 2 - BACK TO BASICS | HS33 | NKPA 6 - CROSS CUTTING | Implementation | Thamboville Housing project | 38 | The beneficiaries were given serviced sites. The houses will be built as additional subsidy. (Consolidation Program). | 25 x temporary housing units completed in ward 38 (Thamboville Housing project) by the 30th of June 2017 | 25 x temporary housing units completed in ward 38 (Thamboville Housing project) by the 30th of June 2017 | Number of temporary housing units completed in ward 38 (Thamboville Housing project) | 25 x temporary housing units completed in ward 38 (Thamboville Housing project) by the 30th of June 2017s. | Project at tender Evaluation Stage | 1 (69% & below) | Delay on Procurement process. | Fasttracking of Appointment process. | 31-Jul-17 | Tender opening register |
| F | F3 | 2 - BACK TO BASICS | HS34 | NKPA 6 - CROSS CUTTING | Implementation | Glenwood Q-Section Housing project | 38 | The beneficiaries were given serviced sites. The houses will be built as additional subsidy. (Consolidation Program). | 20 x temporary housing units completed in ward 38 (Glenwood Q-Section Housing project) by the 30th of June 2017 | 20 x temporary housing units completed in ward 38 (Glenwood Q-Section Housing project) by the 30th of June 2017 | Number of temporary housing units completed in ward 38 (Glenwood Q-Section Housing project) | 20 x temporary housing units completed in ward 38 (Glenwood Q-Section Housing project) by the 30th of June 2017. | Project at tender Evaluation Stage | N/A | N/A | N/A | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS35 | NKPA 6 - CROSS CUTTING | Implementation | Thembalille Housing project | 38 | The beneficiaries were given serviced sites. The houses will be built as additional subsidy. (Consolidation Program). | 25 x temporary housing units completed in ward 38 (Thembalille Housing project) by the 30th of June 2017 | 25 x temporary housing units completed in ward 38 (Thembalille Housing project) by the 30th of June 2017 | Number of temporary housing units completed in ward 38 (Thembalille Housing project) | 25 x temporary housing units completed in ward 38 (Thembalille Housing project) by the 30th of June 2017 | Project at tender Evaluation Stage | N/A | N/A | N/A | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS36 | NKPA 6 - CROSS CUTTING | Implementation | NUSP Phase 2B | 11,12,13,14,15,16,17,18,20,22,29,30 | NUSP Phase 2 A Completed | 1 x Project Close-out report for NUSP Phase 2B prepared and submitted to SMC | 1 x Project Close-out report for NUSP Phase 2B prepared and submitted to SMC by the 30th of June 2017 | Date Project Close-out report for NUSP Phase 2B prepared and submitted to SMC | 1 x Project Close-out report for NUSP Phase 2B prepared and submitted to SMC by the 30th of June 2017 | The Close-out report for NUSP Phase 2B was prepared but not submitted. | 2 (70% - 99%) | The report was not submitted as it is in a draft format as the final close-out report is awaited from the Municipality so as to finalise the Service Provider who has not been able to finalise the SMC report. | Put pressure on the Service Provider to finalise the report to the Municipality and as to finalise the close-out report from the Service Provider | 31-Jul-17 | Email correspondence between the Municipality and AURECON (the Service Provider) |
| F | F3 | 2 - BACK TO BASICS | HS37 | NKPA 6 - CROSS CUTTING | Implementation | Crest Place | 28 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS38 | NKPA 6 - CROSS CUTTING | Implementation | Wayside Place | 28 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS39 | NKPA 6 - CROSS CUTTING | Implementation | Matison Drive | 30 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS40 | NKPA 6 - CROSS CUTTING | Implementation | Nhlalakhe | 31 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS41 | NKPA 6 - CROSS CUTTING | Implementation | Nkululeko/Regina Road | 28 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REF-ERENCE | CDS REFER-ENCE | OP REF-ERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | (ACTUAL 1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|----------------|--------------------|---------------|-------------------------------|----------------|--|------|-----------------------|---|--|--|--|--|-----------------------------------|----------------------|--------------------|--|-----------------------------|
| F | F3 | 2 - BACK TO BASICS | HS42 | NKPA 6 - CROSS CUTTING | Implementation | Shamrock | 28 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Copy of application to DOHS |
| F | F3 | 2 - BACK TO BASICS | HS43 | NKPA 6 - CROSS CUTTING | Implementation | Maryvale | 35 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | N/A | N/A | N/A | N/A | N/A |
| F | F3 | 2 - BACK TO BASICS | HS44 | NKPA 6 - CROSS CUTTING | Implementation | Mayfair Road | 28 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Copy of application to DOHS |
| F | F3 | 2 - BACK TO BASICS | HS45 | NKPA 6 - CROSS CUTTING | Implementation | Jesmondene | 35 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Copy of application to DOHS |
| F | F3 | 2 - BACK TO BASICS | HS46 | NKPA 6 - CROSS CUTTING | Implementation | Mattison/Com- et Place/ Old Greytown-Khan Road | 30 | No Basic Services | Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Date Application to DOHS for Funding for installation of Basic Services prepared and submitted | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | Application to DOHS for Funding for installation of Basic Services prepared and submitted by the 30th of June 2017 | 3 (100% - 129%) | N/A | N/A | N/A | Copy of application to DOHS |

