CITY OF CHOICE

PIETERMARITZBURG
MSUNDUZI

Annual Report
2011 - 2012

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LIST OF ABBREVIATIONS

DMM	Deputy Municipal Manager
CoGTA	Cooperative Governance and Tradition Affairs
DPLG	Department of Provincial and Local Government
SBU	Strategic Business Unit
WSP	Workplace Skills Plan
HDI	Historically Disadvantaged Individual
UNISA	University of South Africa
NQF	National Qualification Framework
MOU	Memorandum of Understanding
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
AIPF	Associated Institution Pension Fund
SALAPF	South African Local Authorities Pension Fund
MCPF	Municipal Councillors Pension Fund
CLLR	Councillor
SAPS	South African Police Services
NPA	National Prosecuting Authority
PMB	Pietermaritzburg
SCM	Supply Chain Management
HRM	Human Resource Management
SALGA	South African Local Government Association
VIP	Ventilated Improved Pit Latrine
STATSSA	Statistics South Africa
SDBIP	Service Delivery and Budget Implementation Plan
MIG	Municipal Infrastructure Grant
WSDP	Water Services Development Plan
BBBEE	Broad Based Black Economic Empowerment
SMMES	Small Medium and Micro Enterprises
CFO	Chief Financial Officer
AG	Auditor General
MEC	Member of Executive Committee
MPAC	Municipal Public Accounts Committee
EXCO	Executive Committee
ICT	Information Communication Technology
PMS	Performance Management
MPRA	Municipal Rates Act
MM	Municipal Manager
KWANALOGA	KwaZulu-Natal Local Governance Association
DBSA	Development Bank South Africa
SAMWU	South African Municipal Workers Union
IMATU	Independent Municipal Allied Trade Union
DWAF	Department of Water Affairs and Forestry
MEC	Member of Executive Council
IDP	Integrated Development Plan
MUNIMEC	Municipalities and Member of Executive Council Meetings

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

Chris Ndlela
City Mayor

FOREWORD BY THE CITY MAYOR, CLLR CHRIS NDLELA. 2011/12

The financial year 2011/12, has had a life cycle of its own. The early stages of this life Cycle, will culminate into the long term vision and strategy that will map the way forward for this City's development for the next 20 to 25 years in the form of the City Development Strategy.
This cycle is:

(i) Midst of Administration in terms of S139(b) of the constitution.
(ii) Stabilization process post administration characterized mainly by the appointment of Senior Management.
(iii) Development of a Long Term Financial Plan and City Development Strategy to ensure sustained stability of the Municipality.

The period that led to the Municipality being put under administration was characterized by:

(i) A high staff vacancy rate (only 62% of positions were filled)
(ii) Extensive number of acting positions throughout the Municipality, including Section 57 posts.
(iii) Lack of financial and administrative delegations.
(iv) Incoherent strategic planning process
(v) Unrealistic budget.
(vi) No performance Management.
(vii) Inadequate revenue collection and increasing debtors.
(viii) Electricity outages mainly as a result of ageing infrastructure.
(ix) High water and electricity losses.
(x) Ageing fleet.
(xi) Erratic waste collection services and many other issues as well.

During the period of administration, the Provincial Intervention Team (PIT) developed a turn-around Strategy (TAS), including a Financial Recovery Plan (FRP), which sought to achieve a financial, administrative and service delivery turn around. The TAS focused broadly on the following key aspects:-

(i) Improving financial sustainability
(ii) Improving and reviewing current systems and processes, including the upgrading of the Information and Financial Management System..
(iii) Improving and enhancing asset management through an integrated infrastructure and asset management plan to ensure upgrading and maintenance , growth readiness and proper fleet management
(iv) Improving financial administration through proper supply chain management
(v) Enhancing operations of the Municipality through organizational re-alignment and Human Resource Development.

The Section 139(b) which the Municipality was subjected to, was finally lifted at a Council meeting on the 15th of December 2011. One of the determining factors that led to the lifting, was the appointment of the Municipal Manager, this being one of the core deliverables of the PIT. The newly appointed Municipal Manager, Mr. Mxolisi Nkosi, assumed duty on the 3rd of January 2012. Having a new Captain to steer the ship, augured well at a practical level at a point when the Municipality was expected to stand on its own feet post administration. Successful strategic planning and public participation process, culminated in the production of the IDP, Budget, Medium Term Revenue Expenditure Framework (MTREF) and Service Delivery and Budget Implementation Plan (SDBIP).

Having developed and currently implementing the Financial Recovery Plan (FRP), with the assistance of National Treasury, it was reiterated that the Municipality needed to move beyond Crisis and re-active management and short term planning. In this regards, with the assistance of National Treasury (NT), a Long Term Financial Plan has been developed with clearly defined end goals that will change the future behavior , resource allocation and growth and development of the Municipality. The LTFP will have an effect on Service D Delivery Mandates of the Municipality, noting the service delivery imperatives and backlogs of Msunduzi as identified in the Integrated Development Plan (IDP)

The LTFP Is primarily aimed at ensuring that the Municipality has sufficient and cost effective funding in order to achieve its long term objectives through the implementation of the IDP and medium term operating and capital budgets. Finally, the LTFP is intended to provide financial and policy guidelines to ensure that all future activities and planning initiatives are aligned to the LTFP so that Msunduzi can achieve sustainable Municipal Service Delivery and financial resilience in the long term. The LTFP will be reviewed on an annual basis, and ideally, all future budgets sand financial planning processes must be aligned to the LTFP.

Whilst the IDP is a 5 year document detailing planning within the Municipality over the next five years, the City Development Strategy will be the development planning blue print of the Municipality for the next 20 to 25 years. The key aspects to be included in the development of the CDS include the following aspects:-

(i) Urban Development Policy
(ii) Development Indicators
(ii) Rural/Urban Interface
(iv) Public Transportation
(v) Land(use, management, acquisition etc)
(vi) Human Settlements
(vii) Vulnerability
(viii) Finance
(ix) Socio-political stability
(x) Human Capacity

It is also important that as citizens we are proud of and comfortable within the space we currently live. To this end, the Municipality will be embarking on the Pietermaritzburg Urban Renewal Project(PURP), which will focus among other things:-

(i) Metered Street parking
(ii) Dealing with pot holes in the CBD
(iii) Regulating Street trading and providing street furniture.
(iv) Regulating street signage, billboards and advertising
(v) Urban beautification.
(vi) Repairs and maintenance of street lights
(vii) Street sweeping and waste collection

Lastly, Msunduzi Municipality has achieved our drinking water quality summa-cum-laude for two consecutive years in the form of receiving Blue Drop Status. We have a focused implementation plan in line with Blue Drop requirements. Whilst the status is the goal, the main objective though, is to ensure that our residents as well as visitors receive quality potable water.

It is against this background that one can say that 2011/ 2012 has been a year of transition which has taken on the form of a positive move away from the maladministration of the past towards a streamlined political and administrative core that are working together to ensure a better life for all.

THE HONOURABLE MAYOR
COUNCILLOR C. J. NDLELA

COMPONENT B: EXECUTIVE SUMMARY

I. FOREWORD BY THE MUNICIPAL MANAGER: ANNUAL REPORT 2011/ 2012

Mxolisi Nkosi
Municipal Manager

As mentioned by the Mayor, the financial year 2012/ 2013 has been characterized by a process of transition primarily driven by the lifting of the Section 39 intervention by the Department of Cooperative Governance and Traditional Affairs (COGTA). My appointment as the Accounting Officer (Municipal Manager) on the 01 January 2012 was right at the outset of this period of transition.

During the 2011/12, there are a number of milestones in terms of projects either completed or started. These include the following:-

- New state of the art sewer pump station in Lincoln Meade at a cost of R13million. This one pump station has replaced two that were troublesome and sometimes caused sewer to be discharged into the river. This new pump station will save operational costs and comes with a stand-by generator, and will ensure that there is no discharge of sewer into the river.
- Two reservoirs. One under construction, and the other in the final stages of design. The one under construction is in Copesville and will have a capacity of 20ML at a cost of R30million. The Mason's Mill reservoir is in the final design stage and will cost about R25million.
- The Integrated Rapid Public Transport Network(IRPTN) was launched this year, and the first stage to conduct a survey has already commenced. This project will cost R3.1billion over 5 years.
- The widening of the New England Road project is also at an advanced stage at a cost of R12.4 million.
- The ChotaMotala Interchange was completed by the end of 2012, and it cost over R200million.
- The Hayfields Residential and Hotel Development project has already commenced and will cost R200million.
- The Greater Edendale Mall was opened in September 2011, and the project cost R300million and created 1000 permanent jobs.
- The Camps Drift Water Front Mixed Use Project, is awaiting the Environmental authorization. It will comprise of the residential development, commercial Development in terms of restaurants and a hotel . It will cost R1.6billion rand.
- The Liberty Midlands Mall phase three development will commence soon at a cost of R500million. The sale of land has been concluded in this regarded.
- The Hilton Powerline upgrade to solve the electricity problems in the Hilton and Sweetwaters areas, is already under way at a cost of R15million and is expected to be completed by end of January 2013.
- We have also undertaken an Electricity Network Protection study with the view to find ways to protect our electricity network at a cost of R3 1/2million.

- The Pietermaritzburg Airport is receiving a revamp of the runway, the parking area and later the terminal building. A state of the art navigation system was also installed. The increase in passenger numbers, has justified the R40million injection in upgrading the airport.
- We also did an in depth assessment of our electricity infrastructure through the Independent Development Trust (IDT), which explained very clearly the challenges we have in electricity supply in order for us to plan and budget appropriately to deal with electricity challenges.

This is to mention some of the projects that were undertaken during the 2011/ 2012 financial and are currently ongoing in some instances.

We believe very strongly that we are on the right track as a Municipality. Our Debt Recovery plan should be able to assist us recover what is owed to the Municipality, so that we are able to continue to deliver services to our people. This Municipality is committed to tangible and visible deliverables to better the lives of its residents and believe that for democratic governance to be meaningful, all stakeholders must be fully engaged to participate in all processes.

M.A. NKOSI
MUNICIPAL MANAGER

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. It is the second largest city in KwaZulu-Natal and a contributor towards 80% of the GDP by 9 largest cities in South Africa.

2.4. THE POPULATION OF MSUNDUZI

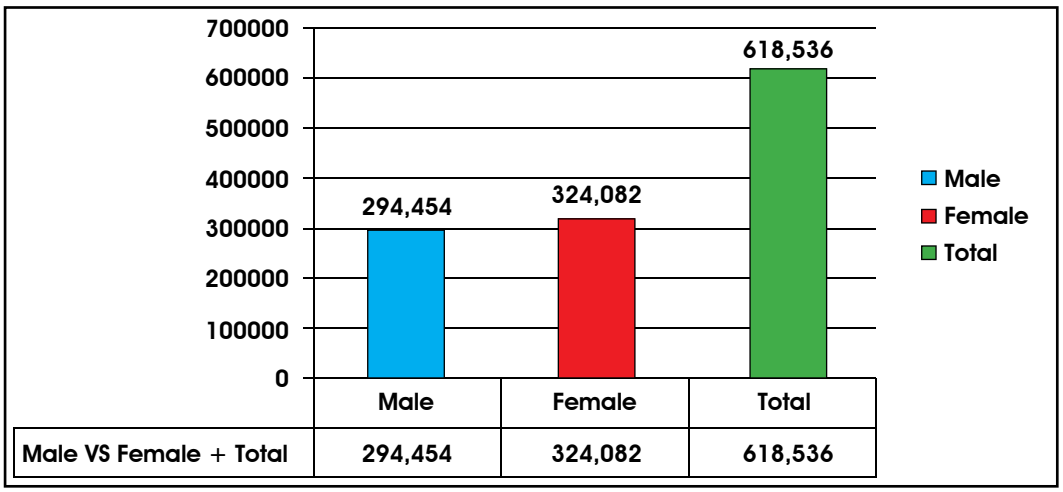
Total Population: 618 536

POPULATION BY AGE

AGE CATEGORY	NUMBER OF PEOPLE
0-4	59,178
5-9	52,152
10-14	53,283
15-19	62,036
20-24	71,678
25-29	64,496
30-34	49,655
35-39	45,046
40-44	35,476
45-49	30,218
50-54	24,796
55-59	21,838
60-64	17,698
65-69	11,264
70-74	8,209
75-79	5,308

AGE CATEGORY	NUMBER OF PEOPLE
80+	6,205
Msunduzi Population	**618,536**

POPULATION BY GENDER:



2.5. HOUSEHOLDS, HOUSEHOLD SERVICES AND BACKGROUND DATA

TOTAL NUMBER OF HOUSEHOLDS	
CENSUS REPORT 2011	163,993

PERCENTAGE (%) ACCESS TO WATER

DESCRIPTION	PERCENTAGE (%)
Piped (tap) water inside dwelling / institution	47.9%
Piped (tap) water inside yard	38.6%
Piped (tap) water on community stand: distance between 200m and 500m from dwelling / institution	1.9%
Piped (tap) water on community stand: distance less than 200m from dwelling / institution	5.7%
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling / institution	1.4%
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling / institution	0.3%
No access to piped (tap) water	3.9%
TOTAL	**100%**

TOILET FACILITIES BY NUMBER

Municipality	None	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit toilet with ventilation (VIP)	Pit toilet without ventilation	Bucket toilet	Other	Total
MSUNDUZI MUNICIPALITY	3,316	84,675	8,540	5,489	28,344	27,607	1,585	4,436	163,993

TOILET FACILITIES BY PERCENTAGE (%)

DESCRIPTION	PERCENTAGE (%)
FLUSH TOILET (CONNECTED TO SEWERAGE SYSTEM)	51.6%
FLUSH TOILET (WITH SEPTIC TANK)	5.2%
CHEMICAL TOILET	3.3%
PIT TOILET WITH VENTILATION (VIP)	17.3%
PIT TOILET WITHOUT VENTILATION	16.8%
BUCKET TOILET	1.0%
OTHER	2.7%
NONE	2.0%
TOTAL	**100%**

ACCESS TO ELECTRICITY - ENERGY FOR LIGHTING BY TYPE

DESCRIPTION	NUMBER
ELECTRICITY	150,713
GAS	308
PARAFFIN	1,053
CANDLES	10,980
SOLAR	476
OTHER	0
NONE	463
TOTAL	**163,993**

FUNCTIONAL LITERACY HIGHEST EDUCATIONAL LEVEL

EDUCATION LEVEL WITHIN MSUNDUZI MUNICIPALITY	NUMBER
GRADE 0	18,176
GRADE 1 / SUB A	15,787
GRADE 2 / SUB B	16,195
GRADE 3 / STD 1 / ABET 1KHA RI GUDE; SANLI	16,013
GRADE 4 / STD 2	18,906
GRADE 5 / STD 3 / ABET 2	19,670

EDUCATION LEVEL WITHIN MSUNDUZI MUNICIPALITY	NUMBER
GRADE 6 / STD 4	21,398
GRADE 7 / STD 5 / ABET 3	25,768
GRADE 8 / STD 6 / FORM 1	39,726
GRADE 9 / STD 7 / FORM 2 / ABET 4	32,868
GRADE 10 / STD 8 / FORM 3	48,944
GRADE 11 / STD 9 / FORM 4	52,836
GRADE 12 / STD 10 / FORM 5	139,246
NTC 1 / N1 / NIC / V LEVEL 2	1,055
NTC 2 / N2 / NIC / V LEVEL 3	808
NTC 3 / N3 / NIC / V LEVEL 4	1,128
N4 / NTC 4	965
N5 / NTC 5	863
N6 / NTC 6	1,108
CERTIFICATE WITH LEE THAN GRADE 12 / STD 10	883
DIPLOMA WITH LESS THAN GRADE 12 / STD 10	1,147
CERTIFICATE WITH GRADE 12 / STD 10	7,365
DIPLOMA WITH GRADE 12 / STD 10	10,596
HIGHER DIPLOMA	9,740
POST HIGHER DIPLOMA MASTER; DOCTORAL DIPLOMA	1,635
BACHELORS DEGREE AND POST GRADUATE DIPLOMA	8,203
BACHELORS DEGREE AND POST GRADUATE DIPLOMA	3,426
HONOURS DEGREE	3,839
HIGHER DEGREE MASTERS / PHD	2,719
OTHER	1,251
NO SCHOOLING	25,373
TOTAL	**547,636**

UNEMPLOYMENT RATE

MUNICIPALITY	% UNEMPLOYMENT
MSUNDUZI	33.00%

HEALTH FACILITIES WITHIN MSUNDUZI MUNICIPALITY

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

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

COMMENT ON BACKGROUND DATA:

The data provided herein is data used from the Census 2011 report conducted by Statistics South Africa.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 Provincial Intervention Team reviewed the Indigent Policy with a view to addressing risk areas attached to the applications process to declare a consumer indigent. The policy was therefore changed to provide indigent support on the basis of consumptions.

2. Indigent Population

Definition of "Indigent" & Qualification for Concessions

"Indigents"– means an owner/occupier of a property as defined in the qualification for concessions.

Qualification for concessions –
Owners and/or occupiers of residential property:

- where the electricity lifeline tariff is requested and a circuit breaker of 20Amp is fitted
- and/or where there is no electricity distribution by Council, where the water consumptionis less than 6kl, will qualify as an Indigent.
- Concessions set out below, and as reflected in the Council's Tariffs, shall automaticallyqualify for such concessions, subject to the conditions set out hereunder:

Property Rates
Indigents will qualify automatically like all domestic consumers for a reduction in the market value of the property as approved from time to time by Council and as reflected in the applicable Tariff Register.
A rebate of 100% will be granted on all residential property from a value of R15,001 to a value of R150,000.

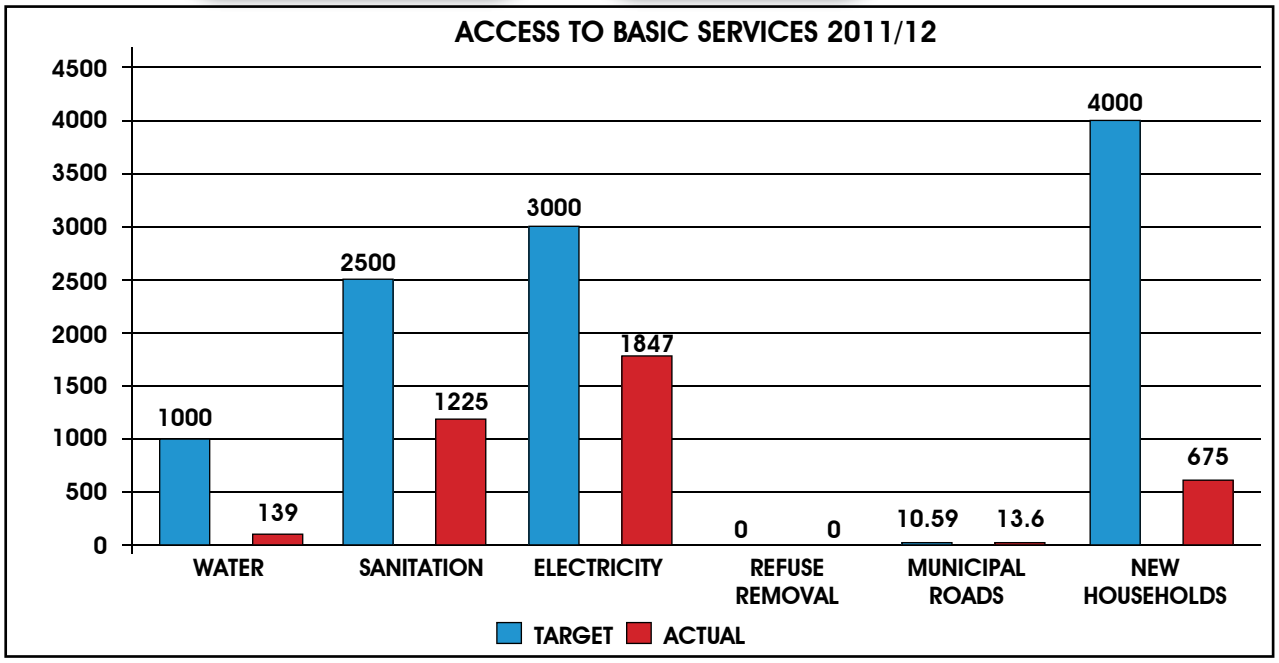
Electricity
Free kWh as determined from time to time by Council and as reflected in the applicable Tariff Register.
If the consumption is 500 kWh or less, 200 kWh will be free
If the consumption is greater than 500 kWh, then 50kWh will be free

Electricity MCB
Free amperage as determined by Council from time to time and as reflected in the applicable Tariff Register.
20Amp circuit breaker

Water
Consumption of water as determined from time to time by Council and as reflected in the applicable Tariff Register.
6kl

Refuse
Free refuse as determined by Council from time to time and as reflected in the applicable Tariff Register.If the lifeline tariff for electricity consumption is used, or where no electricity is consumed or where less than 6kl of water is used, a 50% rebate will apply for sewerage removal.

Sewerage
Free sewerage as determined by Council from time to time and as reflected in the applicable Tariff Register.If the lifeline tariff for electricity consumption is used, or where no electricity is consumed or where less than 6kl of water is used, a 50% rebate will apply for refuse removal.



COMMENT ON ACCESS TO BASIC SERVICES:

Above is a diagram reflecting performance on Access to Basic Services for 2011-2012 financial year. Please refer to Chapter 3 – Service Delivery Performance for further information pertaining to shortfalls, reasons for deviation and support needed in terms of unblocking.

4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

FINANCIAL OVERVIEW 2011/2012			R 000
Details	**Original Budget**	**Adjustment Budget**	**Actual**
Income			
Grants	R 326,131,000	R 326,131,000	R 351,598,903
Taxes, Levies and Tariffs	R 2,186,598,449	R 2,219,002,689	R 2,215,158,047
Other	R 826,466,735	R 92,110,618	R 617,921,149
Subtotal	R 3,339,196,184	R 2,637,244,307	R 3,184,678,099
Less Expenditure	R 3,339,106,184	R 2,772,925,143	R 3,094,017,808
Net Total*	**R 90,000**	**(R 135,680,836)**	**R 90,660,291**
* Note: Surplus/ (deficit)			

Note: Actual grants are also made up of the unspent grant from the previous year s funds released after the adjustment budget. An amount of R 90,660,291 surplus is excluding grant of R 149,070,067.

Operating Ratios	
Details	**%**
Employee Cost	22
Repairs and Maintenance	1.3
Finance Charges and Depreciation	11

COMMENT ON OPERATING RATIOS: Actual employee costs are below National Treasury's norm of 30% and repairs and maintenance is far below the norm of 7% and above.

TOTAL CAPITAL EXPENDITURE 2009/10 2011/12			
Detail	**2009/10**	**2010/11**	**2011/12**
Original Budget	R327,343,282	R295,937,266	R411,313,300
Adjustment Budget	R263,002,130	R394,548,007	R351,440,647
Actual	R176,033,494	R111,148,752	R223,563,286

COMMENT ON CAPITAL EXPENDITURE:

There was a big improvement of capital expenditure for 2011/12 compared to 2010/11 i.e. 63.6% and 28.2% respectively against the adjustment budget. But it should be bear in mind that in 2010/11 the municipality was under administration. The business units are encouraged to increase they expenditure pattern mostly on the external grants.

5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Human Resources Function of the Msunduzi Municipality consists of two Process Units: Human Resources Management (Personnel; Job Evaluation; Employee Relations; Employment Equity; Skills Development; Organizational Development; Occupational Health and Safety; and HR Management Services) and Human Resources Development (Skills Development and Organizational Development).

In order to acquire skills and the qualifications that will improve the quality of life of employees and the efficiency and effectiveness of the organization, the Msunduzi Municipality, during 2011/2012, provided financial assistance for study to 39 employees, as part of a coordinated career development process, in support of the Skills Development Strategy, IDP & Sector Skills Priorities.

During the 2011/2012 financial year Msunduzi Municipality remained under administration for the 1st half of the financial year in terms of terms of S 139 (b) of the Constitution of South Africa. During the financial year all Section 57/56 posts were vacant or occupied in an acting capacity. In the second half of the financial year 3 Section 56/57 managers were appointed being the Municipal Manager, Deputy Municipal Manager: Finance and Deputy Municipal Manager: Infrastructure Services. In the 11/12 financial year the Municipality continued with disciplinary and criminal processes against various members of staff. Due to the nature & complexity of the allegations these matters are still in the process of being finalised. Confidentiality of these sub judicae disciplinary matters remains strictly confidential. Two legal advisors have been appointed by Council to expedite the backlogs in the finalization of the sub judicae disciplinary matters.

The posts of Deputy Municipal Manager; Development Services and Community Services have been advertised. Critical and Funded posts have been prioritised, with 103 posts advertised during 2011/12 and the recruitment and selection process is underway.

A Policy Development specialist was seconded to the Municipality form COGTA to assist with the development and review of 26 Organisational Development related Policies. The Policies are currently being work shopped at the portfolio committee as part of the consultative process preceding approval. During the latter part of 2011/2012 an OD specialised was further seconded to the municipality, from COGTA, to review the current organisational structure and align capacity to improve service delivery. The 3 tier structure was developed and has been tabled for Council approval. Consultation with the Business Units proceeding in June of 2012 extending the review beyond level 3.

6. AUDITOR GENERAL REPORT

The Auditor-General has expressed an unqualified opinion with emphasis matters relating mainly to:

- ✓ Irregular expenditure;
- ✓ Restatement of corresponding figures;
- ✓ Material losses/impairments;
- ✓ Material underspending of budget; and
- ✓ Unaudited supplementary schedules.

Whilst there is no significant improvement on the above matters but there is an improvement of the liquidity ratio and financial sustainability and the existence of an uncertainty that may cost significant doubt on the municipality's ability to operate as a going concern.

The audit report still indicates weaknesses in the supply chain management which result to irregular expenditure amounting to R27,483 million. Great strides have been made in this area by implementing controls and processes of identifying contracts which had been awarded to suppliers in contravention of the Local Government: Municipal Supply Chain Management Regulations (SCM Regulations) in an area that is prone to fraud and corruption. Further efforts are being made to enforce strict control measures that will reduce malpractices. One of the strict control measures is that the municipality is investigating investing into a process that will be used to identify conflict of interest and non-compliance with the SCM Regulations.

The significant increase in losses on electricity which resulted to revenue losses is noted. The municipality is fighting this scourge of theft of electricity and hopefully as resources are increased and new strategies implemented the municipality will reduce the losses.

The losses on water are static, however, strategies to reduce these loses is being implemented and results should be seen in the long term.

Management of debtor's book is receiving close attention as stringent credit control measures will be implemented.

Another challenge is on material underspending on capital budget which impacts negatively on service delivery and is evil and immoral as it deprives the poor communities' of basic services. Extra-ordinary measures have to be implemented in this area to improve service delivery.

If the municipality is to get a clean audit by 2014, more effort from all levels of management as well as support from Council is required to raise the bar.

7. ANNUAL REPORT PROCESS

Msunduzi Municipality Operational Plan for the preparation and adoption of the Annual Report 2011/2012

No:	Description:	Timeframe:
1.	Data Collection, Preparation and finalization of the annual performance report 2011/2012 (SBU's to supply information.	July 1 – August 15 2012
2.	Preparation and finalization of the annual financial statements / consolidated financial statements 2011/2012	July – August 2012
3.	Submission of the annual financial statements / consolidated financial statements 2011/2012 and the Annual Performance report 2011/2012 to the Auditor General for auditing	On or before the 31 August 2012
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 2012
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 2011/2012- Submissions to be received by the end of September 2012.	September 2012
6.	Begin Tender procedure for the Publishing and Printing of the Annual Report 2011/2012 – Specifications to be forwarded to SCM – Await response as to the appointment of the service provider	October 2012
7.	Finalise 1st draft of the Annual report 2011/2012 and forward to the Municipal Manager for comment	1st 9th of November 2012
8.	Draft completed and forwarded to Auditor General for comments / changes if required	9th 16th of November 2012
9.	2nd draft of Annual report completed and forwarded to Municipal Manager for comment.	On or before the 30th of November 2012
10.	Engage appointed service provider produce drafts of the Annual Report 2010-2011	December 2012
11.	Finalised, published and printed annual report by service provider	1st week of January 2013
12.	Annual report table by the Mayor at Full Council	On or before the 31st of January 2013
13.	Tabled annual report 2011/2012 to be made accessible to the public	Within 14 days from the date of tabling the annual report
14.	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
15.	Oversight report on Annual Report 2011/2012 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 2013 completed on or before the 30th of March 2013
16.	Oversight report made available to the public within seven days of being tabled in Council	On or before the 6th of April 2013

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 & Administrative Governance, Inter-governmental Relations, and Public Accountability & Participation along with Corporate Governance. Political & administrative governance is the breakdown of Elected Councillors, the committees they sit on, & the number of meetings they attend. It further looks at the administrative aspect of the municipality in terms of the organisational structure being implemented and a distinction made of the business units and their respective functions. Intergovernmental relations is basically the relationship that the municipality forges with other sector departments in order to carry out day to day activities, like National Treasury, the Auditor General & the provincial Department of CoGTA. Public accountability is the way the Municipality operates with regards to the communities by way of holding community meetings, Izimbizo's and the process of ward committees dealing with issues within the wards. Corporate governance looks at issues of transparency and accountability whereby the municipality outlines its top risks, andalso the way in which they run the supply chain management unit. Together these important aspects intertwine and are forged so as to ensure all aspects of the municipality are properly functioning and that communities receive quality services at an affordable price.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political & administrative governance at Msunduzi Municipality comprises of the elected councillors and the respective senior managers and the way they actually work together on a day-to-day basis in order to achieve organisational goals.

2.1. POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Msunduzi municipality has several portfolio committees of which the Full Council, Executive Committee, Municipal Public Accounts Committee and the Oversight Committee form part of. Msunduzi Municipality has an Audit Committee attached to the municipality that provides opinions and recommendations on financial processes and performance and provides comments to the Oversight Committee on the Annual Report. The municipality has established an Oversight Committee, comprised of non-executive councillors, and community representatives with the specific purpose of providing Council with comments and recommendations on the Annual Report.

Msunduzi Municipality
Executive Commitee 2011 - 2012

City Mayor
Chris Ndlela

Deputy Mayor
Thobani Zuma

J. Ngubo

E. Majola

M. Inderjith

M. Chetty

P. Bhengu

B. Lambert

Vacant

Vacant

Speaker
B. Baijoo

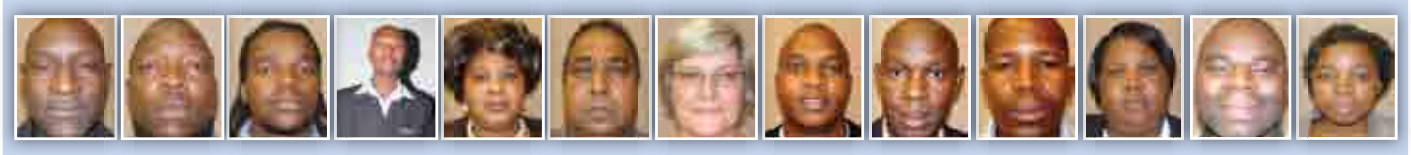
Chief Whip
T. Magubane

Msunduzi Municipality
Councillors May 2011 - 2012

M. Tarr | S.I. Madonda | T. Matiwane | S.C. Ndawonde | T.P. Ngcobo | P.G. Ngidi | T.D. Ntombela | R.B. Singh | M.S. Sokhela | R. Soobiah | C. Bradley | P.V. Jaca

M. Maphumulo | M.A. Mkhize | V.G.M. Mlete | N. Msimang | P. Sithole | L.J. Winterbach | M.B.. Zuma | N. Ahmed | T.R. Zungu | M.H. Mkhize | M.A. Ngcobo | N.J. Zungu

S. Majola | M.B. Mkhize | M. Schalkwyk | J. Singh | D.F. Ryder | R. Ahmed | D. Buthelezi | M.T. Buthelezi | P.N. Dlamini | J.M. Lawrence | F.N. Mbatha | S.A. Mkhize | R. Ashe



B.B. Ngcobo | J.M. Ngcobo | L.N. Sikhakhane | M.B. Zuma | T.I. Dlamini | S. Govender | S. Lyne | L.L. Madlala | T.S. Magwaza | F.M. Makhathini | L.C. Ngcobo | D.B. Phungula | N. Gumede

P.B. Shozi | T.V. Xulu | D.P. Zondi | K.M. Ngcobo | A.L. Mbanjwa | N.Z. Ndlovu | T.P. Ndlovu | S.C. Gwala | A.B. Dlomo | N. Atwaru | M.D. Ndlovu | G.R. McArthur | B.C. Sokhela

COUNCILLORS

Councillors are elected by the local registered voters (ratepayers) to serve a predetermined term of office on the local council as representatives of their respective constituents. The Msunduzi Municipal Council has a total of 73 seats. Thirty seven (37) of these seats are allocated to ward councillors who are elected by the wards they represent. The other 36 seats are allocated to political parties in proportion to the number of votes cast for them.

COMMITTEE ALLOCATIONS JULY 2011 JUNE 2012

COUNCILLORS	COMMITTEE ALLOCATIONS
TheMa yor(CouncillorCJNdle la)(Chairperson), the Deputy Mayor (Councillor TR Zuma)(DeputyCh airperson)a ndCou ncillorsP Bhengu, M Chetty, M Inderjit, WF LambertJP,N EM ajolaa nd JJNgu bo.	Executive
Cllrs.CJNdle la(Chairperson),Mbu siswaHe nceforth Mkhize, Najmah B Ahmed, Msizi AlexNgc obo,Nin giJZu ngu,S bonisoT errence Majola, MtuzaBhekithemba Mkhize, MaryS chalkwyk,Jja iheenS ingh,W FL ambert JP, David Francis Ryder and Patrick NtokozoBh engu	Finance
Cllrs NE Majola (Chairperson), CJ Ndlela (Mayor [Ex-Officio]), R Ahmed, D Buthelezi, MTBu thelezi,P NDla mini,JML awrence,F N Mbatha, SA Mkhize, BB Ngcobo, KM Ngcobo,L NS ikhakhanea ndMBZu ma..	Economic
CllrsJNgu bo(Chairperson)CBr adley,P VJa ca, VT Magubane, M Maphumulo, MA Mkhize,V GMMlete,NMs imang,P S ithole,L JWinterbach, BE Zuma and TRZungu	Corporate Services
Councillors M Inderjit (Chairperson),The Mayor (Councillor CJ Ndlela) (ex officio), M Chetty,A BDlom o,NF G umede,S CG wala,M Ngcobo,ALMbanjwa,NZ Ndlovu, TP Ndlovu,JMNgc obo,MDNdlov u,G RMc Arthura nd BC Sokhela.	Community Services
CouncillorsTR Zu ma(Chairperson),TIDla mini, S Govender, LL Madlala, TSMagwaza, FMMa khathini,L CNgc obo,DBP hungula,P B Shozi, TV Xulu, SPLyne and DP Zondi	Infrastructure Services
CllrsMT arr(Chairperson), R Ashe, N Atwaru, SI Madonda, T Matiwane, SC Ndawonde, TPNgc obo,P GNgidi,TDNt ombela,R BS ingh, MS Sokhela and R Soobiah.	Municipal Public Accounts

COMMITTEES BY NAME & PURPOSE

The following table reflects the different committees of Council and their respective purposes.

The Executive Committee
1. Reviews the performance of the municipality in order to improve:
2. the economy, efficiency and effectiveness of the municipality;
3. the efficiency of credit control and revenue and debt collection services;
4. the implementation of the municipality's by-laws; and
5. Monitors the management of the municipality's administration in accordance with the policy directions of the municipal council (output monitoring);
6. Oversees the provision of services to communities in the municipality in a sustainable manner;
7. Annually reports on the involvement of communities and community organisations in the affairs of the municipality;
8. Considers recommendations on the alignment of the IDP and the budget received from the relevant councillors;
9. Ensures that regard is given to public views and reports on the effect of consultation on the decisions of the council;
10. Makes recommendations to council regarding:-
11. the adoption of the estimates of revenue and expenditure, as well as capital budgets and the imposition of rates and other taxes, levies and duties;
12. the passing of by-laws; and
13. the raising of loans.
14. approval or amendment of the IDP
15. appointment and conditions of service of Municipal Manager and heads of departments
16. Deals with any other matters referred to it by the council and submits a recommendation thereon for consideration by the council;
17. Attends to and deals with all matters delegated to it by council in terms of the Systems Act;
18. Appoints a chairperson/s from the members of the Executive Committee, for any committee established by council in terms of section 80 of the Structures Act to assist the Executive Committee;
19. Delegates any powers and duties of the Executive Committee to any Section 80 committee;
20. Varies or revokes any decisions taken by a section 80 committee, subject to vested rights;
21. Develops strategies, programmes and services to address priority needs of the municipality through the IDP and estimates of revenue and expenditure, taking into account any applicable national and provincial plans and submits a report to, and recommendations thereon, to the council;
22. Subject to applicable legislation, recommends or determines the best methods, including partnerships and other approaches to deliver services, programmes and projects to the maximum benefit of the community;
23. Identifies and develops criteria in terms of which progress in the implementation of services, programmes and objectives to address the priority needs of the municipality can be evaluated, which includes key performance indicators which are specific to the municipality and common to local government in general;
24. Manages the development of the performance management system, assigns responsibilities in this regard to the municipal manager and submits the proposed performance management system to council for consideration;
25. Monitors progress against the said key performance indicators;
26. Receives and considers reports from committees in accordance with the directives as stipulated by the Executive Committee;
27. Elects a chairperson to preside at meetings if both the mayor and deputy mayor are absent from a meeting in the event of there being a quorum present at such a meeting, if the Mayor failed to designate a member of exco in writing to act as Mayor;

The Executive Committee

28. Considers appeals from a person whose rights are affected by a decision of the municipal manager in terms of delegated powers, provided that the decision reached by this committee may not retract any rights that may have accrued as a result of the original decision.
29. Reports, in writing, to the municipal council on all decisions taken by Exco at the next ordinary council meeting

Other functions of the Executive Committee

30. Recommends to council after consultation with the relevant Portfolio Committee, policies where council had reserved the power to make policies itself;
31. Recommends after consultation with the relevant Sect 79 Committee, rules of order of council meetings and approves rules of order for meetings of itself and any other committee;
32. Makes recommendations to council on proposed political structures of council;
33. Makes recommendations to council in respect of council's legislative powers; and
34. Determines strategic approaches, guidelines and growth parameters for the draft budget including tariff structures;

The Finance Committee

Budget and Treasury Management

Budget and Tariffs

30. Ensure the time schedule outlining key deadlines for budget process as prescribed in Section 21 (b) of the MFMA is considered and recommended to the Executive Committee and Full Council.
31. Oversee the preparation of the Annual Budget and make recommendations to the Executive Committee.
32. Consider the Annual Budget's compliance with the MFMA and alignment with the IDP and make recommendations to the Executive Committee.
33. Evaluate the competency of financial services officials dealing with the budget in all units, take necessary steps to ensure compliance and competency levels and report to the Management Committee and if necessary the Executive Committee.
34. Ensure the staffing capacity of the Budget Office is maintained at optimal levels and review the organisational structure of the unit to ensure effective management and control and make recommendations thereon to the Management Committee and if necessary the Executive Committee.
35. Consider the Budget Policy and Procedures and make recommendations to the Executive Committee.
36. Consider the monthly budget reports and statements and make recommendations to the Executive Committee.
37. Consider the Mid-Year Budget and the Adjustments Budget and make recommendations to the Executive Committee.

Annual Financial Statements

1. Timely preparation and legislative compliance of the Annual Financial Statements for Council and Municipal Entities.
2. Timeous submission of the Annual Financial Statements to the Auditor-General.
3. Evaluate the capacity and effectiveness of the unit and report to the Management Committee and if necessary the Executive Committee.

Supply Chain Management

1. Review the Supply Chain Management Policy and make recommendations to the Executive Committee.
2. Consider the Supply Chain Management budget and make recommendations to the Executive Committee.

The Finance Committee continued

3. Budget implementation.
4. Document management and filing systems.
5. Evaluate the skill and competency of the unit and ensure relevant competency levels and report to the Management Committee.

Tenders

1. Legislative compliance in respect of tender procedures from advertisement to award stage.
2. Implementation of the Supply Chain Management Policy in the tender process.
3. Maintenance of Bid Registers and the publication thereof on the Municipal website and noticeboards.
4. Budgetary provision for all tenders prior to advertisement.
5. Role of the Legal Advisers in the tender opening process.
6. Record keeping in respect of tenders.

Quotations

1. Legislative compliance in respect of quotations, order notes and acceptance letters.
2. Implementation of the Supply Chain Management Policy in respect of the quotation procedure.
3. Budgetary provision for all goods/services procured by the quotation process.
4. Record keeping in respect of quotations.

Creditor s Database

1. Monitoring that the Creditor's Database is being updated and correctly utilised.

Expenditure Management

1. Expenditure controls and procedures.
2. Evaluate the skill and competency of staff and report to the Management Committee and if necessary the Executive Committee.
3. Legislative compliance and statutory commitments.
4. Monthly reconciliations.

Contracts Management

1. Policies and procedures for management of contracts.
2. System of delegation to ensure contract performance.
3. Consider regular reports on the management of contracts and performance of the contractors and report to the Management Committee and if necessary the Executive Committee.
4. Legislative compliance of any contract variations.

Payments

1. Controls for payment of creditors.
2. Trade Creditors Proof List.
3. Implementation of controls and legislative requirements.

Remuneration

1. Controls for payment of staff salaries, wages, allowances and benefits.
2. Implementation of controls and legislative requirements.

Inventory Management

1. Consider the Stores budget and make recommendations to the Executive Committee.

The Finance Committee continued

2. Implementation of the budget.
3. Implementation of inventory management and control measures.
4. Evaluate the capacity and competency of the unit and ensure relevant competency levels and report to the Management Committee and if necessary the Executive Committee.

Revenue Management

1. Review all polices in respect of Revenue Management and make recommendations to the Executive Committee.
2. Implementation of the policies.
3. Evaluate the capacity and competence of the unit and report to the Management Committee and if necessary the Executive Committee.

Billing

1. Billing systems, meter reading performance and customer care.

Rates

1. Collection levels of rates income.

Credit Control

1. Evaluate the effectiveness of mechanisms, processes and procedures for credit control and report to the Management Committee and if necessary the Executive Committee.
2. Implementation of procedures for Credit Control

FINANCIAL CONTROL AND CASH MANAGEMENT

1. Evaluate the effectiveness of financial controls and systems and report to the Management Committee.
2. Evaluate the capacity and competency of the unit and report to the Management Committee and if necessary the Executive Committee.

Cash Management

1. Implementation of systems controls and management of cash.
2. Cash-backed funding levels.

Financial Systems Management

1. Evaluate financial systems and management thereof and report to the Management Committee.
2. Implementation of financial systems management, control measures and legislative compliance.
3. Consider monthly reports and make recommendations to the Executive Committee.

Reconciliations

1. Reconciliations and legislative compliance.

Bylaws

1. Consider bylaw reviews submitted by Legal Unit in respect of matters within the committee's terms of reference and make recommendations thereon to the Executive Committee.
2. Consideration of bylaws within the committee's terms of reference for adoption and publication.

The Economic Development Committee

1. All matters requiring the attention of the committee and arising under the provisions of the relevant legislation, including any legislation by which such legislation is amended or repealed:
2. Alienation and acquisition of immovable property and other transactions in respect of such immovable property:
3. Management, maintenance and control of corporate land assets:
4. Property Valuations and administration:
5. Leases"
6. Housing, both formal and informal, as delegated to the Msunduzi Municipal Council by law:
7. Land Audit and identification of land for commercial, housing, recreational, religious and or for any other purpose:
8. All matters in respect of building plans, sub-divisional plans and private township layouts:
9. Matters dealing with Land Survey, Development Management and Forward Planning:
10. Compliance with Acts and applicable Bylaws governing licensing procedures, eg Business, signage, dogs, etc and those sections of the Informal Trade policy which affect licensing:
11. Commercial and industrial development within the Msunduzi Municipal area:
12. Tourism in line with the Integrated Development Plan:
13. Entrepreneurial development:
14. Investment attraction, retention and expansion:
15. All matters and initiatives pertaining to Black Economic Empowerment/Enhancement:
16. Business incentives:
17. Matters pertaining to the Municipal Economic Assets (Airport, Fresh Produce Market and Forestry):
18. Matters related to Environmental Management and Environmental Impact Assessment:
19. Control and maintenance of unalienated town lands (ie bird and wildlife sanctuaries and nature areas), including timbered areas other than plantations under the control of the Forestry Board:
20. All matters relating to the Greater Edendale Development Initiative:
21. The review of those By-laws, regulations, rules and the like, and tariffs which regulate and arise out of matters within the terms of reference of this committee and the proposal of amendments and additions thereto and recommend to the Executive Committee.
22. Consideration of business plans for the Economic Development Services Business Unit and the monitoring of the business unit's performance in relation to the objectives set out in its business plans.

The Corporate Services Committee

INTERNAL AUDIT AND COMPLIANCE

Monitor Budget expenditure and implementation of Internal Audit Programme.

COUNCIL AND COMMITTEE SUPPORT TO POLITICAL OFFICES

1. Mechanisms for community consultation.
2. Consider motivations and budget for community consultation projects, for recommend tion to the Executive Committee.
3. Administrative systems and policies within the political offices.
4. Budget implementation and expenditure.
5. Receive reports from Ward Committees for recommendation to relevant structures.
6. Secretariat services.

LEGAL SERVICES AND LEGISLATIVE COMPLIANCE

Corporate and Legal

1. Consider legal and arbitration matters, institution of proceedings etc and recommend to the Executive Committee where necessary.
2. New or amended legislation and policies.

The Corporate Services Committee continued

3. Legislative compliance of existing policies.
4. Where necessary recommend amendments to policies to the Executive Committee.
5. Service Level Agreements.
6. Legal budget implementation and expenditure.

Bylaws

1. Consider bylaw reviews submitted by Legal Unit in respect of matters within the committee's terms of reference and make recommendations thereon to the Executive Committee.
2. Consideration of bylaws within the committee's terms of reference for adoption and publication.

Delegations Management

1. Annually review delegations to political structures and administration and make recommendations thereon to the Executive Committee or the Management Committee.

Policies, Processes and Procedures

1. Review of Rules and Procedures of Council and its Committees for recommendation to the Executive Committee.

HUMAN RESOURCES MANAGEMENT

Performance Management

1. Annual monitoring and review of Performance Management System and recommendations thereon to the Executive Committee.
2. Annual Performance Report.

Labour Relations

1. Consultation with Local Labour Forum.
2. Where necessary make recommendations on Labour Relations/Bargaining Council matters to the Executive Committee.

Recruitment and Selection

1. Annual review of Human Resource policies and processes in respect of recruitment and selection and where necessary make recommendations to the Executive Committee thereon.
2. Legislative compliance.

Occupational Health

1. Implementation of Occupational Health and Safety Act.
2. Management training in respect of Occupational Health and Safety Act.

Job Evaluation

1. Monitor job evaluation and grading system.

Training and Development

1. Policies and procedures for training and skills development.
2. Budget implementation and expenditure.
3. Work Skills Plan.

Employee Relations

1. Annual review of Human Resource policies in respect of Overtime, Telephone/Cellphone usage, Locomotion Allowance, Subsistence and Travel, Leave and Sick 2. Leave, etc. and make recommendations thereon to the Executive Committee.

The Corporate Services Committee continued

3. Implementation of Human Resource Policies.
4. Internal disciplinary and grievance procedures.
5. Corporate Communications.
6. Human resource expenditure and budget implementation.

INFORMATION MANAGEMENT

Management Information Systems

1. Annual review of ICT policies for recommendation to the Executive Committee where necessary.
2. Consideration of ICT budget for recommendation to the Executive Committee.
3. Council website.

Information Centre

1. Document and information keeping systems.
2. Access to Information policies and procedures.

Printing

1. Printing Unit budget and operations.

Information Systems Technical Support

1. Council's Information Systems and Technical Support.
2. Corporate Information and Communication Technology Assets.
3. Consideration of ICT Budget for recommendation to the Executive Committee.
4. Annual review of ICT policies for recommendation to the Executive Committee where necessary.

The Community Services Committee

REGIONAL COMMUNITY SERVICES PROVISION MANAGEMENT

Airport

1. Co-ordinate discussions/negotiations with the Provincial Government, District Council, Pietermaritzburg Business Chamber and Airport Management with respect to the future management and maintenance of the Airport in terms of the Municipal Structures Act.
2. Consider the budget for the Airport and make recommendations to the Executive Committee.
3. Budget expenditure and project implementation.
4. Management contract and implementation.
5. Other revenue avenues.
6. Review the Airport tariffs annually and make recommendations to the Executive Committee.

Health Services and Clinics

1. Co-ordinate discussions/negotiations with the Provincial Government and District Council with respect to the future provision and management of Health Services in terms of the Municipal Structures Act.
2. Consider the budget for Health and Clinic Services and make recommendations to the Executive Committee.
3. Budget expenditure.
4. Evaluate the effectiveness and financial viability of the Clinic Services and report to the Management Committee and if necessary the Executive Committee.

Libraries

1. Consider the budget for Libraries and make recommendations to the Executive Committee.
2. Budget expenditure.

The Community Services Committee

3. Evaluate the effectiveness and financial viability of Library Services and report to the Management Committee and if necessary the Executive Committee.
4. Service Level Agreements.

Cemeteries and Crematoria

1. Co-ordinate discussions/negotiations with the Provincial Government and District Council with respect to the future establishment, management and maintenance of cemeteries and crematoria.
2. Consider the budget for cemeteries and crematoria and make recommendations to the Executive Committee.
3. Budget implementation.
4. Review the tariffs in respect of cemeteries and crematoria annually and make recommendations to the Executive Committee.
5. Evaluate the effectiveness and financial viability of the management and maintenance of the cemeteries and crematoria and report to the Management Committee and if necessary the Executive Committee.

Environmental Health

1. Co-ordinate discussions/negotiations with the Provincial Government and District Council with respect to the future management of Environmental Health Services.
2. Consider the budget for Environmental Health Services and make recommendations to the Executive Committee.
3. Budget expenditure.
4. Review the tariffs and fines in respect of the implementation/enforcement of the Environmental Health legislation and make recommendations to the Executive Committee.
5. Evaluate the effectiveness and financial viability of the Environmental Health Services and report to the Management Committee and if necessary the Executive Committee.

COMMUNITY SERVICES PROVISION MANAGEMENT

Parks, Conservation and Environment

1. Consider budget for Parks and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness of management and maintenance of Parks and report to the Management Committee and if necessary the Executive Committee.

Sport and Recreation

1. Consider budget for Sport and Recreation and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Review tariffs for sport and recreation facilities annually and make recommendations to the Executive Committee.
4. Evaluate the effectiveness of management, maintenance and usage of sport and recreation facilities and report to the Management Committee and if necessary the Executive Committee.

Market

1. Consider budget for the Market and make recommendations to the Executive Committee.
2. Budget expenditure
3. Review the tariffs for the Market annually and make recommendations to the Executive Committee.
4. Evaluate the effectiveness of management and the financial viability of the operations of the Market and make recommendations to the Management Committee and if necessary the Executive Committee.

The Community Services Committee continued

Forestry

1. Review the Service Level Agreement with NCT and evaluate the effectiveness and financial viability of the forestry activities undertaken on behalf of the Municipality, consider implementation of Section 78 process and make recommendations to the Executive Committee.
2. Consider the budget for NCT Forestry activities and make recommendations to the Executive Committee.
3. Budget expenditure and Service Level Agreement.

Municipal Public Works

1. Consider the maintenance budget for immovable municipal assets and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness of the asset maintenance plans/programmes and make recommendations to the Management Committee and if necessary the Executive Committee.

Tatham Art Gallery

1. Consider budget for the Tatham Art Gallery and make recommendations to the Executive Committee.
2. Budget expenditure.

PUBLIC SAFETY AND DISASTER MANAGEMENT

Traffic Services

1. Consider the budget for Traffic Services and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Review the fines structure, processes and procedures and report to the Executive Committee.
4. Evaluate the effectiveness of the management and enforcement of traffic legislation and report to the Management Committee and if necessary the Executive Committee.

Licensing

1. Consider the budget for Licensing and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Review the bylaws governing Licensing procedures and the Informal Trade Policy and make recommendations to the Executive Committee.
4. Evaluate the effectiveness and capacity of the Licensing Unit and the revenue collection arising from this function and report to the Management Committee and if necessary the Executive Committee.

Public Safety and Security

1. Consider the budget for Public Safety and Security and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness and capacity of the Public Safety and Security unit, especially in respect of providing safety and security within public areas; the monitoring and control of Informal Traders and illegal activities; and the relationships with the South African Police Force, Safe City and relevant business units and report to the Management Committee and if necessary the Executive Committee.
4. Safe City.

The Municipal Public Accounts Committee

Fire and Rescue Services

1. Consider the budget for Fire and Rescue Services and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Shift system and overtime practices.
4. Evaluate the effectiveness, capacity and legislative compliance of the Fire and Rescue Services and report to the Management Committee and if necessary the Executive Committee.

Disaster Management

1. Consider the budget for Disaster Management and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness, capacity and compliance of Disaster Management and report to the Management Committee and if necessary the Executive Committee.

1. MPAC may review and examine the following documents:
   (a) Audit Reports on annual financial statements of the Municipality;
   (b) Any reports issued by the Auditor-General on the affairs of the Municipality;
   (c) The annual reports of the Municipality;
   (d) The mayor's quarterly reports on the implementation of the budget and the financial state of affairs of the municipality;
   (e) Any other financial statements or reports referred to MPAC by the Council;
   (f) Any information relating to personnel; books of account, records, assets and liabilities of the Council; and
   (g) Relevant information that may be required for the purpose of fulfilling its mandate.

2. MPAC may summon any councillor or municipal official to assist it in the execution of its duties.
3. MPAC may report on or make recommendations in relation to any of the reports or financial statements which it may examine.
4. In its examination (mentioned in clause 2) MPAC must take into account previous statements and report and consider the degree to which previously identified shortcomings have been rectified. The Committee must report to Council on its findings.
5. MPAC shall initiate and develop the Annual Oversight Report on the Municipality's Annual report.
6. MPAC may initiate, direct and supervise investigations into any matter falling within its terms of reference including projects requested by EXCO and Council.
7. MPAC may consider any recommendations made by the Audit Committee, portfolio committee or any other committee referred to it, and render an opinion on such recommendations.
8. MPAC may request or invite members of the public to attend any meeting of the Committee i.t.o. s16 (1) of the Systems Act, 2000, to assist it with the performance of its functions.

The Infrastructure Services Committee

Municipal infrastructure planning, funding, maintenance and development management

Municipal Infrastructure Grants

1. Consider budget and project applications for Municipal Infrastructure Grants and make recommendations to the Executive Committee.
2. Budget expenditure and project implementation.
3. Evaluate the effectiveness and capacity of the unit and report to the Executive Committee.
4. Evaluate the alignment of the Integrated Development Plan and the Municipal Infrastructure Grant projects with community needs and report to the Management Committee and if necessary the Executive Committee.

The Infrastructure Services Committee continued

Municipal Infrastructure Planning

1. Consider the Municipal Infrastructure Plans and budget and make recommendations to the Executive Committee.
2. Budget expenditure and project/plans implementation.
3. Evaluate the alignment of the Integrated Development Plan and the Infrastructure Plans with the community needs and report to the Management Committee and if necessary the Executive Committee.

Fleet Management

1. Consider budget and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness of management and the capacity of the unit and report to the Management Committee and if necessary the Executive Committee.
4. Review implementation of the Fleet Management System, the Section 78 process and the vehicle policy and report to the Executive Committee.

Mechanical Workshops

1. Consider budget and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the capacity and effectiveness of the unit and report to the Management Committee and if necessary the Executive Committee.
4. Skills development programme.

Asset Management and Maintenance

1. Consider infrastructure maintenance plans and budget and make recommendations to the Executive Committee.
2. Budget expenditure and maintenance plans implementation.
3. Evaluate the effectiveness of maintenance plans and the capacity of the units for implementation and report to the Management Committee and if necessary the Executive Committee.
4. Assess the state of assets and the asset register and report to the Executive Committee

ELECTRICITY DISTRIBUTION MANAGEMENT

Administration

1. Consider budget and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness of management, the capacity of the unit and the legal compliance of the Administration unit and report to the Management Committee and if necessary the Executive Committee.
4. Review tariff policies and report to the Executive Committee.
5. Tariff policies, Demand Management System, connections and disconnections, overtime, customer services etc.

HOUSING AND HUMAN SETTLEMENT DEVELOPMENT MANAGEMENT

Housing

1. Consider the budget and housing projects and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Review all housing policies, rental policies, informal settlement policies and make recommendations to the Executive Committee.

The Infrastructure Services Committee continued

4. Rental agreements.
5. Evaluate the effectiveness and capacity of the unit, including allegations of fraud and corruption, and report to the Management Committee and if necessary the Executive Committee.

Town Planning

1. Consider budget and make recommendations to the Executive Committee.
2. Monitor budget expenditure.
3. Approved applications.
4. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

Valuations and Real Estate

1. Consider the budget and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.
4. Business rental, land sale and land purchase agreements.

Maintenance

1. Consider the budget and maintenance plans and make recommendations to the Executive Committee.
2. Budget expenditure and plans implementation.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

Planning

1. Consider budget and planning programmes and make recommendations to the Executive Committee.
2. Budget expenditure and programme implementation.
3. Evaluate effectiveness, capacity and legal compliance of unit and report to the Management Committee and if necessary the Executive Committee.

Networks

1. Consider budget and refurbishment programmes and make recommendations to the Executive Committee.
2. Budget expenditure and refurbishment programmes.
3. Evaluate effectiveness, capacity and compliance of the unit and report to the Management Committee and if necessary the Executive Committee.

Connections

1. Consider budget and programmes/projects and make recommendations to the Executive Committee.
2. Budget expenditure and project implementation.
3. Evaluate the effectiveness, capacity and compliance of the unit and report to the Management Committee and if necessary the Executive Committee.

The Infrastructure Services Committee continued

WATER DISTRIBUTION AND SANITATION MANAGEMENT

Administration

1. Consider budget and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness of management, capacity and compliance of the unit and report to the Management Committee and if necessary the Executive Committee.
4. Review tariff structures and policies and make recommendations to the Executive Committee.
5. Policies, water restrictions and audit meters, free basic water etc.

Maintenance

1. Consider the budget and maintenance plans and make recommendations to the Executive Committee.
2. Budget expenditure and maintenance plans.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

Planning

1. Consider the budget and planning programmes and make recommendations to the Executive Committee.
2. Budget expenditure and programmes.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

Networks

1. Consider the budget and refurbishment programmes/projects and make recommendations to the Executive Committee.
2. Budget expenditure and programmes/projects.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

Connections

1. Consider the budget and projects and make recommendations to the Executive Committee.
2. Budget expenditure and programmes.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.
4. Illegal connections.

Sanitation

1. Consider the budget and projects and make recommendations to the Executive Committee.
2. Budget expenditure and projects.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

WASTE MANAGEMENT

Waste Removal

1. Consider the budget and make recommendations to the Executive Committee.
2. Budget expenditure and management.
3. Evaluate the effectiveness of management and the capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

The Infrastructure Services Committee continued

Refuse Collection

1. Consider the budget and make recommendations to the Executive Committee.
2. Budget expenditure and management.
3. Evaluate the effectiveness of management and the capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

Landfill Site

1. Consider budget and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness, capacity and legal compliance of the unit and report to the Management Committee and if necessary the Executive Committee.
4. Consider recommendations of the Landfill Site Monitoring Committee for further recommendation to the Executive Committee if necessary.

ROADS AND STORMWATER

Administration

1. Consider budget and make recommendations to the Executive Committee.
2. Budget expenditure.
3. Evaluate the effectiveness of management, capacity and compliance of the unit and report to the Management Committee and if necessary the Executive Committee.

Maintenance

1. Consider the budget and maintenance plans and make recommendations to the Executive Committee.
2. Budget expenditure and maintenance plans.
3. Evaluate the effectiveness, capacity and legal compliance of the unit and report to the Management Committee and if necessary the Executive Committee.

Planning

1. Consider the budget and planning programmes and make recommendations to the Executive Committee.
2. Budget expenditure and programmes.
3. Evaluate the effectiveness and capacity of the unit and report to the Management Committee and if necessary the Executive Committee.

POLITICAL DECISION-TAKING

The Rules and Procedures of Council and its Committees provide as follows for the decision-making process of the Council:

Decisions

1) All matters concerning the following shall be determined by a decision taken by the Council with a supporting vote of a majority of the Council:-

   (a) the passing of by-laws;
   (b) the approval of budgets;
   (c) the imposition of rates and taxes, levies and duties; and
   (d) the raising of loans.

(2) All other questions before the Council shall be decided by a majority of the votes cast.

(3) If on any question there is an equality of votes, the Councillor presiding (the Speaker) shall exercise a casting vote in addition to that Councillor's vote as a Councillor.

(4) Before the council takes a decision on any of the following matters it shall first require the Executive Committee to submit to it a report and recommendation on the matter:-

   (a) the passing of by-laws;
   (b) the approval of budgets;
   (c) the imposition of rates;
   (d) the raising of loans;
   (e) the approval of an integrated development plan for the Municipality and any amendment to that plan;
   (f) the appointment and conditions of service of the Municipal Manager and a head of department of the Council."

TYPE AND NUMBER OF COMMITTEE MEETINGS

ITEM	NUMBER
Total number of Councillors	73
Total number of Executive Committee Members	10 (2 vacancies currently)
Total number of wards	37
Total number of ward committee meetings	339
Number and Type of Council Committee Meetings:	
Full Council	15
Executive Committee	47
Good Governance	16
Financial Services	11
Infrastructure Services	8
Community Services	10
Development Services	21
Oversight Committee	21

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The municipal manager is the head of the municipal administration. Subject to the policy directions of the municipal council, the municipal manager is responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. The municipal 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 Municipal Manager are comprehensively set out in Section 55 of the Municipal Systems Act and responsibilities of the Municipal Manager as Accounting Officer is set out in Chapter 8 of the Municipal Finance Management Act, 56 of 2003.

The Municipal 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 municipal 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

TIER 1

MUNICIPAL MANAGER
(Mxolisi Nkosi 01/12/11)

FUNCTIONS

Marketing and Communications
Integrated Development Plan
Internal Audit and Risk
Monitoring & Evaluation
Policy, Strategy and Research
Offices of the Mayor and Speaker

TIER 2	TIER 2	TIER 2	TIER 2	TIER 2
DEPUTY MUNICIPAL MANAGER: Financial Services N Ngcobo	**DEPUTY MUNICIPAL MANAGER: Corporate Services** Dr Ngubane (A)	**DEPUTY MUNICIPAL MANAGER: Community Services** S Dubazana (A)	**DEPUTY MUNICIPAL MANAGER: Infrastructure Services** T Maseko	**DEPUTY MUNICIPAL MANAGER: Development Services** S Mpanza (A)
TIER 3	**TIER 3**	**TIER 3**	**TIER 3**	**TIER 3**
Process Manager: Income N Sarawan(A) **Process Manager: Revenue** D Reddy (A) **Team Manager: Procurement** D Ndlovu (A) **Process Manager:** S Gwala (A)	**Process Manager: Human Resources Management** (Faith Ndlovu) **Process Manager: Human Resources Development** (Vacant) **Process Manager: Sound Governance** B Maphanga (A) **Process Manager: ICT** S Maharaj (A)	**Process Manager: Health and Social Services** Dr N Nkosi **Process Manager: Community Services** M Zuma **Process Manager: Risk Management** P Mahlaba **Process Manager: ABM** L Kunene	**Process Manager: Roads and Transportation** S Mbimbi **Process Manager: Electricity Management** S Nagasar (A) **Process Manager: Water and Sanitation** B Sivparsad (A) **Programme Manager :PMU** K Singh (A)	**Process manager: Invest, Attract Retention & Expansion** S Zimu **Process Manager: GEDI, Town Planning** M Greatwood **Process Manager: Infrastructure Planning & Survey** T Cowie
FUNCTIONS	**FUNCTIONS**	**FUNCTIONS**	**FUNCTIONS**	**FUNCTIONS**
Budget & Financial Control Expenditure Management and Financial Control Revenue Management & Customer Care Supply Chain Management Treasury and Financial Support	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	Clinic services Environmental Health HIV and AIDS Parks Sports and Recreation Facilities Libraries and Art Gallery Disaster Management Fire and Emergency Services Traffic and Security Services Waste Management Area Based Management	Electricity Distribution, Technical Services, Roads, Storm-water and Transportation Public Works Infrastructure Design & Implementation Project Management Water and Sanitation	Economic Development and Growth: (SMME, Informal trade, Business attraction, retention, investment and Municipal Enterprises) Development Management Compliance and Forward Planning. Real Estate and Housing. – Environmental Management and Land Survey, Building Inspectorate and Licensing.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The implementation of Section 139(1)(b) of the Constitution continued for the first half of the 2011/2012 financial year. Throughout this process, the municipality received 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 Neighbour 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 remains a member of the South African Cities Network (SACN). Unfortunately, due to the financial constraints of the organization, there was a minimal level of participation in the various knowledge-sharing forums organized by the SACN.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The municipality has received support for the implementation of Organizational Performance Management from the Provincial Department of Cooperative Governance and Traditional Affairs. The Municipal Manager participates in the MINIMEC and Technical MINIMEC forums.

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.

DISTRICT INTERGOVERNMENTAL STRUCTURES

At a District level, the municipality has participated in the District Municipal and Technical Forum which is chaired by the District Mayor, Councillor Yusuf Bhamjee. In addition, the municipality has partnered with the District on issues related to waste management.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

During the 2011/ 2012 financial year, the municipality had 37 functional ward committees which serve as a conduit between the municipality and the committee. In addition, a draft public participation policy and guideline was developed.

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. 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 imbizo 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 Msunduzi Municipality has adopted a Communication Strategy during the course of 2011/12 financial year and the Public Participation Policy is going through various committees for consultation and finally approval by Full Council.

The policy categorized the stakeholders as follows:

- **Internal Stakeholders:**
  - **Public Sector Stakeholders:**
    Provincial and National Departments, District, Metro and local Municipalities, Councilors, Executive and Portfolio Committees, Ward Committees, Parastatals eg Eskom, Telkom, Traditional Leaders.

  - **Public Sector Forums:**
    Police Forums, IDP Forums, Local Implementation Forums.

- **External Stakeholders**
  - **Business and Labour Stakeholders:**
    Organized Business (Chamber Of Business and Industry) and Labour Formations, Service Providers

  - **Civil Society Organizations:**
    NGOs, CBOs, Faith Based Organisations, Youth Organisations; Lobby Groups - (Environmentalist Groups), Unorganized Groupings – (the poor and other Vulnerable Groups), Special Interest or Pressure Groups, Sports Organizations, Self Help Organizations (SHO), Civic or Resident Associations, Citizens etc.

The IDP Representative Forum becomes a very central forum to finalize the prioritization process, it is also envisaged that the Budget and PMS stakeholders engagement structures as reflected in the IDP Guides, must be the same or integrated structures.

Every year around the end of August, Msunduzi Municipality finalize a Process Plan which is approved by Full Council, once approved a public notice is posted to our website and various newspapers inviting members of public as well as various stakeholders to make submissions with regards to developmental priority needs. The very same Process Plan is posted to the Msunduzi website where different activities and milestones are reflected in terms of the IDP review and PMS and Budget implementation and monitoring.

The Msunduzi Municipality has a structured program or public participation. This program is articulated in the Process Plan and forms the basis for citizenry engagement framework.

The public participation is an on-going engagement process, and 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 Councilors (due to financial constrains-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
- SukumaSakhe – Premier's Flagship Tool for Accelerated Service Delivery at a Ward Base Level
- Attendance to invitations by Interest groups
- Partnerships and MOUs: MIDI, etc

Some of 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, and quarterly and annually as reflected in our Process Plan.

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.

PUBLIC MEETINGS

In total 339 ward committee meetings were held and 210 community meetings were held, broken down as follows:

COMMUNITY MEETINGS

COMMUNITY MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 01	07 Feb 12	1	No Data	40	No Data
Ward 02	25 Feb 12	1	No Data	61	No Data
	4 Mar 12	1	No Data	57	No Data
	27 May 12	1	No Data	58	No Data
Ward 03	10 Jun 12	1	No Data	107	No Data
Ward 04	19 Nov 11	1	No Data	56	No Data
	11 Dec 11	1	No Data	34	No Data
	19 Feb 12	1	No Data	80	No Data
	25 Mar 12	1	No Data	45	No Data
Ward 05	09 April 12	1	No Data	No Data	No Data
	16 June 12	1	No Data	103	No Data
Ward 06	11 Dec 11	1	No Data	93	No Data
Ward 07	04 Dec 11	1	No Data	38	No Data
	04 Mar 12	1	No Data	26	No Data
	11 Mar 12	1	No Data	49	No Data
	20 May 12	1	No Data	48	No Data
	24 Jun 12	1	No Data	41	No Data
Ward 08	27 Feb 12	1	No Data	44	No Data
	11 April	1	No Data	111	No Data
Ward 09	14 April 12	1	No Data	79	No Data
	24 Jun 12	1	No Data	50	No Data
Ward 10	Nil	Nil	Nil	Nil	Nil
Ward 11	24 Jun 12	1	No Data	53	No Data
	17 Jun 12	1	No Data	No Data	No Data

COMMUNITY MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 12	29 Feb 11	1	No Data	109	No Data
	18 April 12	1	No Data	No Data	No Data
	1 May 12	1	No Data	31	No Data
Ward 13	16 Jan 12	1	No Data	111	No Data
	03 Mar 12	1	No Data	55	No Data
	26 May 12	1	No Data	76	No Data
Ward 14	26 Feb 12	1	No Data	78	No Data
	25 Mar 12	1	No Data	73	No Data
Ward 15	28 Feb 12	1	No Data	298	No Data
	29 April 12	1	No Data	318	No Data
Ward 16	26 Feb 12	1	No Data	No Data	No Data
Ward 17	12 Feb 12	1	No Data	63	No Data
	12 Feb 12	1	No Data	308	No Data
	18 Mar 12	1	No Data	286	No Data
Ward 18	18 Dec 11	1	No Data	68	No Data
	19 Feb 12	1	No Data	73	No Data
Ward 19	22 April 12	1	No Data	36	No Data
Ward 20	28 Feb 12	1	No Data	No Data	No Data
	26 May 12	1	No Data	133	No Data
Ward 21	4 Mar 12	1	No Data	No Data	No Data
Ward 22	Nil	Nil	Nil	Nil	Nil
Ward 23	29 Jan 12	1	Nil	68	No Data
	04 Mar 12	1	Nil	92	No Data
	01 Apr 12	1	No Data	No Data	No Data
Ward 24	18 Mar 12	1	No Data	45	No Data
	19 Feb 12	1	No Data	177	No Data
	22 April 12	1	No Data	47	No Data
	24 Jun 12	1	No Data	76	No Data
Ward 25	8 May 12	1	No Data	350	No Data
Ward 26	Nil	Nil	Nil	Nil	Nil
Ward 27	13 Jun 12	1	No Data	13	No Data
Ward 28	17 Feb 12		No Data	No Data	No Data
Ward 29	26 May 12	1	No Data	No Data	No Data
Ward 30	26 Feb 12	1	No Data	57	No Data
Ward 31	Nil	Nil	Nil	Nil	Nil
Ward 32	16 May 12	1	No Data	51	No Data
	29 May 12	1	No Data	56	No Data
Ward 33	Nil	Nil	Nil	Nil	Nil
Ward 34	22 April 12	1	No Data	108	No Data
Ward 35	27 Feb 12	1	No Data	428	No Data
	22 April 12	1	No Data	82	No Data
	07 Jun 12	1	No Data	192	No Data

COMMUNITY MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 36	Nil	Nil	Nil	Nil	Nil
Ward 37	Nil	Nil	Nil	Nil	Nil

WARD COMMITTEE MEETINGS

WARD COMMITTEE MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 01	04 Dec 11	1	No Data	9	No Data
	25 Mar 12	1	No Data	9	No Data
	01 May 12	1	No Data	6	No Data
	03 Jun 12	1	No Data	5	No Data
Ward 02	15 Dec 11	1	No Data	10	No Data
	29 Jan 12	1	No Data	9	No Data
	11 Mar 12	1	No Data	10	No Data
	29 April 12	1	No Data	10	No Data
	25 May 12	1	No Data	8	No Data
Ward 03	22 Jan 12	1	No Data	10	No Data
	12 Feb 12	1	No Data	10	No Data
	11 Mar 12	1	No Data	10	No Data
	08 April 12	1	No Data	10	No Data
	17 May 12	1	No Data	10	No Data
Ward 04	04 Dec 11	1	No Data	10	No Data
	19 Feb 12	1	No Data	10	No Data
	12 Feb 12	1	No Data	10	No Data
	11 Mar 12	1	No Data	9	No Data
	22 April 12	1	No Data	10	No Data
	20 May 12	1	No Data	10	No Data
Ward 05	04 Dec 11	1	No Data	7	No Data
	12 Jan 12	1	No Data	10	No Data
	11 Mar 12	1	No Data	10	No Data
	17 May 12	1	No Data	10	No Data
	26 May 12	1	No Data	9	No Data
Ward 06	Nil	Nil	Nil	Nil	Nil
Ward 07	26 Nov 11	1	No Data	10	No Data
	15 Jan 12	1	No Data	10	No Data
	25 Feb 12	1	No Data	8	No Data
	21 April 12	1	No Data	9	No Data
	17 May 12	1	No Data	7	No Data
	09 Jun 12	1	No Data	8	No Data

WARD COMMITTEE MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 08	25 Nov 12	1	No Data	8	No Data
	17 Jan 12	1	No Data	7	No Data
	31 Mar 12	1	No Data	7	No Data
	04 May 12	1	No Data	5	No Data
Ward 09	29 Nov 11	1	No Data	8	No Data
	13 Dec 11	1	No Data	7	No Data
	28 Feb 12	1	No Data	8	No Data
	11 April 12	1	No Data	9	No Data
	19 Jun 12	1	No Data	8	No Data
Ward 10	15 Feb 12	1	No Data	10	No Data
	21 Mar 12	1	No Data	10	No Data
	12 April 12	1	No Data	10	No Data
	14 May 12	1	No Data	10	No Data
Ward 11	4 Dec 11	1	No Data	9	No Data
	19 Feb 12	1	No Data	9	No Data
Ward 12	29 Feb 12	1	No Data	9	No Data
	01 May 12	1	No Data	10	No Data
	30 May 12	1	No Data	10	No Data
Ward 13	15 Jan 12	1	No Data	9	No Data
	22 Feb 12	1	No Data	9	No Data
	21 Mar 12	1	No Data	10	No Data
	12 May 12	1	No Data	10	No Data
	26 May 12	1	No Data	10	No Data
Ward 14	22 Feb 12	1	No Data	10	No Data
	08 Mar 12	1	No Data	10	No Data
	12 April 12	1	No Data	10	No Data
	30 April 12	1	No Data	10	No Data
	08 May 12	1	No Data	10	No Data
	07 Jun 12	1	No Data	10	No Data
Ward 15	07 Nov 11	1	No Data	9	No Data
	26 Jan 12	1	No Data	10	No Data
	02 Feb 12	1	No Data	10	No Data
	22 Mar 12	1	No Data	9	No Data
	02 April 12	1	No Data	9	No Data
	04 May 12	1	No Data	10	No Data
Ward 16	04 Nov 11	1	No Data	6	No Data
	15 Jan 12	1	No Data	10	No Data
	05 Feb 12	1	No Data	9	No Data
	04 Mar 12	1	No Data	9	No Data
	08 May 12	1	No Data	8	No Data
	05 Jun 12	1	No Data	7	No Data

WARD COMMITTEE MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 17	04 Feb 12	1	No Data	7	No Data
	24 April 12	1	No Data	10	No Data
	18 May 12	1	No Data	8	No Data
Ward 18	17 Nov 11	1	No Data	6	No Data
	18 Feb 12	1	No Data	6	No Data
	09 May 12	1	No Data	6	No Data
	22 Jun 12	1	No Data	8	No Data
	25 Jun 12	1	No Data	6	No Data
	29 Jun 12	1	No Data	6	No Data
Ward 19	25 Nov 11	1	No Data	10	No Data
	06 Dec 11	1	No Data	10	No Data
	11 Jan 12	1	No Data	10	No Data
	15 Feb 12	1	No Data	9	No Data
	07 March 12	1	No Data	8	No Data
	04 April 12	1	No Data	8	No Data
	16 May 12	1	No Data	8	No Data
	06 Jun 12	1	No Data	9	No Data
Ward 20	15 March 12	1	No Data	9	No Data
Ward 21	29 Jan 12	1	No Data	8	No Data
	24 Jun 12	1	No Data	10	No Data
Ward 22	19 Jan 12	1	No Data	8	No Data
	07 May 12	1	No Data	7	No Data
Ward 23	06 Dec 11	1	No Data	10	No Data
	22 Jan 12	1	No Data	9	No Data
	26 Feb 12	1	No Data	10	No Data
	04 March 12	1	No Data	9	No Data
	25 March 12	1	No Data	7	No Data
	29 April 12	1	No Data	6	No Data
	27 May 12	1	No Data	10	No Data
	24 Jun 12	1	No Data	6	No Data
Ward 24	22 Jan 12	1	No Data	8	No Data
	19 Feb 12	1	No Data	5	No Data
	05 March 12	1	No Data	9	No Data
	07 June 12	1	No Data	7	No Data
	14 June 12	1	No Data	6	No Data
	21 June 12	1	No Data	8	No Data
Ward 25	03 April 12	1	No Data	7	No Data
Ward 26	18 April 12	1	No Data	7	No Data
	20 June 12	1	No Data	7	No Data
Ward 27	14 March 12	1	No Data	8	No Data
	11 April 12	1	No Data	5	No Data
	13 June 12	1	No Data	8	No Data

WARD COMMITTEE MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 28	08 Dec 11	1	No Data	8	No Data
	19 Jan 12	1	No Data	8	No Data
	08 March 12	1	No Data	9	No Data
	17 May 12	1	No Data	10	No Data
Ward 29	07 Jan 12	1	No Data	8	No Data
	29 Jan 12	1	No Data	9	No Data
	26 Feb 12	1	No Data	8	No Data
	22 April 12	1	No Data	8	No Data
	24 June 12	1	No Data	7	No Data
Ward 30	31 Jan 12	1	Blessing Dlamini	9	No Data
	06 Feb 12	1	Blessing Dlamini	8	No Data
	06 March 12	1	R. Gounder - Housing	9	No Data
	17 April 12	1	Cllr R. Ashe	7	No Data
	19 June 12	1	Blessing Dlamini Mark Errakiah	6	No Data
Ward 31	19 Dec 11	1	No Data	8	No Data
	10 Jul 12	1	Mark Errakiah	10	No Data
Ward 32	14 Feb 12	1	No Data	9	No Data
	06 March 12	1	No Data	8	No Data
	03 April 12	1	No Data	9	No Data
	03 May 12	1	No Data	7	No Data
	05 June 12	1	No Data	10	No Data
	29 May 12	1	Sewdutt Nagasar Blessing Dlamini	8	No Data
Ward 33	23 Nov 11	1	No Data	7	No Data
	10 Jan 12	1	N. Bharath – Housing R. Gounder – Housing	7	No Data
	13 Jan 12	1	No Data	9	No Data
	27 Feb 12	1	No Data	5	No Data
	14 March	1	No Data	9	No Data
	17 April 12	1	J. Pather - Health	9	No Data
	12 June 12	1	No Data	8	No Data
Ward 34	05 Feb 12	1	No Data	6	No Data
	20 May 12	1	No Data	7	No Data
Ward 35	23 Nov 11	1	No Data	10	No Data
	07 Dec 11	1	No Data	9	No Data
	11 Jan 12	1	No Data	10	No Data
	14 Feb 12	1	No Data	9	No Data
	12 April 12	1	No Data	6	No Data
	05 June 12	1	No Data	7	No Data

WARD COMMITTEE MEETINGS 2011/2012					
Nature and purpose of meeting	Date of Meeting	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of community members attending	Dates and manner of feedback given to communities
Ward 36	1 Dec 11	1	No Data	10	No Data
	06 Feb 12	1	No Data	9	No Data
	02 April 12	1	No Data	6	No Data
	04 June 12	1	No Data	7	No Data
Ward 37	15 Feb 12	1	No Data	8	No Data
	15 March 12	1	No Data	9	No Data
	12 April 12	1	No Data	9	No Data
	10 May 12	1	No Data	6	No Data
	14 June 12	1	No Data	7	No Data

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 Turn Around Strategy. Communities are beginning to see their requests 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.

2.5 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 time frames?	Yes
*Section 26 Municipal Systems Act 2000	

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

The Accounting Officer and Council are required by the Municipal Finance Management Act, Act 53 of 2003 to establish and maintain appropriate risk management systems. Risk Management Practices requires the Accounting Officer and Council to manage the strategic and operational risks of the municipality. The risk management system must provide for mitigating strategies and control activities against the risks within the municipality from unacceptable likelihood and impact.

It is expected that a municipality's risk management system identifies strategic and operational risks and assign responsibility to appropriate officials within the municipality. The Audit Committee's role in relation to risk is to support the Accounting Officer and Council.

The municipality has appointed the Deputy Municipal Managers as Risk Management Committee under the chairperson of the Chief Financial Officer. The terms of reference for the Risk Management Committee are embedded in the Risk Management Policy which has been reviewed and restructured and has been adopted by Council.

Risk assessment is done on annual basis and as we embark on new initiatives and programmes any emerging risks that could have a negative impact on the municipality's ability to achieve its strategic objectives.

The Council is ultimately responsible for risk management supremacy with Exco and Audit Committee playing a very crucial oversight role as a function that is delegated to them and legislated. The status of strategic and operational risks are reported and monitored on regular basis by Internal Audit Unit and Risk Management Committee who give feed back to the Accounting Officer and Audit Committee.

Continual improvement of Integrated/Enterprise Wide Risk Management which is being introduced has commitment of the Strategic Management in the municipality, and has enabled an increased level of risk management maturity to be achieved in the municipality.

The following are significant risks that are facing the municipality. As a municipality we are fully aware of the root causes and we have been able to put in place mitigating strategies within the SDBIP for 20112/13 which goes to outer year of the MTERF.

Risk	Root Causes	Mitigation Strategies
Frequent electricity outrages & losses of electricity	Conductors/Cable faults on secondary network Primary infrastructure ageing Obsolete switchgears illegal connections old substation buildings theft of infrastructure	Notwithstanding financial constraints the municipality has programmes in place to replace old infrastructure with new infrastructure, refurbishment &replacing programme is in place, security measures and replace copper conductors with aluminum Installation of new switchgear. The R90 million programme to deal with electricity interruptions is gorging ahead over the next twelve months.
Fraud and corruption relating to tenders.	Inappropriate employment practices Ineffective leadership Conflicts of interest Greediness Undue Political interference	Continuous forensic investigations and prosecution of suspects. An intensive conflict of interest identification review has been conducted & further reviews to determine further irregularities has been initiated.
Huge debtor's book& low collection rate which impends insolvency & liquidity of the municipal finances & going concern or sustainability of the municipal operations	Lack of vigorous strategy to collect & data cleansing.	Despite financial a constraint which is an impediment, a strategy will be developed to deal with huge debtor's book & vigorous collection. The filling of critical posts in finance has been prioritized. Daily cash flow monitoring will reflect early warning signals.
Inability to cope with demand of basic services due to high vacancy rate.	Financial constraint & lack of incentives & attractive salary packages in high competitive industry to enticement best candidates.	Prioritization of filling of critical posts has been done & filling of critical posts has begun.
Loss of water due to pipe bursts, leaking pipes & meters that cannot be read.	Poor maintenance & the decaying infrastructure.	Asset Management Plan, Pressure Reduction Program,& installation of new meters project as per Council Resolution on commitment to funding.
Ineffective call center operations resulting to disgruntled customers which may tarnish the image of the municipality.	Lack of standard operating procedure. Lack of training.	A standard operating procedure & training plan is being developed for implementation.
Non-compliance with the Aviation Regulations that could lead to the municipality losing its airport license.	Lack of prompt responseby Business Units to faults reported on faulty equipmentat the airport.	LED and IS Management to convene immediately to resolve problems that results to non-compliance to Aviation Regulations.

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The municipality has a policy on anti-fraud & corruption that was approved in 2009, however, due to budget constraint; the municipality did not rollout anti-fraud and corruption workshops. However the policy is currently undergoing vigorous review. The anti-fraud and corruption strategy will be developed and workshops rollout throughout the municipality in the two last quarters of the 2012/13 financial year.

The municipality has been dealing with matters relating to fraud and corruption within the municipality. There are criminal investigations that are going ahead and other matters are with the National Prosecuting Authority. There several cases of misconduct with have been finalised and some are on-going.

New allegations of fraud or corruption and other irregularities are currently under investigation and those that are finalised are being referred to either South African Police Services or Legal Unit for formulation of misconduct charges and setting up disciplinary enquiries tribunals. As alluded to under risk management mitigating strategy in respect of fraud and corruption, an intensive conflict of interest identification review has been finalised which will result in a number anti-fraud & corruption initiative.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT (SCM)

- The Msunduzi Municipality's Supply Chain Management unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable and cost effective procurement services hence assisting them to implement their service delivery priorities.
- In terms of the MFMA SCM regulations the SCM unit is established to implement the SCM policy adopted by council.
- It operates under the direct supervision of the chief financial officer or an official to whom this duty has been delegated in terms of section 82 of the Act

Core Functions

- Demand management;
- Acquisition management;
- Logistics management;
- Disposal management;
- SCM risk management; and
- Performance management

The supply chain management policy for the year 2011/2012 was adopted by Council in 29 September 2011 in term of SCM Regulation 3 (1) (a) and implemented immediately thereafter, this was the second review since 2005. The main change made to the policy was to bring it in line with the structure of the SCM regulations. The aim was to establish a credible base from which the business processes can be developed.

Further review of the current SCM policy was done in December 2011 to further align the policy to Preferential Procurement Regulations 2011, issued in terms of the section 5 of the preferential Procurement Policy Framework Act, Number 5 of 2000 (PPPFA). The Regulations were published in the Government Gazette on 08 June 2011 the new regulations aims to align the Preferential Procurement Policy Framework Act, 2000 and the Broad – Based Black Economic Empowerment Act, 2003 effective from 7 December 2011, issued by National treasury.

An SCM implementation plan was developed and implemented throughout the year and quarterly reports on implementation were submitted to Council.