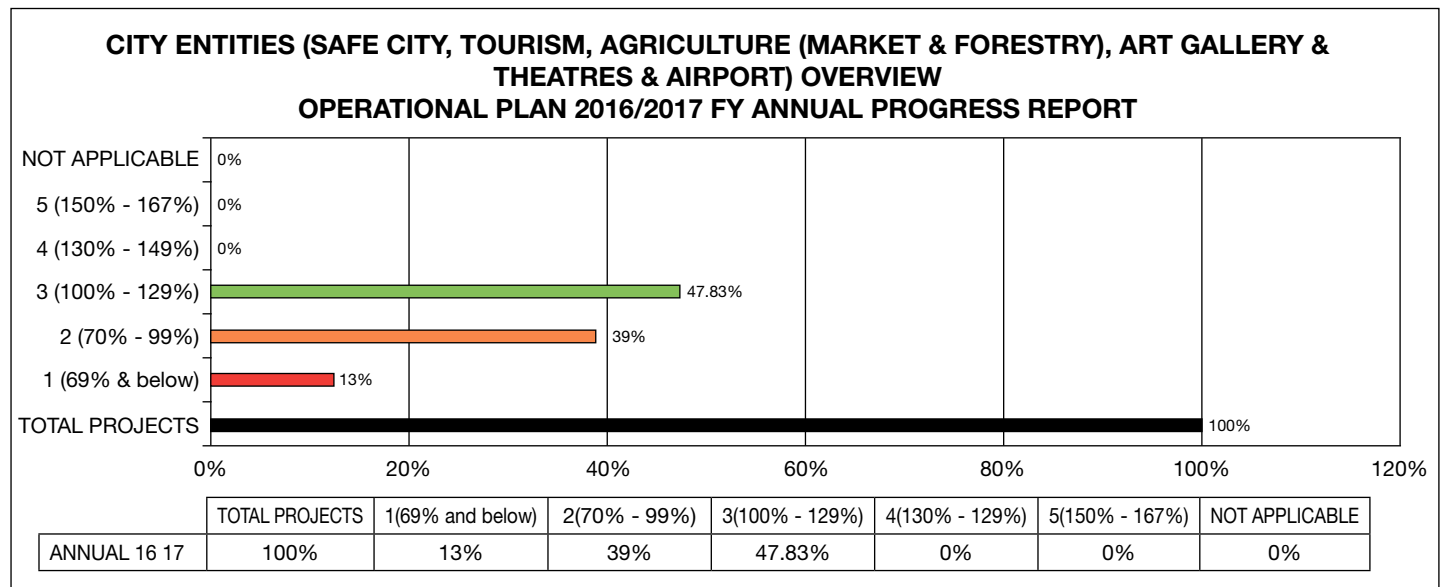
CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) OVERVIEW OPERATIONAL PLAN 2016/2017 FY ANNUAL PROGRESS REPORT

| COLOUR | SCORE | DESCRIPTION | PERCENTAGE | KEY |
|--------|----------------|-------------------------------|---------------|-----|
| | N/A | TOTAL PROJECTS | N/A | KEY |
| | 1 | NIL ACHIEVED | 69% and below | |
| | 2 | TARGET PARTIALLY MET | 70% - 99% | |
| | 3 | TARGET MET | 100% - 129% | |
| | 4 | TARGET EXCEEDED | 130% - 149% | |
| | 5 | TARGET SIGNIFICANTLY EXCEEDED | 150% - 167% | |
| | NOT APPLICABLE | N/A | N/A | |

1 CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) OVERVIEW

| | | |
|-------|--------------------|----|
| 1.1 | TOTAL PROJECTS: | 23 |
| 1.1.1 | OPERATING PROJECTS | 23 |
| 1.1.2 | CAPITAL PROJECTS | 0 |

1.2



OPERATIONAL PLAN FOR THE 2016/2017 FINANCIAL YEAR
BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES
SUB UNIT: CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT)