IMPLEMENTATION CHECKLIST	
Supply Chain Management	
Municipality Details	**Answers**
Name of Municipality	KZ225 Msunduzi
Contact Person (name):	Dudu Ndlovu
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	N/A
2	How many staff are employed by the SCM Unit? (show full time staff equivalent, a person shared with another function or working part-time on SCM is shown as a fraction)		51	30 of the 51 employees are from the stores which includes a majority of general workers and petrol attendants	N/A	N/A
	2.1	How many positions are unfilled, ie waiting for an appointment? (full time equivalent)	61	N/A	N/A	N/A
	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	N/A
	3.1	If "YES", is progress regularly measured against the implementation plan?	Yes	N/A	N/A	N/A
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	N/A
5	SCM Processes:			N/A	N/A	N/A
	5.1	Is the necessary needs assessment undertaken before each acquisition?	Yes	N/A	N/A	N/A
	5.2	Are preferential policy objectives identified to be met through each contract?	Yes	N/A	N/A	N/A
	5.3	Is the performance of vendors regularly monitored?	Yes	N/A	N/A	N/A

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
	5.4	Are SCM processes independently monitored to ensure the SCM policy is followed and desired objectives achieved?	Yes	N/A	N/A	N/A
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?	N/A	N/A	N/A	N/A
7	Do municipal bid documents comply with MFMA Circular No 25?		Yes	N/A	N/A	N/A
8	Do municipal bid documents include evaluation criteria for use by the bid evaluation and adjudication committees?		Yes	N/A	N/A	N/A
9	Regulation 46 requires the SCM Policy to establish a code of conduct.			N/A	N/A	N/A
	9.1	Is the Code of Conduct issued by NT in MFMA Circular No 22 utilised?	Yes	N/A	N/A	N/A
	9.2	Are measures in place to ensure all SCM practitioners are aware of the SCM code of conduct?	Yes	N/A	N/A	N/A
10	Are all delegations in terms of SCM roles and responsibilities in writing (other than delegations contained in the SCM Policy)?		Yes	N/A	N/A	N/A
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	N/A
12	Please confirm if records are kept of the following:			N/A	N/A	N/A
	12.1	Petty cash purchases?	Yes	Creditors department are the custodian of these records	N/A	N/A
	12.2	Written or verbal quotations received and awards made?	Yes	Creditors department are the custodian of these records	N/A	N/A
	12.3	Tenders and all other bids received and awards made?	Yes	N/A	N/A	N/A
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	N/A

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
	13.1	In addition, are all invitations for competative bids publically advertised in newspapers commonly circulating locally? (reg 22(1))	Yes	N/A	N/A	N/A
14	Is the list of accredited prospective providers" required by regulation 14 updated at least quarterly?		Yes	N/A	N/A	N/A
15	Is there a database established to record redundant and obsolete store items?		Yes	N/A	N/A	N/A
16	Are debriefing sessions held with unsuccessful bidders?		Yes	N/A	N/A	N/A
17	Training SCM practitioners			N/A	N/A	N/A
	17.1	Has a training strategy for SCM practitioners been developed?	Yes	N/A	N/A	N/A
	17.2	What is the 2011/2012 budget for the training of SCM practitioners?	R140 000.00	N/A	N/A	N/A
	17.3	Has the municipality or entity used an outsourced training provider for SCM, other than SAMDI?	Yes	N/A	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)		N/A	N/A	N/A
		. . .	Cool ideas T/A ESP consulting	N/A	N/A	N/A
	17.5	Indicate the number of officials who have attended the SCM training conducted by SAMDI?		N/A	N/A	N/A
	17.6	Indicate the number of officials who have attended SCM training conducted by training providers other than SAMDI?	23	N/A	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
19	Bid Committee membership:			N/A	N/A	N/A
	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

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
	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:			N/A	N/A	N/A
	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

Bid Specification committee

- Mr Vinesh Govender Chairperson (SCM Unit)
- Ms Phiwe Dlamini (SCM Unit)
- Mr Asogan Pillay (SCM Unit)
- Mr Wally Robins (Safety Unit)
- Mr Bheki Sosibo (ISF unit)
- Mr Krishna Singh (PMU)

Bid Evaluation Committee

- Mr Vinay Mohanlal Chairperson (SCM unit)
- Mr Sthembiso Mbimbi (ISF unit)
- Mr Billy Paton (CS unit)
- Mr Mzwandile Khumalo (ISF unit)
- Mrs.LindelwaMhlomi (ISF unit)
- Mr Kass Thaver Ex-officio member (Legal)

Bid Adjudication Committee

- Mrs N Ngcobo Chairperson (Finance Unit)
- Ms Dudu Ndlovu (SCM unit)
- Mr Sipho Dubazane (Community Services Unit)
- Mr Thokozani Maseko (ISF Unit)
- Dr. Mpilo Ngubane (Coporate Services Unit)
- Mrs. Madeleine Jackson Plaatjies (MM's office)
- Mr Johan Van Der Merwer Ex officio Member (Legal department)

NB – All Members are appointed for the financial year

PERFORMANCE OF SUPPLY CHAIN MANAGEMENT

In terms of the MFMA SCM regulations, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and the current policy has been aligned to provide for that.

Demand management

The preferential policy objectives were identified at a global level hence during the 2011/2012 financial year a procurement plan was established and the procurement preferential preference points were set on how these objectives will be met for each contract for the new financial year was developed.

Acquisition Management

Thresholds as per section 12 of the SCM regulations has been set and complied with throughout the year.

A thorough review of the bid documentation was done to ensure full compliance with circular 25 and the latest SCM regulations and to ensure full compliance with circular 25 for the 2011/2012 financial year.

It was also noted that the following provisions of the SCM regulations were not fully complied with during the financial year, this will however be rectified in the new financial period; Regulations 42, 44 and 38 (i).

Logistics management

An effective system of logistics management has been established. The continuous interrogation of inventories and improvements on systems and processes has yielded positive results in that there is a progressive reduction of stock holdings. Although purchases are slightly higher than last year, there is ongoing liaising with end user sector departments on inventory holdings and have been able to utilize slow moving stock to good advantage. There is a marked improvement on utilizing cable stock that has been held for a long period, which had a positive impact on purchases and has contributed to the reduction in purchases as per the graph below. The savings realized over the three year cycle amounts to R 14.2 million

Disposal management

An effective system of disposal management has been established and detailed processes developed to ensure compliance with section 40 of the SCM regulations.

Disposal Committee was also established during the 2011/2012 financial year.

Risk Management

The monitoring tool was established during 2011/2012 and the implementation commenced in 01 April 2012. The contracts are being monitored on monthly basis, though there is a human capital challenge as there is only one monitoring officer. Also measures are now being put in place to ensure identification, consideration and avoidance of potential risks in the supply chain management system in accordance with section 41 of the SCM regulations. The supply chain management operational risk register was established and is in place.

Performance Management

A SCM policy and procedures database that ensures compliance and monitoring of compliance with the SCM regulations and processes has been developed and implemented. The database enforces the accountability to all individuals involved in SCM and to ensure that SCM processes are independently monitored to ensure that the SCM policy is followed and desired objectives are achieved.

Training of SCM Practitioners and Bid Committees

SCM Management, SCM practitioners and Bid Committee members were all trained during 2011/2012 as per SCM Regulation 8 in accordance with Treasury guidelines on supply chain training to meet the competency level required for supply chain practitioners. Further training is being provided over a period of two years that consist of 20 modules.

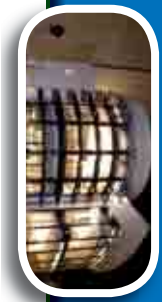
CAPITAL PROJECTS OF THE MUNICIPALITY FOR 2011/2012

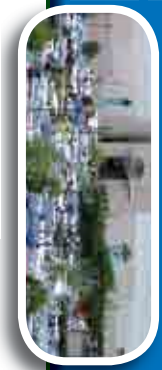
1. Copesville water scheme: ward29: construction of a20ml reservoir, portable water pump station and associated pipework at a value of R32 229 530.17
2. Expression of interest - New England landfill site upgrade at a value of R8 304 421.20
3. New England road widening: phase ii at a value of R10 644 761.40
4. Proposal call for turnkey contract-design and construction of 33kv overhead lines to Hilton at a value of R14 884 760.00
5. Specialist contract: non-revenue water reduction programme refurbishment of joint seals and defective concrete in hathorns reservoir at a value of R2 712 365.00
6. Construction of Msunduzi athletic track at a value of R1 455 252.75
7. Upgrade of waterfall road in Edendale- Esigodini at a value of R1 975 802.40

2.9 BY-LAWS

A BRIEF OVERVIEW OF THE DEVELOPMENT OF BYLAWS DURING THE 2011/2012 FINANCIAL YEAR:

The Legal Advisor who was responsible for the development of by-laws retired in September 2011. The remaining staff commenced a review of the by-laws. An individual was seconded by CoGTA who commenced the development and review of a number of by-laws. It would appear that the centralization of the publication function of the Government Printers have impeded the prompt promulgation of by-laws. The following by-laws were developed/revised during 2011/2012 financial year. They will be enforceable once they have been gazetted.

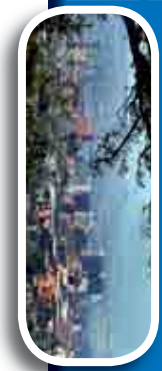


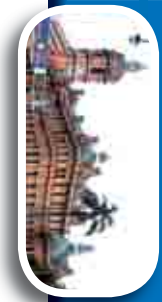


Newly Developed	Revised	Public Participation adopted prior to adoption of By-laws (Yes/No)	Dates of Public Participation	By-laws gazette (Yes/No)	Date of Publication	Newly Developed	Revised	Public Participation adopted prior to adoption of By-laws (Yes/No)	Dates of Public Participation
1.	GENERAL BY-LAWS	NO	YES	YES	July/August 2011	NO	-	BM/JVD	Submitted: Awaiting notification from Gov Printer
2.	WASTE MANAGEMENT BY-LAWS	YES	NO	YES	July/August 2011	NO	-	BM/JVD	Submitted: Awaiting notification from Gov Printer
3.	INDIGENT POLICY BY-LAWS	NO	YES	YES	July/August 2011	NO	-	BM/JVD	Submitted: Awaiting notification from Gov Printer
4.	CREDIT CONTROL AND DEBT COLLECTION AMENDMENT BY-LAWS	NO	YES	YES	July/August 2011	NO	-	BM/JVD	Submitted: Awaiting notification from Gov Printer
5.	BY-LAWS REGULATING THE USE AND DISCHARGE OF FIREWORKS	NO	YES	YES	June/July 2012 2	NO	-	NM/KT	Adopted September 2012
6.	SPECIAL RATING BY-LAWS	YES	NO	YES	APRIL/MAY 2012	NO	-	BM/JVD	Adopted Full Council September 2012

GENERAL COMMENT ON THE BYLAWS:

It is expected that the development and revision of the by-laws will be greatly enhanced by the end of the 2012/2013 financial year.





2.10 WEBSITES

MUNICIPAL WEBSITE : CONTENT AND CURRENCY OF MATERIAL			
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	SEE DATES IN DESCRIPTION	2012/2013 Budget Annual Budget & Medium Term Revenue &Expenditure Framework (2012/2013 - 2014/2015) - 3.8 Mb 2012-06-08: Advrtisement and Resolution - 0.1 Mb 2012-06-08: A1 Schedule - Ver 2 4 - 2012-2013 Msunduzi Municipality's Budget - 1.2 Mb 2012-06-08: A1 Schedule - Ver 2 4 - December 2011 v1 - 2012-2013 Msunduzi Municipality's Draft Budget - 1.2 Mb 2012-03-30:
All current budget-related policies	YES	2012-06-14	Finance Policies - 2012/2013 - (Effective 1st July 2012 to 30th June 2013) Credit Control and Debt Collection Policy - 2013 - Approved 30th May 2012 - 0.3 Mb 2012-06-14: Indigent Policy - 2013 - Approved 30th May 2012 - 0.2 Mb 2012-06-14: Rates Policy - 2013 - Approved 30th May 2012 - 0.2 Mb 2012-06-14: Tariff Policy - 2013 - Approved 30th May 2012 - 0.2 Mb 2012-06-14:
The previous annual report (2010/11)	YES	2012-07-03	Annual Report 2010/2011 Msunduzi Municipality - Annual Report 2010/2011 - 4.4 Mb 2012-07-03: Final
The annual report (2011/12) published/to be published	NO	In 2013 when finalised	To be published in 2012/2013 financial year

MUNICIPAL WEBSITE : CONTENT AND CURRENCY OF MATERIAL			
Documents published on the Municipality s / Entity s Website	Yes/No	Publishing Date	Description
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2011/12) and resulting scorecards	YES	2012-08-14	Performance Agreements and Work Plans Mr. Mxolisi Nkosi -4.7 Mb 2012-08-14: Municipal Manager Mr. Thokozani Maseko - 0.5 Mb 2012-08-14: Infrastructure Services Dr Mpilo Ngubane - 1.1 Mb 2012-08-14: Corporate Services Mrs. Nelisiwe Ngcobo - 0.7 Mb 2012-08-14: Financial Services Mr. Sipho Dubazana - 1.1 Mb 2012-08-14: Community Services
All service delivery agreements (2011/12)	NO	N/A	N/A
All long-term borrowing contracts (2011/12)	NO	N/A	N/A
All supply chain management contracts above a prescribed value (give value) for 2011/12	YES	N/A	Contracts above R30 000.00 all advertised on the website.
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 2011/12	YES	2012-09-10	Msunduzi Municipality Asset Disposals 2011/2012 Summary - 0.1 Mb 2012-09-10:
Public-private partnership agreements referred to in section 120 made in 2011/12	N/A	N/A	No PPP agreements in place

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

The municipality currently does not have any mechanisms in place to measure the level of customer satisfaction. Plans are currently underway in terms of conducting annual customer satisfaction surveys and periodic quality of life surveys.

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

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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 2011 / 2012 of the Msunduzi Municipality is divided into three (3) 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 2011 / 2012.**
- **SECTION THREE: LEGISLATED KEY PERFORMANCE INDICATORS AS PRESCRIBED BY THE DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (CoGTA).**

This report must be read in the context of understanding that during the 2011 / 2012 financial year; Msunduzi Municipality continued to be placed under a Section 139(b) intervention for the first six months.

During the 2011 / 2012 financial year, in the absence of a fully-fledged and functional Organizational Performance Management System (OPMS), the municipality adopted the process related to the Service Delivery and Budget Implementation Plan (SDBIP) as the OPMS. However, the municipality would like to acknowledge that the SDBIP in itself is not an all-encompassing OPMS but rather a component thereof. As part of the reporting process on the SDBIP, the municipality has introduced 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. 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.

It must be noted that in January 2012 of the 2011 / 2012 financial year, Msunduzi Municipality was no longer under the Section 139(b) intervention. In January 2012, Msunduzi Municipality employed a new Municipal Manager and by the end of the Financial year had employed a new Chief Financial Officer as well as a Deputy Municipal Manager for Infrastructure Services. All other S57 posts were vacant due to resignations & suspensions. These vacancies were managed by the organization by way of acting appointments. During the 2011 / 2012 financial year no individual quarterly assessments were conducted as Msunduzi Municipality had not adopted an OPMS framework and therefore the establishment of evaluation panels to assess the Municipal Manager and Manager's reporting directly to the Municipal Manager did not take place.

In the 2012 / 2013 financial year institutional arrangements have been put in place in order to ensure the implementation of an 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.

SECTION I: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT

I. COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; housing services; and indigents (free basic services).

I.I WATER SERVICES

INTRODUCTION TO WATER SERVICES

Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005

The MEC for Local Government, Traditional Affairs and Housing designated the Msunduzi Municipality a Water Service Water Authority through a Government Gazette dated 13 June 2003. This notice authorized the Msunduzi Municipality 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 has a duty to ensure the adequate sustainable access to water and sanitation to all consumers within the area of jurisdiction.

In order to ensure that that City does not contravene the aforementioned legislation and further ensure our citizens are adequately catered for the following are is a list of achievements for 2011/12 financial year :-

1.) Providedinformal households with Basic sanitation with the Installation of an additional 2116 Ventilated Improved Pits (VIP's).
2.) Successfully completed Phase 2 of 5 Year Non Revenue Water reduction program. The following is a summary of Non – Revenue water interventions to date:-

- 1 768 km of underground pipe was surveyed. A total of 1,869 visible and non-visible leaks were located of which 1,739 were repaired.
- 30 Pressure Reducing Valves have been designed which has a potential saving of 10 ML/day.
- Advanced Controllers have been installed to control the pressures in the CBD. Potential savings from real losses are conservatively estimated at 3.4Ml/day or R4 million/annum.
- Structural analysis has been conducted on Hathorns Reservoir and all faults have been located and the Contract for repairs was awarded at the end of June 2012.
- Phase 1A of Trenchless pipe replacement program has been completed in which 3km of pipe in CBD has been replaced thus far.
- A total of 1,157 of the defective 5 600 water meters have been changed to date and hence the accuracy levels of the Municipalities billing information have increased.
- 6,061 meter sites have been maintained which previously could not be read which has further contributed to customer and more accurate billing information.
- Top 100 consumer's water meters have been audited to ensure that the water meter is installed and reading correctly which recommendations and designs on improvements.
- All standpipes on the billing database have been audited to ensure that their meters were correctly working.
- All inlet control valves feeding reservoirs in the East City and 80% of West City have been audited to ensure no reservoir overflows occur.
- 82 existing PRVs and their associated zones have been audited in preparation for pressure management.

- 3 new PRVs were installed which shall feed the CBD and produce further savings as well as a reduction of burst frequency in the CBD shall be the result ensuring the CBD has a stable supply.
- A tissue producing factory was investigated and the correctly sized meter was installed which increased revenue for this single consumer by 2.2Ml/day.
- A custody transfer meter at Kettlefontein was changed out due to incorrect meter installation.
- Consumer awareness: More than 1 500 street pole posters have been placed in the City. 17 schools have been visited to date to promote the responsible use of water. A very successful schools soccer tournament was held to reiterate to the pupils the message of "Water is Life". Positive media advertising through this project is estimated at over R4.8 Million rand for this project.

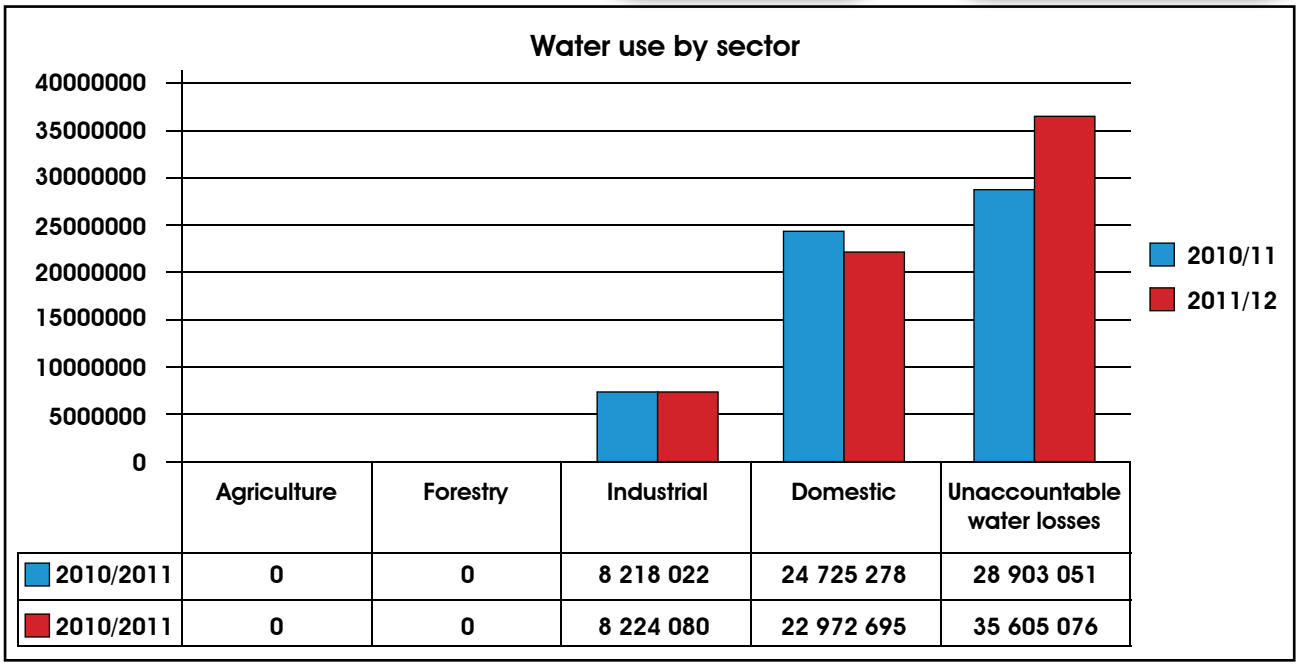
3.) Installation of approximately 4km of Sanitation reticulation in order to connect low income households to waterborne sanitation.
4.) Visual Survey (Closed Circuit Television Camera) of 2446 km of sanitation reticulation in order to prioritize asset renewal.
5.) Blue Drop status awarded to Msunduzi Municipality for Drinking Water Quality and Compliance.
6.) The completion of the Planning and Design aspects of the following core projects for the Elimination of Conservancy Tanks, Masons Reservoir, Ashdown Midblock Eradication, and Shenstone Ambleton bulk Sewer Outfall.
7.) Reactively responding and restoring 1829 burst mains.
8.) Reactively responding and resolving 2424 sanitation mainline blockages.
9.) Installed approximately 3.9km of water reticulation pipeline for the provision of basic water.
10.) Commenced construction of a new 20 mega-litre reservoir in Copesville.

The City's bulk water purchases from Umgeni Water increased to 183018 kl/day. The growth in purchases can be directly related to increase of volume from consumers and the water lost due to old/redundant infrastructure. It should further be noted that sewage flows have also increased at the Umgeni owned Darvill Waste Water Treatment works to a dry weather flow of approximately 74 ML/day.

The response rate to water and sanitation interruptions were achieved at 75% and 88% respectively. Various factors contributing to this poor performance include the rapid deterioration of infrastructure, human resource constraints, vandalism and age of fleet.

The City has further been awarded the prestigious Blue Drop Certification for drinking water excellence for the 2nd year in a row. A microbiological compliance of 98% and a well-developed and implemented Water Safety plan ensured that our 2011/2012 shortcomings where adequately addressed. Drinking water compliance can be monitored on the Department of Water Affairs Website by clicking on the Mywater tab.

TOTAL USE OF WATER BY SECTOR (CUBIC METER)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2010/2011	N/A	N/A	8 218 022	24 725 278	28 903 051
2011/2012	N/A	N/A	8 224 080	22 972 695	35 605 076



	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2010/2011	0	0	8 218 022	24 725 278	28 903 051
2010/2011	0	0	8 224 080	22 972 695	35 605 076

COMMENT ON WATER USE BY SECTOR:

The Unaccountable water loss represents certain portions of Non-Revenue Water namely real losses and billing consumptions. Several other core aspects can be analyzed to give a more appropriate understanding of water conservation initiatives to decrease Non-Revenue Water.

The Industrial consumption shows no growth at all while the total domestic consumptions (excludes unbilled authorized consumption) shows a decrease. This is attributed to inaccurate billing data and/or metering inefficiencies.

The real loss/ water loss (NRW) has increased, despite the implementation of the Non - Revenue water program. It should be noted that due to the financial situation of the Msunduzi Municipality, the program was revised to ensure that short term objectives where aligned with sustaining the municipality's finances and further that Non-Revenue reduction project is a 5 year strategic plan whereby the financial savings will only be realistically achieved in year 3.
The following key areas of improvement/deterioration can be noted when comparing key statistics in the 2011/12 financial year to those of the previous financial year.

- The number of registered connections decreased by 80
- Average daily purchases of water from Umgeni Water increased by 5 575 kl
- Average daily sales to customers decreased by 640 kl
- Non-Revenue Water volumes increased by an average of 18 362 kl/day
- Unbilled Authorized and Illegal Connection Consumption decreased by an average of 1 416 kl/day
- Inefficiency of Use of Water Resources, which essentially measures the physical leak or real loss volume, deteriorated by 6.2%
- Total Water Losses per Connection decreased by 508 liter's/connection/day.

Besides the aforementioned technical interventions, the City has further embarked on series of projects to ensure that the social aspects of water provision and scarcity are covered. This included the:-

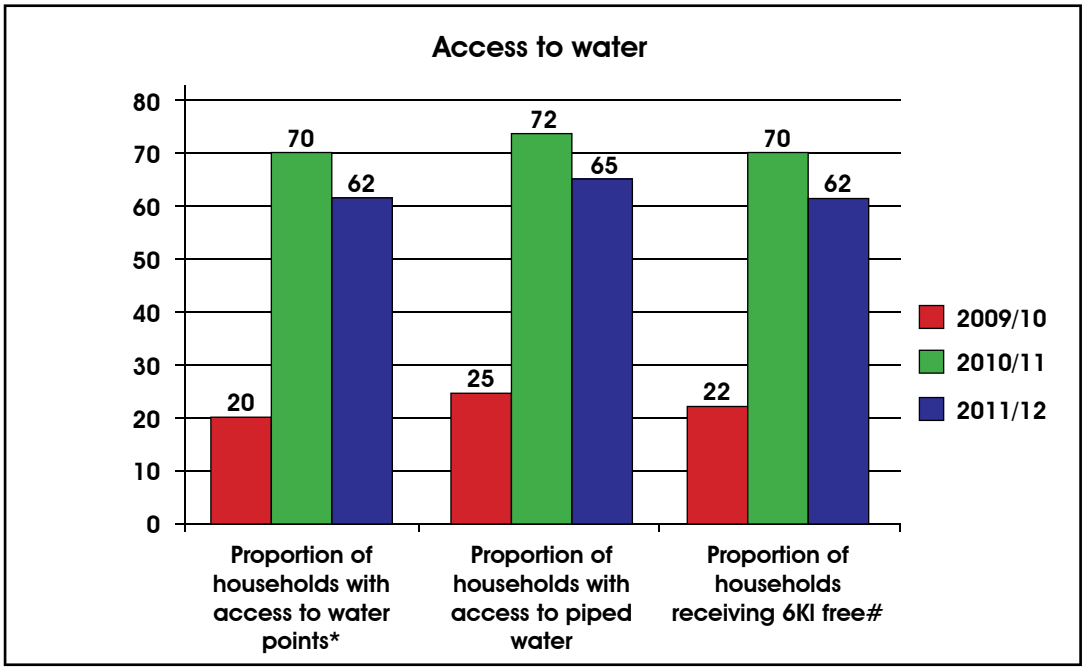
- Scholarly education on being water wise.
- Media awareness on saving of water
- Posters on street poles.

The Key performance indicators for Non-Revenue Water currently form part of the 5 year IDP.

WATER SERVICE DELIVERY LEVELS Households				
Description	2008/2009	2009/2010	2010/2011	2011/2012
	Actual Number	Actual Number	Actual Number	Actual Number
Water: (above min level)				
Piped water inside dwelling	109242	109501	110186	110403
Piped water inside yard (but not in dwelling)	10073	11078	11763	11763
Using public tap (within 200m from dwelling)stand-pipes	535	535	565	568
Other water supply (within 200m) Widgets	6000	7000	7000	7000
Minimum Service Level and Above sub-total	125850	128114	129514	129734
Minimum Service Level and Above Percentage	92.26%	92.25%	92.35%	92.48%
Water: (below min level)				
Using public tap (more than 200m from dwelling)	7500	7500	7500	7500
Other water supply (more than 200m from dwelling	3064	3265	3235	3045
No water supply	N/A	N/A	N/A	N/A
Below Minimum Service Level sub-total	10564	10765	10735	10545
Below Minimum Service Level Percentage	7.74%	7.75%	7.65%	7.52%
Total number of households	**136414**	**138879**	**140249**	**140279**

HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM Households						
Description	2008/2009	2009/2010	2010/2011	2011/2012		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	5351	4625	N/A	N/A	N/A	5304
Households below minimum service level	1452	999	N/A	N/A	N/A	649
Proportion of households below minimum service level	27.14%	21.60%	N/A	N/A	N/A	12.24%
Informal Settlements						

HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM Households						
Description	2008/2009	2009/2010	2010/2011	2011/2012		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Total Households	2011	N/A	N/A	N/A	N/A	1305
Households below minimum service level	701	N/A	N/A	N/A	N/A	497
Proportion of households below minimum service level	34.86%	N/A	N/A	N/A	N/A	38.08%



* Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute

\# 6,000 litres of potable water supplied per formal connection per month

WATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Households without minimum water supply	To provide all Households with metered water	140249	110186	140279	110403	29876
Improve reliability of water supply	Reduce the number of interruptions (Ints) in supply	1000	500	1000	500	500

WATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Improve water conservation	Reduce unaccountable water levels	N/A	46.7%* (*We have found that estimations conducted by the Finance Department on bulk meters from standpipes and low cost housing meters were erratic and in some cases unrealistic)	30%	53.3%* (*We have found that estimations conducted by the Finance Department on bulk meters from standpipes and low cost housing meters were erratic and in some cases unrealistic)	32%
Access to Basic Services	All reservoirs and Water holding facilities to be on telemetry so as to conform in part to statutory legislation in regards to water conservation	N/A	N/A	2	0	2

EMPLOYEE: WATER SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	96	100	90	5	10.00
B1-B4	36	39	38	0.5	2.56
C1-CU	32	34	31	1.5	8.82
D1 D U	3	3	3	0	0.00
E1 E2	1	1	0	0.5	100.00
F1 F2	0	0	0	0	0
Total	**168**	**177**	**162**	**7.5**	**8.47**

FINANCIAL PERFORMANCE 2011/2012: WATER SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	- 385 190	- 372 484	- 355 657	- 346 512	- 0.07
Expenditure:					
Employees	28 299	30 129	29 602	30 607	0.02
Repairs and Maintenance	471	2 916	1 113	1 060	- 1.75
Other	235 762	350 657	359 415	338 509	- 0.04
Total Operational Expenditure	264 532	383 702	390 130	370 176	- 0.04
Net operational (Service) Expenditure	- 649 722	11 218	34 473	23 664	0.53

CAPITAL EXPENDITURE: WATER SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	43429	27010	26114	0.41	526 200
Reduction of Non-Revenue Water	25 019	20 783	20 783	-0.20	214 000
Edendale proper new mains and reticulation	1 410	640	640	0.00	12 000
Service mid-block eradiction (Sobantu, ash-down)	200	313	313	00.0	224 000
Basic Water Supply	4 000	1 500	962	0.36	2 000
Masons reservoir	300	500	481	0.04	19 000
Copesville Reservoir	12 500	2 935	2 935	0.00	55 200

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The Water sub unit only implemented MIG approved projects and no budgetary provision was made for council funded projects. Each of the aforementioned projects had a specific target which was monitored as per the SDBIP. The targets in relation to the planning and designing of infrastructure were all accomplished in line with the IDP, however the construction/implementation projects were hindered mainly due to Environmental Impact Assessments and procurement procedures. Implementation of certain projects were further compounded by the 54% technical (Engineers, Technicians) vacancy rate that exist within the unit.

The largest Capital project in line with Msunduzi's Turnaround Strategy, was the Non-Revenue Water project. This project officially commenced in the later part of the 2010-2011 financial and is part of a 5 year business plan in order to reduce water losses and increase revenue with measureable Key Performance Indicators. Although a lot of emphasis is placed on this initiative, it is envisaged that only in approximately 2 years will the Municipality realize the benefits of these conservation strategies.

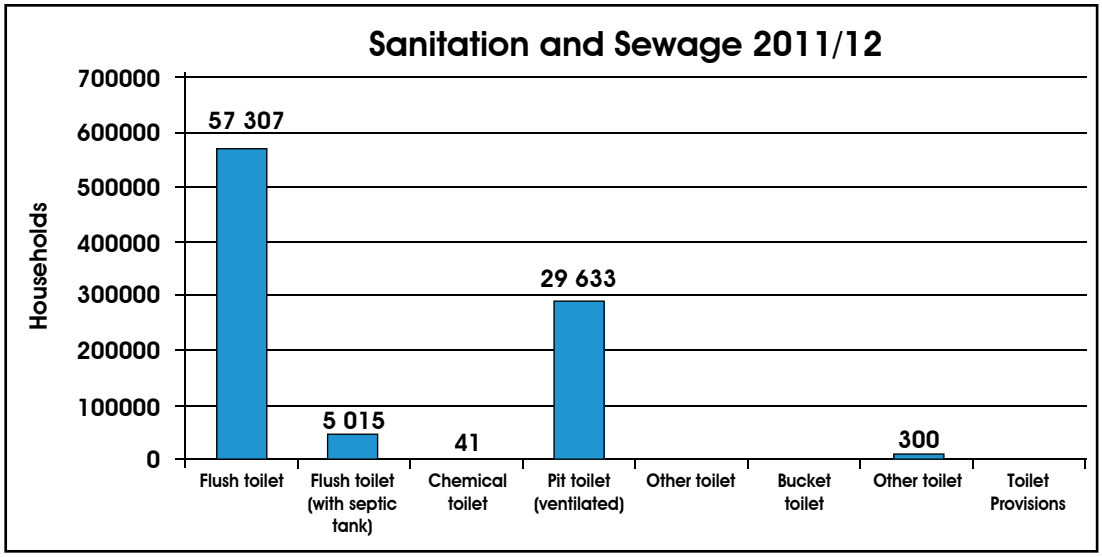
1.2 SANITATION SERVICES

INTRODUCTION TO SANITATION PROVISION

Providing basic sanitation to informal areas and the appropriate sanitation services to low-income communities and thereafter elevating this to water borne sewerage, whilst ensuring that adequate attention and funds are allocated. Asset renewal is a key development challenge in the City. Capacity, 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.

The possible construction of an additional sewerage treatment works will eliminate capacity problems are also in the feasibility stage.

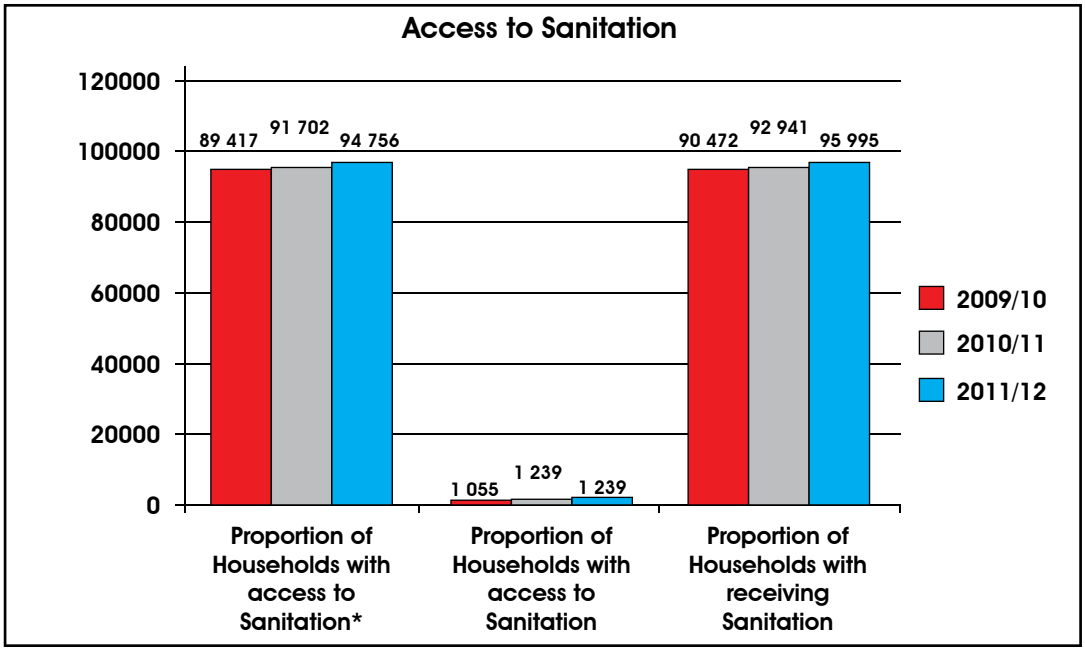
The challenge is to first provide basic sanitation in the VIP sector. There has been significant improvements in this sector and with the number constructed in the 2011/2012 year, Msunduzi Municipality's original basic sanitation backlog has been 100% completed.



SANITATION SERVICE DELIVERY LEVELS Households				
Description	2008/2009	2009/2010	2010/2011	2011/2012
	Actual Number	Actual Number	Actual Number	Actual Number
Sanitation / Sewage (above min level)				
Flush Toilet (connected to sewerage)	57081	57147	57241	57307
Flush Toilet ((with septic tank)	5930	5015	5015	5015
Chemical Toilet	N/A	N/A	N/A	N/A
Pit Toilet	21256	27255	29446	32434
Other toilet provisions (above min service level)	N/A	N/A	N/A	N/A
Minimum Service Level and Above sub-total	84267	89417	91702	94756
Minimum Service Level and Above Percentage	62.93%	65.4%	65.7%	67.5%
Sanitation / Sewage (below min level)				
Budget toilet	N/A	N/A	N/A	N/A

SANITATION SERVICE DELIVERY LEVELS Households				
Description	2008/2009	2009/2010	2010/2011	2011/2012
	Actual Number	Actual Number	Actual Number	Actual Number
Other toilet provisions (below min level)	N/A	N/A	379	300
No toilet provisions	N/A	N/A	N/A	N/A
Below Minimum Service Level sub-total	N/A	N/A	379	300
Below Minimum Service Level Percentage	N/A	N/A	0.41%	0.002%
Total number of households	**133867**	**136525**	**139567**	**140279**

HOUSEHOLDS - SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM Households						
Description	2008/2009	2009/2010	2010/2011	2011/2012		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	5351	4625	5304	n/a	n/a	5304
Households below minimum service level	158	191	101	n/a	n/a	101
Proportion of households below minimum service level	2.95%	4.13%	1.90%	n/a	n/a	1.90%
Informal Settlements						
Total Households	5351	4625	5304	n/a	n/a	5304
Households below minimum service level	1588	999	695	n/a	n/a	695
Proportion of households below minimum service level	29.68%	21.6%	13.1%	n/a	n/a	13.1%



WASTE WATER (SANITATION) SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Access to Basic Services	Provide basic sanitation (VIPs)	140279	29633	140279	94756	45523
Provision of toilets within standards	To provide Water Borne sewerage to all households by the installation of Sanitation Reticulation (no of Households)	N/A	N/A	82972	57307	2000
Asset Renewal	Replace very old pipes (meters)	N/A	N/A	3500	5102	5000
Access to Basic services	Sewer pump stations to be Monitored and Maintained to conform to legislation	6	0	6	0	6
Access to basic services	For all of the immediate above, A Waste Water Treatment Plan needs to completed and approved by council	N/A	N/A	Draft Waste Water Treatment Plan completed	Draft Waste Water Treatment Plan completed	Complete WWTP and obtain council approval
Access to Basic Services	To Complete the visual Survey Sanitation infrastructure using CCTV (Km)	N/A	N/A	100km	150km	100km

EMPLOYEE: SANIATION SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	59	65	56	4.5	13.85
B1-B4	19	20	19	0.5	5.00
C1-CU	5	5	5	0	0.00
D1 D U	2	3	2	0.5	33.33
E1 E2	0	0	0	0	0
F1 F2	0	0	00	0	0
Total	**85**	**93**	**82**	**5.5**	**11.83**

FINANCIAL PERFORMANCE 2011/2012: SANITATION SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	- 113 090	- 119 118	- 112 790	- 110 385	- 0.08
Expenditure:					
Employees	14 553	13 546	13 501	14 213	0.05
Repairs and Maintenance	207	447	214	169	- 1.64
Other	48 430	61 779	60 946	58 439	- 0.06
Total Operational Expenditure	63 190	75 772	74 661	72 821	- 0.04
Net operational (Service) Expenditure	- 176 280	- 43 346	- 38 129	- 37 564	- 0.15

CAPITAL EXPENDITURE: SANITATION SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					527 200
Sanitation Infrstructure Feasibility study	3 674	3 254	3 254	-0.13	13 500
Shenstone Ambleton Sanitation System	400	229	222	-0.80	90 000
Rehabilation of Sanitation Infrastructure	4 000	712	451	-7.87	89 000
Sewer Pipes Unit H ward 16	500	5 012	4 929	0.90	44 000
Sewer Pipes Azalea	500	5 111	4 705	0.89	38 200
Lincolnmeade sewer pump station	0	7 516	6 418	1.00	12 500
Installation of VIPs in Vulindlela	14 000	18 734	18 731	0.25	240 000

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The largest capital project was the Vuilndela : VIP installation program to which we have now achieved a coverage rate 100% in relation to previously reported backlog. Whilst ensuring that this Basic service of Sanitation for all is delivered in line with Departments of Water Affairs mandate, the sanitation sub unit also started construction phases on waterbourne projects. This entailed the installation of approximately 4 km of reticulation pipeline. The sanitation unit also proceeded and completed the planning and design portions of waterbourne sanitation projects and rehabilitation projects.

Reactively, the Sanitation sub unit attended to blocked sewer mains both during and after hours and responded and resolved to 88% of all reported complaints within the 2011-2012 financial year. Non compliance in attending to this essential service was generally due to fleet problems. The Municipality has recently acquired a new vehicle fleet and it is envisaged that re-active strategies will be much more effective.

1.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The Msunduzi Electricity Unit is licenced by the National Electricity Regulator of South Africa (NERSA) to supply electricity to 70% of the total customers in the Municipality's area of jurisdiction and the remainder which is comprised of the Greater Edendale and Vulindlela areas is supplied by Eskom. The Electricity Unit operates under the Electricity Regulator Act of (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 Eskom at 132 000 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 350 MVA (Mersey160 MVA and Msunduzi 190 MVA). During 2011 /2012 application was made to Eskom to increase the Mersey notified demand to 180 MVA. The highest maximum demand recorded for 2011/2012 was 360 MVA and the units purchased was 1 752 171 MWh.

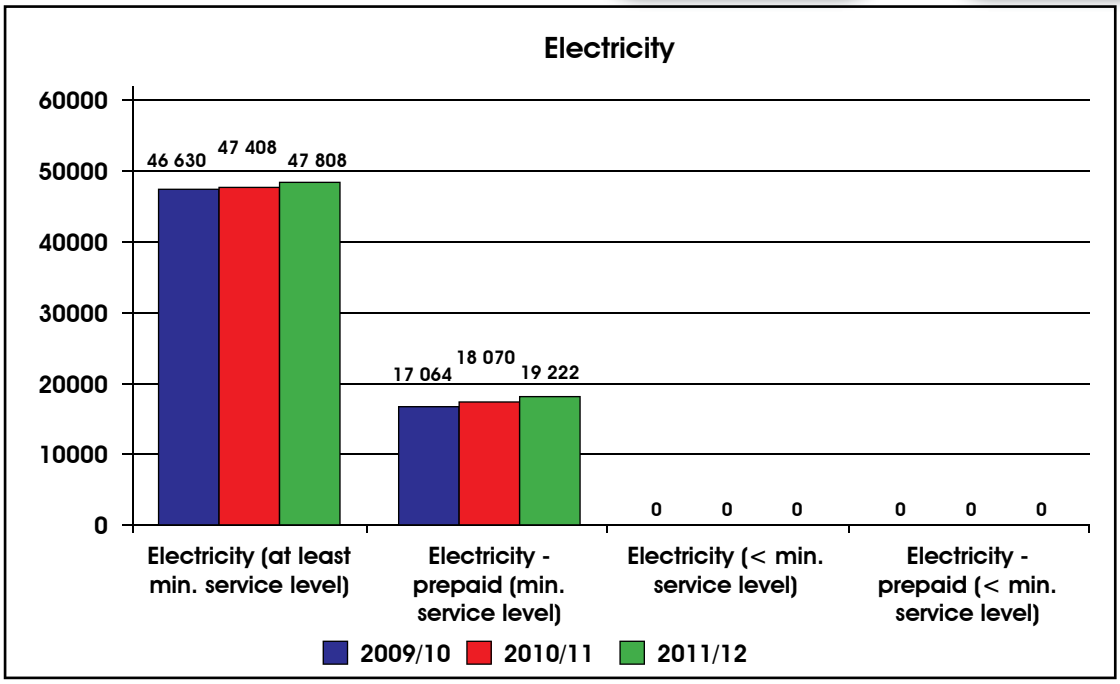
3 power transformers for the Northdale Primary Substation were delivered during the 2011/2012 financial year. Five mini-substations and seven pole-mounted transformers were replaced and 1275 meters of medium voltage cable were installed from Hilton substation to Sweetwaters.

The Hilton area was experiencing continuous outages due to the numerous faults on the existing 33kV overhead lines to Hilton. Work commenced on the upgrade of the 33kV overhead line.

CHALLENGES

The Electricity Unit is facing many challenges.

- The backlogs on the repairs, maintenance, refurbishment and replacement of electricity infrastructure.
- High demand for electrification in informal settlements.
- Protection of revenue from theft and tampering.
- High electrical losses. 12, 95% for the 2011/2012 financial year.
- The revenue losses are mainly due to technical losses, illegal connections, unbilled metered consumers, unmetered authorised consumers and tampering with meters.
- Difficulty in attracting and retaining qualified and competent technical staff. The shortage of technical staff continues to affect service delivery.
- Upgrading of street lights.
- The theft of cables and vandalism of electricity infrastructure was on the increase during the 2011/2012 financial year.