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET/OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | REASON FOR DEVIATION | PROGRESS REPORT CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|-------------------------------------|---|---|----------------------------|--|---|---|--|---|---|--|------------------------------------|--|---|
| F | F2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SC 02 | NKPA 6 - CROSS CUTTING | Crime, Bylaw and Sub Station Monitoring through CCTV Camera | Reporting of detected criminal incidents | 27, 30, 32, 33, 35, 36, 37 | Monthly Reports of criminal incidents detected by CCTV cameras submitted to GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES within 7 days after month end | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES within 7 days after month end by the 30th of June 2017 | Number of Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES within 7 days after month end | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES within 7 days after month end by the 30th of June 2017 | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES within 7 days after month end by the 30th of June 2017 | N/A | N/A | N/A | Monthly report to GM Sustainable Growth and City Entities |
| F | F2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SC 03 | NKPA 6 - CROSS CUTTING | Crime, Bylaw and Sub Station Monitoring through CCTV Camera | Reporting to SAPS, Municipal Traffic or Security Dept. of every criminal or suspicious incidents detected | 27, 30, 32, 33, 35, 36, 37 | 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage | 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2017 | 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2017 | Average Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage | N/A | N/A | N/A | N/A | N/A | Safe City Occurrence Book |
| F | F2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SC 04 | NKPA 6 - CROSS CUTTING | Crime, Bylaw and Sub Station Monitoring through CCTV Camera | Inspection of CCTV equipment's | 27, 30, 32, 33, 35, 36, 37 | 240 daily CCTV inspections conducted in 2016/2017 | 240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians | 240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2017 | Number of CCTV inspections conducted as per the maintenance schedule by Safe City Technicians | N/A | N/A | N/A | N/A | N/A | N/A |
| F | F2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SC 05 | NKPA 6 - CROSS CUTTING | Crime, Bylaw and Sub Station Monitoring through CCTV Camera | Turn-around time to repair or faulty CCTV equipment's as per the Faults Register/Book | 27, 30, 32, 33, 35, 36, 37 | Average 5 days turn-around time to repair faulty CCTV equipment's | Average 5 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book | Average 5 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2017 | Average turn-around time to repair faulty CCTV equipment as per the Faults Register/Book | N/A | N/A | N/A | N/A | N/A | Safe City Technical Fault Register |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 26 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Airport Municipal Entity | Appointment of the Airport Board and the CEO | All | Airport currently managed by Council | 100 % Establishment of the Pmb Airport as a Municipal Entity | 100 % Establishment of the Pmb Airport as a Municipal Entity by the 30th of June 2017 | % Establishment of the Pmb Airport as a Municipal Entity | 100 % Establishment of the Pmb Airport as a Municipal Entity by the 30th of June 2017 | Advert to establish a board was done and resume received and report written to SMC for finality | SMC has not taken decision on Entity board members | Subject to the Council | Jun-18 | Council resolution to establish an Entity Governing Board |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 27 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Airport Municipal Entity | Institutionalisation of the Airport as the Municipal Entity | All | Airport currently managed by Council | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Advisory Board | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 28th of February 2017 | % Implementation of the Business plan, Date Organisational structure approved by council & appointment of the Board | N/A | N/A | N/A | N/A | N/A | Council resolution to establish an Entity Governing Board |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 28 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Market Advisory Board | Appointment of the Market advisory Board | All | Market currently managed by Council | 100% Fully functional Market (Market manager appointed) | 100% Fully functional Market (Market manager appointed) by the 31st of December 2017 | % Fully functional Market (Market manager appointed) | N/A | N/A | N/A | N/A | N/A | N/A |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET / OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|---|--------------|-------------------------------------|---|--|------|---------------------------------------|--|--|---|--|---|------------------------------------|---|--|--|----------------------------------|