ELECTRICITY SERVICE DELIVERY LEVELS Households				
Description	2008/2009	2009/2010	2010/2011	2011/2012
	Actual Number	Actual Number	Actual Number	Actual Number
Electricity (above min level)				
Electricity (at least min service level)	48283	46630	47408	47808
Electricity prepaid (at least min service level)	14559	17064	18070	19222
Minimum Service Level and Above sub-total	No data	No data	No data	No data
Minimum Service Level and Above Percentage	No data	No data	No data	No data
Electricity (below min level)				
Electricity (< min service level)	No data	No data	No data	No data
Electricity prepaid (< min service level)	No data	No data	No data	No data
Other energy sources	No data	No data	No data	No data
Below Minimum Service Level sub-total	NIL	NIL	NIL	NIL
Below Minimum Service Level Percentage	NIL	NIL	NIL	NIL
Total number of households	62842	63694	65478	67030

HOUSEHOLDS - ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM Households						
Description	2008/2009	2009/2010	2010/2011	2011/2012		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	62842	63694	65478	67500	67500	67030

HOUSEHOLDS - ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM Households						
Description	2008/2009	2009/2010	2010/2011	2011/2012		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Households below minimum service level	No data	No data	No data	No data	No data	No data
Proportion of households below minimum service level	No data	No data	No data	No data	No data	No data
Informal Settlements						
Total Households	No data	No data	No data	No data	No data	4600
Households below minimum service level	No data	No data	No data	No data	No data	No data
Proportion of households below minimum service level	No data	No data	No data	No data	No data	No data

EMPLOYEE: ELECTRICITY SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	119	124	113	5.5	8.87
B1-B4	42	62	38	12	38.71
C1-CU	68	80	66	7	17.50
D1 D U	11	14	12	1	14.29
E1 E2	1	1	0	0.5	100.00
F1 F2	0	0	0	0	0
Total	**241**	**281**	**229**	**26**	**18.50**

FINANCIAL PERFORMANCE 2011/2012: ELECTRICITY SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	1 107 682	- 1 201 784	- 1 243 044	- 1 228 909	0.02
Expenditure:					
Employees	55 849	53 143	55 427	56 250	0.06
Repairs and Maintenance	32 801	37 577	20 041	13 726	- 1.74
Other	741 072	979 834	986 991	968 258	- 0.01
Total Operational Expenditure	1,736 932	1 070 554	1 062 459	1 038 234	- 0.03
Net operational (Service) Expenditure	71 406	- 131 230	- 180 585	- 190 675	0.31

CAPITAL EXPENDITURE: ELECTRICTY SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
Refurbish of mini-subs & pole transformers	26 361	26 361	20 013	0.32	26 361
Medium Voltage Electrical Equipment	0	10 000	2 665	1.00	10 000
Electricity Projects	0	2 533	2 533	1.00	2 533
Hilton Line	0	15 000	623	1.00	15 000
Computers - SCADA	25	25	19	0.24	25

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Due to financial constraints and ageing infrastructure Msunduzi Municipality brought on board the Independent Development Trust (IDT) to do a condition assessment and source funding to rectify. Going forward this will be addressed in the 2012/2013 financial year.

I.4 WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT

Rounds are being balanced, budget reallocated to provision of alternate service delivery methods in tandem with reducing refuse by implementing recycling at household level. The business unit has still managed to privde services despite compactor shortages (alleviated by arrival in June 2012 of 7 new compactors). Ageing and sickly staff are being addressed with a view to transfer and replenishment by younger, fitter staff. The budget is severely restrictive but new productive, methodologies have to be implemented to develop a new culture/ attitude of working. Status quo has been achieved with waste disposal, street cleaning and recycling. The top 3 service delivery priorities are once again collection, cleaning and now recycling, the impact of which will be felt in savings in the future. Communities that are living in poverty receive a skip or special service as and when necessary. Waste collection and transportation services, street cleaning, garden refuse sites, public toilets, and awareness and education are carried out by the Waste Management business unit. A separate Landfill site unit provides and manages the landfill and disposal services.

SOLID WASTE SERVICE DELIVERY LEVELS Households				
Description	2008/2009	2009/2010	2010/2011	2011/2012
	Actual Number	Actual Number	Actual Number	Actual Number
Solid Waste Removal (above min level)				
Removed at least once a week	89910	89910	89910	89910
Minimum Service Level and Above sub-total	89910	89910	89910	89910
Minimum Service Level and Above Percentage	62.43%	62.43%	62.43%	62.43%
Solid Waste Removal (below min level)				
Removed less frequently than once a week	19000	19000	19000	19000
Using communal refuse dump	N/A	N/A	N/A	N/A

SOLID WASTE SERVICE DELIVERY LEVELS Households				
Description	2008/2009	2009/2010	2010/2011	2011/2012
	Actual Number	Actual Number	Actual Number	Actual Number
Using own refuse dump	N/A	N/A	N/A	N/A
Own Rubbish Disposal	35090	35090	35090	35090
No Rubbish Disposal	N/A	N/A	N/A	N/A
Below Minimum Service Level sub-total	54080	54080	54080	54080
Below Minimum Service Level Percentage	37.57%	37.57%	37.57%	37.57%
Total number of households	144000	144000	144000	144000

HOUSEHOLDS SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM Households						
Description	2008/2009	2009/2010	2010/2011	2011/2012		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	144000	144000	144000	1440000		144000
Households below minimum service level	54090	54090	54090	54090		54090
Proportion of households below minimum service level	.376	.376	.376	.376		.376
Informal Settlements						
Total Households	54090	54090	54090	54090		54090
Households below minimum service level	19000	19000	19000	19000		19000
Proportion of households below minimum service level	.132	.132	.132	.132		.132

WASTE MANAGEMENT SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Integrated waste management plan developed and approved by council	IWMP	n/a	n/a	Integrated waste management plan	Draft integrated waste management plan	Implemented integrated waste management plan
Refuse collection plan implemented	Domestic refuse collection plan	n/a	n/a	Plan in place	Plan in place	Rounds balanced all areas serviced

EMPLOYEE: SOLID WASTE MANAGEMENT SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	335	397	335	62	16
B1-B4	42	56	42	14	25
C1-CU	4	6	4	2	33
D1 D U	2	3	2	1	33
E1 E2	0	0	0	0	0
F1 F2	0	0	0	0	0
Total	**383**	**462**	**383**	**79**	**17%**

FINANCIAL PERFORMANCE 2011/2012: SOLID WASTE MANAGEMENT SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	71285492	-117,573,760	-118,803,933	-77,925,368	-0.52
Expenditure:					
Employees	52001868	53,116,216	53,265,110	54,174,583	0.01
Repairs and Maintenance	4016417	6,037,196	3,776,329	3,613,741	-0.04
Other	15257807	8,434,154	8,200,316	8,163,909	0.00
Total Operational Expenditure	71276092	67,587,566	65,241,755	65,952,233	0.01
Net operational (Service) Expenditure	9400	-49,986,194	-53,562,178	-11,973,135	-3.47

CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	0	0	0	0	
PLANT & EQUIPMENT	0	200,004	0	0.00	
COMPACTORS	0	11,737,271	11,140,903	-0.05	
COMMUNITY SERVICES PLANT AND EQUIPMENT	0	24,634	0	0.00	
CNL PURCHASE OF CONTAINERS	830,000	0	0	0.00	
PORTABLE RADIOS	0	200,000	26,000	-6.69	

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

The variance in income is due to fluctuations in the customer base as customers are lost or gained. The variance in expenditure is attributed to the service being an essential service, with serious health and safety repercussions. In addition certain measures as stated in the following paragraphs were not in place to assist in cost reduction or budget control.

Key staff such as the Business Manager, admin related staff where not in place adversely affecting the business unit. The matter has since been addressed partially with allocation of staff and development of a system to improve income.

With planned improvements in productivity, mechanisation of certain services such as sweeping for example, and the adoption of alternate service delivery options such as public-private partnerships, outsourcing to smme's, and so forth the future targets can be realistic and achievable.

1.5 WASTE MANAGEMENT (LANDFILL SITE)

INTRODUCTION TO WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE)

The New England Landfill Site is the largest, permitted Site in the Kwa-Natal Midlands and is a regional Site serving the disposal needs of not only Msunduzi but local municipalities within the jurisdiction of the District Municipality. The Site receives approximately 700 tons of waste daily which is spread, compacted and covered. Users of the Site are billed for the waste disposed and statistical data is maintained of the waste disposed in categories. The Site is managed to strict compliance with relevant environmental legislation and bi-annual monitoring for gas emissions, groundwater and surface water contamination, and leachate emissions is conducted to ensure that the Site does not pose an environmental threat to the environment. Tests conducted in August 2011 and June 2012 has confirmed that the Site is well managed and there are no threats to the environment.

WASTE DISPOSAL SERVICES STATISTICS				
DESCRIPTION	2008/2009	2009/2010	2010/2011	2011/2012
	TONS	TONS	TONS	TONS
Waste Disposal per Category				
Builders Rubble	22 740	24 104	25 550	27 594
Bulk Food Waste	15	16	17	19
Garden Refuse	25 164	26 674	28 808	31 688
General Domestic Waste	60 768	64 416	69 567	76 524
Industrial Ash	126	133	144	159
Sawdust	60	63	68	75
Cover Material	50 208	53 220	57 478	63 226
Wood waste	10	10	11	13
TOTAL	**159 091**	**168 636**	**181 643**	**199 298**

WASTE DISPOSAL SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Future capacity of existing and earmarked (approved use and in councils possession) approved waste disposal sites	Amount of spare capacity available in terms of the number of years of capacity available at the current rate of landfill usage	12	8	11	7	12
Portion of waste recycled	Volume of waste recycled as a % of the total volume of waste disposed of at the landfill	30%	15%	30%	20%	40%
Proportion of waste disposal sites in compliance with Environmental Conservation Act	% of landfill sites that are being managed in compliance with the Environmental Conservation Act	100%	100%	100%	100%	100%

EMPLOYEE: WASTE DISPOSAL SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	14	14	14	0	0
B1-B4	6	12	6	6	50%
C1-CU	1	1	1	0	0
D1D U	1	1	1	0	0
E1E 2	0	0	0	0	0
F1F 2	0	0	0	0	0
Total	**22**	**28**	**22**	**6**	**21.42%**

FINANCIAL PERFORMANCE 2011/2012: WASTE DISPOSAL SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	3 503 494	-7 289	-7 289	-6 862	-0.06
Expenditure:					
Employees	3 426 618	3 563	3 681	3 492	-0.02
Repairs and Maintenance	284 859	912	1 569	1 271	0.28
Other	-207 983	8 231	7 214	5 951	-0.38
Total Operational Expenditure	3 503 494	12 706	12 464	10 714	-0.19

CAPITAL EXPENDITURE: WASTE DISPOSAL SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	5 647 000	0	5 647 000	0	
Upgrade to Lanfill Site	5 647 000	0	5 647 000	0	5 647 000

COMMENT ON WASTE DISPOSAL SERVICE PERFORMANCE OVERALL:

The Site has been extensively upgraded in terms of infrastructure in order to increase the lifespan of the Site. This entailed construction of containment berms, clay-capping of the side slopes, perimeter and access road upgrade and an innovative ramp access construction in order to gain entry to the workface of the Site. Staff facilities have been improved and new weighbridges have been installed and the billing system upgraded in order to reduce losses and improve efficiency. The first phase of the installation of heavy-duty palisade fencing was also completed. A new Landfill compactor, which complements the existing Landfill compactor, was also acquired which has significantly improved the operations on Site. Funding has been obtained from COGTA via the uMgungundlovu District Municipality to construct a Materials Recovery Facility on Site which will achieve our target of recycling at least 50% of the waste to Landfill. This project will also provide sustainable jobs for co-operatives that have been established. In conjunction with this project, a waste recycling collection system will be implemented in order to source separate recyclables. We have embarked on the process of establishing a Gas-To-Energy project on Site. The Department of Energy is currently in the process of evaluating proposals submitted by specialist consultants for the generation of gas to energy with the intention of appointing Independent Power Producers. The project will commence on the appointment of the IPP. Commencement date is envisaged in the first quarter of 2013.

1.6 HOUSING

INTRODUCTION TO HOUSING

The provision of adequate Housing is a National priority and is legislated through the Constitution and the Housing Act. The delivery thereof is the responsibility of all three spheres of government, National, Provincial and local government.

Our Housing strategy is to provide housing in line with the deliverables of Outcome 8, which is to develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements and to accelerate the delivery of housing. Various targets have been set to comply with Outcome 8.

The backlogs in housing can be summarised as approximately 16000 to 25000 households living in informal structures, structures built of traditional material (mainly rural) or informal structures in a backyard. This data is obtained from the Community Survey 2007. The municipality has not undertaken any housing backlog study. We are currently in discussion with the Provincial Department of Human Settlements (PDOHS) to implement the housing needs register (HNR). This will assist in providing accurate data on the housing demand.

The municipality has also identified various land parcels on which new housing developments can be implemented. These projects have been packaged for submission to the PDOHS. Further discussions are underway with the PDOHS.

Housing Sector Plan: The Housing Sector Plan for the Municipality has been finalised and approved by Council in December 2011. The plan also includes a Slums Clearance strategy. Many interactive sessions were held with the PDOHS to complete this plan.

Vulindlela Rural Housing Project: This project application was submitted by the Municipality to PDHOS in June 2010 for the implementation of the largest rural housing project ever undertaken with Kwazulu-Natal. It was approved for full implementation in November 2010. Construction began in May 2011. The municipality role is that of a key stakeholder and assumes the roles as a municipality. It is also a member of the project steering committee and other task teams.

Many other smaller housing projects have been packaged for Stage 1 approval. Once approval has been granted by the PDOHS the feasibility, planning and design phase will commence.

The municipality is also prioritized by the National Department of Human Settlements (NDOHS) for social housing, informal settlements upgrading programme and more recently for Accreditation. We have been assessed and recommended for Level 1 accreditation. Regular information sessions are held with various Communities to explain housing processes and home ownership awareness.

The Housing function also includes the management of Council Rental stock. This comprises 364 units in various blocks. The Housing Admin unit is responsible for letting of rental stock, rent collection, maintenance, housing waiting list and disposal through the Enhanced Discount Benefit Scheme of the DOHS.
All the above goals are geared to meet the deliverables of Outcome 8.

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
2008/09	136946 (2556 built)	105996	77.4
2009/10	137963 (1017 built)	107013	77.5
2010/11	137963	107013	77.5
2011/12	137963	107013	77.5

HOUSING POLICY OBJECTIVES TAKEN FROM THE IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/11		2011/12		2012/13
		Target	Actual	Target	Actual	Target
Allocation of Houses	Transfer of 2000 properties to approved beneficiaries	2000	0	Transfer of 2 000 properties to approved beneficiaries	Nil	2 000

HOUSING POLICY OBJECTIVES TAKEN FROM THE IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/11		2011/12		2012/13
		Target	Actual	Target	Actual	Target
Vulindlela Rural Housing Project	Construction of 4 000 units	Package application to PDOHS. Once approved appoint Service Provider to undertake Stage 1	Project Approved for full implementation. All feasibilities complete. 24 Houses Built.	Construction of 4000 units	675	4000 units to be built
Copesville	Obtain approval from DoHS; Finalise planning and design phase (completed feasibility study)	Complete EIA report.	Report completed and submitted to DEARD	Obtain approval from DoHS; Finalise planning and design phase (completed feasibility Study)	EIA still with DAEA. Awaiting RoD	Obtain approval from DOHS. Finalise planning and design
Edendale Unit S 3-8	Complete installation of Services; water; sanitation; roads drainage for 2010 houses as per NHBRC report	NHBRC appointed to undertake assessment	Assessment completed	Complete installation of Services; water; sanitation; roads drainage for 2010 houses as per NHBRC report	Project proceeding according to approved development programme	Complete outstanding services to 2010 sites
Edendale Unit S 8 Ext	Conclude Land Availability and Services Agreements, Obtain Approval from DoHS; Finalise Planning and DesignUndertake Planning and Design	Obtain Project approval by PDOHS.	Approval Granted	Conclude Land Availability and Services Agreements, Obtain Approval from DoHS; Finalise Planning and DesignUndertake Planning and Design	Agreements concluded. Approved by DOHSAgreements concluded. Approved by DOHSIA in Planning and Design Phase.	Complete Stage 1 feasibility studies

HOUSING POLICY OBJECTIVES TAKEN FROM THE IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/11		2011/12		2012/13
		Target	Actual	Target	Actual	Target
Msunduzi Wire-Wall	Complete Construction of 850 Top Structures	NHBRC to undertake assessment of outstanding work	Assessment completed. PDOHS to obtain approval from NDOHS to exceed subsidy quantum	Complete Construction of 850 Top Structures	Nil	Management of IA for the completion of 340 units by 30 June 2013
Lot 182 Sinathing	Complete Construction of 133 Top Structures; Obtain approval from DoHS	Obtain approval for realignment. Complete services	Realignment approved and services completed	Complete Construction of 133 Top Structures; Obtain approval from DoHS	Approval obtained. DoHS to finalize agreement	Management of IA for the completion of 340 units by 30 June 2013
Glenwood: North East Sector 500 Units	Complete Planning and Design	Obtain approval from DEARD.	Approval granted. Prepare submission to PDOHS	Obtain approval from DEARD.	Approval granted. Prepare submission to PDOHS	Finalise appointment of IA. Complete planning and design phase.
Peace Valley2	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	Complete EIA Submission to DEARD.	Submission finalised, awaiting confirmation sanitation system.	Obtain approval from DoHS;	Project still awaiting DAEA approval. Nil	Obtain approval from DAEA. Finalise appointment of IA. Complete planning and design phase.
Khalanyoni	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	N/A	N/A	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	Awaiting approval by DOHS	Applied to DOHS for Appointment of IA for Stage 1 feasibility studies

HOUSING POLICY OBJECTIVES TAKEN FROM THE IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/11		2011/12		2012/13
		Target	Actual	Target	Actual	Target
Kwa Thirty	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	N/A	N/A	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	Awaiting approval by DOHS	Applied to DOHS for Appointment of IA for Stage 1 feasibility studies
J2 and Quarry	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	N/A	N/A	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	Service Provider appointed by DOHS	IA to complete Stage 1 feasibility studies.
Edendale: Bulwer	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	N/A	N/A	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	Service Provider appointed by DOHS	IA to complete Stage 1 feasibility studies.
Hollingwood	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	N/A	N/A	Obtain approval from DoHS; Appoint Service Provider to undertake feasibility studies	Nil	Applied to DOHS for Appointment of IA for Stage 1 feasibility studies
Ablution facilities for emergency housing	Cleaning of ablutions as per weekly schedule and within available budget	N/A	N/A	Cleaning of ablutions as per weekly schedule and within available budget	Nil	Ablutions cleaned weekly.

EMPLOYEE: HOUSING					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1 - A4	7	7	5	1	28.57
B1 - B4	10	10	10	0	0.00
C1 - CU	11	11	11	0	0.00
D1 - DU	5	5	5	0	0.00
E1 - E2	0	0	0	0	0
F1 - F2	0	0	0	0	0
Total	**33**	**33**	**31**	**1**	**6.06**

FINANCIAL PERFORMANCE 2011/2012: HOUSING SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	4 864	72 036	40 620	5 689	34 931
Expenditure:					
Employees	8 845	9 347	9 018	8 725	293
Repairs and Maintenance	11	173	12	5	7
Other	23 278	21 754	45 856	21 902	23 954
Total Operational Expenditure	32 134	31 274	54 886	30 632	24 254
Net operational (Service) Expenditure	27 270	40 762	14 266	24 943	10 677

CAPITAL EXPENDITURE: HOUSING SERVICES R 000					
Details	2010/11				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
Copesville	698221	698221	343482	354739	N/A
Edendale Unit S Phases 3 to 8	6228708	10986777	10986777	4758069	43000000
Lot 182 Sinating	2432550	2432550	0	2432550	8070000
Vulindlela Rural Housing Project	273946784	273946784	145189477	84051644	2500000000
Edendale Unit EE Phase 2	0	483799	483799	0	N/A

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The Housing Sector Plan was only completed in October 2011 and approved by Council on 15 December 2011. Performance over the 2011/12 has been poor with respect to actual delivery of houses. But various preliminary planning and packaging was undertaken to align with the Outcome 8 deliverables. If the plan is approved, this will force a budget adjustment to both the capital grant by the PDOHS and the operating budget of the municipality as this will require additional resources to implement the plan.

Partnerships are also being developed with social housing institutions to deliver rental housing.

The National Department has initiated the National Upgrading Support Programme. This programme involves assessing conditions of informal settlements and preparation of project plans.

The municipality was also assessed for accreditation by the National Assessment Panel, who recommended Level 1 approval.

1.7 INDIGENTS – FREE BASIC SERVICES

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

During the 2010/11 financial year, the Provincial Intervention Team reviewed the Indigent Policy to address identified risks. This resulted in a change in the basis of the policy. The policy approved for the 2011/12 financial year provided indigent support on the basis of consumptions and was therefore not application driven. The benefits were granted on the following basis:

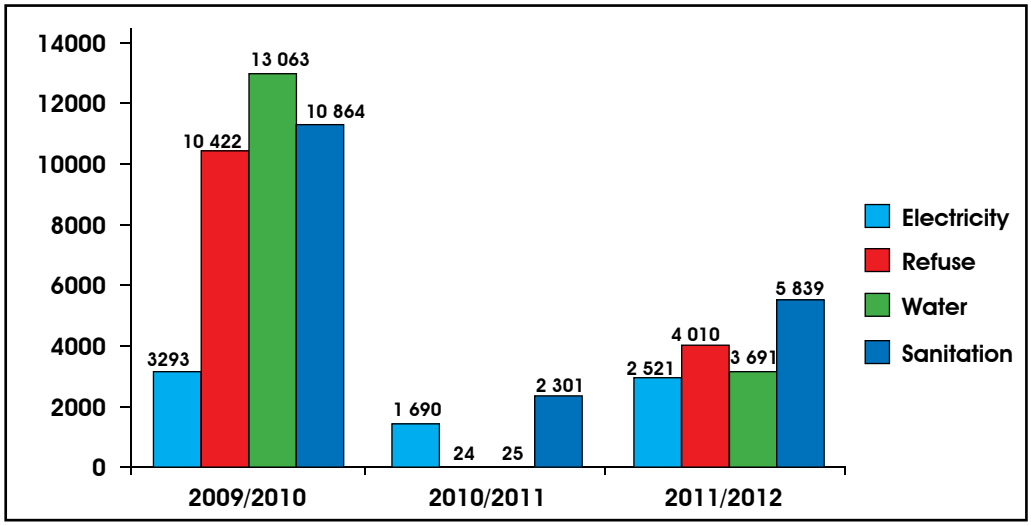
Electricity: The consumer must install a MCB which is equal to or less than 20AMP. If the consumer has an MCB that is greater than 20 AMP, the reduction in AMP was done free in respect of the first change.

The benefit after complying with the AMP criteria translated into the following – if the consumer uses less than or equal to 500 kWh per month, 200kWh will be free. If the consumer uses more than 500kWh per month, 50kWh will be free. If the MCB is 20 AMP or less, there will be no MCB charge (lifeline tariff)

Water: 6kl free if less than 6kl is used (pay for all if usage is in excess)

Refuse: 50% rebate if registered as lifeline electricity

Sanitation: 50% rebate if registered as lifeline electricity, if no electricity, water usage must be less than 6kl to qualify.
Rates:R150, 000.00 value deduction (all domestic properties)



*The graph above and Table below refers – The indigent policy was changed in 2010/2011 to a consumption driven approach by the intervention team. As such, indigent consumers could not be identified. The rebates were therefore not denoted as indigent rebates, hence the reduced numbers.

Although the policy remained consumption driven in the 2011/2012 financial year, for financial reporting purposes, the rebates were identified seperately in order to fully reflect the value of the free basic benefit.

The total in the table below is based on the fact that Council has a consolidated bill and the number of households would therefore overlap from one service to the other.

FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS					
	Number of households				
	Total	Households earning less than R1.100 per month			
		Free basic water	Free basic sanitation	Free Basic Electricity	Free Basic Refuse
2009/2010	16356	13063	10864	3293	10422
2010/2011	3991	25	2301	1690	24
2011/2012	8360	3691	5839	2521	4010

FINANCIAL PERFORMANCE 2011/2012: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED					
Services Delivered	2010/2011	2011/2012			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget %
Water	7 048 561	3 813 547	n/a	3 661 270	-3.99
Waste Water (Sanitation)	9 934 511	5 358 464	n/a	2 879 169	-46.27
Electricity	2 117 331	2 410 440	n/a	3 648 042	51.34
Waste Management (Solid Waste)	3 863 342	21 153	n/a	(14 363)	167.90

FREE BASIC SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
To identify the number of indigent households registered on the municipal database	To ensure that households who are indigents benefit in terms of the approved Indigent Policy by applying the automatic qualification and ensuring that the application process is effective	Policy consumption driven Consumption limits rebated as per policy imperatives	Rebates on accounts within the approved consumption limits	Policy consumption driven Consumption limits rebated as per policy imperatives	Rebates on accounts within the approved consumption limits	Verification of automatic indigents on the billed data base & approval of applications
Review of the Indigent Policy	Reviewing issues relating to enforcing of the current policy annually	Annual Review	Approved during budget process	Annual Review	Approved during budget process	Annual Review 2012/13 policy approved

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The Provincial Intervention Team designed the Indigent Policy to provide a benefit based on consumptions in order to encourage indigents to minimise their cosumptions and consume within their income limits.

The indigent policy stipulates the following qualifying criteria;

Owners and/or occupiers of residential property :

- where the electricity lifeline tariff is requested and a circuit breaker of 20Amp is fitted
- and/or where there is no electricity distribution by Council, where the water consumption is less than 6kl, will qualify as an Indigent.
- Concessions set out below, and as reflected in the Council's Tariffs, shall automatically qualify for such concessions, subject to the conditions set out hereunder:

Property Rates - Indigents will qualify automatically like all domestic consumers for a reduction in the market value of the property as approved from time to time by Council and as reflected in the applicable Tariff Register.
Electricity - Free kWh as determined from time to time by Council and as reflected in the applicable Tariff Register.
Electricity MCB - Free amperage as determined by Council from time to time and as reflected in the applicable Tariff Register.
Water - Consumption of water as determined from time to time by Council and as reflected in the applicable Tariff Register.
Refuse - Free refuse as determined by Council from time to time and as reflected in the applicable Tariff Register.
Sewerage - Free sewerage as determined by Council from time to time and as reflected in the applicable Tariff Register.

In the event that the consumption of water on a property that qualifies for the concessions as referred to above, exceeds the maximum volume determined by the Council as free basic water for whatever reason, the owner or occupier shall be billed for the total consumption of water as determined by the Council at the tariffs ordinarily applicable within the municipality, and the amount billed shall be deemed as payable. This provision is in line with the Water Act.

2. COMPONENT B: ROAD TRANSPORT

This component includes: roads; transportation planning; and storm water drainage.

INTRODUCTION TO ROAD TRANSPORT

The Roads and Transportation Sub-Units perform the following activities for the provision of efficient road network:

a) Transportation network planning
b) Road planning and design
c) Road construction and maintenance
d) Road infrastructure condition monitoring
e) Public transportation planning
f) Road safety and improvements
g) Road marking and signage
h) Municipal Building Maintenance

2.1 ROADS

INTRODUCTION TO ROADS

The backlog of roads that need upgrading, road safety measures (traffic lights, calming measure, signage enhancement, etc), road infrastructure rehabilitation and maintenance continues to be a major challenge for the Municipality in the current financial year going forward. There are still huge backlogs for construction of new roads and upgrading of gravel roads in the Greater Edendale, Vulindlela and Northern Eastern parts of Msunduzi (i.e. Thembalihle, Tamboville, Copesville, etc). These areas continue to grow since there are new low-cost housing programme being provided with sub-standard road services i.e. gravel and hyson cell concrete roads standards.

However,in 2009/10 a major project, the N3 / Chota Motala Road Interchange, commenced. This project will be completed in 2012. Once this project is complete, it will ease the traffic congestion experienced on the South-bound peak-hour traffic from the Northern Areas into the CBD in the morning and vice-versa in the evenings.

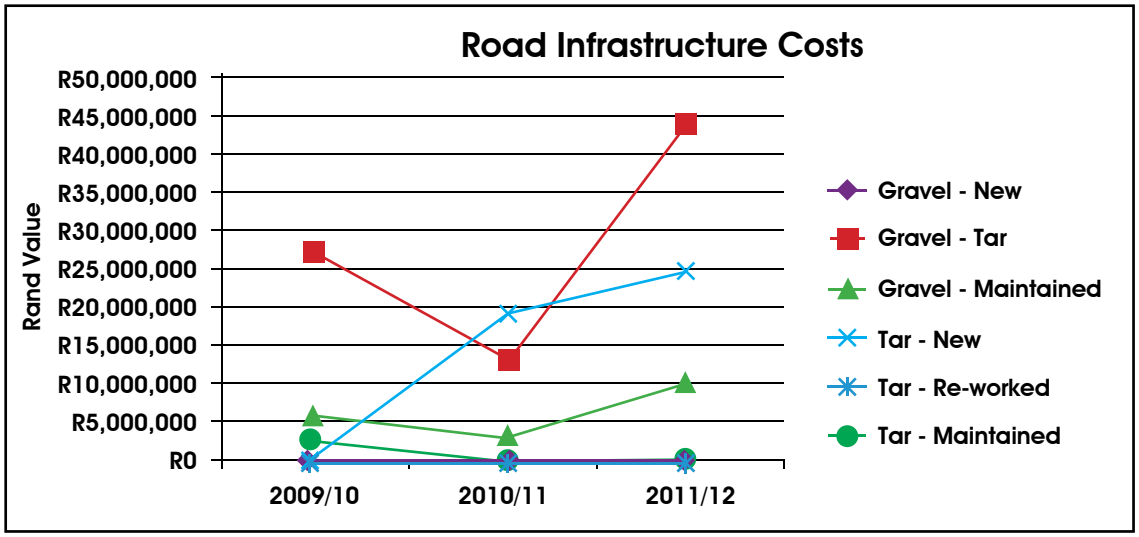
Inadequate funding for bulk services is increasingly becoming a retarding factor for development. This Sub-Unit continues to implement the user-pays principle for new developments to fast-track provision of bulk services for new developments. The Municipality continues to use external source of funds to fund its programmes and projects due to internal budgetary constraints, such as COGTA, DoT, MIG, etc. Priority is currently given to the problematic Electricity and Water infrastructure due to losses and outages experienced by these services.

However, asset renewal (i.e. road rehabilitation, major defects patching, surface overlays, etc) remains unattended due to financial constraints. Development of potholes has in increased in our roads over the few years because of fatigue to road infrastructure.

GRAVEL ROAD INFRASTRUCTURE Kilometres				
	Total gravel Roads	New Gravel Roads constructed	Gravel Roads upgraded to tar	Gravel Roads graded/ maintained
2009/2010	934	0.5	10.3	415
2010/2011	926	0	11.4	308
2011/2012	926	0	21.9	130

TARRED ROAD INFRASTRUCTURE Kilometres					
	Total Tarred Roads	New Tar Roads	Existing Tar Roads re-tarred	Existing Tar Roads re-sheeted	Tar Roads Maintained
2009/2010	1291.5	0	0	6.0	150
2010/2011	1301.8	0	0	0	31
2011/2012	1301.8	0	0	0	33

COST OF CONSTRUCTION / MAINTENANCE R 000						
	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Reworked	Maintained
2009/2010	150 000	27 000 000	5 198 921	0	0	2 411 053
2010/2011	0	8 147 086	3 854 625	19 469 239	0	517 213
2011/2012	0	44 643 323	10 558 726	24 833 209	0	418 500



ROADS POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/11		2011/12		2012/13
		Target	Actual	Target	Actual	Target
To provide access to Water, Sanitation, Electricity, Solid Waste, Roads and other related services to improve accessibility by communities and in contributing towards economic growth	Number of completed roads designs	6	5	3	3	6
	Km of upgraded roads to asphalt surfacing	27	11.4	12.3	14.8	23
	Km of Rehabilitated surfaced roads (layer works and or surface rehab)	10	0	0	0	0
	Kms of maintained gravel roads	425	415	120	130	40

EMPLOYEE: ROAD SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	78	88	75	6.5	14.77
B1-B4	27	29	26	1.5	10.34
C1-CU	16	17	13	2	23.53
D1 D U	11	11	10	0.5	9.09
E1 E2	Nil	Nil	Nil	0	Nil
F1 F2	Nil	Nil	Nil	0	Nil
Total	**132**	**145**	**124**	**10.5**	**14.48**

FINANCIAL PERFORMANCE 2011/2012: ROADS SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	15 262 755	-	-	-	-
Expenditure:					
Employees	27 086 329	21 607	20 694	21 345	-0.01
Repairs and Maintenance	538 526	3 290	495	475	-5.93
Other	123 927 350	39 175	33 586	33 619	-0.17
Total Operational Expenditure	151 552 205	64 072	54 775	55 439	-0.16
Net operational (Service) Expenditure	-	64 072	54 775	55 439	-0.16

CAPITAL EXPENDITURE: ROADS SERVICES R 000					
	2011/2012				
Details	Budget	Adjustment Budget	Actual Expenditure	Variances from original budget	Total Project Value
ROADS, STORMWATER & TRANSPORTATION					
CONSTRUCTION - KHOZA ROAD	0	1 683	1 683	1.00-	1,700
CONSTRUCTION - HLATHINI ROAD	3 500	5 238	5 238	0.33	5,300
MACHIBISA,DAMBUZA ROADS	8 000	20 953	20 953	0.62	30,000
UNIT P	300	1 696	1 696	0.82	30,000,
REHAB OF GRAVEL ROAD D1128	5 000	8 598	8 598	0.42	31,000
REHAB OF WILLOWFOUNTAIN RD	0	1 355	1 334	1.00	8,500
REHAB OF ASHDOWN RD NETWORK	1 500	1 470	1 470	-0.02	10,000
HORSE SHOE ACCESS ROAD IN IMBALI	1 000	942	942	-0.06	5 000
CONSTRUCTION OF WATERFALL - EDN	3 000	2 013	2 013	-0.49	2,100
MOSCOW ROAD	400	241	241	-0.65	6 000
CONSTRUCTION OF STATION RD BRIDGE	200	471	471	0.57	14,000

CAPITAL EXPENDITURE: ROADS SERVICES R 000					
	2011/2012				
Details	Budget	Adjustment Budget	Actual Expenditure	Variances from original budget	Total Project Value
CHOTA MOTALA / N3 INTERCHANGE	20,000	20,000	20 000	0	300,000
UPGRADING OF NEW ENGLAND RD PHASE 2	9 400	9 400	4 833	-0.9	14,000
UPGRADING OF NEW ENGLAND RD PHASE 2	0	339	336	1.00	14,000

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

Meaningful upgrade of gravel roads have been achieved in the past three financial years. This scale of upgrade diminished tremendously in the last two financial years because many projects that were funded by Council could not proceed because of the Municipal financial status over the same period. The Municipality has been totally dependent on foreign grants to funds its road upgrading programmes. However, the abovementioned achievements are insignificant to the existing Municipal backlogs of gravel roads.

The rehabilitation pavements (i.e. renewal of road assets) have been stagnant over the past few years. A minimum of R15 million is required to catch up on assets renewals. Many major roads are in dire need of base repairs, major patching and overlays; as a result potholes are the order of the day.

Gravel road maintenance has also slowed down because the Municipality does not own any plant or equipment to undertake this exercise. The Roads Section is now reliant on hiring plant (which is a very expensive exercise) or use of private contractors to undertake this exercise.

2.2 TRANSPORTATION PLANNING

INTRODUCTION TO TRANSPORTATION PLANNING

Transportation Planning Section does not operate public transport or issue any licences for vehicles. The Transportation Planning Key Performance Areas are as follows:

1. Road Planning
2. Road Safety
3. Public Transport

Road Planning concentrates on planning for new roads and widening or improvements on existing road networks. The following road planning projects have been on the cards on the Transportation Plan:

- N3 / Chota Motala Interchange – its construction commenced in the 2009/2010 financial year and is expected to be complete in the year 2012.
- Widening of New England Road – funding obtained from COGTA and construction commenced in the 2011/2012 financial year and is expected to be complete in the year 2012.
- Burger Street Extension – design complete. Need funding for implementation.
- Bellevue Distributor – proposed road alignment has been confirmed, it is still in the approval process by the Municipality. Detail Design to be included in the 2013/14 Draft Capital Budget, subject to the affordability of the Municipality to fund its Capital Investment Projects.
- Integrated Rapid Public transport Network (IRPTN) – this project is funded by National Department of Transport, it is still at the planning stage and detail design is expected to commence in July 2013.

Road safety deals with road safety, i.e. traffic calming measures, traffic lights, etc. Although plans are in place, but could not be implemented due to the Municipal financial constraints. Road marking and traffic signs replacement is undertaken by this wing of Transportation Planning.

Public Transport provides the enabling environment for public transport to operate by developing public transport facilities such as taxi ranks, taxi holding areas, lay-byes, bus shelters, etc. These are implemented as Capital projects. It deals with daily management for public transport facilities and operating licensing. A motivation for funding of Integrated Rapid Public Transport Network (IRPTN) projects under Public Transport Infrastructure System was granted by NDoT and National Treasury over the next three financial years. This project will provide the Municipality with information of how the future public transport system will run.

TRANSPORT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/11		2011/12		2012/13
		Target	Actual	Target	Actual	Target
To provide access to Water, Sanitation, Electricity, Solid Waste, Roads and other related services to improve accessibility by communities and in contributing towards economic growth	No. of implemented traffic calming as per plan	25	0	50	0	0
	No. of implemented traffic lights	6	0	9	2	0
	Km of road marking	250 km	275 km	600 km	349 km	400 km
	No. of road traffic signs replaced	50 signs	371 signs	600 signs	587 signs	600 signs

EMPLOYEE: TRANSPORT SERVICES					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1 A4	13	13	13	0	0.00
B1 B4	15	17	14	1.5	17.65
C1 - CU	5	8	6	1	25.00
D1 - DU	2	3	2	0.5	33.33
E1 E2	0	0	0	0	0.00
F1 F2	0	0	0	0	0.00
Total	**35**	**41**	**35**	**3**	**14.63**

FINANCIAL PERFORMANCE 2011/2012: TRANSPORT SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	-	-	-	-	-
Expenditure:					
Employees	6,956	7 197	6 597	6 600	-0.09

FINANCIAL PERFORMANCE 2011/2012: TRANSPORT SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Repairs and Maintenance	834	1 602	800	776	-1.06
Other	974	1 926	1 992	1 739	-0.11
Total Operational Expenditure	7,790	10 725	9 389	9 115	-0.18
Net operational (Service) Expenditure	-	10 725	9 389	9 115	-0.18

CAPITAL EXPENDITURE: TRANSPORTATION PLANNING R 000					
Details	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
Bus Shelter Facilities	0	225	225	1.00	230
Brookside Holding Area	0	2 068	7	1.00	5 000
IRPTN	65 000	65 000	15 898	-3.08	31 000 000

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

Transportation Planning could not achieve what was set out for implementation in terms of Road Planning and Road Safety in the last two financial years (i.e. 2010/11 and 2011/12). Traffic Calming measures and traffic lights could not be implemented in the last two financial years although they were in the approved budget due to the Municipal financial constraints.

From a public transport point of view, the appointment of a consultant to undertake planning for Integrated Rapid Public Transport Networks (IRPTN) projects was delayed because of an objection from one unsuccessful service provider. This was dealt with through Supply Chain Management procedures and was eventually resolved. The consultant has commenced with the planning stage and the detail design is expected to commence in July 2013. This project is funded by the National Department of Transport under its Public Transport Infrastructure Systems (PTIS) Grant, as Msunduzi is one of the 12 cities declared Public Transport Authority.

2.3 WASTE WATER (STORMWATER DRAINAGE)

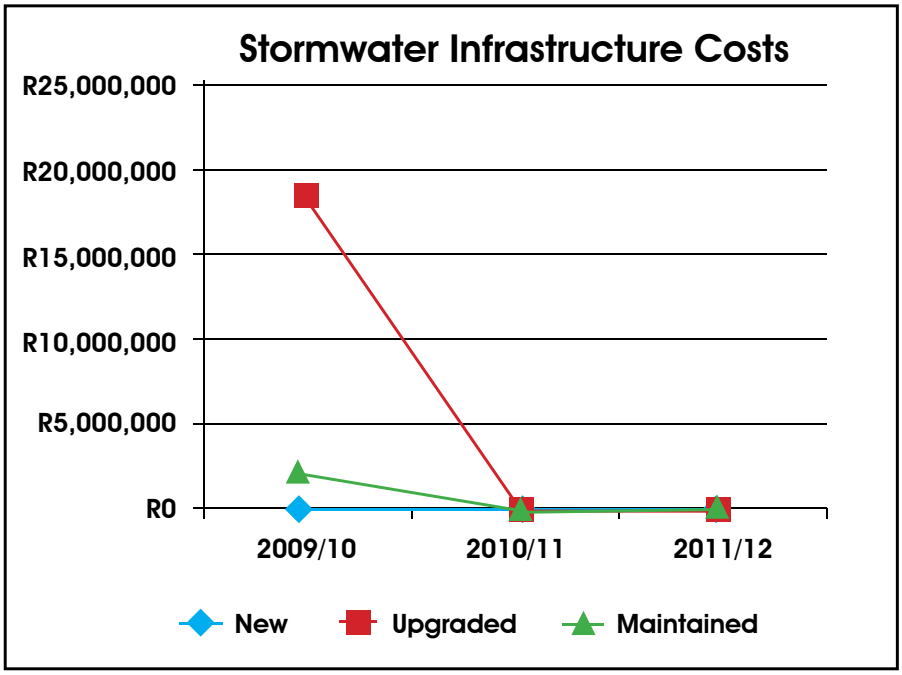
INTRODUCTION TO STORMWATER DRAINAGE

This Section deals with management of storm-water network system in terms of upgrade and maintenance to discharge the storm-water in a safe manner and to also prevent flooding of properties.

Currently, this Section is focusing on maintenance to prevent flooding of properties. Capital development or extension of storm-water infrastructure is currently on hold due to financial constraints. Only new systems or additions are provided by the private developers in terms of engineering requirements.

STORMWATER INFRASTRUCTURE Kilometre				
	Total Stormwater measures	New Stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2009/2010	0	0	172	225
2010/2011	0	0	0	47
2011/2012	0	0	0	48

COST OF CONSTRUCTION / MAINTENANCE R 000			
	Stormwater Measures		
	New	Upgraded	Maintained
2009/2010	0	19 053 947	1 311 666
2010/2011	0	0	317 076
2011/2012	0	0	257 219



STORMWATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
To provide access to Water, Sanitation, Electricity, Solid Waste, Roads and other related services to improve accessibility by communities and in contributing towards economic growth	Km of upgraded stormwater	0.7	0.7	0	0	0

EMPLOYEE: STORMWATER SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	70	78	65	6.5	16.67
B1-B4	17	16	15	0.5	6.25
C1-CU	2	3	2	0.5	33.33
D1 D U	Nil	Nil	Nil	0	Nil
E1 E2	Nil	Nil	Nil	0	Nil
F1 F2	Nil	Nil	Nil	0	Nil
Total	**89**	**97**	**82**	**7.5**	**15.46**

FINANCIAL PERFORMANCE 2011/2012: STORMWATER SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	25 371 087	-	-	-	-
Expenditure:					
Employees	23 033 291	17 112	15 220	15245	-0.12
Repairs and Maintenance	1 157 865	272	30	29	-8.38
Other	66 477 772	5 020	2 746	2 668	-0.88
Total Operational Expenditure	90 668 927	22 404	17 996	17 942	-0.25
Net operational (Service) Expenditure	-65 297 840	22 404	17 996	17 942	-0.25

CAPITAL EXPENDITURE: STORMWATER SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
No Stormwater projects were under-taken in 2011/12	Nil	Nil	Nil	-	Nil

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

Storm-water function is undermined in terms of funding provision. This is an important service as it prevents flooding of roads, properties and loss of life.

3. COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning and local economic development.

3.1 PLANNING

INTRODUCTION TO PLANNING AND DEVELOPMENT

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

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

INTRODUCTION TO PLANNING

i) A strategy of town planning for 2011/2012 was to be more pro-active in development by workinghand-to-hand with developers who want to invest in the city.

ii) A Planning and Development Forum was also formed in house to fast-track applications that have been submitted by means of the Planning and Development Act.

iii) A resolution was taken during this financial year to prepare a detailed planning for the South Eastern District Area, which include Ambleton, Ashburton and Lynnfield Park and also to prepare a Local Area Plan for the City centre as well as the extension of the town planning scheme over Sobantu and the Greater Edendale Area. This will help to curb the increase of unauthorised land uses and enforce unauthorised land uses.

APPLICATIONS FOR LAND USE DEVELOPMENT						
Details	Formalisation of Townships		Rezoning		Built environment	
	2010/2011	2011/2012	2010/2011	2011/2012	2010/2011	2011/2012
Planning application received	53	22	21	25	n/a	n/a
Determination made in year of receipt	30	10	5	9	n/a	n/a
Determination made in following year	6	5	8	15	n/a	n/a
Applications withdrawn	10	3	0	0	n/a	n/a
Applications outstanding at year end	7	4	8	1	n/a	n/a

PLANNING POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
To ensure the effective management of land uses within the Msunduzi Municipality by the preparation of the Local Area Plans as part of the reviewing of the SDF and the extension of the Town of the Town Planning Scheme as part of LUMS.	An adopted Local Area Plans for the City Centre and the South Eastern District by June 2014	Approval from Exco	0	Approval by the Executive Committee	Approved by Exco on 26 April 2012	75 % complete
	Extension of the town planning scheme over Sobantu and Edendale by June 2014	Approval from Exco	0	Approval by Exco	Approved by Exco	75 % complete

EMPLOYEE: PLANNING SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	None	None	None	None	None
B1-B4	3	3	3	Two employees are on contract and one is permanent	N/A
C1-CU	3	3	3	All permanet	N/A
D1 D U	8	13	13	Nine employees are permanent and one is on contract.	N/A
E1 E2	None	None	None	None	N/A
F1 F2	None	None	None	None	N/A
Total	**14**	**19**	**19**	**N/A**	**N/A**

FINANCIAL PERFORMANCE 2011/2012: PLANNING SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	25,732	10,061	-	78,632	-
Expenditure:					
Employees	6,641,542	6,029,282	-	6,043,069	-
Repairs and Maintenance	000	000	-	000	-
Other	000	000	-	000	-
Total Operational Expenditure	18,288	284,721	-	280,405	-
Net operational (Service) Expenditure	6,659,830	6,314,003	-	6,402,106	-

CAPITAL EXPENDITURE: PLANNING SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
No Capital projects in 2011/2012					

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The EXCO approved the prioritised Planning and Associated working program on the 26th April 2012, which involves the preparation of Local Area Plans for the South East District Area, the Central Area and CBD extension Local Area Plan together with the Extension of the Town Planning Scheme over Sobantu and Greater Edendale areas.

The terms of Reference for these three projects were approved by the Bid Specification Committee and the calling of the proposals for the three prioritized projects was published to the Natal Witness newspaper on the 25th June 2012 and the tender officially closed on the 25th July 2012.

The Department is currently assessing the received tender and the item will be forwarded to the Bid Evaluation Committee before the end of August 2012. These projects are anticipated to be undertaken over a period of 18 month and the actual appointment of prospective the service provider is expected to be finalised at the earliest by the end of September 2012

3.2 ECONOMIC DEVELOPMENT

INTRODUCTION TO ECONOMIC DEVELOPMENT

Even though the municipality recorded nil growth in 2011/12 however the municipality attracted a **multimillion rand investment** in a township retail outlet, which created ± **1200 permanent employment unit**. The municipality facilitated the establishment of a multimillion fruit and vegetable market 100% owned by a **cooperative** in the Pietermaritzburg central business district.

ECONOMIC ACTIVITY BY SECTOR R 000			
Sector	2009/2010	2010/2011	2011/2012
Agric, forestry and fishing	731,831	738,456	738,456
Mining and quarrying	46,960	47,773	47,773
Manufacturing	266,932,001	280,189,983	280,789, 983
Wholesale and retail trade	1,934,117	1,975,113	1,984,988
Finance, property, etc	4,343,469	4,405,693	4,453,344
Govt, community and social services	4,864,775	4,990,354	5,035,267
Infrastructure services	2.447,080	2,504,991	2,504,991
TOTAL:	**281,300,233**	**294,852,283**	**295,554,802**

ECONOMIC EMPLOYMENT BY SECTOR Jobs			
Sector	2009/2010 No.	2010/2011 No.	2011/2012 No.
Agric, forestry and fishing	1974	1,961	2388
Mining and quarrying	163	156	204
Manufacturing	13,319	13,403	14,966
Wholesale and retail trade	10,612	10,768	12,924
Finance, property, etc	16,612	16,827	16,305
Govt, community and social services	43,943	46,407	38,724
Infrastructure services	4,577	4,644	3,738
TOTAL:	**92,597**	**94,166**	**89,249**

COMMENT ON LOCAL JOB OPPORTUNITIES

The economic downturn has seriously affected the creation of new jobs in the city. Marginal gains have been made in the manufacturing and finance/property sectors, with the most significant increase in jobs coming from the Government/community services sector. Local businesses are not expanding – in fact many have re-trenched staff to cut costs. The high municipal tariffs have impacted negatively on the business sector.

We need to give real support to SMMEs, especially the existing businesses, because they will create collectively the most jobs in the economy. With the increasing number of street traders, it is critical that we manage this sector efficiently through our monitoring and support programmes. We must invest in proper street trading furniture, and establish strategically located off-street markets. In the medium to long term it is critical that we complete our local area plans so that we can budget adequately for bulk services and transportation networks to support the various economic opportunity nodes.

We have a great opportunity to attract high tech manufacturing and assembly businesses related particularly to the motor and aviation sectors. Investigations are currently underway in the airport precinct to determine the development potential of the vacant land in and around the airport, and we continue with the upgrade of the airport which started last year.

The municipality will also be putting two strategically located sites along the N3 on the market for development, and coupled with the various developments proposed in the Ashburton area, we expect a significant number of jobs to be created.

JOB CREATION THROUGH EPWP* PROJECTS		
Details	EPWP Projects No.	Jobs created through EPWP Projects No.
2009/2010	0	0.00
2010/2011	102	1000
2011/2012	102	1000

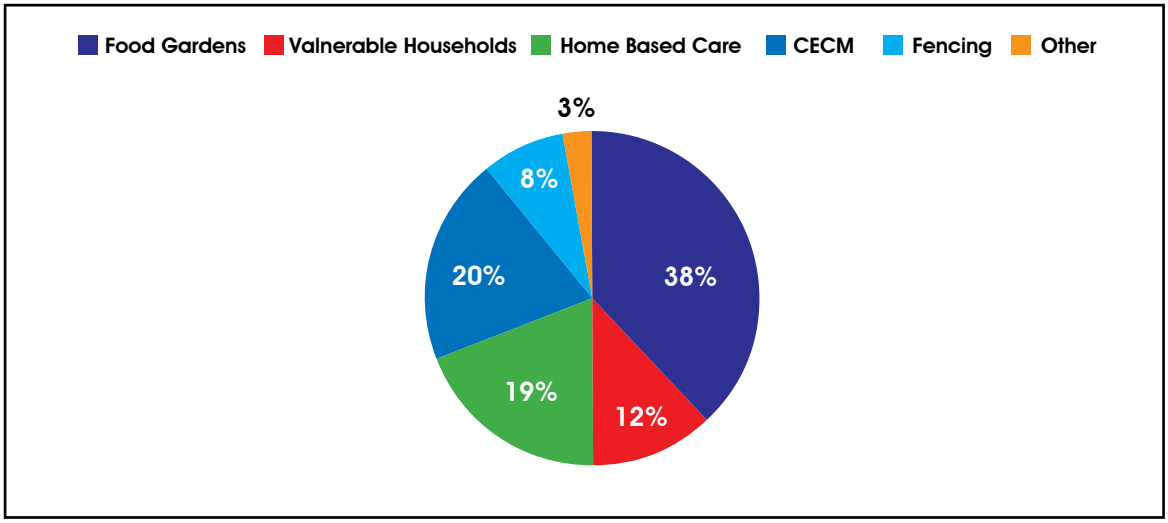
Extended Public Works Programme

COMMUNITY WORKS PROGRAMME - 2011/12

SECTOR	No of participants	Food Gardens	Vulnerable Households	Home Based Care	Cleaning/ Environment/Road Construction and Maintenance	Fencing	Other
TOTAL	**1000**	**39**	**12**	**19**	**21**	**8**	**3**

COMMUNITY WORK PROGRAMME2011/12

CWP: SECTOR ANALYSIS



ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2009/10		2010/11		2011/12
		Target	Actual	Target	Actual	Target
1.To stimulate economic growth through: job creation, promotion of BBBEE, development of SMMEs, co-operatives and agricultural development	Acquisition and installation of street trading furniture.	n/a	n/a	50	nil	100
	Acquisition and installation of signage for street trading.	n/a	n/a	500	nil	100
	Establishment of open market for street traders	n/a	n/a	5	nil	1 market constructed
	Renovation of trader stalls	n/a	n/a	97	nil	97
2. To promote and stimulate business investment, retention and expansion.	Building of live stock market	Feasibility study	Not achieved	1	Nil Funding sourced	Completion of market
	Marketing of commercial and industrial land for development	Land parcels for sale	Not achieved	6	5	Sale of 2 commercial properties and 16 industrial
	Identification of new industrial park, and determination of costs	Layout plan	Not achieved	Identification of site	Site identified	New site on Reggie Hadebe Road
	Facilitate informal traders awareness campaigns	n/a	n/a	5	12	8 workshops
	Facilitation of development projects	n/a	n/a	12 meetings	28 meetings held	12 meetings

EMPLOYEE: ECONOMIC DEVELOPMENT SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	1	1	1	0	0
B1-B4	2	2	2	0	0
C1-CU	6	6	6	0	0
D1 D U	2	2	2	0	0
E1 E2	3	3	3	0	0
F1 F2	0	0	0	0	0
Total	**14**	**14**	**14**	**0**	**0**

FINANCIAL PERFORMANCE 2011/2012: ECONOMIC DEVELOPMENT SERVICES R 000					
Details	2009/10	2010/11			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	511	50 996	50 426	11 702	38 724
Expenditure:					
Employees	4 477	4 896	4 882	4 703	179
Repairs and Maintenance	0	0	0	0	0
Other	4 881	61 194	53 084	3 413	49 671
Total Operational Expenditure	9 358	66 090	57 966	8 116	49 850
Net operational (Service) Expenditure	8 383	15 124	7 540	(3 586)	11 126

CAPITAL EXPENDITURE: ECONOMIC DEVELOPMENT SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
THWALA ROAD	R6,6 M	0.00	0.00	0.00	R6.6 M
FREEDOM SQUARE	R 18.4 M	0.00	14.3 M	3.2 M	R 21,5 M

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The Tourism Hub Project is part of the Freedom Square redevelopment project, a flag-ship project of the municipality. This is the fourth project on the square, and is being funded by COGTA through the N3 Corridor funding programme to a value of R21, 8 million. The municipality is funding the balance. Funding has also been confirmed for two regeneration projects in Edendale via the NDPG for this year. The NDPG has approved R35 million for capital projects in Edendale. R6.5 Million was approved in the financial year 2011/12 for the development of Thwala Road in Imbali Township and the contractor will be appointed in August 2012.

We are expecting that our cash flow problems of the past year will be resolved so that other capital projects will go ahead. Budgetary provision made is adequate, and we will look to securing grant funding should it be necessary.

4. COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: Libraries; Art Gallery; Theatres & Halls; and Cemeteries & Crematoria.

4.1 LIBRARIES

INTRODUCTION TO LIBRARIES

The Bessie Head main library remains a flagship facility, having been upgradedwith Carnegie Corporation of New York funding. This Library provides services to the entire country as well as playing host to numerous overseas researchers and visitors.In addition thereare 8 branch libraries and two mobile libraries providing services to the entire municipality. The Bessie Head library is one of 5Legal Depositlibraries in the country and is also a major facility within the Province. Our top 4 service delivery priorities are acquisition of book stockto improve services to the public; the provision of periodicals and newspapers to thecommunity; to maintain and upgrade our buildings and facilities and our computer facilities.

We were successful in procuringbooks, periodicals and newspapers this year thanks to funding from the KwaZulu-Natal Province and the Carnegie Foundation of New York. Regretfully Carnegie funding will cease from the end of October 2012. We have also made progress in providing computer facilities and upgrading existing facilities. This was unfortunately restricted due to the financial situation of the municipality and the need to rely on to funding from the KwaZulu-Natal Province.

There was not much building maintenance in this period as this is not funded by the KwaZulu-Natal Province or the Carnegie Foundation and the Municipality couldn't give much support.

STATISTICS FOR LIBRARIES					
JULY 2011 - June 2012					
1. ISSUE STATISTICS					
1.1 CENTRAL (BESSIE HEAD) LIBRARY					
	Adult Lending	Children s Lending	Music & AV Library	Housebound	Travelling Library
Jul - Jun	172 016	134 862	25 473	40 197	56 462

1.2 BRANCH LIBRARIES								
	Northdale	Eastwood	Woodlands	Sobantu	Georgetown	Ashdown	Ashburton	Alexandra
Jul - Jun	110 923	30 605	29 850	4 944	14 321	8 545	69 272	15 745

2. USER STATISTICS						
	Children s Reference, Branches Adult & Children's Reference	Internet Caf□s Bessie Head & Eastwood	Inter Library Loans		Adult Reference Legal Deposit	Periodicals Dept
	Number of users		Items Borrowed	Items Lent	Items Used	
Jul - Jun	194 811	73 822	108	432	*58 761	21 237
* The Adult Reference Library was closed for 4 months Dec 2011 - Apr 2012 due to flooding						

3. CATALOGING STATISTICS								
	Items/Issues Received			Cataloguing-Library		Cataloguing-Legal Deposit, Periodicals & Reference		Book Cards/ Spine Labels Printed
	Legal Deposit	Library	Periodicals	Added to system	Object records created	Added to system	Upgraded	
Jul - Jun	5 213	9 854	29 251	10 019	9 080	1 885	27 963	22 548

LIBRARIES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Acquisition of book stock	Spend conditional grant as per MOA with KwaZulu-Natal Provincial Library Services	1104653	974950	624000	457070	650000
Provision of periodicals and newspapers to the community	Spend Council funding on providing periodicals and newspapers for the community	7200	3482	7560	6598	0
Maintain & up-grade 9 libraries	Spend Council funding on fixing toilets; fixing air-conditioning; mainte-nance of electrical installations	265444	105272	74400	66007	74400
Maintain & up-grade computer facilities	Spend conditional grant as per MOA with KwaZulu-Natal Provincial Library Services	157349	157349	376000	232272	345000

EMPLOYEE: LIBRARIES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	0	1	0	1	100
B1-B5	62	86	59	27	31
C1-CU	16	25	14	11	44
D1D U	5	6	3	3	50
E1E 2	0	0	0	0	0
F1F 2	0	0	0	0	0
Total	**83**	**118**	**76**	**42**	**36%**

FINANCIAL PERFORMANCE 2011/2012: LIBRARIES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	179311	-181,623	-101,622	-117,281	0.13
Expenditure:					
Employees	18403372	20,876,663	18,570,363	18,702,548	0.00
Repairs and Maintenance	637143	686,073	487,356	461,123	-0.05
Other	3789601	780,780	641,844	630,175	-0.01
Total Operational Expenditure	22830116	22,343,516	19,699,563	19,793,846	0.00
Net operational (Service) Expenditure	22650805	22,161,893	19,597,941	19,676,565	0.00

CAPITAL EXPENDITURE: LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
SHELVING CARNEGE FUND (R/O)	0	171,459	171,459	0.00	
CCTV CAMERAS - CARNEGIE FUNDS - LIBRARY	0	150,000	12,905	-10.62	
COMPUTERS	0	472,220	75,365	-5.26	
FURNITURE CARNEGIE FUNDS	0	812,095	151,827	-4.34	
SHELVING CARNEGE FUND (R/O)	0	171,459	171,459	0.00	

COMMENT ON THE PERFORMANCE OF LIBRARIES

Due to the financial situation of the municipality there were no capital projects for the libraries from Council Capital Funds, all capital projects were completed using capital funding received via the Carnege Foundation.

4.2 ART GALLERY

INTRODUCTION TO ART GALLERY

The Tatham Art Gallery is an art museum which serves the Msunduzi region through the visual arts.

Acquisitions to permanent collection: 92 items accessioned into permanent collection.
Exhibitions: 17 exhibitions displayed against a target of 8.
Education and outreach: Ongoing programme of school visits, walkabouts, art classes for youth, artists-in-residence, artists' forums, concerts, support group (Friends of the Gallery), fundraising initiatives.

SERVICE STATISTICS FOR ART GALLERY
July 2011 to June 2012: 27573

ART GALLERY POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Temporary exhibitions	Provide temporary exhibitions from internal and external sources	8	11	8	17	8

EMPLOYEE: ART GALLERY					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	3	3	2	1	33.3
B1-B4					
C1-CU	4	4	4	0	0
D1D U	2	2	2	0	0
E1E 2					
F1F 2					
Total	**9**	**9**	**8**	**1**	**11.1**

FINANCIAL PERFORMANCE 2011/2012: ART GALLERY R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)					
Expenditure:					
Employees	2198173	2,365,527	2,329,608	2,355,432	0.01
Repairs and Maintenance	165236	211,200	156,946	149,946	-0.04
Other	1015825	33,928	38,411	1,820,860	0.97
Total Operational Expenditure	3379234	2,610,655	2,524,965	4,326,238	0.41
Net operational (Service) Expenditure	1181061	2,610,655	2,524,965	4,326,238	0.41

CAPITAL EXPENDITURE: ART GALLERY R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
ARTWORK - DEPT OF ARTS & CULTURE	0	3,000	53,000	0.94	

COMMENT ON THE PERFORMANCE OF ART GALLERIES

- No capital projects.
- Variance in repairs and maintenance was due to excessive delays in processing requests.
- Five year targets can be met if efficiency of procurement system is improved.

4.3 THEATRES & HALLS

INTRODUCTION TO COMMUNITY FACILITIES (THEATRES & HALLS)

This section deals with the management, maintenance and development of 45 community halls,14 local halls and 1 theatre. The objective of this section is to improve and promote community participation and customer satisfaction in relations with BathoPele principles with regards to the hiring out and use of halls.

SERVICE STATISTICS FOR COMMUNITY FACILITIES	
FACILITY NAME	NUMBER
COMMUNITY HALLS	45
LOCAL HALLS	14
THEATRES	1

COMMUNITY FACILITIES (THEATRES & HALLS) POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Rehabilitation of Hall Facilities Vulindlela	Develop Master Plan	Develop master plan	nil	Develop master plan	Work in progress	Completed master plan
Winston Churchill Theatre upgraded	!00% Revamped facility meeting the required standards of the Arts Centre	Nil	Nil	Completed re-vamp of Winston Churchill Theatre	Work in progress	Completed Operational Plan

EMPLOYEE: COMMUNITY FACILITIES (THEATRES & HALLS)					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	19	41	17	24	59 %
B1-B4	10	17	10	7	41 %
C1-CU	3	4	3	1	25 %
D1D U	1	0	1	0	0 %
E1E 2	0	0	0	0	0
F1F 2	0	0	0	0	0
Total	33	62	31	32	50 %

FINANCIAL PERFORMANCE 2011/2012: COMMUNITY FACILITIES (THEATRES & HALLS) R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)		-1,195,066	-998,813	-1,071,792	0.06
Expenditure:					
Employees	5300758	5,006,540	5,226,748	5,108,840	-0.02
Repairs and Maintenance	130299	4,043,904	143,957	125,689	-0.14
Other	16486859	724,815	610,128	530,231	-0.15
Total Operational Expenditure	21917916	9,775,259	5,980,833	5,234,529	-0.14
Net operational (Service) Expenditure		8,580,193	4,982,020	4,163,737	-0.19

CAPITAL EXPENDITURE: COMMUNITY FACILITIES (THEATRES & HALLS) R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
MIG REHAB OF HALLS VULINDLELA	0	147,000	147,000	0.00	
MIG SINATHINGI COMMUNITY HALL	0	0	0	0.00	
MIG KWANOSHEZI COMMUNITY HALL	0	1,342,350	1,233,576	-0.08	
MIG REHABILITATION OF HALLS - VULINDLELA	300,000	0	0	0.00	
WINSTON CHURCHILL THEATRE	10,000,000	10,000,000	0	0.00	
MIG SINATHINGI COMMUNITY HALL	0	0	0	0.00	
MIG KWANOSHEZI COMMUNITY HALL	0	0	0	0.00	
PLANT & EQUIPMENT	0	40,000	34,484	-0.15	
FURNITURE	0	130,000	4,050	-31.09	

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

The income received for the hiring of hall facilities must be in line with the expenditure. Council must recuperate all operating cost related to the service that it's been charged for. The halls must be managed and operated with sound business principles.

4.4 CEMETERIES & CREMATORIA

INTRODUCTION TO CEMETERIES & CREMATORIUMS

The unit endeavours to provide a service for the burial and/or cremation of every resident and ratepayer living within the Msunduzi Municipal area by continuing to seek best practices in the industry. To also provide a pauper burial service for indigent residents of the City.

The identification of a new Cemetery is vital because of the lack of burial space in the existing cemeteries and to have two functional cremators at all times in order to provide an effective service delivery.

- 2 functional cremators in operation- the Dawson and Masson cremator and Macro Burner cremator has been repaired and is fully functional
- Development of Hollingwood Cemetery – SRK has been reinstated as the consultant to oversee the project.

SERVICE STATISTICS FOR CEMETERIES & CREMATORIUMS
3 Cemeteries: - Azalea Cemetery, Snathing Cemetery and Mountain Rise Cemetery
3 Cremators at Mountain Rise Cemetery (two are currently operational)

CEMETERIES & CREMATORIUMS FACILITIES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Two fully functional cre-mators at all time	Repair both the Daw-son and Masson and Macro Burner	Two Cre-mators func-tional	Both cre-mators not func-tional	Two Cre-mators func-tional	Both cre-mators re-paired and functional	Acquire two new crema-tors
Develop of Hollingwood to accommodate burials for the next 20 years	Fully completed and operational cemetery	Com-pleted cemetery	Nil	Com-pleted cemetery	In progress	Operational Hollingwood Cemetery

EMPLOYEE: CEMETERIES & CREMATORIUMS					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	13	22	10	12	55 %
B1-B4	8	11	4	7	64 %
C1-CU	1	0	1	0	0 %
D1D U	1	0	1	0	0 %
E1E 2	0	0	0	0	0
F1F 2	0	0	0	0	0
Total	**23**	**33**	**16**	**19**	**58 %**

FINANCIAL PERFORMANCE 2011/2012: CEMETERIES & CREMATORIUMS R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	-758195.26	-945,296	-907,613	1,263,301	0.28
Expenditure:					
Employees	3364386.88	3,480,009	3,048,683	3,242,330	0.05
Repairs and Maintenance	268708.54	562,690	719,598	669,667	-0.07
Other	2083824.18	1,426,955	806,565	525,077	-0.53
Total Operational Expenditure	5716919.60	5,469,654	4,574,846	4,437,074	-0.03
Net operational (Service) Expenditure		4,524,358	3,667,233	3,173,773	-0.15

CAPITAL EXPENDITURE: CEMETERIES & CREMATORIUMS R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
MIG HOLLINGWOOD CEMETERY	16,000,000	2,591,001	2,591,000	0.00	MIG HOLLING-WOOD CEMETERY

COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIUMS OVERALL:

The identification of a new Cemetery is vital because of lack of burial space in the existing cemeteries in the

5. COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: environmental health; and, biodiversity and landscape.

5.1 ENVIRONMENTAL HEALTH

INTRODUCTION TO ENVIRONMENTAL HEALTH

Environmental Health Services continued to be provided without funding from National Treasury. With a limited budget and diminishing resources the nine functional areas relating to environmental health services as defined in the National Health Act, No. 61 of 2003 were carried out to ensure effective and efficient service delivery within the areas of Msunduzi. The service delivery priorities focussed on water quality monitoring, food quality and safety, health surveillance of premises and vector control. Water sampling of reservoirs and domestic water sources 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.

SERVICE STATISTICS FOR ENVIRONMENTAL HEALTH	
Complaints investigated:	550
Licence application processed:	120
Condemnation of foodstuffs: 48 (10961kg)	48 (10961kg)
Registration of dairies in terms of the Dairy Bylaws:	11
Water sampling of reservoirs and consumer points:	1661
Percentage compliance with SANS 241:	99, 05%
Food sampling:	341
Percentagecompliance with microbial standards:	78, 70%
Swabbing:	264
Percentage compliance with microbiological standards:	62, 60%
Inspection and Registration of Funeral Undertakers in terms of the Funeral Undertakers Regulations:	57
Food premises inspection and registration in terms of R918 of the Food Regulations:	
Formal:	1638
Informal:	227
Communicable Disease notifications investigated:	101
Vector Control investigations, treatment and baiting:	1004
Premises inspected for compliance with Tobacco Legislation:	1868
Places of care inspected:	423
Health Care Waste generators inspected:	384
Commercial, industrial and residential premises inspected:	2998
Schedule processes/listed activities:	120
Registration of fuel burning appliances:	22
Control burning applications processed:	29
Pollution incidences investigated (air, water and land):	18

Air Quality Data

Northdale Hospital station

PARAM-ETERS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
OXIDES OF NITROGEN	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified
OZONE	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified
SULPHUR DIOXIDE	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified
PARTICULATE MATTER	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified
HUMIDITY	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified
RAINFALL	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified
TEMPERA-TURE	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified
WIND	67.5% verified	59.9% verified	Not verified	80% verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified	Not verified

- Note: 80% is the minimum target for verified data. Data management, maintenance, service and calibration costs covered by Department of Agriculture, Environmental Affairs and Rural Development (DAEARD)
- During the month of July the sulphur dioxide analyser and wind and temperature sensors were faulty.
- During August, the data captured was less than 80% due to problems with the data logger and temperature sensor. The station was decommissioned in September due to problems with the data logger. From November up until June, data was captured, but not verified as the service provider had been changed, and only raw data is available.

Central Station

- Data not available due to budget constraints.

Edendale Station

- Data not available due to budget constraints.

Notices issued: 603

Prosecutions instituted: 101

Fines Received: R 60 455. 00

EMPLOYEE: ENVIRONMENTAL HEALTH					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	5	5	5	0	0
B1-B4	6	6	6	0	0
C1-CU	7	7	7	0	0
D1D U	3	3	3	0	0
E1E 2	0	0	0	0	0
F1F 2	0	0	0	0	0
Total	**21**	**21**	**21**	**0**	**0**

FINANCIAL PERFORMANCE 2011/2012: ENVIRONMENTAL HEALTH R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	0	-96,404	-15,624	-76,007	0.79
Expenditure:					
Employees	4,978	5,259,805	5,203,588	5,148,612	-0.01
Repairs and Maintenance	1	398,814	49,411	40,997	-0.20
Other	1,472	3,108,909	1,231,524	1,190,582	-0.03
Total Operational Expenditure	6,451	8,767528	6,484,523	6,380,191	-0.01
Net operational (Service) Expenditure	6,451	8,671,124	6,468,899	6,304,184	-0.02

CAPITAL EXPENDITURE: ENVIRONMENTAL HEALTH R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	0	41	18	-1.00	
PLANT & EQUIPMENT	0	30,000	18,903	-0.58	
COMPUTERS	0	11,250	0	0.00	

COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL HEALTH OVERALL:

There were no capital projects for 2011/2012.

5.2 BIO-DIVERSITY AND LANDSCAPE

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

Management, maintenance and development of Parks, open spaces, play lots, verges and Conservation areas. Horticultural practises which includes, beatifying, landscaping of cities islands,city entrances and gardens.

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

BIO-DIVERSITY AND LANDSCAPE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Maintenance of Municipal property grounds	75% implementation of Grass cutting in the municipality as per developed Maintenance plan	75% grass cutting completed	60% grass cutting completed	75% grass cutting completed	60% grass cutting completed	1 cut per quarter
Maintenance of vacant private Property	Ascertain number of private properties that require cutting and cut the above properties	Dependent on demand/ need request base	All request completed	Dependent on demand/ need request base	All request completed	Develop a policy
Provision of new Parks in Edendale	Develop, Design and conduct feasibility study for new parks in Edendale	Develop business plan	nil	Develop business plan	In progress	Completed

EMPLOYEE: BIO-DIVERSITY AND LANDSCAPE					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	160	354	141	213	60 %
B1-B4	59	75	55	20	27 %
C1-CU	4	5	4	1	20 %
D1D U	4	4	4	0	0 %
E1E 2	0	0	0	0	0 %
F1F 2	0	0	0	0	0 %
Total	**227**	**438**	**204**	**234**	**53%**

FINANCIAL PERFORMANCE 2011/2012: BIO-DIVERSITY AND LANDSCAPE R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)		-241,404	-165,199	-180,178	0.08
Expenditure:					
Employees	29044644	22,083,250	21,153,180	21,280,572	0.00
Repairs and Maintenance	1709925	5,856,814	1,544,303	1,437,680	-0.07
Other	3014697	1,723,112	1,215,164	1,206,646	0.00
Total Operational Expenditure	33769266	29,663,176	23,912,647	23,924,898	0.00
Net operational (Service) Expenditure		29,421,772	23,747,448	23,744,720	0.00

CAPITAL EXPENDITURE: BIO-DIVERSITY AND LANDSCAPE R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
MIG PROVISION OF NEW PARKS - EDENDALE	300,000	0	0	0.00	

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

No Capital Projects in 2011/2012.

6. COMPONENT F: HEALTH

This component includes: clinics (inclusive of HIV/ AIDS).

INTRODUCTION TO HEALTH

The Sub Unit ensured(i) the provisinon of a comprehensive Primary Health Care Serices at the Municipal clinics, and (ii) provided HIV & AIDS Training, Counselling, Tesing and Home Based Care for the communities within the Msunduzi Municipality. The achievement of the above was limited by the available Financial and Human Resources, but the services rendered were to the benefit of all communities inclusive of the poor.

INTRODUCTION TO CLINICS

The Msunduzi Municipal Clinics will transfer to the Provincial Department of Health during 2012/2013.

The Msunduzi Municipality has thirteen (13) five day a week and four (4) one day a week Primary Health Care (PHC) clinics as well as one (1) Mobile clinic, four (4) Chronic Medication collection points and one (1) dedicated TB Clinic Serving a population of approximately 616 000 people.

THE THREE PRIORITIES

Based on the Quality Assurance Audit findings, three priorities were identified namely:-

1. Improved Patient Safety: The need to improve the clinic infrastructure to prevent Medico-Legal hazards. Motivations were accordingly submitted.
2. Improved Supply of Medicines and Medical Supplies: The need for regular/ monthly ordering of medical supplies by strengthening the use of stock cards for receiving and issuing of supplies.
3. Improved Clinic Cleanliness: The need to increase the number of days/ times when clinics are cleaned.

Motivations were accordingly submitted. The constraining factors to the above were the limited Financial and Human Resources as well as long procedures to be followed.

CLINIC SERVICE DATA					
	Details	2010/2011	2011/2012		2012/2013
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Average number of Patient visits on an average day (23 clinics)	2932	3000	2356	3450
2	Total Registered Nurses available on an average day	2.5	4	1-2	6-8
3	Average Patient waiting time	259min	120min	280min	60min
4	Number of HIV/AIDS tests undertaken in the year	11535	20000	13456	30000
5	Number of tests in 4 above that proved positive	4861	4000	7211	3500
6	Number of children that are immunized at under 1 year of age	4546	8500	4215	10000
7	Child immunization s above compared with the child population under 1 year of age	53%	65%	40%	85%

CLINICS POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Service Objectives	100% acceptable Quality Assurance standards achieved by June 2012	N /A	N /A	100% compliance with Quality Assurance standards	1. Policies in place 2. All staff undertaken the following Quality Assurance Training:- Fire drill, Batho Pele 3. Safety Committees established,	Quality Assurance in the process of meeting the requirements of the National Core Standards for Health i.e. 1. Patient rights 2. Patient safety 3. Clinical governance and clinical care.
Provide Quality efficient, Accessible and affordable Health Services	Provide PHC study opportunities for Registered Nurses and Bridging courses for Enrolled Nurses.	X 4 R/Ns X1 E/N	X 4 R/N'S trained. X E/N trained	X2 R/Ns X2 E/N	X 2R/N's trained. X E/N 1 trained	X 4R/N's and 2 E/N
Provide Quality efficient, Accessible and affordable Health Services	Fully integrated PHC facilities offering a one stop shop by 2012	18 clinics offering the full PHC package	17 Clinics offering the full PHC package	18 Clinics offering the full PHC package	18 Clinics offering the full PHC package	18 Clinics offering the full PHC package

EMPLOYEE: CLINICS					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	7	12	10	2	16.67%
B1-B4	39	44	41	1.72	6.82%
C1-CU	51	51	46	2.80	9.80%
D1D U	1	3	1	1.48	66.67%
E1E 2	0	0	0	0	0
F1F 2	0	0	0	0	0
Total	**98**	**110**	**98**	**7.94**	**10,91%**

FINANCIAL PERFORMANCE 2011/2012: CLINICS R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	12,488	-670	-346	-15,301	0.97
Expenditure:					
Employees	19,337	20,034,544	21,122,366	20,954,468	0.00
Repairs and Maintenance	64	291,994	339,210	272,226	-0.24
Other	5,443	9,691,029	1,415,567	1,488,247	0.04
Total Operational Expenditure	24,844	30,017,567	22,877,143	22,714,941	0.00
Net operational (Service) Expenditure	12,356	30,016,897	22,876,797	22,699,640	0.00

CAPITAL EXPENDITURE: CLINICS R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	2,900	2702	645	3.5	
PLANT & EQUIPMENT	0	37,992	13,580	-1.79	
MIG MASON CLINIC	0	169,638	0	0.00	
MIG WILLOWFOUNTAIN CLINIC	0	175,438	162,522	-0.07	
MIG IMPILWENHLE CLINIC	0	175,439	170,225	-0.03	
MIG SINATHING CLINIC	0	175,439	168,865	-0.03	
MIG ESIGODINI CLINIC	0	178,966	178,966	0.00	

COMMENT ON THE PERFORMANCE OF CLINICS OVERALL:

Construction of a new Masons Clinic, to replace an old structure, was halted apparently because of the Transfer of Clinic Services to the Provincial Department of Health in 2012/2013 (target date: 01.08.2012).

Additions to Willowfountain Clinic – completion was delayed by water seepage and need to redirect sewerage piping.

Additions to the Impilwenhle, Sinathing and Sigodini Clinics were completed.

Going forward – The target date for the Transfer of Clinics to the Provincial Department of Health is 01.08.2012.

7. COMPONENT G: SECURITY AND SAFETY

This component includes: Traffic; Safety & Security; Fire; and, Disaster Management.

7.1 TRAFFIC, SAFETY & SECURITY

INTRODUCTION TO TRAFFIC & PUBLIC SAFETY

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

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

SERVICE STATISTICS					
	Details	2010/2011	2011/2012		2012/2013
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	850	600	682	900
2	Number of by-law infringements attended	5277	5500	5509	6000
3	Number of police officers in the field on an average day	36	36	70	100
4	Number of police officers on duty on an average day	24	24	70	100

TRAFFIC, SECURITY & SECURITY POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Reduction in Road Accidents	10% reduction over target for the previous year	20% Reduction	20%	10% Reduction	20% Reduction	30%

EMPLOYEE: TRAFFIC, SECURITY & SECURITY					
Job Level	2010/2011	2011/2012			
Police/Administrators	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	3	3	4	3	1
B1-B4	50	80	80	66	14
C1-CU	191	157	164	157	7
D1 D U	2	2	2	2	0
E1 E2	0	0	1	0	1
F1 F2	0	0	0	0	0
Total	**246**	**240**	**249**	**228**	**23**

FINANCIAL PERFORMANCE 2011/2012: TRAFFIC, SECURITY & SECURITY R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	5370267	-7,635,033	-4,457,519	-5,075,910	0.12
Expenditure:	83850285				
Police Officers	73463837				
OtherEmployees (All Staff)	3272331	82,816,410	73,590,044	79,076,698	0.06
Repairs and Maintenance	871925	2,622,482	1,001,436	948,495	-0.05
Other		24,260,501	24,875,670	24,749,151	0.00
Total Operational Expenditure	83850285	109,699,393	99,467,150	104,774,344	0.05
Net operational (Service) Expenditure		102,064,360	95,009,631	99,698,434	0.04

CAPITAL EXPENDITURE: TRAFFIC, SECURITY & SECURITY R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
PLANT & EQUIPMENT	0	200,000	168,330	-0.18	

COMMENT ON THE PERFORMANCE OF TRAFFIC & PUBLIC SAFETY OVERALL:

Due to the Msunduzi Municipality being placed under Administration various Capital Projects were not funded.

Due to Nil Summons Servers (Vacant Posts) a large number of Summonses are being withdrawn at Court due to No-return of Service of Summonses.

A Large number of properties owned by Msunduzi Municipality are being guarded by our own Security Section.

7.2 FIRE

INTRODUCTION TO FIRE SERVICES

THE PURPOSE OF THE FIRE SERVICES UNIT IS AS FOLLOWS:

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. 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 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. A heightened effort has been placed on combating unauthorised occupancies, especially related to illegal boarding establishments housing school children, and the city centre decay. Attention is also given to fire safety compliance at sports and recreational events in compliance with the requirements of the Safety at Sports and Recreational Events Act 2 of 2010.

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 (especially informal settlements) 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 fire safety protection to themselves.

FIRE SERVICE DATA					
	Details	2010/2011	2011/2012		2012/2013
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	1704	N/A	1455	N/A
2	Total of other incidents attended in the year	N/A	N/A	447	N/A
3	Average turnout time □ urban areas	10mins	N/A	8mins	N/A
4	Average turnout time □ rural areas	25mins	N/A	25mins	N/A
5	Fire fighters in post at year end	124	N/A	120	N/A
6	Total fire appliances at year end	19	N/A	19	N/A
7	Average number fire appliances off the road at year end	6	N/A	6	N/A

FIRE SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Service Level Agreement Signed	Signed Service Level Agreement with Umgungundlovu District Municipality (UMDM)	N/A	N/A	100%	100%	nil

EMPLOYEE: FIRE SERVICES					
Job Level	2010/2011	2011/2012			
Fire Fighters / Administrators	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
Chief Fire Officer	1	1	1	0	0
Deputy Chief officer	1	1	1	0	0
Senior Divisional Officer	4	4	4	0	0
Divisional Officer	4	4	4	0	0
Station Officer	22	23	20	3	13.04%
Fire Fighters	97	100	96	4	4%
Support Staff C band	3	5	3	2	40%
Support Staff B band	13	21	12	9	43%
Support Staff A band	4	7	4	3	43%
Total	149	166	145	21	13%

FINANCIAL PERFORMANCE 2011/2012: FIRE SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)		-341,176	-336,161	-375,485	0.10
Expenditure:	81 905 613				
Fire Officers					
OtherEmployees (All employees)	23 439 151	42,288,747	44,544,850	45,969,951	0.03
Repairs and Maintenance	12 953	1,792,408	1,008,579	906,540	-0.11
Other	58 453 509	2,151,763	2,091,390	2,293,478	0.08
Total Operational Expenditure	81 905 613	46,232,918	47,644,819	49,169,969	0.03
Net operational (Service) Expenditure		45,891,742	47,308,658	48,794,484	0.03

CAPITAL EXPENDITURE: FIRE SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
BUILDINGS	0	6,491	6,491	0.00	
PLANT & EQUIPMENT	0	68,605	42,886	-0.59	

COMMENT ON THE PERFORMANCE OF FIRESERVICES OVERALL:

It must be borne in mind that Msunduzi has been released from Administration for the period of this report, and is now managing its own affairs. Due to the financial challenges only critical projects for Council funding were approved. It is expected that this will be the trend for at least the next two years until the Municipality is financially recovered.

7.3 DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT

Disaster Management as a discipline is changing from being reactive to being proactive. To achieve this it is necessary to determine the risks that the communities are faced with, to provide a safe environment and to provide relief assistance to the affected. During this year risk analysis workshops were conducted and the raw data will now be processed to. This data will be presented to the yet to be launched Disaster Management Planning Advisory Committee in order to provide a safer environment.

Relief supplies and assistance were given to those affected by storms, fires and other disasters. Relief is in the form of temporary accommodation, food rations and waterproofing. The number of incidents has decreased over the last two years.

SERVICE STATISTICS FOR DISASTER MANAGEMENT

- During the 2011/12 year 176 incidents were attended.
- The cost of the emergency supplies issued to the victims came to R280 296.00 and 410 people were affected.

DISASTER MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Establish a local Dis Man. Advisory Planning Committee	To design proactive plans for known risks such as flooding and fires	N/A	N/A	N/A	N/A	3 meetings Establish by end Sept. 2012
Complete the risk analysis for the city	Known risks can be mitigated or prevented	N/A	N/A	Conduct risk analysis	Draft risk analysis	Completion of risk analysis
Ensure event safety	T o ensure that all events are safe for both public and participants	To educate event organizers regarding event safety	Nil	Continue event safety awareness	Nil	Full compliance to all safety laws
Develop Disaster Management Plan	To provide a blue print for crisis situations in Msunduzi	N/A	N/A	Complete the risk analysis	Nil	First draft of Dis. Plan

EMPLOYEE: DISASTER MANAGEMENT					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	1	1	1	0	0
B1-B4	1	1	1	0	0
C1-CU	2	2	2	0	05
D1D U	1	1	0	1	100%

EMPLOYEE: DISASTER MANAGEMENT					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
E1 2	0	0	0	0	0
F1 2	0	0	0	0	0
Total	**5**	**5**	**5**	**5**	**100%**

FINANCIAL PERFORMANCE 2011/2012: DISASTER MANAGEMENT R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)		-125	0	0	0.00
Expenditure:	3132453				
Employees	1389481	1,466,008	987,365	1,147,853	0.13
Repairs and Maintenance	2500	10,000	21,000	16,087	-0.13
Other	461006	5,275,181	5,196,726	4,266,631	-0.21
Total Operational Expenditure	1852987	6,751,189	6,205,091	5,430,571	-0.14
Net operational (Service) Expenditure		6,751,064	6,205,091	5,430,571	-0.14

CAPITAL EXPENDITURE: DISASTER MANAGEMENT R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	NA				
No Capital Projects in 2011/2012.					

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT OVERALL

Disaster Management had no capital expenditure during the last four years. Identified risks that necessitate capital expense, such as cholera in Informal settlements will be funded by the relevant departments, who will educate occupants and provide toilets, infrastructure and perhaps relocate the people. The Disaster management Planning Advisory Committee will advise on Capital Projects once launched.

8. COMPONENT H: SPORT AND RECREATION

This component includes: sports facilities; swimming pools; and parks.

INTRODUCTION TO SPORT AND RECREATION

Sport and Recreation entails the maintenance, development and management of all municipal sports facilities including swimming pools. It also includes the promotion and development of sports and recreation.