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 29 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Market Business Entity | Institutionalisation of the Market as the Business Entity | All | Market currently managed by Council | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Advisory Board | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 30th of June 2017 | % Implementation of the Business plan, Date Organisational structure approved by council & appointment of the Board | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the Board by the 30th of June 2017 | THE ADVERT FOR THE BOARD WAS DONE AND THE RESPONSES WERE RECEIVED AND EVALUATED. THE RECOMMENDED CANDIDATE WERE FORWARDED TO SMC FOR CONSIDERATION AND WE ARE WAITING FOR DECISION. | 2 (70% - 99%) | SMC has not taken decision on Entity board members | Subject to the Council | Jun-18 | Council / SMC resolution. |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 30 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Forestry Municipal Entity | Appointment of the CEO | All | Forestry currently managed by Council | 100% Fully functional Forestry entity (Board appointed and CEO appointed) | 100% Fully functional Forestry entity (Board appointed and CEO appointed) by the 30th of June 2017 | % Fully functional Forestry entity (Board appointed and CEO appointed) | 100% Fully functional Forestry entity (Board appointed and CEO appointed) by the 30th of June 2017 | N/A | N/A | SMC has not taken decision on Entity board members | Subject to the Council | N/A | N/A |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 31 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Forestry Municipal Entity | Institutionalisation of the Forestry as the Municipal Entity | All | Forestry currently managed by Council | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO by the 30th of June 2017 | % Implementation of the Business plan, Date Organisational structure approved by council & appointment of the CEO | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO by the 30th of June 2017 | N/A | 2 (70% - 99%) | SMC has not taken decision on Entity board members and only the board will be eligible to appoint CEO | Subject to the Council | N/A | Council / SMC resolution. |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 32 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Tourism Municipal Entity | Appointment of the Tourism advisory Board and the CEO | All | Tourism currently managed by Council | 100% Fully functional Tourism entity (Board appointed and CEO appointed) | 100% Fully functional Tourism entity (Board appointed and CEO appointed) by the 30th of June 2017 | % Fully functional Tourism entity (Board appointed and CEO appointed) | 100% Fully functional Tourism entity (Board appointed and CEO appointed) by the 30th of June 2017 | N/A | 2 (70% - 99%) | SMC has not taken decision on Entity board members and only the board will be eligible to appoint CEO | Subject to the Council | N/A | Still waiting to SMC resolution. |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 33 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Establishment of the Tourism Municipal Entity | Institutionalisation of the Tourism as the Municipal Entity | All | Tourism currently managed by Council | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO & Board | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO & Board by the 30th of June 2017 | % Implementation of the Business plan, Date Organisational structure approved by council & appointment of the CEO & Board | 100% Implementation of the Business plan, Organisational structure approved by council & appointment of the CEO & Board by the 30th of June 2017 | N/A | 2 (70% - 99%) | SMC has not taken decision on Entity board members and only the board will be eligible to appoint CEO | Subject to the Council | N/A | Still waiting to SMC resolution. |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 34 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Service Level Agreements with Safe City | Review of Service Level Agreements with Safe City | All | SLA in place | Service Level Agreements with Safe City reviewed and submitted to SMC | Service Level Agreements with Safe City reviewed and submitted to SMC by the 31st of December 2017 | Date Service Level Agreements with Safe City reviewed and submitted to SMC | Service Level Agreements with Safe City reviewed and submitted to SMC by the 31st of December 2017 | N/A | 3 (100% - 129%) | SMC has not taken decision on Entity board members and only the board will be eligible to appoint CEO | Subject to the Council | N/A | Signed SLA |
| C | C2 | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | CE 35 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Service Level Agreements with Winstill Churchhill | Review of Service Level Agreements with Winstill Churchhill | All | SLA in place | Service Level Agreements with Winstill Churchhill reviewed and submitted to SMC | Service Level Agreements with Winstill Churchhill reviewed and submitted to SMC by the 31st of December 2016 | Date Service Level Agreements with Winstill Churchhill reviewed and submitted to SMC | Service Level Agreements with Winstill Churchhill reviewed and submitted to SMC by the 31st of December 2016 | N/A | 1 (69% & below) | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in time | To ensure stakeholders do participate and attend meetings For stakeholders to comment on TOR so as to finalise the project | N/A | DRAFT TOR |