SERVICE STATISTICS FOR SPORT AND RECREATION
Total number of Sports Facilities - 65
Total number of pools - 7

SPORT AND RECREATION POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Rehabilitation of Sport & Recreation Facilities Vulindlela	Develop Master Plan	Develop Master Plan	Nil	Develop Master Plan	Work in progress	Complete Master Plan
Sport and Recreation facilities	Sports and Recreation	Sports and recreation Facilities maintained to an acceptable level	Nil	Sports and recreation Facilities maintained to an acceptable level	Nil	Develop maintenance plan
Athletics Track	Development of an Athletic track at Alexandra Park	Nil	Nil	Commence Earthworks	Work in progress	Complete Athletic Track Phase 1

EMPLOYEE: SPORT AND RECREATION					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	30	38	18	20	53 %
B1-B4	8	10	7	3	30 %
C1-CU	9	10	9	1	10 %
D1D U	1	1	1	0	0 %
E1E 2	0	0	0	0	0 %
F1F 2	0	0	0	0	0 %
Total	**48**	**59**	**35**	**24**	**41%**

FINANCIAL PERFORMANCE 2011/2012: SPORT AND RECREATION R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	n/a	-527,410	-465,171	-552,754	0.15
Expenditure:					
Employees	11813875	22,148,173	25,495,934	25,410,758	0.00
Repairs and Maintenance	377933	9,632,657	1,307,427	1,223,063	-0.06
Other	848640	9,713,362	6,086,689	2,930,539	-1.07
Total Operational Expenditure	13040448	41,485,192	32,872,050	29,564,360	-0.11
Net operational (Service) Expenditure		40,957,782	32,406,879	29,011,606	-0.11

CAPITAL EXPENDITURE: SPORT AND RECREATION R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
PLANT	0	3,823,462	176,066	-20.71	
EQUIPMENT (INSURANCE)	0	49,455	39,043	-0.26	
ATHLETIC TRACK	2,000,000	2,532,446	532,175	-3.75	
ATHLETIC TRACK	2,500,000	2,500,000	0	0.00	
REHAB OF SPORT & RECREATION FAC	0	225,000	225,000	0.00	
MIG CONSTRUCTION OF CALUZA SPORTS FACILITY	2,520,000	481,165	481,165	0.00	
FURNITURE	0	35,000	28,600	-0.22	

COMMENT ON THE PERFORMANCE OF SPORT & RECREATION OVERALL

No Capital Projects for 2011/2012. Only essential and emergency repairs and maintenance were effected.

9. COMPONENT I: CORPORATE POLICY OFFICES

This component includes:Executive & Council; Financial Services; Human Resource Services; ICT Services; Legal Services; Supply Chain Management; and, Internal Audit.

9.1 COUNCIL & EXECUTIVE SUPPORT

INTRODUCTION TO EXECUTIVE AND COUNCIL

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

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

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

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

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

SERVICE STATISTICS FOR EXECUTIVE & COUNCIL	
ITEM	NUMBER
Total number of Councillors	73
Total number of Executive Committee Members	10
Total number of wards	37
Total number of ward committee meetings	339
Number and Type of Council Committee Meetings:	
Full Council	15
Executive Committee	47
Good Governance	16
Financial Services	11
Infrastructure Services	8
Community Services	10
Development Services	21
Oversight Committee / MPAC	21

COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Sound Governance & Public Participation	Functioning Ward Committee System: Develop Annual Schedule of Meetings	Develop Annual Schedule of Meetings	Annual Schedule of Meetings developed	Develop Annual Schedule of Meetings	Annual Schedule of Meetings developed	Develop Annual Schedule of Meetings
Sound Governance & Public Participation	Functioning Ward Committee System: Number or ward committee meetings	222	76	444	339	444
Institutional Development & Transformation	Develop & Submit Annual Report as per legislative timeframe	By 31 January Annually	26 January 2011	By 31 January Annually	25 January 2012	By 31 January Annually
Institutional Development & Transformation	Develop & Submit Oversight Report as per legislative timeframe	By 31 March Annually	30 March 2011	By 31 March Annually	28 March 2012	By 31 March Annually

EMPLOYEE: CORPORATE BUSINESS UNIT					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	15	17	12	5	29.4%
B1-B4	9	21	10	11	52.3%
C1-CU	23	30	14	16	53.3%
D1D U	9	12	12	0	0
E1E 2	5	7	5	2	28.5%
F1F 2	4	1	1	0	0
Total	**62**	**88**	**54**	**34**	**38.6%**

FINANCIAL PERFORMANCE 2011/2012: CORPORATE BUSINESS UNIT R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	545	141	719	677	0.79
Expenditure:	5473	3599	12086	9304	0.6
Employees	19354	17909	484	20293	-1899
Repairs and Maintenance	439	885	440	377	-1.3
Other	10497	2976	19	5935	0.4
Total Operational Expenditure	35763	25369	13029	35909	0.2
Net operational (Service) Expenditure	35218	25228	12310	35232	0.2

CAPITAL EXPENDITURE: CORPORATE BUSINESS UNIT R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	Nil	Nil	Nil	Nil	
No Capital Projects 2011/2012.					

FINANCIAL PERFORMANCE 2011/2012: SECRETARIAT SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	644	3	1	5	0.4
Expenditure:					
Employees	7036	8161	7800	7851	-0.039
Repairs and Maintenance	0	1	0	0	0
Other	1037	354	293	396	0.106
Total Operational Expenditure	8073	8516	8093	8247	-0.032
Net operational (Service) Expenditure	7429	8513	8092	8242	-0.032

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

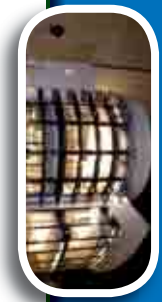
In the 2011/2012 financial year the new committee system introduced in the previous financial year was implemented. The portfolio committees held meetings on a regular basis and this can be seen in the summary provided above. Msunduzi Municipality was also able to meet the legislative deadlines in the development and submission of the Annual Performance Report for 2010/2011, Annual Report 2010/2011, Oversight Report 2010/2011 and also the Section 72 Mid-Year Budget & Performance review.

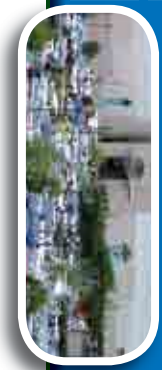
9.2 FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

The Financial Services comprises with the following sections, namely:

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





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

- Budget & Treasury-Compliance and Annual Financial Statement
- Expenditure-Trade and Sundry Payments, Payment of all invoices within 30 days, management of general insurance fund, remuneration management
- Revenue Management-Credit Control and billing, policies
- Supply Chain-Supply chain management

DEBT RECOVERY R 000								
Details of the types of account raised and recovered	2009/2010		2010/2011			2011/2012		
	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	420,030	93	2010/11	448,257	90	2011/12	505,310	91
Electricity - B	122,426	80	2010/11	136,954	77	2011/12	182,917	79
Electricity - C	693,747	80	2010/11	916,541	77	2011/12	1,029,743	77
Water - B	0	0	2010/11	0	0	0	0	0
Water - C	213,633	78	2010/11	271,172	75	2011/12	1,212,660	74
Sanitation	76,207	82	2010/11	102,988	79	2011/12	107,507	78
Refuse	53,287	82	2010/11	65,559	79	2011/12	70,091	78
Other	41,446	79	2010/11	64,403	73	2011/12	551,138	75

FINANCIAL SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Payment of Invoices within 30 days.	All invoices from suppliers are paid within 30 days.	100% of invoices are paid within 30 days.	85% of invoices were paid within 30 days.	100% of invoices are paid within 30 days.	90% of invoices were paid within 30 days.	100% of Invoices must be paid within 30 days.
Remuneration Management.	Random Audit of Staff. All staff on payroll sign registers of verification once a year.	0%	0%	100% Verification	100% Verification	100% Verification
Management of General Insurance Fund.	Management of claims by ensuring that all claims honored are valid.	0%	0%	100% of claims are fully assessed.	100% of claims are fully assessed.	100% of claims are fully assessed.
Financial viability and sustainability	Credit Control Policy	Review of Credit Control Policy	Approved Credit Control Policy	Review of Credit Control Policy	Approved Credit Control Policy	Review of Credit Control Policy
Financial viability and sustainability	Indigent Policy	Review of Indigent Policy	Approved Indigent Policy	Review of Indigent Policy	Approved Indigent Policy	Review of Indigent Policy
Financial viability and sustainability	Rates Policy	Review of Rates Policy	Approved Rates Policy	Review of Rates Policy	Approved Rates Policy	Review of Rates Policy

EMPLOYEE: FINANCIAL SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	5	10	5	5	50%
B1-B4	107	200	104	96	48%
C1-CU	25	35	24	11	31%
D1D U	19	20	18	2	10%
E1E 2	1	4	1	3	75%
F1F 2		1	1		0%
Total	**157**	**270**	**153**	**117**	**43%**

FINANCIAL PERFORMANCE 2011/2012: FINANCIAL SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tariffs)	2,814	4,639	5,392	5,896	0.21
Expenditure:					
Employees	50,508	56,807	54,186	53,319	-0.07
Repairs and Maintenance	919	2,438	1,516	912	-1.67
Other	73,699	63,817	65,102	57,105	-0.12
Total Operational Expenditure	125,126	123,062	120,804	111,336	-0.11
Net operational (Service) Expenditure	122,312	118,423	115,412	105,440	-0.12

CAPITAL EXPENDITURE: FINANCIAL SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
Plant and Equipment	-	20	-		
Computers	-	35	35		

9.3 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resources Service in the Msunduzi Municipality comprises two process units, namely;

THE HUMAN RESOURCES DEVELOPMENT PROCESS UNIT

The core function of the Human Resources Development Process Unit is to facilitate the training and development of staff in line with the strategic priorities of the Integrated Development Plan of the Msunduzi Municipality and the identification of interventions that will assist in the smooth transformation of the Organisation. This Unit has two sub-sections, Skills Development and Organisational Development.

HUMAN RESOURCES MANAGEMENT & EMPLOYEE RELATIONS PROCESS UNIT

Human Resources Management and Employee Relations (HRM & ER) encompass Personnel, Job Evaluation, Systems Management, Employee Relations and occupational Safety sub-units.

Human Resources Management is responsible for recruitment, selection, placement, remuneration of staff and employee wellness. Employee Relations is responsible for ensuring that all Labour related pieces of legislation are being adhered to and that the relationship between the employer and its employees is properly regulated. There are five Human Resources Support Services Managers rendering an HR support service on a day-to-day basis to the Strategic Business units.

The HR unit's strategic direction takes account of key social, political, economic, employment, technological and demographic trends impacting on individuals, communities and business across Msunduzi's area of jurisdiction.

By scanning both the internal and external environment, the business unit is able to confront and address key organisational, employee and community challenges facing the Msunduzi Municipality and develop responses that support the Cities' goals.

The HR strategy is informed and guided by the five-year strategic priorities as adopted by the IDP. The plan takes its strategic direction from the following City goals:

1. To create a knowledge based organizational in support of efficient and effective monitoring and evaluation, decision making, providing strategic direction and qualify customer service delivery
2. Improve working conditions, safety and capacity of our workforce

HUMAN RESOURCES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
To create a knowledge based organizational in support of efficient and effective monitoring and evaluation, decision making, providing strategic direction and qualify customer service delivery	To provide an efficient and effective Human Resources Management Service in order to support the achievement of the organisational objectives	Recruitment and Selection Strategy	Not Achieved	Recruitment and Selection Strategy	Not Achieved	Recruitment and Selection Strategy
		Functional HR System	Not Achieved	Functional HR System	Not Achieved	Functional HR System
		Job Evaluation	Not Achieved	Organisational Structure	Not Achieved	Organisational Structure

HUMAN RESOURCES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
Improve working conditions, safety and capacity of our workforce	To promote and maintain a healthy employee relations climate and industrial peace in order to achieve organizational and employee effectiveness	5% reduction in labour disputes	Achieved	Policy Workshops All SBU s	Not Achieved	Policy Workshops All SBU s
	Effective health and Safety Management	Appointment of EAP	Not Achieved	Appointment of EAP	Not Achieved	Appointment of EAP
	Contribute towards employability &self employability of youth and community	5 External Bursaries awarded	5 External Bursaries awarded	10 External Bursaries awarded	2 External Bursaries awarded	10 External Bursaries awarded
		1 learnership programme	1 learnership programme	1 learnership programme	1 learnership programme	1 learnership programme
		30 Interns	30 Interns	30 Interns	30 Interns	30 Interns
	WSP Developed and Implemented	100%	5%	100%	12%	100%

EMPLOYEE: HUMAN RESOURCES SERVICES					
Job Level	2009/10	2010/11			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1 - A4	4	6	4	2	50%
B1 - B4	18	21	17	4	24%
C1 - CU	21	30	18	12	66%
D1 - DU	14	14	13	1	7%
E1 - E2	0	2	1	1	100%
F1 - F2	0	0	0	0	0%
Total	**57**	**73**	**53**	**20**	**37%**

FINANCIAL PERFORMANCE 2011/2012: HUMAN RESOURCES SERVICES R 000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tariffs)	1114	342	352	10433	0.97
Expenditure:					

FINANCIAL PERFORMANCE 2011/2012: HUMAN RESOURCES SERVICES R 000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Employees	16236	17037	16018	16356	-0.04
Repairs and Maintenance	33	154	56	45	-2.42
Other	9107	15962	9750	10273	-0.55
Total Operational Expenditure	25376	33153	25824	26674	-0.24
Net operational (Service) Expenditure	24262	32811	25472	16241	-1.02

CAPITAL EXPENDITURE: HUMAN RESOURCES SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	Nil	Nil	Nil	Nil	
Plant & Equipment	10000	0	0	0	0.00

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The Human Resources performance in 2011/2012 was limited in that the Msunduzi Municipality underwent tremendous budgetary constraints following a provincial intervention in the organization. Training was to a minimum due to a lack of budget and there were only 1 capital project. The intervention directed the organization on a re-structuring exercise which became a focus of HR performance within the year. Determination and review of HR policies and procedures for an effective and procedural lead service was a priority whilst under administration and post administration.

9.4 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

Our mission is to be a respected internal service provider to all stakeholders of Msunduzi Municipality in order to enable efficient administration and service delivery using technologies that are proven and cost-effective. We will provide a portfolio of ICT related services to the Municipality and promote ICT as an enabler of technical service delivery. We will further strive to provide citizen-centric ICT offerings to the Community. It is our intention to reach a COBIT maturity level of 3 within 3 calendar years.

SERVICE DELIVERY PRIORITIES

Enhancing Municipal processes

- Service Level agreements
- ICT capabilities are an integral part of all job and person specifications
- Single source of data and knowledge
- Proper Policies and procedures
- Rollout of infrastructure across the city

Collaboration

- Portal offering of services to the community
- Introduction of appropriate architecture that supports collaboration and authentication
- Whole-of-life electronic portfolios are available for each consumer
- A new system provides an integrated set of functions to support all aspects of the municipality

Data for analysis and reporting come from a single source

- A corporate data model and associated corporate data repository are established
- A centralized operational data store
- A quality assured set of financial data provides reporting on the financial health and informs policy and planning

Management of ICT assets achieves maximum value from investment

- Policies and procedures for ICT asset management are implemented across the municipality
- An automated progressive audit of all ICT assets is undertaken
- ITIL best practice methodology for ICT service management, with an initial focus on ICT infrastructure and contracts management, is implemented
- A configuration management database is established for all assets

ICT supports and enhances organizational effectiveness

- Consumers make use of internet based financial systems for payment, receipting, recording and reporting
- A single system supports payroll and personnel management and incorporates employee self-service capabilities
- ICT improves processes and systems by introducing workflows, systems integration and automation of manual processes

Economic Development Enabling

- Broadband strategy in conjunction with Province
- Fibre-city concept
- Provision of data connectivity to all businesses and residences
- Local free phone calls (033)

EMPLOYEES: ICT					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	0	0	0	0	0
B1-B4	4	10	7	3	30%
C1-CU	10	38	5	33	86.5%
D1 D U	4	3	2	1	33.3%
E1 E2	1	1	0	1	100%
F1 F2	0	0	0	0	0
Total	**19**	**52**	**14**	**38**	**73%**

FINANCIAL PERFORMANCE 2011/2012: ICT SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	14	10	7	9	-0.11
Expenditure:					
Employees	4 743	4782	4456	4541	-0.05
Repairs and Maintenance	3 785	7690	4194	3448	-1.23
Other	8 553	22806	9974	11912	-0.91
Total Operational Expenditure	17 081	35278	18624	19901	-0.77
Net operational (Service) Expenditure	17 067	35268	18617	19892	-0.77

CAPITAL EXPENDITURE: ICT SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
Blade server Upgrade	2200	200	0	2200	0.00
Uninterrupted Power Supply	250	250	0	250	0.00
Replacement of core server	1050	0	0	1050	0.00
Computers	1000	997	974	26	974.00

9.5 LEGAL SERVICES

INTRODUCTION TO LEGAL SERVICES

Constitutional and other legal imperatives require local government to participate in and develop extensive legal relationships. As social change agents local government interacts with individuals, interest groups, the private sector and other organs of state in a number of ways. Needless to say, Legal Services play a crucial role in such interaction.

Our essential and top priority has always been to minimize legal risk to the Municipality, whether it is on a pro-active or reactive basis. This is done in relation to a number of activities, including civil court matters, the supply of sound legal advice and negotiating agreements.

During the past year particular emphasis was placed on ensuring that legal opinions and comments were timeously provided. In this regard, Legal Services has emphasized to customer business units that providing all the relevant facts accurately and timeously is an absolute prerequisite for timeous and sound legal advice. Much progress has been made in this regard.

The role of Legal Services as a key support service has also been firmly entrenched during the past year. Business units are now required to refer all committee reports to Legal Services for input.

No professional can perform without being provided with the necessary "tools of the trade." In this regard we identified that our resource material and library was inadequate to service our needs. With the necessary support, we acquired Lexis Nexus in electronic format.

We also drafted a Service Charter and commenced a review of key bylaws.

Lastly, a fundamental step in improving our service has been the formal allocation of specific responsibilities to specific incumbents within the business unit. With limited resources available, this step contributed to better productivity.

SERVICE STATISTICS FOR LEGAL SERVICES

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

- advising on and developing legally sound and binding policies and legislation in relation to local government's constitutional mandates,
- interpreting and advising on the application of the Bill of Rights and the Constitution, not only to individuals and juristic persons, but also other organs of state in the national and provincial spheres, including the so-called "parastatals" such as Telkom, Eskom and Water Boards,
- negotiating and drafting of contracts and other legal instruments,
- instituting and defending of claims in various forms, including interdicts, declarators and summonses,
- prosecuting bylaws and regulations in the criminal courts, and
- interpreting and advising on the application of a myriad of other statutes relating to municipalities. In this regard, there are extreme misconceptions about the knowledge - depth and -range actually expected from a legal advisor in the local sphere.

It can be safely claimed that the vast bulk of work performed by Legal Services takes place behind the scene and as such it is easy to miscalculate or misjudge the outputs performed by the unit. In addition to the activities outlined above *and indeed,* the items formally placed on our SDBIP, Legal Services:

- provide legal comments on all reports initiated by other business units, on a daily basis,
- regularly attend various formal committees, sub-committees, working groups of the Municipality, including portfolio committees, the Executive Committee, the Bid Evaluation and Bid Adjudication Committees. In addition we regularly attend impromptu meetings requested by customer units,
- frequently coordinate, plan and direct or manage the activities of a single business unit or multidisciplinary municipal teams in relation to a particular legal issue, problem or objective,
- consider and evaluate approximately 20 new insurance claims against the municipality every month,
- act, where required, as Prosecutors or Chairpersons of Disciplinary hearings.

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

Delictual court claims and court interdicts:

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

The Contingency Liabilities -report reflects that during the 2011/2012 - financial year, Legal Services had to manage a total of **136 delictual court cases and interdicts. The vast majority of this work was performed in-house.**

Criminal Prosecutions:

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

Information received from the Clerk of Court reflects that during the 2011/2012- financial year, Legal Services had to attend to approximately **300 entries in the Court Roll.** These entries include remands of cases, applications for and the confirmation of warrants and other processes normally associated with criminal courts. **All the prosecutions are performed in-house.**

LEGAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
By-laws Revision	Revision of By-Laws	N/A	N/A	9 bylaws reviewed	4 reviewed - at different stages	5 By-laws reviewed
Legislation and case law update	Acquisition of Electronic Law Reports	N/A	N/A	Acquire: (a) 1 x complete set of South African Law reports; (b) 1 x complete set of Butterworth Legislation	Acquired : Electronic Law reports and Legislation	N/A
Service Charter	Development of service charter	N/A	N/	New Service Charter	New Service Charter	N/A
Review of Fines	Fines to be reviewed	N/A	N/A	N/A	N/A	Fines for all business units have to be reviewed
Risk Guidance	Staff training on delictual liability		N/A	N/A	N/A	Key Managers & staff in all Business Units trained on delictual liability

EMPLOYEE: LEGAL SERVICES					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	0	0	0	0	0
B1-B5	3	4	3	1	25%
C1-CU	1	1	0	1	100%
D1 D U	3	3	2	1	33%
E1 E2	3	3	2	1	33%
F1 F2	0	0	0	0	0
Total	**10**	**11**	**7**	**4**	**36%**

FINANCIAL PERFORMANCE 2011/2012: LEGAL SERVICES R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	37	34	1	7	-3.86
Expenditure:					
Employees	4480	4808	3771	3863	-0.24
Repairs and Maintenance	65	200	0	0	0.00
Other	2906	4400	1855	1994	-1.21
Total Operational Expenditure	7451	9408	5626	5857	-0.61
Net operational (Service) Expenditure	7414	9374	5625	5850	0.60

CAPITAL EXPENDITURE: LEGAL SERVICES R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
No Capital Expenditure for 2011/2012					

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL:

Legal Services performed reasonably well during 2011/2012. Whilst some areas of its operations have been improved upon, there are still a number of challenges. These include the filling of existing vacancies, not only those in legal advisory positions, but also support staff. With limited staffing and the huge emphasis being placed on regular management and compliance reporting, much time is spent on pure administrative issues whilst, at the same time, legal issues and processes offer no compromise on deadlines. Another challenge is to strengthen and standardize internal administration, especially in relation to record keeping and archiving. All these challenges inevitably impact on its ability to focus on its core business.

9.6 SUPPLY CHAIN MANAGEMENT

INTRODUCTION TO SUPPLY CHAIN MANAGEMENT (SCM)

- The Msunduzi Municipality's Supply Chain Management unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable and cost effective procurement services hence assisting them to implement their service delivery priorities.
- In terms of the MFMA SCM regulations the SCM unit is established to implement the SCM policy adopted by council.
- It operates under the direct supervision of the chief financial officer or an official to whom this duty has been delegated in terms of section 82 of the Act

Core Functions

- Demand management;
- Acquisition management;
- Logistics management;
- Disposal management;
- SCM risk management; and
- Performance management

The supply chain management policy for the year 2011/2012 was adopted by Council in 29 September 2011 in term of SCM Regulation 3 (1) (a) and implemented immediately thereafter, this was the second review since 2005. The main change made to the policy was to bring it in line with the structure of the SCM regulations. The aim was to establish a credible base from which the business processes can be developed.

Further review of the current SCM policy was done in December 2011 to further align the policy to Preferential Procurement Regulations 2011, issued in terms of the section 5 of the preferential Procurement Policy Framework Act, Number 5 of 2000 (PPPFA). The Regulations were published in the Government Gazette on 08 June 2011 the new regulations aims to align the Preferential Procurement Policy Framework Act, 2000 and the Broad – Based Black Economic Empowerment Act, 2003 effective from 7 December 2011, issued by National treasury.

An SCM implementation plan was developed and implemented throughout the year and quarterly reports on implementation were submitted to Council.

IMPLEMENTATION CHECKLIST	
Supply Chain Management	
Municipality Details	**Answers**
Name of Municipality	KZ225 Msunduzi
Contact Person (name):	Dudu Ndlovu
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	N/A
2	How many staff are employed by the SCM Unit? (show full time staff equivalent, a person shared with another function or working part-time on SCM is shown as a fraction)		51	30 of the 51 employees are from the stores which includes a majority of general workers and petrol attendants	N/A	N/A
	2.1	How many positions are unfilled, ie waiting for an appointment? (full time equivalent)	61	N/A	N/A	N/A
	2.2	Has a job description been developed for each position within the SCM Unit?	Yes	N/A	N/A	N/A

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
3	Has a detailed implementation plan for SCM been developed?		Yes	N/A	N/A	N/A
	3.1	If "YES", is progress regularly measured against the implementation plan?	Yes	N/A	N/A	N/A
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	N/A
5	SCM Processes:			N/A	N/A	N/A
	5.1	Is the necessary needs assessment undertaken before each acquisition?	Yes	N/A	N/A	N/A
	5.2	Are preferential policy objectives identified to be met through each contract?	Yes	N/A	N/A	N/A
	5.3	Is the performance of vendors regularly monitored?	Yes	N/A	N/A	N/A
	5.4	Are SCM processes independently monitored to ensure the SCM policy is followed and desired objectives achieved?	Yes	N/A	N/A	N/A
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?	N/A	N/A	N/A	N/A
7	Do municipal bid documents comply with MFMA Circular No 25?		Yes	N/A	N/A	N/A
8	Do municipal bid documents include evaluation criteria for use by the bid evaluation and adjudication committees?		Yes	N/A	N/A	N/A
9	Regulation 46 requires the SCM Policy to establish a code of conduct.			N/A	N/A	N/A
	9.1	Is the Code of Conduct issued by NT in MFMA Circular No 22 utilised?	Yes	N/A	N/A	N/A
	9.2	Are measures in place to ensure all SCM practitioners are aware of the SCM code of conduct?	Yes	N/A	N/A	N/A
10	Are all delegations in terms of SCM roles and responsibilities in writing (other than delegations contained in the SCM Policy)?		Yes	N/A	N/A	N/A
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	N/A

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
12	Please confirm if records are kept of the following:			N/A	N/A	N/A
	12.1	Petty cash purchases?	Yes	Creditors department are the custodian of these records	N/A	N/A
	12.2	Written or verbal quotations received and awards made?	Yes	Creditors department are the custodian of these records	N/A	N/A
	12.3	Tenders and all other bids received and awards made?	Yes	N/A	N/A	N/A
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	N/A
	13.1	In addition, are all invitations for competative bids publically advertised in newspapers commonly circulating locally? (reg 22(1))	Yes	N/A	N/A	N/A
14	Is the list of accredited prospective providers" required by regulation 14 updated at least quarterly?		Yes	N/A	N/A	N/A
15	Is there a database established to record redundant and obsolete store items?		Yes	N/A	N/A	N/A
16	Are debriefing sessions held with unsuccessful bidders?		Yes	N/A	N/A	N/A
17	Training SCM practitioners			N/A	N/A	N/A
	17.1	Has a training strategy for SCM practitioners been developed?	Yes	N/A	N/A	N/A
	17.2	What is the 2011/2012 budget for the training of SCM practitioners?	R140 000.00	N/A	N/A	N/A
	17.3	Has the municipality or entity used an outsourced training provider for SCM, other than SAMDI?	Yes	N/A	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)		N/A	N/A	N/A
		. . .	Cool ideas T/A ESP consulting	N/A	N/A	N/A
	17.5	Indicate the number of officials who have attended the SCM training conducted by SAMDI?		N/A	N/A	N/A

Question			Answer	Comment on progress	Date for completion	Official(s) responsible
	17.6	Indicate the number of officials who have attended SCM training conducted by training providers other than SAMDI?	23	N/A	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
19	Bid Committee membership:			N/A	N/A	N/A
	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:			N/A	N/A	N/A
	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

SERVICE STATISTICS FOR SUPPLY CHAIN MANAGEMENT
Bids request received - 136
Finalised - 80
Cancelled - 20
On Hold - 15
Still in the process - 21

Bid Specification committee

- Mr Vinesh Govender Chairperson (SCM Unit)
- Ms Phiwe Dlamini (SCM Unit)
- Mr Asogan Pillay (SCM Unit)
- Mr Wally Robins (Safety Unit)
- Mr Bheki Sosibo (ISF unit)
- Mr Krishna Singh (PMU)

Bid Evaluation Committee

- Mr Vinay Mohanlal Chairperson (SCM unit)
- Mr Sthembiso Mbimbi (ISF unit)
- Mr Billy Paton (CS unit)
- Mr Mzwandile Khumalo (ISF unit)
- Mrs.LindelwaMhlomi (ISF unit)
- Mr Kass Thaver Ex-officio member (Legal)

Bid Adjudication Committee

- Mrs N Ngcobo Chairperson (Finance Unit)
- Ms Dudu Ndlovu (SCM unit)
- Mr Sipho Dubazane (Community Services Unit)
- Mr Thokozani Maseko (ISF Unit)
- Dr. Mpilo Ngubane (Coporate Services Unit)
- Mrs. Madeleine Jackson Plaatjies (MM's office)
- Mr Johan Van Der Merwer Ex officio Member(Legal department)

NB – All Members are appointed for the financial year

SUPPLY CHAIN MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
To manage the city finances efficiently through effective and realistic budgeting to ensure synergy between the capital and operating budget and revenue enhancement	Revised SCM policy	100%	100%	100%	100%	100%
	Update Supply Chain Management procedure Manual	100%	0%	100%	100%	0%
	Automated Contract Payment Register	0%	0%	100%	100%	0%
	Upgrade of Supplier Data Base and System	0%	0%	100%	100%	0%
To ensure compliance with relevant legislation and promote high standards of professionalism, economic and efficient use of resources as well as accountability and transparency in delivery of public service	Bid processing	100%	70%	100%	66%	100%
	Supplier Data Base & SCM System Integration with Financial System.	0%	0%	100%	100%	0
	Quarterly reporting on preferential businesses	100%	100%	100%	100%	100%

EMPLOYEE: SUPPLY CHAIN MANAGEMENT					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	21	34	20	13	38%
B1-B4	11	34	10	24	70%
C1-CU	10	30	10	21	70%
D1D U	2	4	2	2	50%
E1E 2	0	1	0	1	100%
F1F 2	0	0	0	0	0
Total	**44**	**103**	**42**	**61**	**59%**

FINANCIAL PERFORMANCE 2011/2012: SUPPLY CHAIN MANAGEMENT R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)	212	238	236	268	0.11
Expenditure:					
Employees	4,890	5,131	4,323	4,399	-0.17
Repairs and Maintenance	2	500	-	-	0.00
Other	443	1,019	2,152	1,203	0.15
Total Operational Expenditure	5,335	6,650	6,475	5,602	-0.19
Net operational (Service) Expenditure	5,123	6,412	6,239	5,334	-0.20

CAPITAL EXPENDITURE: SUPPLY CHAIN MANAGEMENT R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All	N/A				
No Capital Projects for 2011/2012					

COMMENT ON THE PERFORMANCE OF SUPPLY CHAIN MANAGEMENT OVERALL:

In terms of the MFMA SCM regulations, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and the current policy has been aligned to provide for that.

Demand management

The preferential policy objectives were identified at a global level hence during the 2011/2012 financial year a procurement plan was established and the procurement preferential preference points were set on how these objectives will be met for each contract for the new financial year was developed.

Acquisition Management

Thresholds as per section 12 of the SCM regulations has been set and complied with throughout the year.

A thorough review of the bid documentation was done to ensure full compliance with circular 25 and the latest SCM regulations and to ensure full compliance with circular 25 for the 2011/2012 financial year.

It was also noted that the following provisions of the SCM regulations were not fully complied with during the financial year, this will however be rectified in the new financial period; Regulations 42, 44 and 38 (i).

Logistics management

An effective system of logistics management has been established. The continuous interrogation of inventories and improvements on systems and processes has yielded positive results in that there is a progressive reduction of stock holdings. Although purchases are slightly higher than last year, there is ongoing liaising with end user sector departments on inventory holdings and have been able to utilize slow moving stock to good advantage. There is a marked improvement on utilizing cable stock that has been held for a long period, which had a positive impact on purchases and has contributed to the reduction in purchases as per the graph below. The savings realized over the three year cycle amounts to R 14.2 million

Disposal management

An effective system of disposal management has been established and detailed processes developed to ensure compliance with section 40 of the SCM regulations.

Disposal Committee was also established during the 2011/2012 financial year.

Risk Management

The monitoring tool was established during 2011/2012 and the implementation commenced in 01 April 2012. The contracts are being monitored on monthly basis, though there is a human capital challenge as there is only one monitoring officer. Also measures are now being put in place to ensure identification, consideration and avoidance of potential risks in the supply chain management system in accordance with section 41 of the SCM regulations. The supply chain management operational risk register was established and is in place.

Performance Management

A SCM policy and procedures database that ensures compliance and monitoring of compliance with the SCM regulations and processes has been developed and implemented. The database enforces the accountability to all individuals involved in SCM and to ensure that SCM processes are independently monitored to ensure that the SCM policy is followed and desired objectives are achieved.

Training of SCM Practitioners and Bid Committees

SCM Management, SCM practitioners and Bid Committee members were all trained during 2011/2012 as per SCM Regulation 8 in accordance with Treasury guidelines on supply chain training to meet the competency level required for supply chain practitioners. Further training is being provided over a period of two years that consist of 20 modules.

CAPITAL PROJECTS OF THE MUNICIPALITY

1. Copesville water scheme: ward29: construction of a20mlreservior, portable water pump station and associated pipework at a value of r32 229 530.17
2. Expression of interest - new england landfill site upgrade at a value of r8 304 421.20
3. New england road widening: phase ii at a value of r10 644 761.40
4. Propoasl call for turnkey contract-design and construction of 33kv overhead lines to hilton at a value of r14 884 760.00
5. Specialist contract: non-revenue water reduction programme refurbishment of joint seals and defective concrete in hathorns reservoir at a value of r2 712 365.00
6. Construction of msunduzi athletic track at a value of r1 455 252.75
7. Upgrade of waterfall road in edendale- esgodini at a value of r1 975 802.40

9.7 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 to accomplish its objectives through a systematic, disciplined approach to evaluate and improving the effectiveness of risk management, system of internal control and governance processes.

INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
To ensure compliance with relevant legislation and to promote high standards of professionalism, economic and efficient use of resources as well as accountability and transparency in public service delivery	Annual plan approved by Audit Committee for year	Approve Plan	Not Approved	Annual plan to be approved by Audit Committee by July 2011	The Annual Audit Plan was approved on the 25 February 2012 following the annual risk assessment which was completed in February 2012	Annual Audit Plan approved by the Audit Committee by 31 August 2012
	Completion of Annual audit plan	15	4	14	7	Internal Audit assignments completed as per the annual audit plan
	Completion of Performance information audits (as part of Audit Plan)	4	2	5	2	Audits of Performance/Performance Information completed as per the annual audit plan

INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives / Service indicators	Outline Service Targets	2010/2011		2011/2012		2012/2013
		Target	Actual	Target	Actual	Target
	A comprehensive risk register for all business units (Annually)	1x Risk Register	nil	Risk Register	Completed	Risk Register & Risk Management Strategy completed

EMPLOYEE: INTERNAL AUDIT					
Job Level	2010/2011	2011/2012			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
A1-A4	0	0	0	0	0
B1-B4	1	1	1	0	0
C1-CU	2	4	2	2	25
D1 D U	2	2	2	0	0
E1 E2	0	1	0	1	12.5
F1 F2	0	0	0	0	0
Total	5	8	5	3	37.5

FINANCIAL PERFORMANCE 2011/2012: INTERNAL AUDIT R 000					
Details	2010/2011	2011/2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget
Total Operational Revenue (excl. tarrifs)					
Expenditure:	937	2 281	2 241	2 203	78
Employees	2 239	2 406	2 400	2 397	9
Repairs and Maintenance	0	0	0	0	0
Other	0	0	0	0	0
Total Operational Expenditure	3 176	4 687	4 641	4 600	87
Net operational (Service) Expenditure					

CAPITAL EXPENDITURE: INTERNAL AUDIT R 000					
Details	2011/2012				
	Budget	Adjustment Budget	Actual Expenditure	Variances from original Budget	Total Project Value
Total All					
No Capital Projects for 2011/2012					

COMMENT ON THE PERFORMANCE OF INTERNAL AUDIT OVERALL

The Internal Audit unit has made significant progress in the completion of our annual audit plan in relation to the slow start of 2010/11. In 2010/11 and partly 2011/12 the municipality, being under administration shifted its focus to one of sustainability. During 2011/12 the unit completed 49% of its annual audit program and facilitated the process of compiling the municipality's risk register. The focus in 2012/13 is to widen the scope of the audits undertaken and this is represented by a 38% increase in the number of audits to be completed in 2012/13 over that planned for in 2011/12. The unit will continue to provide support to all areas in council and in doing so add value to service delivery. The Unit is understaffed in its current structure and the structure itself is inadequate but is being reviewed as part of the municipality's organizational structure review. However, financial constrain is still a challenge in as far internal audit unit's budget is concerned but we have a hope that the short fall will be taken care of during the budget adjustment.

10. COMPONENT J: ORGANIZATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION TO ORGANIZATIONAL DEVELOPMENT PERFORMANCE

Human Resources of the Msunduzi Municipality consists of the following Units: Personnel; Job Evaluation; Employee Relations; Employment Equity; Skills Development; Organisational Development; Occupational Health and Safety; and HR Management Services.

The Human Resources Unit has a mandate in particular to address the following areas of responsibility:

- Recruitment, selection and employment;
- Labour relations management;
- Pay and leave administration;
- Staff administration;
- Grading and remuneration;
- Sick leave management;
- Employee wellness;
- Rewards and recognition systems;
- Performance management systems for all staff;
- Talent management and succession planning;
- Scares skills retention initiatives; and
- Staff morale, organisational diagnostics and perception studies.

The Corporate and Human Resources functions and responsibilities address many of the IDP requirements to ensure effective service delivery and community development, these include:

1. To Contribute Towards Employability & Self Employability of Youth and Community.
2. To ensure a competent workforce to achieve organisational objectives.
3. Improve Quality and Management Control Processes.
4. To align the organisational culture to the business objectives to Improve organisational efficacy and measure.

10.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEES					
Description	2010/11	2011/12			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	27	45	28	17	38%
Waste Water (Sanitation)	207	340	204	136	40%
Electricity	213	326	213	113	35%
Waste management	367	431	363	68	15%
Housing	33	59	33	26	44%
Waste Water (Stormwater Drainage)	135	441	133	308	69%
Roads	223	295	121	74	25%
Transport	34	63	35	30	49%
Planning	40	58	40	18	31%
Local Economic Development	52	106	52	54	50%
Planning (Strategic & Regulatory)	296	433	295	138	23%

EMPLOYEES					
Description	2010/11	2011/12			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Community & Social Services	226	516	234	282	48%
Environmental Protection	43	74	43	31	45%
Health	260	355	230	95	36%
Security & Safety	389	513	387	126	24%
Sport & Recreation	53	94	53	41	43%
Corporate Policy Offices & other	176	224	179	51	23%
Totals:	**2774**	**4373**	**2643**	**1608**	**37%**

VACANCY RATE 2010/11			
Designations	*Total approved posts No.	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers (Excl. Finance Posts)	4	2	50%
Other S57 Managers (Finance Posts)	1	1	100%
Traffic Officers	159	87	54%
Fire Fighters	132	5	3%
Senior Managers: Levels DU (excl. Finance Posts)	58	15	25%
Senior Managers: Levels 13 5 (Finance Posts)	20	3	15%
Highly skilled supervision: Levels D1 – D3 (excl. Finance Posts)	69	23	33%
Highly skilled supervision: Levels D1 D3 (Finance Posts)	7	3	42%
TOTAL:	**452**	**139**	**31%**

TURN-OVER RATE			
Details	Total appointments as of the beginning of financial year No.	Terminations during the financial year No.	Turn-over rate*
2009/10	148	236	13%
2010/11	10	317	11%
2011/12	7	261	11%

COMMENT ON VACANCIES AND TURNOVER:

The Municipality s assisted education scheme is used as a means of helping interested staff acquire skills to ensure that they are given greater responsibilities. In addition staff is appointed to act in higher level positions as part of their development. Several management and supervisory development programmes are also used for staff development. The annual Workplace Skills Plan identifies training needs for all staff. Managerial and supervisory posts are advertised both internally and externally maintaining the possibility being filled by internal appointments. A strategy has been implemented to assist the municipality in recruiting and retaining identified scarce skills. This strategy aims to bring stability to the employment levels of scarce skilled staff.

The Municipality was under administration which saw the suspension and in some instances the resignation of section 57 managers. The suspension periods have been protracted and a have been a restraint on the posts being filled. The Municipal Manager, the Chief Financial Officer and Section 57: DMM: Infrastructure Services were appointed in the 2011/2012 financial year.

10.2 MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has developed and adopted the policy on Staff Retention and Attraction to address the scarce skills phenomenon. It is the belief of the municipality that through recruitment the application of the staff Retention and Attraction Policy will contribute towards assisting the Municipality to meet its objectives as expounded in the IDP.

The objectives of this policy are; besides a payment of remuneration maybe pitched at a market rate of a particular post the Municipality has the scarce skills development strategies. Employees and non-employees are contracted to learnership on scarce skills training, bursaries are granted in some of the following discipline i.e. architects, tour planning, quantity surveyors, engineer, mechanical engineer, land surveyors, professional valuators etc. Coaching and mentoring, job satisfaction surveys and career pathing are part of the Policy. Through the implementation of this policy then a need will rise to develop a succession policy which will be carefully interrogated within the context of retention of the skills in the organization and addressing the growing unemployment even among those young people that have graduated at our institutions of higher learning.

Range of Policies and Management practices

1. Recruitment and Selection
2. Industrial Relations management
3. Pay and Leave Administration
4. Grading and remuneration
5. Sick Leave Management Programmes
6. Internal Climate Surveys
7. Employee Wellness Programmes
8. Training and Development

POLICIES

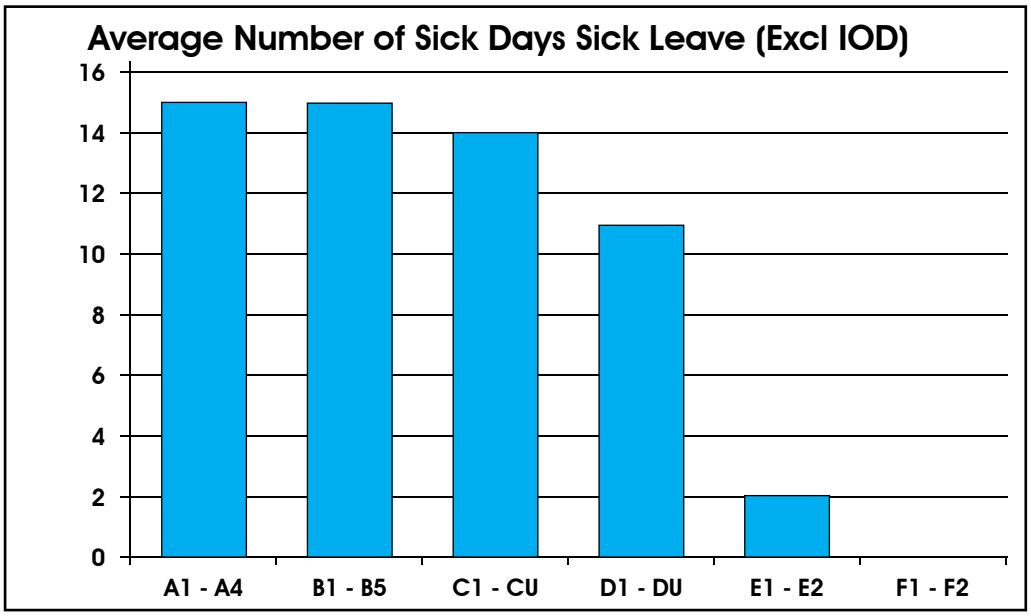
The Municipality has made much progress in the development of the required workforce policies and procedures. It is constantly reviewing these to ensure their continued applicability and relevancy and develops new policies when required.

HR POLICIES AND PLANS				
	Name of Policy	Completed %	Reviewed %	Date adopted by council
1	Affirmative Action	90%		
2	Allocation Policy	90%		
3	Code of Conduct for employees	100 %		Inception of Council
4	Access to personnel files	90%		Draft
5	Disciplinary Code and Procedures	100 %		Collective Agreement
6	Diversity Policy	70%		Draft
7	Employee Assistance Wellness	90%		Draft
8	Employment Equity	90%		Draft
9	Transfer Policy	90%		Draft
10	Grievance Procedures	100%		Collective Agreement
11	HIV/AIDS	100 %		15/11/1995
12	Job Evaluation			
13	Leave	90%		Draft
14	Occupational Health & Safety	100%	60%	Inception of Council
15	Official Journeys	90%		
16	Official Transport to attend Funerals	90%		Draft
17	Official working hours and Overtime	100%		Collective Agreement
18	Organisational Rights			
19	Performance Management and Development	80%		Draft
20	Recruitment, Selection and Appointments	90%		Draft
21	Sexual Harassment	100 %		2006
22	Training and Development	100 %		09/12/05
23	Assessment	100 %		06/04/06
24	Smoking	100 %		16/01/2006
25	Scarce Skills	100 %	90%	2008
26	Parking Policy	90%		Draft
27	Internship	100 %	90%	07/10/04
28	Learnership	100 %	90%	09/12/05
29	External Bursary	Draft	90%	
30	Injuries on Duty (COIDA Act 130 of 1993)	100 %		Inception of Council
31	Abscondment Policy & Procedure	100 %		15/03/2011
32	Alcohol & Drug Abuse Policy	100 %		25/03/2011
33	Bee & Wasp Stings Policy	100 %		21/02/2006
34	Management of Heat Stress Policy	100 %		18/03/2011
35	Post Exposure Protocol	100 %		26/03/2007
36	Procedure for Injury on Duty	100 %		16/02/2006
37	Procedure for Management of PTB in Health Care Workers	100 %		21/07/2008

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	Nil	Nil	Nil	Nil	Nil
Temporary total disablement	512	49	Nil	Nil	R 314720.00
Permanent Disablement	Nil	Nil	Nil	Nil	Nil
Fatal	Nil	Nil	Nil	Nil	Nil
TOTAL	512	49			R 314720.00

NUMBER OF DAYS AND COST OF SICK LEAVE (EXCL. INJURIES ON DUTY)						
Designations	Total Sick Leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	Average sick leave per employees Days	Estimated Cost R 000
A1 - A4	16965	64%	1013	1099	15	8432
B1 - B5	12943	67%	739	862	15	9121
C1 - C4	9932	66%	501	513	14	11337
D1 - DU	1877	73%	138	145	11	3215
E1 - E2	73	62%	19	20	2	196
F1 - F2	14	34%	1	4	-	316
TOTAL	41804	66%	2411	2643	57	32617



COMMENT ON INJURY AND SICK LEAVE:

F1 – F2 Employees posts vacant or filled posts incumbents on suspension and then special leave during the course of 2010/2011.

The following steps were taken during the year to reduce injuries on Duty, sick leave management and follow-up action.

1. IOD Management and Occupational Disease Monitoring.

1.1. Comprehensive Safety Management programme in place with scheduled audits for compliance
1.2. On-site first aid and IOD Management
1.3. Initial Assessment by OHN and referral for serious cases
1.4. Facilitation of incident and accident investigation
1.5. Scheduled safety training, and safe work procedures

2. Medical Surveillance

2.1. Pre-placement, periodic, transfer, and scheduled medical examinations based on occupational risk exposure profiles
2.2. Audiometry and hearing monitoring
2.3. Spirometry and respiratory programme

3. Preventative Programmes

3.1. Immunisation programmes
3.2. Occupational post exposure prophylaxis for needle stick injuries
3.3. Trauma de-briefing for workers exposed to traumatic events

4. Incapacity and Medical Board Assessment management

4.1. Return to work assessments
4.2. Disability management

5. Sick leave Management

5.1. Multidisciplinary approach to sick leave management
5.2. Active surveillance of employee absenteeism rate
5.3. Profiling sick leave frequency and trends
5.4. Home visits, liaison with treating medical practitioner
5.5. Awareness and liaison with medical practitioners found to issue frequent and generous sick leave
5.6. Medical assessment of employees taking frequent and long episodes of sick leave
5.7. Facilitate medical assessments for incapacity
5.8. Address causes of sick leave identified, eg. Lifestyle, substance abuse, financial problems through wellness interventions

6. Sick leave management linked to HIV and AIDS

6.1. Occupational Health diagnostic, clinical and support programme
6.2. VCT drives
6.3. Wellness follow-up care for HIV positive employees at the Occupational Health clinic
6.4. Referral for ARV treatment

NUMBER AND PERIOD OF SUSPENSIONS				
Position	Nature of Alleged Misconduct	Date of suspension	Details of Disciplinary Action taken or status of case and reasons why it is not finalized	Date Finalized
Personnel Manager	Various irregularities	Provincial Intervention Team	Action Current, poor capacity for Disciplinary process in organisation	Employee has returned to work. Discipline to continue
Manager: Supply Chain Management	SCM	Provincial Intervention Team	Action Current, poor capacity for Disciplinary process in organisation	Employee has returned to work. Discipline to continue
Manager: Contracts	SCM	Provincial Intervention Team	Action Current, poor capacity for Disciplinary process in organisation	Employee has returned to work. Discipline to continue
Manager: Consolidated Billing	Various irregularities	Provincial Intervention Team	Action Current, poor capacity for Disciplinary process in organisation	Employee has returned to work. Discipline to continue
Contracts Officer	Provincial Intervention Team	Provincial Intervention Team	Action Current, poor capacity for Disciplinary process in organisation	Employee has returned to work. Discipline to continue

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT			
Position	Nature of alleged misconduct and rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
Manager : SCM	Provincial Intervention Team	Provincial Intervention Team	Not Yet Finalised
Manager : SCM	Provincial Intervention Team	Provincial Intervention Team	Not Yet Finalised
Manager: Speakers Office	Various SCM/False Documents	Provincial Intervention Team	Not Yet Finalised
Coordinator: Speakers Office	Various SCM/False Documents	Provincial Intervention Team	Not Yet Finalised
Contracts Officer	Provincial Intervention Team	Provincial Intervention Team	Not Yet Finalised

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The Municipality has just emerged from administration. The suspensions have, in many instances, extended beyond a year. The incumbents have been permitted to return to work, outside of their substantive posts, the disciplinary process to continue. The disciplinary procedures were being conducted by the Provincial Intervention team, outside of the control of the Employee Relations Unit

10.3 PERFORMANCE REWARDS

The Municipality has not yet effectively implemented performance Management within the organization. Performance management is not being cascaded to the employees beyond the section 57, performance contract Employees. 2010/2011 saw no performance reward beneficiaries, including Section 57 employees.

PERFORMANCE REWARD BY GENDER					
Designation	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 20011/12 R 000s	Proportion of beneficiaries within group %
Lower Skilled (Levels 1-2)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (Levels 3-5)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (Levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (Levels 9-12)	Female	0	0	0	0
	Male	0	0	0	0
Senior Management (Levels 13-15)	Female	0	0	0	0
	Male	0	0	0	0
MM and S57	Female	0	0	0	0
	Male	3	0		0
Total:		**3**	**0**	**0**	**0**

10.4 CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Municipal Service Act 2000, S68(1) required municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powere in an economical, effective, efficient and accountable way.

The Municipality through Human Resources Development Unit under the Corporate Services Department is the custodian or champion for skills development on behalf of the Municipality. Various training interventions are conducted through different levels in the organisation. There are training programmes that are attended to equip the employee in order to improve the quality and standard of service delivery. The Workplace Skills Plan is developed along the LGSETA guideline. Almost what is due to the municipality in terms of the training rebates is collected on an annual basis in full. Whilst the Human Resources Development Unit is tasked to improve the competency of our employees the unit is also responsible to work in partnership with various departments and training providers and communities to improve the level of skills, knowledge and behaviour of our employees and citizens to be active participants in the city and the economic development and growth of the city.

Capacity Development

The Municipality has several well developed capacity development programmes and systems in place;

1. Annual Workplace Skills Plan
2. Learnership and Apprentices Schemes
3. Study Assistance
4. Internship
5. Adult Basic Education Programmes
6. Management Training Programmes
7. Councillor training Programmes
8. Community Training

SKILLS DEVELOPMENT & TRAINING

SKILLS MATRIX											
Management Level	Gender	Employees in post as at 30 June 2012	Number of skilled employees required and actual as at 30 June 2012								
			Learnerships			Skills programmes and other short courses			Other forms of training		
		No.	Actual 30 June 2011	Actual 30 June 2012	Target 2013	Actual 30 June 2011	Actual 30 June 2012	Target 2013	Actual 30 June 2011	Actual 30 June 2012	Target 2013
MM and S57	Female	1	0	0	0	0	0	0	0	0	0
	Male	3	0	0	0	0	0	0	0	0	0
Councillors, Senior Officials & managers	Female	31	0	0	0	0	7	15	0	0	0
	Male	57	0	0	0	0	13	25	0	0	0
Technicians and trade workers	Female	106	2	0	0	5	10	24	0	0	0
	Male	253	8	0	0	12	29	64	0	0	0
Professionals	Female	22	0	0	0	1	6	16	0	0	0
	Male	74	0	0	0	5	22	37	0	0	0
Sub-totals	Female	160	2	0	0	6	23	55	0	0	0
	Male	387	8	0	0	17	64	126	0	0	0
Totals		547	10	0	0	23	87	181	0	0	0

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	1	1	1
Chief Financial Officer	0	0	0	0	0	0
Senior Managers	1	0	1	0	0	0
Any other financial officials	223	0	223	0	0	0
Supply Chain Management Officials						
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior managers	2	0	2	0	0	0
TOTAL	227	0	227	1	1	1
This is a statuary report under the national treasury: LG MFMA Regulations						

SKILLS DEVELOPMENT EXPENDITURE AS AT 30 JUNE 2012				
Number of skilled employees required and actual as at 30 June 2012				
Programme	Gender	Number	Original Budget	Actual Budget Received
TRAINING	Female	190	R 3 392 666.00	R 400 000.00
	Male	401		
BURSARIES (INTERNAL)	Female	28	R 376 920.00	R 229 000.00
	Male	13		
BURSARIES (EXTERNAL)	Female	1	R 395 766.00	R 80 008.00
	Male	1		

SKILLS DEVELOPMENT EXPENDITURE AS AT 30 JUNE 2012				
Number of skilled employees required and actual as at 30 June 2012				
Programme	Gender	Number	Original Budget	Actual Budget Received
APPRENTICES	Female	0	R 250 000.00	R 0.00
	Male	0		
PROJECT - QUALIFIED MANAGEMENT	Female	0	R 700 000.00	R 0.00
	Male	0		
INTERNSHIP	Female	12	R 847 038.00	R 550 000.00
	Male	16		
LEARNERSHIP	Female	14	R 500 000.00	R 480 000.00
	Male	6		
TRAINING - ABET	Female	72	R 481 984.00	R 240 992.00
	Male	128		
COUNCILLOR DEVELOPMENT	Female	7	R 500 000.00	R 100 000.00
	Male	13		

*% 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 Skills Development Budget was not in line with the Skills Development Levies Act as the Municipality was not budgeting 1% of the salary bill for Skills Development, (monies were re-allocated at mid-year due to non-expenditure). A report was written to MANCO in April 2012 and a resolution has been taken that with immediate effect, the amount that needs to be budgeted for Skills Development will be 1% of the Payroll and that all grants received from LGSETA will be allocated to Skills Development.

In terms of achieving the National Treasury Regulations, a training provider has been appointed to train 37 employees within the Finance and Supply Chain Units. The Municipality has also made use of the SAICA-Deliotte Programme to train 5 Finance Managers and currently 5 Senior Managers.

10.5 MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

Managing workplace expenditure is governed by Section 66 of the MFMA Act 56 of 2003.The economic challenges faced by the Municipality include, optimizing productivity and rand value, balancing compensation for performance results, the growing dilemma of providing health care and wellness programmes for all employees, hiring and retaining professional staff and raising and addressing the skills levels of all employees.

The strategic and economic challenges are managed through the following programmes:

1. Affirmative Action and Employment Equity
2. Code of Conduct of employees
3. Grievances and disciplinary Procedures
4. Skills Development and Study Assistance
5. Occupational Health and safety
6. Working Hours and Overtime
7. Remuneration scales and allowances

8. Recruitment and Appointments
9. Sexual harassment and Employee Assistance
10. Sick Leave monitoring and management
11. Wellness programmes
12. Injury on duty management
13. Workplace Skills Plans
14. Management and Supervisory development of staff.

Managing a workforce of 3000 permanent employees is a responsibility of Human Resources together with IT Systems Management, through integrated software, Payday.

Financially all vacancies and programmes are approved at the budget period, in line with the strategic focus areas identified in the IDP. Any over expenditure is reviewed and regularized.

EMPLOYEE EXPENDITURE

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

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

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS		
BUSINESS UNIT	POST TITLE	COMMENTS
ISF	Beverage Executive	On placement structure not on approved structure
ISF	Technicians Assistant	On placement structure not on approved structure
ISF	Storeman x 2	On placement structure not on approved structure
ISF	Storeman x 2	On placement structure not on approved structure
ISF	Assistant Storeman	On placement structure not on approved structure
ISF	Executive Secretary	On placement structure not on approved structure
ISF	Engineering Senior Eng	Approved structure shows 2 x Senior Engineering Surveyors and 3 x Senior Engineering Surveyors The Engineering Surveyor progresses to Senior Engineering Surveyor
ISF	Engineering Senior Eng	
ISF	Engineering Senior Eng	
ISF	Engineering Senior Eng	
ISF	Driver	On placement structure not on approved structure
ISF	Driver	On placement structure not on approved structure
ISF	Driver	On placement structure not on approved structure
ISF	Artisan Bricklayer	On placement structure not on approved structure
ISF	Artisan Bricklayer	On placement structure not on approved structure
ISF	Handyman	On placement structure not on approved structure
ISF	Handyman	On placement structure not on approved structure
ISF	Handyman	On placement structure not on approved structure
ISF	Handyman	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
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ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS		
BUSINESS UNIT	POST TITLE	COMMENTS
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Artisans Assistant	On placement structure not on approved structure
ISF	Beverage Executive	On placement structure not on approved structure
ISF	Manger Revenue Enmt	On placement structure not on approved structure
ISF	Supervisor Domestic	On placement structure not on approved structure
ISF	Supervisor Industrial	On placement structure not on approved structure
ISF	Control Technician	On placement structure not on approved structure
CBU	IDP Manager	On placement structure not on approved structure
CBU	ID Co-ordinators	On placement structure not on approved structure
CBU	ID Co-ordinators	On placement structure not on approved structure
CBU	Executive Secretary	On placement structure not on approved structure
CBU	Special Projects Manger	Structure never submitted to PJEC
CBU	ID Co-ordinators x 2	Structure never submitted to PJEC
CBU	ID Co-ordinators x 2	
CBU	Election Co-ordinator	Structure never submitted to PJEC
CBU	Principal Clerk x 2	Structure never submitted to PJEC
CBU	Principal Clerk x 2	
ED&G	HR Clerk	Placed but not on placement or approved structure
SG&HR	Clerk III	On placement structure not on approved structure
SG&HR	Clerk III	On placement structure not on approved structure
SG&HR	Clerk III	Appointed in finance/admin support not on structure
SG&HR	Clerk I	Appointed in Employee Relations not on placement or approved structure
SG&HR	Admin Officer	Appointed reporting to Systems Manager not on placement or approved structure
CS&SE	Admin Officer	Posts added to structure that was submitted late
CS&SE	Clerk II x 2	Posts added to structure that was submitted late
CS&SE	Clerk II x 2	
CS&SE	Admin Training Officer	Posts added to structure that was submitted late
CS&SE	HR Clerk x 3	Posts added to structure that was submitted late
CS&SE	HR Clerk x 3	
CS&SE	HR Clerk x 3	
CS&SE	Human Resource Officer	Posts added to structure that was submitted late
CS&SE	Office Assistant x 2	Posts added to structure that was submitted late
CS&SE	Office Assistant x 2	
CS&SE	Admin Officer	Post to be removed from original structure
CS&SE	Clerk I now x 1 not 3	Amount of posts to be adjusted

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS		
BUSINESS UNIT	POST TITLE	COMMENTS
CS&SE	Messenger /Office Asst	Post to be removed from original structure
CS&SE	Senior Clerk	Post to be removed from original structure
CS&SE	Disaster Management Officer	Post left off structure
CS&SE	Conservation Officer	Post left off structure
CS&SE	Arborist	Post left off structure
CS&SE	Arborist	Post left off structure
CS&SE	Arborist	Post left off structure
CS&SE	Arborist	Post left off structure
CS&SE	Arborist	Post left off structure
CS&SE	Arborist	Post left off structure
CS&SE	Arborist	Post left off structure
CS&SE	Driver	Post left off structure
CS&SE	Project Manager	Post left off structure
CS&SE	Manager Special Projects	Post left off structure
CS&SE	Manager Planning & Matters	Post left off structure
CS&SE	Town Planning Technician	Post left off structure
CS&SE	Town Planning Technician	Post left off structure
CS&SE	GIS Technician	Post left off structure
CS&SE	Manager Community Development	Post left off structure
CS&SE	Community Development Officer	Post left off structure
CS&SE	Community Development Officer	Post left off structure
CS&SE	Community Development Officer	Post left off structure
CS&SE	Manager Development Services	Post left off structure
CS&SE	Principal Admin Officer	Post left off structure
CS&SE	Secretary	Post left off structure
CS&SE	Messenger/ Driver	Post left off structure
CS&SE	Receptionist	Post left off structure

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

The Municipality has not yet completed the implementation of the TASK Job Evaluation System. The Organisation was restructured in 2005; at which stage, a new organizational structure was developed. All posts arising from the new organizational structure have not yet been graded. In the absence of graded posts, perceived grades are implemented.

A re-aligned MACRO organizational Structure was approved in 2008. Restructuring process is to commence in 2012/13.

II. COMPONENT K: FINANCIAL PERFORMANCE

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

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

2.1. The Service Delivery and Budget Implementation Plan (SDBIP) is a legislative requirement as per the Municipal Finance Management Act (MFMA).

2.2. The SDBIP gives effect to the Municipality's Integrated Development Plan (IDP) and annual budget.

2.3. The SDBIP facilitates the accountable role that managers hold to the Council and that Councillors hold to the community.

2.4. 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.

2.5. 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".

2.6. In terms of the provisions above, IN-YEAR monitoring on service delivery indicatorswas conducted according to the attached SDBIP on a quarterly basis and reports thereof submitted to the EXCO, the Full Council, Portfolio Committees and the Municipal Public Accounts Committee.

2.7. 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.

2.8. 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.

2.9. During the 2011/2012 financial year, the municipality implemented a quarterly dashboard reporting process.

2.10. 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.

2.11. Quarterly reports on the SDBIP 2011/2012 were submitted to Council and are available on request.

2.12. During the third (3rd) quarter report on the SDBIP, Council took a resolution to remove all those projects which did not have cash-backed funding as the inclusion of these projects resulted in a skewed reporting of performance. These indicators must be catered for, according to available budgetary resources, in outer years of the IDP.

2.13. The graphical representations below illustrate the performance of the municipality, over the four (4) quarters of the 2011/2012 financial year, as per the colour-coded dashboard.

THE COLOUR-CODED DASHBOARD

	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 ORGANISATIONAL OVERVIEW

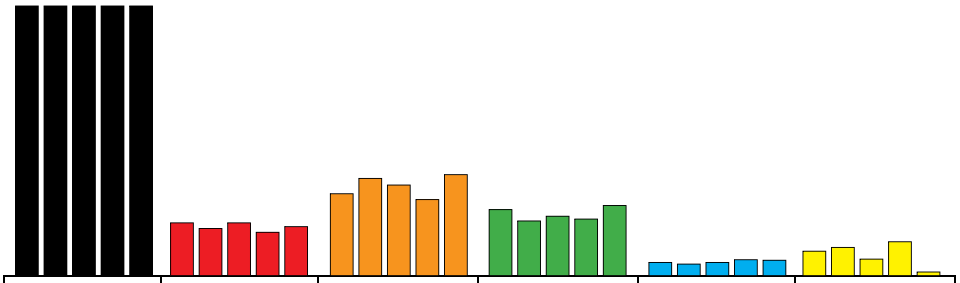
1.1 TOTAL PROJECTS: 326

1.1.1 OPERATING PROJECTS 277

1.1.2 CAPITAL PROJECTS 49

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

ORGANISATIONAL OVERVIEW - OPERATING PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	18.20%	33.30%	31.27%	6.18%	10.65%
QTR 2	100%	17.52%	39.86%	25.77%	5.84%	10.99%
QTR 3	100%	18.21%	38.14%	28.17%	6.18%	6.27%
QTR 4	100%	15.52%	31.76%	27.79%	7.94%	16.96%
Annual	100%	17.68%	39.35%	34.65%	6.49%	1.80%

1.2.1. A total of 277 Operating Projects were reported on the SDBIP for the 4thQuarter ending June2012 and annually for the 2011/2012 financial year.

1.2.2. 15.52% of the projects were reported as having Nil Achievements for the 4th Quarter & 17.68% for the financial year.

1.2.3. 31.76% of the projects were reported as having been partially met for the 4th Quarter & 39.35% for the financial year.

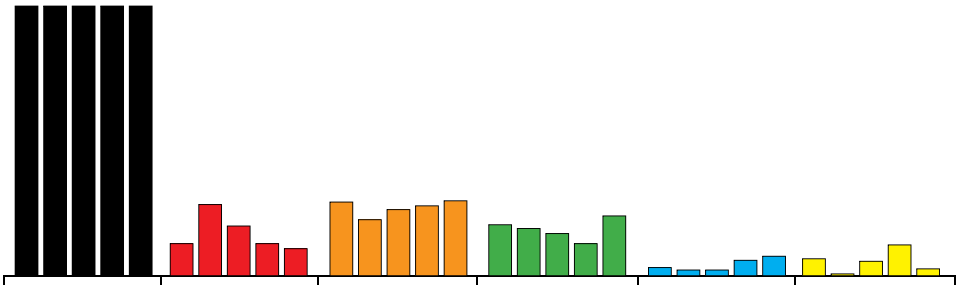
1.2.4. 27.79 of the projects were reported as having been met in the 4th Quarter & 34.65% for the financial year.

1.2.5. 7.94% of the projects were reported as having exceeded the target for the 4th Quarter & 6.49% for the financial year.

1.2.6. 16.96% of the projects were reported as not applicable due to not having any targets set for the 4th Quarter.

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

ORGANISATIONAL OVERVIEW - CAPITAL PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	16.48%	38.46%	29.67%	4.39%	9.89%
QTR 2	100%	37.30%	30.70%	28.50%	2.10%	1%
QTR 3	100%	27.40%	35.16%	26.37%	2.10%	8.79%
QTR 4	100%	16.32%	36.73%	22.44%	8.16%	16.32%
Annual	100%	14.28%	38.77%	32.65%	10.20%	4.08%

2.1.1. A total of 49 Operating Projects were reported on the SDBIP for the 4 Quarter ending June2012 and annually for the 2011/2012 financial year.

2.1.2. 16.32% of the projects were reported as having Nil Achievements for the 4th Quarter & 14.28% for the financial year.

2.1.3. 36.73% of the projects were reported as having been partially met for the 4th Quarter & 38.77% for the financial year.

2.1.4. 22.44% of the projects were reported as having been met in the 4th Quarter & 32.65% for the financial year.

2.1.5. 8.16% of the projects were reported as having exceeded the target for the 4th Quarter & 10.20% for the financial year.

2.1.6. 16.32% of the projects were reported as not applicable due to not having any targets set for the 4th Quarter.

SECTION 3: LEGISLATED KEY PERFORMANCE INDICATORS – DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

The attached Annexure E is the annual report of the legislated Key Performance Indicators from the Department of Cooperative Governance and Traditional Affairs (CoGTA) in KwaZulu Natal. Quarterly reports of the attached were submitted to CoGTA during the financial year 2011/2012.

CONCLUSION:

This annual performance report reflects the performance of Business Units during the year 2011/ 2012. It is evident that performance across the organization, and at all levels, was largely influenced by the intervention in terms of section 139(b) of the Constitution. As is reflected in the report of the Service Delivery and Budget Implementation Plan, a large proportion of capital projects had either been partially met, met and even exceeded as compared to nil achieved. This is a vast improvement from previous financial years.

CHAPTER 4 – ANNUAL FINANCIAL STATEMENTS

General Information

Legal form of entity	Municipality
Grading of local authority	Category - B
Controlling entity	Safe City Pietermaritzburg
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 2006
Facsimile	(033) 392 2208
Bankers	First National Bank
Auditors	The Auditor General
Website	www.msunduzi.gov.za
Accounting Officer	M A Nkozi
Chief Finance Officer (CFO)	N M Ngcobo
Executive Committee	Mayor - CJ Ndlela Deputy Mayor - TR Zuma Member - NP Bhengu Member - M Chetty Member - M Inderjit Member - WF Lambert Member - NE Majola Member - JJ Ngubo
Councillors	Speaker - B Baijoo Whip - TV Magubane NB Ahmed R Ahmed RP Ashe N Atwaru C Bradley D Buthelezi TM Buthelezi PN Dlamini T Dlamini AB Dlomo SN Govender SC Gwala N Gumede
Councillors	VP Jaca JM Lawrence SP Lyne LL Madlala IS Madonda TS Magwaza TS Majola FM Makhathini T Matiwane M Maphumulo AL Mbanjwa

FZ Mbatha
GR McArthur
BM Mkhize
MA Mkhize
MH Mkhize
SA Mkhize
VGM Mlete
N Msimang
C Ndawonde
MD Ndlovu
NZ Ndlovu
TP Ndlovu
BB Ngcobo
JM Ngcobo
KM Ngcobo
L Ngcobo
MA Ngcobo
T Ngcobo
PG Ngidi
DT Ntombela
DB Phungula
FR David
M Schalkwyk
PB Shozi
NS Lungisani
J Singh
RB Singh
P Sithole
BC Sokhela
MS Sokhela
R Soobiah
MA Tarr
LJ Winterbach
TV Xulu
PZ Dolo
B Zuma
BM Zuma
NJ Zungu
TRF Zungu

The Msunduzi Municipality and its Municipal Entity
The Consolidated Annual Financial Statements
For the year ended 30 June 2012

I, am responsible for the preparation of these annual financial statements, which are set out on pages 176 to 266, 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 disclose in Note 29 of these 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.

31/08/2012

MA Nkosi
Municipal Manager

Date

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Abbreviations

ASB	Accounting Standards Board
CBD	Central Business District
COID	Compensation for Occupational Injuries and Diseases
CPI	Consumer Price Index
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
DSB	Development Services Board
FNB	First National Bank
GRAP	Generally Recognised Accounting Practise
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
KZN	KwaZulu-Natal
ME s	Municipal Entities
MFMA	Municipal Finance Management Programme
MIG	Municipal Infrastructure Grant
NATIS	National Traffic Information System
NCT	Natal Co-operative Timber Tree Farming (Pty) Ltd
NJMPF	Natal Joint Municipal Pension Fund
NPA	National Provincial Administration
PAYE	Pay As You Earn
RMB	Rand Merchant Bank
UIF	Unemployment Insurance Fund
VAT	Value Added Taxation

Statement of Financial Position as at 30 June 2012

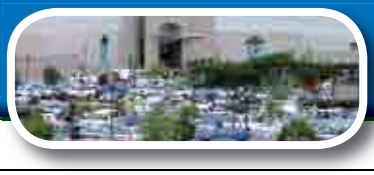
Figures in Rand	Note(s)	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Assets					
Current Assets					
Inventories	3	57,007,581	57,922,099	57,007,581	57,922,099
Other financial assets	10	66,033	65,135	66,033	65,135
Trade and other receivables from non exchange transactions	4	11,095,341	14,260,629	11,092,841	14,258,129
VAT receivable	14	8,482	69,774	-	-
Trade and receivables from exchange transactions	5	549,679,772	372,711,585	549,679,772	372,711,585
Cash and cash equivalents	6	628,048,442	334,905,680	626,871,246	333,903,765
		1,245,905,651	**779,934,902**	**1,244,717,473**	**778,860,713**
Non-Current Assets					
Investment property	9	381,012,346	405,306,365	381,012,346	405,306,365
Property, plant and equipment	7	6,361,748,617	6,397,718,211	6,361,643,397	6,397,646,387
Intangible assets	8	3,458,562	7,282,522	3,458,562	7,282,522
Other financial assets	10	8,181,275	8,116,899	8,181,275	8,116,899
		6,754,400,800	**6,818,423,997**	**6,754,295,580**	**6,818,352,173**
Total Assets		**8,000,306,451**	**7,598,358,899**	**7,999,013,053**	**7,597,212,886**
Liabilities					
Current Liabilities					
Other financial liabilities	11	43,584,148	39,409,376	43,584,148	39,409,376
Finance lease obligation	12	2,248,130	2,861,443	2,248,130	2,861,443
Trade and other payables from exchange transactions	13	452,181,892	388,261,564	452,056,290	388,075,150
VAT payable	15	52,659,731	41,558,707	52,659,731	41,558,707
Consumer deposits	16	71,647,692	70,633,354	71,647,692	70,633,354
Unspent conditional grants and receipts	17	149,447,649	121,309,551	149,447,649	121,309,551
Current provisions	18	311,926	281,850	311,926	281,850
		772,081,168	**664,315,845**	**771,955,566**	**664,129,431**
Non-Current Liabilities					
Other financial liabilities	11	575,954,199	514,615,504	575,954,199	514,615,504
Finance lease obligation	12	2,008,302	4,326,449	2,008,302	4,326,449
Retirement benefit obligation	19	285,724,124	211,638,188	285,724,124	211,638,188
Provisions	20	22,398,604	20,502,740	22,398,604	20,362,367
		886,085,229	**751,082,881**	**886,085,229**	**750,942,508**
Total Liabilities		**1,658,166,397**	**1,415,398,726**	**1,658,040,795**	**1,415,071,939**
Net Assets		**6,342,140,054**	**6,182,960,173**	**6,340,972,258**	**6,182,140,947**
Net Assets					
Issued capital	39	100	-	-	-
Reserves					
Housing development fund	21	55,525,904	53,213,896	55,525,904	53,213,896
Accumulated surplus		6,286,614,050	6,129,746,277	6,285,446,354	6,128,927,051
Total Net Assets		**6,342,140,054**	**6,182,960,173**	**6,340,972,258**	**6,182,140,947**

Statement of Financial Performance

		Economic entity		Controlling entity	
Figures in Rand	**Note(s)**	**2012**	**2011**	**2012**	**2011**
Revenue					
Property rates	23	505,310,156	448,256,813	505,310,156	448,256,813
Service charges	24	1,678,603,419	1,449,716,955	1,678,603,419	1,449,716,955
Property rates - penalties imposed and collection charges	23	31,244,472	26,358,475	31,244,472	26,358,475
Rental received		17,943,780	17,312,556	17,943,780	17,312,556
Fees from agency services		373,664	576,982	373,664	576,982
Fines		3,813,388	5,354,278	3,813,388	5,354,278
Licences and permits		77,690	88,887	77,690	88,887
Government grants & subsidies	25	500,668,971	387,732,651	500,668,971	387,732,651
Donations		-	65,393	-	-
Other revenue	26	65,409,467	64,720,354	65,368,235	64,714,854
Interest received - investment	27	25,906,640	12,822,576	25,906,640	12,822,576
Interest received - other	27	58,297,967	47,479,983	58,253,996	47,436,815
Total Revenue		**2,887,649,614**	**2,460,485,903**	**2,887,564,411**	**2,460,371,842**
Expenditure					
Employee related costs	28	(668,305,246)	(648,293,676)	(666,197,730)	(646,006,947)
Remuneration of councillors	29	(31,426,756)	(18,417,917)	(31,426,756)	(18,417,917)
Depreciation and amortisation	30	(273,093,017)	(252,253,563)	(273,064,405)	(252,224,951)
Impairment of assets	31	(585,791)	(1,259,776)	(585,791)	(1,259,776)
Finance costs	32	(72,134,067)	(71,568,061)	(72,134,067)	(71,568,061)
Debt impairment	33	(58,209,770)	(96,000,000)	(58,209,770)	(96,000,000)
Collection costs		(1,539,889)	(1,663,830)	(1,539,889)	(1,663,830)
Repairs and maintenance		(40,141,343)	(58,214,303)	(39,509,685)	(57,394,116)
Bulk purchases	34	(1,217,334,860)	(994,365,930)	(1,217,334,860)	(994,365,930)
Grants and subsidies paid	35	(196,459)	(194,735)	(4,143,827)	(3,966,665)
General Expenses	36	(290,681,377)	(223,511,742)	(289,890,665)	(222,726,515)
Total Expenditure		**(2,653,648,575)**	**(2,365,743,533)**	**(2,654,037,445)**	**(2,365,594,708)**
Gain (loss) on disposal of assets	37	940,864	(63,559)	940,864	(63,559)
Financial liability amortised		-	241,233	-	241,233
Financial asset amortised cost		-	(140,688)	-	(140,688)
Taxation		(125,602)	-	-	-
Surplus for the year		**234,816,301**	**94,779,356**	**234,467,830**	**94,814,120**

Statement of Changes in Net Assets

Figures in Rand	Issued capital	Housing development fund	Accumulated surplus	Total net assets
Economic entity				
Balance at 01 July 2010	**-**	**52,480,002**	**5,863,821,792**	**5,916,301,794**
Changes in net assets	-	-	(236,915,412)	(236,915,412)
Correction of prior period error	-	-	385,409,676	385,409,676
Opening balance - municipal entity	-	-	853,990	853,990
Net income (losses) recognised directly in net assets	-	-	149,348,254	149,348,254
Deficit for the year	-	-	94,779,356	94,779,356
Total recognised income and expenses for the year	-	-	244,127,610	244,127,610
Transfer to / from reserves	-	-	(15,024,339)	(15,024,339)
Net difference of adjustments	-	-	41,669,209	41,669,209
Transfer to / from provisions	-	-	(16,738,719)	(16,738,719)
Contributions to stated benefits	-	-	(60,540,906)	(60,540,906)
Offset depreciation	-	-	121,188,999	121,188,999
Contribution to leave pay	-	-	(6,233,113)	(6,233,113)
Transfer of HDF	-	733,894	-	733,894
Write back of financial instruments	-	-	(42,524,256)	(42,524,256)
Total changes	-	733,894	265,924,485	266,658,379
Balance at 01 July 2011	**-**	**53,213,896**	**6,132,193,913**	**6,185,407,809**
Changes in net assets				
Correction of prior period error - note 46 and appendix H	-	-	2,454,838	2,454,838
Net income (losses) recognised directly in net assets	-	-	2,454,838	2,454,838
Surplus for the year	-	-	234,816,301	234,816,301
Total recognised income and expenses for the year	-	-	237,271,139	237,271,139
Transfer to / from reserves	-	-	(20,813,373)	(20,813,373)
Changes in accounting estimate relating to provisions - note 56	-	-	687,534	687,534
Net difference of adjustments	-	-	44,379,512	44,379,512
Adjustments of infrastructure assets	-	-	(109,756,997)	(109,756,997)
Transfer to HDF	-	2,312,008	-	2,312,008
Contribution to stated benefits	-	-	(74,085,937)	(74,085,937)
Contribution to leave pay	-	-	(8,018,639)	(8,018,639)
Offset depreciation	-	-	127,281,154	127,281,154
Additional contributions received	100	-	-	100
Write back of financial instuments	-	-	(42,524,256)	(42,524,256)
Total changes	100	2,312,008	154,420,137	156,732,245
Balance at 30 June 2012	**100**	**55,525,904**	**6,286,614,050**	**6,342,140,054**
Note(s)	39	21		



Figures in Rand	Issued capital	Housing development fund	Accumulated surplus	Total net assets
Controlling entity				
Opening balance as previously reported	-	52,480,002	5,863,821,792	5,916,301,794
Adjustments				
Correction of errors	-	-	385,409,676	385,409,676
Change in accounting policy	-	-	(236,915,412)	(236,915,412)
Balance at 01 July 2010 as restated	**-**	**52,480,002**	**6,012,316,056**	**6,064,796,058**
Deficit for the year	-	-	94,732,059	94,732,059
Transfer to / from reserves	-	-	(15,024,339)	(15,024,339)
Net difference of adjustments	-	-	41,751,271	41,751,271
Contributions to stated benefits	-	-	(60,540,906)	(60,540,906)
Contribution to leave pay	-	-	(6,233,113)	(6,233,113)
Offset depreciation	-	-	121,188,998	121,188,998
Contribution to / from provisions	-	-	(16,738,719)	(16,738,719)
Transfer to HDF	-	733,894	-	733,894
Write back of financial instruments	-	-	(42,524,256)	(42,524,256)
Total changes	-	733,894	116,610,995	117,344,889
Balance at 01 July 2011	**-**	**53,213,896**	**6,131,374,687**	**6,184,588,583**
Changes in net assets				
Correction of prior period error - note 46 and Appendix H	-	-	(40,069,418)	(40,069,418)
Net income (losses) recognised directly in net assets	-	-	(40,069,418)	(40,069,418)
Surplus for the year	-	-	234,467,830	234,467,830
Total recognised income and expenses for the year	-	-	194,398,412	194,398,412
Transfer to / from reserves	-	-	(20,813,373)	(20,813,373)
Changes in accounting estimate relating to provisions - note 56	-	-	687,534	687,534
Net difference of adjustments	-	-	44,379,512	44,379,512
Adjustments of infrastructure assets	-	-	(109,756,997)	(109,756,997)
Transfer to HDF	-	2,312,008	-	2,312,008
Contribution to stated benefits	-	-	(74,085,937)	(74,085,937)
Contribution to leave pay	-	-	(8,018,639)	(8,018,639)
Offset depreciation	-	-	127,281,155	127,281,155
Total changes	-	2,312,008	154,071,667	156,383,675
Balance at 30 June 2012	**-**	**55,525,904**	**6,285,446,354**	**6,340,972,258**
Note(s)	39	21		

Cash Flow Statement

Figures in Rand	Note(s)	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Cash flows from operating activities					
Receipts					
Sale of goods and services		2,737,846,950	2,312,752,819	2,737,653,733	2,312,594,141
Interest income		91,700,909	51,796,184	91,700,909	51,796,184
		2,829,547,859	2,364,549,003	2,829,354,642	2,364,390,325
Payments					
Suppliers		(2,320,889,741)	(1,810,717,041)	(2,320,889,741)	(1,810,717,041)
Finance costs		(72,134,067)	(71,568,061)	(72,134,067)	(71,568,061)
		(2,393,023,808)	(1,882,285,102)	(2,393,023,808)	(1,882,285,102)
Net cash flows from operating activities	**38**	**436,524,051**	**482,263,901**	**436,330,834**	**482,105,223**
Cash flows from investing activities					
Purchase of property, plant and equipment	7	(358,873,364)	(112,006,084)	(358,811,357)	(111,994,175)
Proceeds from sale of property, plant and equipment	7	1,684,430	11,071,616	1,684,430	11,071,616
Movement in current receivables	9	(1,487,367)	(3,927,569)	(1,487,367)	(3,927,569)
Adjustments to fixed assets	9	148,538,564	-	148,383,086	(199,406,459)
Purchase of other intangible assets	8	-	(199,406,459)	-	-
Net cash flows from investing activities		**(210,137,737)**	**(304,268,496)**	**(210,231,208)**	**(304,256,587)**
Cash flows from financing activities					
Net movement in long term liabilities / financial liabilities		112,361,377	(56,885,075)	112,361,377	(56,885,075)
Movement in consumer deposits		1,014,338	34,839,391	1,014,338	34,839,391
Repayment of borrowings		(49,779,370)	(8,522,074)	(49,779,370)	(8,522,074)
Net cash flows from financing activities		**63,596,345**	**(30,567,758)**	**63,596,345**	**(30,567,758)**
Net increase/(decrease) in cash and cash equivalents		**293,142,762**	**196,069,509**	**292,967,481**	**154,247,974**
Cash and cash equivalents at the beginning of the year		334,905,680	138,836,171	333,903,765	179,655,791
Cash and cash equivalents at the end of the year	**6**	**628,048,442**	**334,905,680**	**626,871,246**	**333,903,765**

Accounting Policies

1. Presentation of Consolidated Annual Financial Statements

The consolidated annual financial statement the the year ended 30 June 2012 have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

These consolidated annual financial statement the the year ended 30 June 2012 have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. They are presented in South African Rand.

These accounting policies are consistent with the previous period.

1.1 Significant judgements 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 judgement 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. Significant judgements include:

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statement the the year ended 30 June 2012 incorporate the annual financial statements of the municipality and the municipal group.
The consolidated annual financial statements of the municipality and its municipal group are used in the preparation of the consolidated annual financial statements and are prepared as the same reporting date.
The results of municipal entity, are included in the consolidated consolidated annual financial statements from the effective date of acquisition. Where neccessary adjustments are made to the consolidated annual financial statements of the municipal group to bring their accounting policies used in line with those of the municipality.
All intra-group transactions, balances, revenues and expenses are eliminated in full on consolidation.

1.3 Going concern assumption

- The technical feasibility of the product or process can be demonstrated;
- The existence of a market or, if to be used internally rather than sold, its usefulness to the economic entity can be demonstrated;
- Adequate resources exist, or their availability can be demonstrated, to complete the project and then market or use the product or process; and
- The asset must be separately identifiable.

In terms of the accounting standard GRAP 1 paragraphs 27 to 30 the annual financial statements are prepared on a going concern basis. The assumption is based on the fact that the municipality may invoke its power to levy additional rates or taxes to enable the municipality to be considered as a going concern even though the municipality will be operational for extended periods with negative net assets. The administration imposed by the provincial department of Corporate Governance and Traditional Affairs (COGTA) in terms of section 139(b) of the Constitution was lifted on the 1st of January 2012. This lead to the appointment of the Municipal Manager in terms of section 82(1)(a) of the Municipal Structures Act on the 1st January 2012.

1.4 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 municipality; 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 at no cost, or for a nominal cost, 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, it's 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 spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

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 cost less accumulated depreciation and any impairment losses except for X,X and X which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated 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.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. 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 asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

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. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	**Average useful life**
Land	Infinite
Furniture and fixtures	7 - 10 years
Infrastructure	
• Roads and paving	5 - 100 years
• Pedestrian malls	30 years
• Electricity	10 - 100 years
• Water	10 - 100 years
• Sewerage	10 - 100 years
• Storm Water	20 years
• Housing	3 - 30 years
Community	
• Buildings	10 - 50 years
• Recreational facilities	10 - 100 years
• Security	5 years
• Watercraft	15 years
Other property, plant and equipment	2 - 5 years
Office equipment	3 - 7 years
Other	
• Vehicles	5 years
• Bins and conainers	5 years
• Landfill sites	15 years
• Specialised vehicles	10 years
• Specialised property, plant and equipment	10 - 15 years

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.

1.5 Intangible assets

An asset is identified as an intangible asset when it:

- 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, assets or liability; or
- arises from contractual rights or other legal rights, regardless whether those rights are transferable or separate from the economic entity or from other rights and obligations.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

property, plant and equipment are initially recognised at cost.

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.
- 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. Amortisation is not provided for these property, plant and equipment. 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 every period-end.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software, internally generated	3 - 5 years
Computer software	3 - 5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

1.6 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.

Initial Recognition:

Investment property includes property (land or a building, or part of a building, or both land or buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the Municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition. The cost of self-constructed investment property is the cost at date of completion

Subsequent Measurement:

Investment property is measured at fair value. After initial recognition all investment property is measured at fair value at each Statement of financial position date. No depreciation is calculated on these properties. Item Useful life

Property - land indefinite
Property - buildings 5 - 50 years.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.
Property interests held under operating leases are classified and accounted for as investment property in the following circumstances:

When classification is difficult, the criteria used to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of business, are as follows:

1.7 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.

A financial asset is:
- cash;
- a residual interest of another entity; or
- a contractual right to:
    - receive cash or another financial asset from another entity; or
    - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.
- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
    - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
    - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
    - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
    - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Trade and other receivables from non-exchange transactions	Financial asset measured at amortised cost
Trade and other receivables from exchange transactions	Financial asset measured at amortised cost
Long term receivables	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Long term liabilities	Financial liability measured at amortised cost
Trade and other payables	Financial liability measured at amortised cost

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Gains and losses

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
    - derecognise the asset; and
    - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

1.8 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 lessee

Finance leases are recognised as assets and liabilities in the 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 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 municipality s incremental borrowing rate.