| INDEX | IDP REFERENCE | CDS REFERENCE | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME | PROJECT | WARD | BASELINE/ STATUS QUO | MEASURABLE OBJECTIVE | ANNUAL TARGET/ OUTPUT | PERFORMANCE MEASURE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | REASON FOR CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | | |
|-------|---------------|--|--------------|-------------------------------------|---|--|------|-------------------------------|--|---|--|---|---|--|---|-----------------|--------------------------------|-----------------------------------|
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 36 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Service Level Agreements with Art Gallery | Review the Trust Deed of the Tatham Art Gallery | All | SLA in place | Trust Deed of the Tatham Art Gallery reviewed and submitted to SMC | Trust Deed of the Tatham Art Gallery reviewed and submitted to SMC by the 31st of December 2016 | Date Trust Deed of the Tatham Art Gallery reviewed and submitted to SMC | Trust Deed of the Tatham Art Gallery reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in on TOR so as to finalise the project | 17/18 FY | DRAFT TOR | | |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 37 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | NKPA 6 - CROSS CUTTING | Quarterly Performance Assessments | N/A | N/A | 4 x Quarterly assessments of the Board for Safe City conducted annually | 4 x Quarterly assessments of the Tatham Art Gallery conducted annually by the 30th of June 2017 | 4 x Quarterly assessments of the Board for Safe City conducted annually | 4 x Quarterly assessments of the Board for Safe City conducted annually by the 30th of June 2017 | N/A | N/A | N/A | N/A | Safe City Assessment submitted | |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 38 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Quarterly Performance Assessments | N/A | N/A | Conduct Quarterly assessments | 4 x Quarterly assessments of the Tatham Art Gallery conducted annually | 4 x Quarterly assessments of the Tatham Art Gallery conducted annually by the 30th of June 2017 | 4 x Quarterly assessments of the Tatham Art Gallery conducted annually | N/A | Completed | N/A | N/A | N/A | N/A | Monthly reports |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 39 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Quarterly Performance Assessments | N/A | N/A | Conduct Quarterly assessments | 4 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 4 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | 4 x Quarterly assessments of Winston Churchill conducted annually | N/A | 2 x Quarterly assessments of Winston Churchill conducted annually by the 30th of June 2017 | N/A | To ensure in future that planned targets are met | 17/18 FY | Assessment Report | |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 40 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business Plan for Safe City | Review Business Plan for Safe City | N/A | Business Plan in place | Business Plan for Safe City reviewed and submitted to SMC | Business Plan for Safe City reviewed and submitted to SMC by the 31st of December 2017 | Date Business Plan for Safe City reviewed and submitted to SMC | Business Plan for Safe City reviewed and submitted to SMC by the 31st of December 2017 | N/A | N/A | N/A | N/A | N/A | Safe City Business Plan submitted |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 41 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business Plan for Winston Churchill | Review Business Plan Winston Churchill | N/A | Business Plan in place | Business Plan for Winston Churchill reviewed and submitted to SMC | Business Plan for Winston Churchill reviewed and submitted to SMC by the 31st of December 2016 | Date Business Plan for Winston Churchill reviewed and submitted to SMC | Business Plan for Winston Churchill reviewed and submitted to SMC by the 31st of December 2016 | N/A | N/A | N/A | N/A | N/A | DRAFT TOR |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 42 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business Plan for Art Gallery | Review Business Plan for Art Gallery | N/A | Business Plan in place | Business Plan for Art Gallery reviewed and submitted to SMC | Business Plan for Art Gallery reviewed and submitted to SMC by the 31st of December 2016 | Date Business Plan for Art Gallery reviewed and submitted to SMC | Business Plan for Art Gallery reviewed and submitted to SMC by the 31st of December 2016 | Meeting with respective stakeholders were completed however the business plan was delayed. Terms of reference completed and awaiting comments from stakeholders | The whole project was delayed due to stakeholder meetings being cancelled and no sitting in on TOR so as to finalise the project | N/A | N/A | N/A | DRAFT TOR |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 43 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Conduct lease audit on all airport leases | Lease audit | All | Airport leases not current | 100% Lease audit completed on all airport leases | 100% Lease audit completed on all airport leases by the 31st of March 2017 | % Lease audit completed on all airport leases | 100% Lease audit completed on all airport leases by the 31st of March 2017 | N/A | N/A | N/A | N/A | N/A | Lease Audit Complete |
| C | C2 | 1 - BUILD-ING A CAPABLE & DEVELOP-MENTAL MUNICI-PALITY | CE 44 | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business Plan for Winston Churchill | Review the partnership between the Province, the District and Municipality in managing | N/A | An agreement in place | 100% Review the partnership between the Province, the Municipality in managing theatre completed | 100% Review the partnership between the Province, the District and the Municipality in managing theatre completed by the 31st of May 2017 | % Review the partnership between the Province, the District and the Municipality in managing theatre completed | 100% Review the partnership between the Province, the District and the Municipality in managing theatre completed by the 31st of May 2017 | Report submitted to GM : SD & CE | Report returned by GM. | Met with DoAC regarding plan. Province to re-appoint Board first. | 6 months | Copy of the first report | |
| | | | | | | | | | | | | | N/A | N/A | N/A | N/A | N/A | |

Msunduzi Annual Report
2016/2017

Msunduzi Annual Report
2016/2017

This image shows a full page of blank, lined paper. It features approximately 28 horizontal blue lines spaced evenly across the page, typical of standard notebook paper. The lines are thin and light blue, set against a plain white background. There are no margins, text, or other markings on the page.



City Hall
Chief Albert Luthuli Avenue
3201
Tel: 033 392 3000
Fax: 033 392 2397
Website: www.msunduzi.gov.za