The 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 on the remaining balance of the liability.

1.9 Inventories

Inventories are initially measured at cost except where inventories are acquired at no cost, or for nominal consideration, 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.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the economic entity incurs to acquire the asset on the reporting date.

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.

The cost of inventories is assigned using the formula. The same cost formula is used for all inventories having a similar nature and use to the economic entity.

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.

1.10 Non-current assets held for sale (and) (disposal groups)

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale (or disposal group) are measured at the lower of its carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in surplus or deficit.

1.11 Impairment of cash-generating assets

Cash-generating assets are those assets held by the economic entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Identification

The economic entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the economic entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the economic entity also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable 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 a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the economic entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the economic entity applies the appropriate discount rate to those future cash flows.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the economic entity determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the economic entity use management's best estimate of future price(s) that could be achieved in arm s length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of 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 cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable 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 cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.
A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

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.

1.12 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the economic entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Identification

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 an asset is the present value of the asset's remaining service potential.

The present value of the remaining service potential of an asset 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.

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.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

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.

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.

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.

1.13 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.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

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

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects 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 obligation.

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measure the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determine the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the consolidated annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an entity shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

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 entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is [OR is not] presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

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.

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 and its employees contribute to 7 different Pension Funds, of which 2 (The Natal Joint Provident and Retirement Pension Fund) cater for the majority of the staff.

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.

The schemes are funded through payments to financial consultant companies or trustee-administered funds, determined by periodic actuarial calculations.

The Municipality has both defined benefit and defined contribution 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. A defined contribution plan is a pension plan under which the Municipality pays fixed contributions into a separate entity. The Municipality has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, 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.

1.14 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.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

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.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
    - the activity/operating unit or part of a activity/operating unit concerned;
    - the principal locations affected;
    - the location, function, and approximate number of employees who will be compensated for services being terminated;
    - the expenditures that will be undertaken; and
    - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the economic entity

No obligation arises as a consequence of the sale or transfer of an operation until the economic entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 44.

1.15 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

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.

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.
Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by .

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends 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.

1.16 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

1.17 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 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.

1.18 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.19 Borrowing costs

It is inappropriate to capitalise borrowing costs when, and only when, there is clear evidence that it is difficult to link the borrowing requirements of an entity directly to the nature of the expenditure to be funded i.e. capital or current.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.20 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each statement of financial position date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated annual financial statement the the year ended 30 June 2012 are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised directly in equity, any exchange component of that gain or loss is recognised directly in equity. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.21 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.22 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote;
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised 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 expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 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 Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the 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 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 statement of financial performance.

1.25 Budget information

The consolidated annual financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget have been included in the consolidated annual financial statements. Refer to note 58.

1.26 Related parties

The NCT tree farming (Pty) Ltd manages timber plantations established on Council owned land on behalf of the Council by a management agreement. NCT is entitled to a 5% management fee based on net profit.

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 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 Statement of Financial Performance.

1.29 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 economic entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated 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.

1.30 Offsetting

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP, GRAP or GAAP.

1.31 Grant in aid

The Msunduzi Municipality transfers money to individuals, institutions and organisations. When making these transfers, The Municipality does not:

Receive any goods or services directly in return, as would be expected in a purchase or sale transaction
Expect to be repaid in future; or

Expect a financial return, as would be expected from an investment

These transfers are recognised in the financial statements as expenses in the period that the events giving rise to the transfer occurred.

1.32 Correction of prior period errors

When accounting errors have been identified in the cu rent 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 pior year comparative is restated accordingly .

1.33 Issued capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Notes to the Consolidated Annual Financial Statements

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the economic entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:

- GRAP 1 (as revised 2010): Presentation of Financial Statements
- GRAP 2 (as revised 2010): Cash Flow Statements
- GRAP 3 (as revised 2010): Accounting policies, Changes in Accounting Estimates and Errors
- GRAP 4 (as revised 2010): The Effects of Changes in Foreign Exchange Rates
- GRAP 9 (as revised 2010): Revenue from Exchange Transactions
- GRAP 10 (as revised 2010): Financial Reporting in Hyperinflationary Economies
- GRAP 11 (as revised 2010): Construction Contracts
- GRAP 12 (as revised 2010): Inventories
- GRAP 13 (as revised 2010): Leases
- GRAP 14 (as revised 2010): Events After the Reporting Date
- GRAP 16 (as revised 2010): Investment Property
- GRAP 17 (as revised 2010): Property, Plant and Equipment
- GRAP 19 (as revised 2010): Provisions, Contingent Liabilities and Contingent Assets
- GRAP 100 (as revised 2010): Non-current Assets Held for Sale and Discontinued Operations
- GRAP 5 : Borrowing costs
- GRAP 6 : Consolidated Separate Financial Statements
- GRAP 7 : Investments in Associates
- GRAP 8 : Investments in Joint Ventures

2.2 Standards and Interpretations early adopted

The economic entity has chosen to early adopt the following standards and interpretations:

Standard/ Interpretation:

- GRAP 24: Presentation of Budget Information in the Financial Statements
- GRAP 25: Employee benefits
- GRAP 104: Financial Instruments

2.3 Standards and interpretations issued, but not yet effective

The economic entity has not applied the following standards and interpretations, which have been published and are mandatory for the economic entity's accounting periods beginning on or after 01 July 2012 or later periods:

Standard/ Interpretation:

• GRAP 18: Segment Reporting	01 April 2013
• GRAP 23: Revenue from Non-exchange Transactions	01 April 2012
• GRAP 103: Heritage Assets	01 April 2012
• IGRAP 1: Interpretation of GRAP: Applying the Probability Test on Initial Recognition of Exchange Revenue	01 April 2014
• GRAP 21: Impairment of non-cash-generating assets	01 April 2012
• GRAP 26: Impairment of cash-generating assets	01 April 2012
• IGRAP 2: Changes in Existing Decommissioning, Restoration and Similar Liabilities	01 April 2014
• IGRAP 3: Determining Whether an Arrangement Contains a Lease	01 April 2014
• IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	01 April 2014
• IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies	01 April 2014

- IGRAP 6: Loyalty Programmes 01 April 2014
- IGRAP 7: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction 01 April 2014
- IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions 01 April 2014
- IGRAP 9: Distributions of Non-cash Assets to Owners 01 April 2014
- IGRAP 10: Assets Received from Customers 01 April 2014
- IGRAP 13: Operating Leases – Incentives 01 April 2014
- IGRAP 14: Evaluating the Substance of Transactions Involving the Legal Form of a Lease 01 April 2014
- IGRAP 15: Revenue – Barter Transactions Involving Advertising Services 01 April 2014
- IGRAP 11: Consolidation – Special purpose entities 01 April 2014
- IGRAP 12: Jointly controlled entities – Non-monetary contributions by ventures 01 April 2014

	Economic entity		Controlling entity	
Figures in Rand	**2012**	**2011**	**2012**	**2011**

3. Inventories

Forestry	39,707,816	39,570,937	39,707,816	39,570,937
Consumable stores	18,073,107	19,486,764	18,073,107	19,486,764
Workshop stores	674,292	674,292	674,292	674,292
Unused water	1,745,146	1,642,923	1,745,146	1,642,923
Fuel - diesel, and petrol	1,345,546	1,085,509	1,345,546	1,085,509
	61,545,907	62,460,425	61,545,907	62,460,425
Impairment of inventories	(4,538,326)	(4,538,326)	(4,538,326)	(4,538,326)
	57,007,581	**57,922,099**	**57,007,581**	**57,922,099**
Carrying value of inventories carried at fair value less costs to sell	57,007,581	57,922,099	57,007,581	57,922,099

Inventory has been recorded using the First in First out (FIFO) method. Impairment of inventory includes redundant and obsolete stock of R nil 2012 : (R 1,027,7740 - 2011).

Inventory is carried at lower of cost or net realisable value.

Cost of inventories recognised as an expense

Consumable / workshop stores	17,983,504	14,660,161	17,983,504	14,660,161
Fuel - diesel and petrol	18,219,723	13,697,861	18,219,723	13,697,861
Forestry	10,300,772	7,695,124	10,300,772	7,695,124
Unused water	297,924,964	265,040,887	297,924,964	265,040,887

4. Trade and other receivables from non exchange transactions

Deposits	2,500	2,500	-	-
Other debtors	8,762,111	11,927,399	8,762,111	11,927,399
Land sale debtors	2,330,730	2,330,730	2,330,730	2,330,730
	11,095,341	14,260,629	11,092,841	14,258,129

Trade and other receivables pledged as security

Trade and other receivables were not pledged as security for overdraft facilities.

Credit quality of trade and other receivables

Although credit quality can be assessed the municipality did not apply any methods to evaluate the credit quality.

Fair value of other receivables from non-exchange transactions

Other receivables from non-exchange transactions	10,273,483	13,410,566	10,270,983	13,408,066

Interest rate of 18 % has been applied in calculating the fair value adjustment to trade and other receivables from non exchange transactions.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
5. Trade and receivables from exchange transactions				
Gross balances				
Rates	254,124,394	211,238,481	254,124,394	211,238,481
Electricity	621,641,882	466,421,227	621,641,882	466,421,227
Water	145,948,674	128,351,795	145,948,674	128,351,795
Sewerage	35,777,491	30,208,399	35,777,491	30,208,399
Refuse	53,735,808	47,735,645	53,735,808	47,735,645
Housing rental	22,494,284	14,746,281	22,494,284	14,746,281
	1,133,722,533	**898,701,828**	**1,133,722,533**	**898,701,828**
Less: Allowance for debt impairment				
Rates	(138,147,084)	(124,382,089)	(138,147,084)	(124,382,089)
Electricity	(369,449,885)	(332,782,625)	(369,449,885)	(332,782,625)
Water	(76,445,792)	(68,825,529)	(76,445,792)	(68,825,529)
	(584,042,761)	**(525,990,243)**	**(584,042,761)**	**(525,990,243)**
Net balance				
Rates	115,977,310	86,856,392	115,977,310	86,856,392
Electricity	252,191,997	133,638,602	252,191,997	133,638,602
Water	69,502,882	59,526,266	69,502,882	59,526,266
Sewerage	35,777,491	30,208,399	35,777,491	30,208,399
Refuse	53,735,808	47,735,645	53,735,808	47,735,645
Housing rental	22,494,284	14,746,281	22,494,284	14,746,281
	549,679,772	**372,711,585**	**549,679,772**	**372,711,585**
Rates				
Current (0 -30 days)	52,704,990	45,779,929	52,704,990	45,779,929
31 - 60 days	8,232,502	12,215,390	8,232,502	12,215,390
61 - 90 days	7,395,395	6,449,690	7,395,395	6,449,690
91 - 120 days	7,206,656	6,214,069	7,206,656	6,214,069
121 - 365 days	6,221,333	6,076,992	6,221,333	6,076,992
> 365 days	172,363,517	134,502,411	172,363,517	134,502,411
	254,124,393	**211,238,481**	**254,124,393**	**211,238,481**
Electricity , refuse, sewerage, water & housing rentals				
Current (0 -30 days)	270,989,884	245,777,805	270,989,884	245,777,805
31 - 60 days	26,031,056	26,980,949	26,031,056	26,980,949
61 - 90 days	27,527,738	26,489,009	27,527,738	26,489,009
91 - 120 days	22,938,452	25,073,160	22,938,452	25,073,160
121 - 365 days	40,705,356	22,175,628	40,705,356	22,175,628
> 365 days	491,405,652	340,966,796	491,405,652	340,966,796
	879,598,138	**687,463,347**	**879,598,138**	**687,463,347**

Summary of debtors by customer classification

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
5. Trade and receivables from exchange transactions (Continued)				
Consumers				
Current (0 -30 days)	142,606,256	143,270,880	142,606,256	143,270,880
31 - 60 days	25,946,651	25,617,438	25,946,651	25,617,438
61 - 90 days	27,969,073	25,252,134	27,969,073	25,252,134
91 - 120 days	24,238,127	23,793,360	24,238,127	23,793,360
121 - 365 days	41,086,691	20,828,787	41,086,691	20,828,787
> 365 days	525,280,050	347,645,709	525,280,050	347,645,709
	787,126,848	586,408,308	787,126,848	586,408,308
Less : Allowance for debt impairment	(525,280,095)	(442,688,014)	(525,280,095)	(442,688,014)
	261,846,753	**143,720,294**	**261,846,753**	**143,720,294**
Industrial/ commercial				
Current (0 -30 days)	152,035,932	114,777,701	152,035,932	114,777,701
31 - 60 days	5,079,658	8,914,320	5,079,658	8,914,320
61 - 90 days	4,444,671	4,165,689	4,444,671	4,165,689
91 - 120 days	3,392,032	4,090,627	3,392,032	4,090,627
121 - 365 days	3,005,422	4,068,421	3,005,422	4,068,421
> 365 days	74,458,490	62,680,589	74,458,490	62,680,589
	242,416,205	198,697,347	242,416,205	198,697,347
Less : Allowance for debt impairment	(58,762,666)	(83,302,229)	(58,762,666)	(83,302,229)
	183,653,539	**115,395,118**	**183,653,539**	**115,395,118**
National and provincial government				
Current (0 -30 days)	24,350,623	25,919,961	24,350,623	25,919,961
31 - 60 days	3,341,918	5,641,772	3,341,918	5,641,772
61 - 90 days	2,315,170	3,145,634	2,315,170	3,145,634
91 - 120 days	2,596,065	3,074,328	2,596,065	3,074,328
121 - 365 days	1,450,490	3,204,410	1,450,490	3,204,410
> 365 days	69,951,077	72,708,404	69,951,077	72,708,404
	104,005,343	**113,694,509**	**104,005,343**	**113,694,509**
Less: Provision for debt impairment				
31 - 60 days	(24,642,288)	(33,464,927)	(24,642,288)	(33,464,927)
61 - 90 days	(24,900,903)	(29,417,823)	(24,900,903)	(29,417,823)
91 - 120 days	(21,672,439)	(27,883,987)	(21,672,439)	(27,883,987)
121 - 365 days	(32,654,403)	(24,897,208)	(32,654,403)	(24,897,208)
> 365 days	(480,172,728)	(410,326,298)	(480,172,728)	(410,326,298)
	(584,042,761)	**(525,990,243)**	**(584,042,761)**	**(525,990,243)**
Reconciliation of debt impairment				
Balance at beginning of the year	(525,990,242)	(430,578,131)	(525,990,242)	(430,578,131)
Contributions to provision	(58,209,770)	(96,000,000)	(58,209,770)	(96,000,000)
Bad debts written off against provision	157,251	587,888	157,251	587,888
	(584,042,761)	**(525,990,243)**	**(584,042,761)**	**(525,990,243)**

Consumer debtors pledged as security

Consumer debtors were not pledged as security for overdraft facilities.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

5. Trade and receivables from exchange transactions (Continued)

Credit quality of consumer debtors

The credit quality of consumer debtors that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counter party default rates. Although credit quality can be assessed the entity did not apply any methods to evaluate the credit quality.

Consumer debtors impaired

The amount of the provision was R 584 042 761 as of 30 June 2012 (2011: R 525 990 243).

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1,222,181	1,046,900	44,985	44,985
Bank balances	65,722,023	52,250,779	65,722,023	52,250,779
Short-term deposits	561,104,238	281,608,001	561,104,238	281,608,001
	628,048,442	**334,905,680**	**626,871,246**	**333,903,765**
Average rate of return	5.09	6.02	5.09	6.02

Cash and cash equivalents are classified as financial instruments under the loans and receivable category. 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 liabilitiese.

No restrictions exist with regard to the use of cash.

No portion is past due or impaired.

These amounts best represent the maximum exposure to credit risk at the end of the reporting period, without taking account of any collateral held or other credit enhancements.

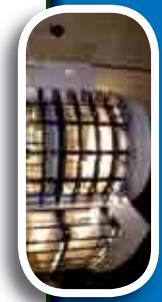
Credit quality of cash at bank and short term deposits, excluding cash on hand

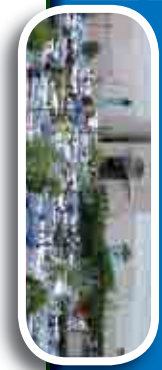
The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. Although credit quality can be assessed the Municipality did not apply any methods to evaluate the credit quality.

The municipality has the following bank accounts

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

Account number / description	Bank statement balances			Cash book balances		
	30 June 2012	30 June 2011	30 June 2010	30 June 2012	30 June 2011	30 June 2010
FNB - No: 5094187782 (Primary)	51,515,428	46,852,653	52,922,539	35,649,737	33,054,016	(17,645,903)
FNB - No: 50940058750 (Electronic transfers)	-	-	-	(25,635,251)	(22,606,439)	-
FNB - No: 5094187774 (Unpaid cheques)	(340,750)	(199,649)	(106,205)	(340,750)	(199,649)	(106,205)
FNB - No: 62058007264 (Slum clearance)	24,913,414	24,298,267	31,200,807	25,838,038	24,298,267	31,200,807
FNB - No: 62065528930 (Library extension)	1,290,083	3,056,897	2,643,263	1,279,481	3,056,897	2,643,263
FNB - No: 62045272143 (Traffic fines)	-	-	(100)	-	-	-
FNB - No: 50941840627 (Market)	4,513,255	2,234,989	2,009,212	1,970,705	1,942,258	-
FNB - No: 62069378539 (Oribi airport)	344,645	10,485	(321,325)	(7,308,721)	10,485	(541,280)
FNB - No: 50930082248 (Forestry)	502,047	90,882	292,967	502,047	-	292,967
ABSA - No: 9076022706 (Forestry)	-	-	483,343	-	-	488,343
FNB - No: 50941847029 (Salaries main)	172,683	223,323	584,435	172,683	172,683	542,965
FNB - No: 62003432846 (Salaries PACs no.1)	1,738	1,082,635	1,962	1,738	-	-
FNB - No: 62003433414 (Salaries PACs no.2)	-	36,348	973,284	-	-	-
FNB - No: 62035467978(Safe City)	144,319	204,757	15,021	144,319	204,757	22,676
FNB - No: 62006041157 (Post Office)	-	-	1	-	-	1
FNB - No: 62279194650 (Forestry)	250,788	-	-	250,788	-	-
Total	**83,307,650**	**77,891,587**	**90,699,204**	**32,524,814**	**39,933,275**	**16,897,634**





Figures in Rand

7. Property, plant and equipment

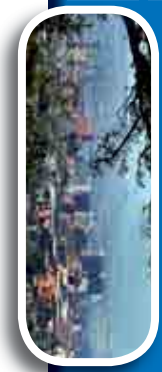
Group	2012			2011		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	575,113,763	(92,609,416)	482,504,347	559,857,243	(73,917,080)	485,940,163
Furniture and fixtures	126,623	(63,623)	63,000	64,615	(50,700)	13,915
Motor vehicles	34,000	-	34,000	46,000	-	46,000
Office equipment	7,000	(7,000)	-	7,000	(7,000)	-
IT equipment	50,708	(42,488)	8,220	50,708	(38,799)	11,909
Infrastructure	5,687,045,711	(678,161,286)	5,008,884,425	5,520,173,084	(539,394,078)	4,980,779,006
Community	662,581,386	(193,611,706)	468,969,680	652,138,073	(154,079,523)	498,058,550
Other property, plant and equipment	420,646,919	(135,638,874)	285,008,045	410,973,690	(108,079,800)	302,893,890
Moveables	319,070,037	(203,441,398)	115,628,639	288,056,133	(158,686,735)	129,369,398
Biological assets	648,261	-	648,261	605,380	-	605,380
Total	**7,665,324,408**	**(1,303,575,791)**	**6,361,748,617**	**7,431,971,926**	**(1,034,253,715)**	**6,397,718,211**

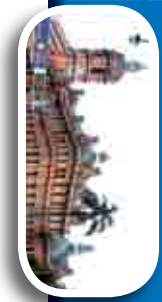
7. Property, plant and equipment (Continued)

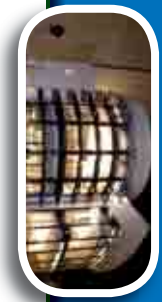
Company	2012			2011		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	575,113,763	(92,609,416)	482,504,347	559,857,243	(73,917,080)	485,940,163
Infrastructure	5,687,045,711	(678,161,286)	5,008,884,425	5,520,173,084	(539,394,078)	4,980,779,006
Community	662,581,386	(193,611,706)	468,969,680	652,138,073	(154,079,523)	498,058,550
Other	420,646,919	(135,638,874)	285,008,045	410,973,690	(108,079,800)	302,893,890
Movables	319,070,037	(203,441,398)	115,628,639	288,056,133	(158,686,735)	129,369,398
Biological assets	648,261	-	648,261	605,380	-	605,380
Total	**7,665,106,077**	**(1,303,462,680)**	**6,361,643,397**	**7,431,803,603**	**(1,034,157,216)**	**6,397,646,387**

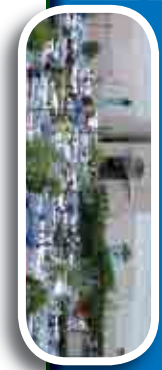
Reconciliation of property, plant and equipment - Economic entity - 2012

	Opening balance	Additions	Adjustment - cost	Disposals	Capital under construction	Depreciation	Depreciation on disposal prior year	Adjustments - depreciation	Total
Buildings	485,940,163	-	4,099,000	(543,990)	11,701,509	(18,692,336)	1	-	482,504,347
Furniture and fixtures	13,915	62,008	-	-	-	(12,923)	-	-	63,000
Motor vehicles	46,000	-	-	-	-	(12,000)	-	-	34,000
IT equipment	11,909	-	-	-	-	(3,689)	-	-	8,220
Infrastructure	4,980,779,006	65,873,688	(77,306)	-	101,076,240	(138,767,322)	-	-	5,008,884,306
Community	498,058,550	627,161	4,274,582	-	5,541,570	(39,104,780)	-	(427,400)	468,969,683
Other	302,893,890	2,033,565	1,999,902	-	5,639,762	(27,359,111)	-	(199,963)	285,008,045
Moveables	129,369,398	31,139,480	74,000	(199,576)	-	(45,481,699)	115,676	611,476	115,628,755
Biological assets	605,380	42,881	-	-	-	-	-	-	648,261
	6,397,718,211	**99,778,783**	**10,370,178**	**(743,566)**	**123,959,081**	**(269,433,860)**	**115,677**	**(15,887)**	**6,361,748,617**









Figures in Rand

7. Property, plant and equipment (Continued)

Reconciliation of property, plant and equipment - Economic entity - 2011

	Opening balance	Additions	Adjustments	Disposals	Capital under construction	Depreciation	Impairment loss	Adjustments-Depreciation	Total
Land and buildings	518,476,053	3,368,655	(28,345,109)	(12,000)	35,796	(18,575,417)	-	10,992,185	485,940,163
Furniture and fixtures	26,838	-	-	-	-	(12,923)	-	-	13,915
Motor vehicles	58,000	-	-	-	-	(12,000)	-	-	46,000
IT equipment	3,689	11,909	-	-	-	(3,689)	-	-	11,909
Infrastructure	4,865,147,320	4,518,203	(48,743,020)	(34,733)	96,970,640	(137,096,099)	(156,028)	200,172,723	4,980,779,006
Community	528,327,036	245,256	(6,975,748)	(5,601,150)	4,165,004	(38,751,191)	-	16,649,343	498,058,550
Other	365,557,326	744,679	(82,513,602)	-	745,515	(27,229,953)	-	45,589,925	302,893,890
Other equipment	66,342,627	847,259	(19,524,318)	(328,056)	-	(26,222,116)	-	108,254,002	129,369,398
Biological assets	542,896	62,484	-	-	-	-	-	-	605,380
	6,344,481,785	**9,798,445**	**(186,101,797)**	**(5,975,939)**	**101,916,955**	**(247,903,388)**	**(156,028)**	**381,658,178**	**6,397,718,211**

Reconciliation of property, plant and equipment - Controlling entity - 2012

	Opening balance	Additions	Adjustments-cost	Disposals	Capital under construction	Depreciation	Depreciation on disposal prior year	Adjustments - depreciation	Total
Land and buildings	485,940,163	-	4,099,000	(543,990)	11,701,509	(18,692,336)	1	-	482,504,347
Infrastructure	4,980,779,006	65,873,688	(77,306)	-	101,076,240	(138,767,322)	-	-	5,008,884,306
Community	498,058,550	627,161	4,274,582	-	5,541,570	(39,104,780)	-	(427,400)	468,969,683
Other	302,893,890	2,033,565	1,999,902	-	5,639,762	(27,359,111)	-	(199,963)	285,008,045
Movables	129,369,398	31,139,480	74,000	(199,576)	-	(45,481,699)	115,676	611,476	115,628,755
Biological assets	605,380	42,881	-	-	-	-	-	-	648,261
	6,397,646,387	**99,716,775**	**10,370,178**	**(743,566)**	**123,959,081**	**(269,405,248)**	**115,677**	**(15,887)**	**6,361,643,397**

Reconciliation of property, plant and equipment - Controlling entity - 2011

7. Property, plant and equipment (Continued)

	Opening balance	Additions	Adjustments	Disposals	Capital under construction	Depreciation	Impairment loss	Adjustments - depreciation	Total
Land and buildings	518,476,053	3,368,655	(28,345,109)	(12,000)	35,796	(18,575,417)	-	10,992,185	485,940,163
Infrastructure	4,865,147,320	4,518,203	(48,743,021)	(34,733)	96,970,640	(137,096,099)	(156,028)	200,172,724	4,980,779,006
Community	528,327,036	245,256	(6,975,748)	(5,601,150)	4,165,004	(38,751,191)	-	16,649,343	498,058,550
Other	365,557,326	744,680	(82,513,602)	-	745,515	(27,229,953)	-	45,589,924	302,893,890
Moveables	66,342,627	847,259	(19,524,318)	(328,056)	-	(26,222,116)	-	108,254,002	129,369,398
Biological assets	542,896	62,484	-	-	-	-	-	-	605,380
	6,344,393,258	**9,786,537**	**(186,101,798)**	**(5,975,939)**	**101,916,955**	**(247,874,776)**	**(156,028)**	**381,658,178**	**6,397,646,387**

Pledged as security

No property , plant and equipment was placed as security for financial liabilities.

Refer to Appendix B for the detailed property,plant and equipment schedules.

Fully depreciated assets.

All assets that were fully depreciated in the asset register had their useful lives reviewed in the 2011/2012 financial year This was processed retrospectively and in terms of GRAP 3 treated as a prior period error.

During the financial year useful life of property , plant and equipment has been reviewed, the estimated useful life for certain assets has been adjusted.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

8. Intangible assets

Group

	2012			2011		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	21,276,343	(18,621,627)	2,654,716	21,260,844	(14,782,168)	6,478,676
Servitudes	803,846	-	803,846	803,846	-	803,846
Total	**22,080,189**	**(18,621,627)**	**3,458,562**	**22,064,690**	**(14,782,168)**	**7,282,522**

Company

	2012			2011		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	21,276,343	(18,621,627)	2,654,716	21,260,844	(14,782,168)	6,478,676
Servitudes	803,846	-	803,846	803,846	-	803,846
Total	**22,080,189**	**(18,621,627)**	**3,458,562**	**22,064,690**	**(14,782,168)**	**7,282,522**

Reconciliation of intangible assets - Economic entity - 2012

	Opening balance	Additions	Amortisation	Adjustments - amortisation	Total
Computer software, other	6,478,676	15,500	(3,659,157)	(180,303)	2,654,716
Servitudes	803,846	-	-	-	803,846
	7,282,522	**15,500**	**(3,659,157)**	**(180,303)**	**3,458,562**

Reconciliation of intangible assets - Economic entity - 2011

	Opening balance	Additions	Adjustments costs	Amortisation	Adjustments - amortisation	Total
Computer software, other	5,661,446	305,293	(1,012,659)	(4,364,785)	5,889,381	6,478,676
Servitudes	803,846	-	-	-	-	803,846
	6,465,292	**305,293**	**(1,012,659)**	**(4,364,785)**	**5,889,381**	**7,282,522**

Reconciliation of intangible assets - Controlling entity - 2012

	Opening balance	Additions	Amortisation	Adjustments - amortisation	Total
Computer software, other	6,478,676	15,500	(3,659,157)	(180,303)	2,654,716
Servitudes	803,846	-	-	-	803,846
	7,282,522	**15,500**	**(3,659,157)**	**(180,303)**	**3,458,562**

Reconciliation of intangible assets - Controlling entity - 2011

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

	Opening balance	Additions	Adjustments - cost	Amortisation	Adjustments - amortisation	Total
Computer software, other	5,661,446	305,293	(1,012,659)	(4,364,785)	5,889,381	6,478,676
Servitudes	803,846	-	-	-	-	803,846
	6,465,292	**305,293**	**(1,012,659)**	**(4,364,785)**	**5,889,381**	**7,282,522**

9. Investment property

Group	2012 Cost / Valuation	2012 Accumulated depreciation and accumulated impairment	2012 Carrying value	2011 Cost / Valuation	2011 Accumulated depreciation and accumulated impairment	2011 Carrying value
Investment property	381,012,346	-	381,012,346	405,306,365	-	405,306,365

Company	2012 Cost / Valuation	2012 Accumulated depreciation and accumulated impairment	2012 Carrying value	2011 Cost / Valuation	2011 Accumulated depreciation and accumulated impairment	2011 Carrying value
Investment property	381,012,346	-	381,012,346	405,306,365	-	405,306,365

Reconciliation of investment property - Economic entity - 2012

	Opening balance	Additions	Adjustment - cost	Impairments	Total
Investment property	405,306,365	135,120,000	(158,828,228)	(585,791)	381,012,346

Reconciliation of investment property - Economic entity - 2011

	Opening balance	Disposals	Total
Investment property	411,492,244	(6,185,879)	405,306,365

Reconciliation of investment property - Controlling entity - 2012

	Opening balance	Additions	Adjustments - cost	Impairments	Total
Investment property	405,306,365	135,120,000	(158,828,228)	(585,791)	381,012,346

Reconciliation of investment property - Controlling entity - 2011

	Opening balance	Disposals	Total
Investment property	411,492,244	(6,185,879)	405,306,365

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.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

Details of valuation

Investment property has been accounted for in terms of GRAP 16 and comprises of both land and buildings owned by the Msunduzi Municipality. Investment property will not be depreciated but will be annually valued on balance sheet date to determine their fair value as prescribed in GRAP 16.

Mills Fitchet has been awarded the tender for the valuation and identification of all investment property of the Msunduzi Municipality. The deliverables of the project included:

- A comprehensive deed search
- Providing separate land and building values
- Identifying Investment property
- Providing a data fact sheet for each property identified with information on the street address, SG 21 digit key (Erf, stand, portion), property description, GIS information and a photograph of the property.

The method applied in updating the investment property data in the asset register was:

- Vacant land was reviewed to determine future use and if no future use could be determined then it was classified as investment property.
- Properties with valid rental and lease agreements were deemed to be investment properties.
- All buildings have been identified and classified as investment property

Restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal are as follows:

Contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements is as follows:

In the exceptional cases when the municipality have to measure investment property using the cost model in the Standard of GRAP on Property, Plant and Equipment when the municipality subsequently uses the fair value measurement, disclose the following:

- a description of the investment property,
- an explanation of why fair value cannot be determined reliably,
- if possible, the range of estimates within which fair value is highly likely to lie, and
- on disposal of investment property not carried at fair value:
    - the fact that the entity has disposed of investment property not carried at fair value,
    - the carrying amount of that investment property at the time of sale, and
    - the amount of gain or loss recognised.

10. Other financial assets

At fair value through surplus or deficit - designated				
Fixed deposits - long term medium term investment	66,033	65,135	66,033	65,135
Loans and receivables				
Housing These long term debtors refer to housing rent schemes that were purchased by the existing owners. These loans are repayable over a period of 20 to 30 years.	7,877,076	7,776,938	7,877,076	7,776,938
Educational facilities Funding provided to public institutions. These loans do not attract any interest and is repayable over a period of 15 to 40 years.	304,199	339,961	304,199	339,961
	8,181,275	**8,116,899**	**8,181,275**	**8,116,899**
Total other financial assets	**8,247,308**	**8,182,034**	**8,247,308**	**8,182,034**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Non-current assets				
Loans and receivables	8,181,275	8,116,899	8,181,275	8,116,899
Current assets				
At fair value through surplus or deficit	**66,033**	**65,135**	**66,033**	**65,135**
	8,247,308	**8,182,034**	**8,247,308**	**8,182,034**

Fair value information

Financial assets at fair value through surplus or deficit are recognised at fair value, which is therefore equal to their carrying amounts.

Fair value through surplus or deficit - impaired

Other financial assets at fair value through surplus and deficit are not considered to be impaired.

The municipality has not reclassified any financial assets from cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

Loans and receivables impaired

No portion of these loans were impaired as at 30 June 2012.

Credit quality of other financial assets

The credit quality of long term receivables that are neither past due nor impaired can be assessed by reference to external credit ratings. Although can be assessed the entity did not apply any methods to evaluate the credit quality.

No portion of the long term receivables was pledged as security for financial liabilities.

No long term receivables defaulted and no terms of long terms receivables were re-negotiated.

These amounts best represent the maximum exposure to credit risk at the reporting period , without taking of any collateral held or other credit enhancement.

For debt securities classified as at fair value through surplus or deficit, the maximum exposure to credit risk at the reporting date is the carrying amount.

11. Other financial liabilities

Held at amortised cost				
External loans	619,538,347	554,024,880	619,538,347	554,024,880
DBSA - funding required for capital expenditure. Loans bear an interest rate between 6.75% and 16.50%. Loans are repayable over a period between 12 to 30 years				
RMB - funding required for capital expenditure. Loans bear an interest rate between 11.38% and 14.18%. Loans are repayable over a period between 10 to 12 years.				
INCA - funding required for capital expenditure. Loans bear an interest rate at 11.38%. Loan is repayable over a period of 10 years.				

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Non-current liabilities				
At amortised cost	575,954,199	514,615,504	575,954,199	514,615,504
Current liabilities				
At amortised cost	43,584,148	39,409,376	43,584,148	39,409,376
	619,538,347	**554,024,880**	**619,538,347**	**554,024,880**

Refer to Appendix A for further details on long term liabilities.

12. Finance lease obligation

Minimum lease payments due				
- within one year	2,638,632	3,574,809	2,368,632	3,574,809
- in second to fifth year inclusive	737,924	4,799,203	737,924	4,799,203
- later than five years	-	348,401	-	348,401
	3,376,556	8,722,413	3,106,556	8,722,413
less: future finance charges	(194,907)	(819,725)	(194,907)	(819,725)
Present value of minimum lease payments	**3,181,649**	**7,902,688**	**2,911,649**	**7,902,688**
Present value of minimum lease payments due				
- within one year	2,464,518	3,357,202	2,464,518	3,357,202
- in second to fifth year inclusive	717,131	4,216,553	717,131	4,216,553
- later than five years	-	-	-	328,933
	3,181,649	**7,573,755**	**3,181,649**	**7,902,688**
Non-current liabilities	2,008,302	4,326,449	2,008,302	4,326,449
Current liabilities	2,248,130	2,861,443	2,248,130	2,861,443
	4,256,432	**7,187,892**	**4,256,432**	**7,187,892**

The average lease term was 5 years and the average effective borrowing rate was 12 % for 2012 (2011: 12%). The entity did not default on any of the interest or capital repayments of the finance leases. No terms and conditions of the finance leases were re-negotiated

13. Trade and other payables from exchange transactions

Trade payables	50,684,072	25,153,116	50,684,072	24,966,702
Other payables	52,641,180	47,233,641	52,515,578	47,233,641
Other deposits	1,532,138	2,772,795	1,532,138	2,772,795
Accrued leave pay	50,673,309	47,925,583	50,673,309	47,925,583
Retentions	10,767,063	9,223,301	10,767,063	9,223,301
Other payables accrued	234,446,342	199,226,560	234,446,342	199,226,560
Debtors with credit balances	51,437,788	56,726,568	51,437,788	56,726,568
	452,181,892	**388,261,564**	**452,056,290**	**388,075,150**

14. VAT receivable

VAT	8,482	69,774	-	-

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

15. VAT payable

VAT payable	52,659,731	41,558,707	52,659,731	41,558,707

VAT is payable on the receipt basis. VAT is only declared to SARS on receipt of payment from consumers. During the financial year all VAT returns were submitted to SARS on due date.

16. Consumer deposits

Electricity	55,758,378	54,862,020	55,758,378	54,862,020
Water	10,358,520	10,281,607	10,358,520	10,281,607
Refuse	1,915,021	1,900,801	1,915,021	1,900,801
Sewer	3,615,773	3,588,926	3,615,773	3,588,926
	71,647,692	**70,633,354**	**71,647,692**	**70,633,354**

Included in deposits is an accrual of interest at an effective interest of 4% per annum.

Balance on the interest reserve: R 13 219 816 as at 30 June 2012 and R 10 548 954 as at the 30 June 2011

Guarantees in lieu of electricity and water deposit	10,677,916	6,926,700	10,677,916	6,926,700

17. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts				
Electricity side demand management	-	2,533,993	-	2,533,993
Finance management grant (FMG)	496,692	1,035,158	496,692	1,035,158
Freedom square tourism hub	6,917,268	16,858,673	6,917,268	16,858,673
Greater edendale development initiative	8,515,643	12,416,765	8,515,643	12,416,765
Housing	36,359,010	36,209,596	36,359,010	36,209,596
Sundry	2,450,026	6,930,511	2,450,026	6,930,511
Library	665,703	548,416	665,703	548,416
Municipal infrastructure grant (MIG)	5,566,961	3,116,596	5,566,961	3,116,596
Municipal systems improvement grant (MSIG)	485,099	489,035	485,099	489,035
Neighbourhood development partnership grant	6,650,000	-	6,650,000	-
Public transportation infrastructure	73,601,569	31,942,905	73,601,569	31,942,905
Other grants from external source	1,687,473	3,362,645	1,687,473	3,362,645
Trusts	6,052,205	5,865,258	6,052,205	5,865,258
	149,447,649	**121,309,551**	**149,447,649**	**121,309,551**

Movement during the year

Balance at the beginning of the year	121,309,552	140,882,033	121,309,552	140,882,033
Additions during the year	334,768,616	130,595,012	334,768,616	130,595,012
Income recognition during the year	(306,630,519)	(105,930,966)	(306,630,519)	(105,930,966)
Prior year adjustment - income recognised	-	(44,236,528)	-	(44,236,528)
	149,447,649	**121,309,551**	**149,447,649**	**121,309,551**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

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. Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised as a liability in the Statement of financial position. Refer to Appendix E for details of unspent conditional grants, receipts and transfers from National and Provincial Government and Other departments .

These amounts are invested in a ring-fenced investment until utilised.

National grants	49,805,842	44,580,697	49,805,842	44,580,697
Provincial grants	78,670,941	36,308,459	78,670,941	36,308,459
Other conditional grant receipts	20,970,866	40,420,395	20,970,866	40,420,395
	149,447,649	**121,309,551**	**149,447,649**	**121,309,551**

18. Current provisions

Performance bonus	311,926	281,850	311,926	281,850
The movement in the current provision is reconciled as follows				
Opening balance	281,850	760,739	281,850	760,739
Reversal of prior year contributions	(281,850)	(478,889)	(281,850)	(478,889)
Contributions	311,926	-	311,926	-
	311,926	**281,850**	**311,926**	**281,850**

19. Employee benefit obligations

Defined contribution and benefit plan

The Council provides retirement benefits to its employees by contributing to a 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 (NJMP) and Provident funds, employees contributing to South African Local Authorities Pension Fund (SALA), 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 can not 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.

The majority of personnel are members of the following pension funds:

Kwa-Zulu-Natal Joint Municipal Provident Fund.

An interim actuarial valuation was performed on 31 March 2011 by Arthur Els and Associates Consulting Actuaries .

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 R15 072 000 is required to be held in the Risk Reserve Account. The market value of the assets exceeded the liabilities before the declaration of the April 2011 bonus by (R156,000).

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

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 of 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: The benchmark asset allocation determined as being appropriate for the fund, which takes cognisance of membership and liability profile, is stated below :

Domestic Investments:	953,561,000
International Investments	68,085,000
Risk Reserve Acount	15,072,000
Unallocated Assets (deficit)	156,000
Membership	9,542

Natal Joint Municipal Pension Fund: (Retirement) Interim actuarial valuation

An interim actuarial valuation was performed on 31 March 2011 by Arthur Els and Associates Consulting Actuaries .

The market value of the Fund's assets was R 5, 614,553,000 as at 31 March 2011.

The Discounted Cash Flow (DCF) method of valuation has been applied for the purposes of determining the Fund's financial condition. The funding level in respect of contributory members has deteriorated reducing from 95.9% to 90.9%. The primary reason for this is that salary increases averaged 13% per annum over the valuation period which is doubled the 6.5% per annum expected in the valuation assumption.

On the DCF funding level has decreased and the overall shortfall has increased.The valuation disclosed a surplus of R315.5 million in respect of pensioners and a shortfall of R549.5 million in respect of members.

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.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

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:

* Members Contributions - 7% of Pensionable salaries plus a surcharge of 1,65 % of pensionable salary in respect of members who were members at 30 June 2002.
* Pension age 65 Years
* Final average Salary - Average annual pensionable salaries during the last year of service.
* Pension on retirement at pension age - 2.1% of final average emoluments per year of continuous service.
* Lump sum on retirement at pension age - 5.5% 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 - 1,05% 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 - 1,05% (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.
* 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	5,614,500,000
International	(113,000,000)
Membership	7,428

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
The employees of the Council as well as the Council as employer, contribute to municipal pension,retirement and various provident funds as listed below:				
Natal Joint Pension Fund	87,962,308	89,345,489	87,962,308	89,345,489
Natal Joint Provident Fund	27,963,989	26,699,726	27,963,989	26,699,726
Government Employees Pension Fund	3,911,170	4,259,352	3,911,170	4,259,352
Associated Institution Pension Fund	134,678	189,005	134,678	189,005
South Africa Local Authorities Pension Fund	658,612	634,069	658,612	634,069
Councillors Pension Fund	4,431,060	3,152,967	4,431,060	3,152,967
Dynamique Ambrella (Pietermaritzburg Provident Fund)	538,235	563,358	538,235	563,358
	125,600,052	**124,843,966**	**125,600,052**	**124,843,966**

Post retirement medical aid contributions.

The municipality operates on 6 accredited medical aid schemes, namely Bonitas. Discovery Health, Hosmed, Key-Health, LA Health and SAMWU Medical Aid Scheme,Pensioners continue on the option they belonged to on the day of their retirement.

The last post-employment health care benefits actuarial valuation in terms of IAS19 was done by Ernst & Young for the period ending 30 June 2010. The valuation undertaken in accordance with the requirements of Professional Guidance Note (PPN) 301 of the Actuarial Society of South Africa.

For the 2011/2012 financial period there were no actuarial valuation done and is staff benefit provision based on the last valuation that was undertook by Ernst and Young during the 2009/2010 financial period. A new valuation will be undertaken in the future in terms of IAS 19 or GRAP 25 when effective.

According to the last valuation the accrued liability amounted to R 332,7 million as at 30 June 2011. The estimated projection for 2011/2012 amounted to R 359,8 million that needs be recovered over a two year period.
A reconciliation of Msunduzi's accrued liability for the year ending 30 June 2012 is set out below:

Year ended 30 June 2012				
Opening balance	332,720,000	310,120,000	332,720,000	310,120,000
Service cost	12,180,000	10,520,000	12,180,000	10,520,000
Interest cost	27,100,000	24,000,000	27,100,000	24,000,000
Expected benefit payment	(12,190,000)	(11,920,000)	(12,190,000)	(11,920,000)
Expected closing balance	359,810,000	332,720,000	359,810,000	332,720,000
Actual closing balance	**359,810,000**	**332,720,000**	**359,810,000**	**332,720,000**

The amounts recognised in the statement of financial position are as follows:

Carrying value				
Present value of the defined benefit obligation-wholly unfunded	285,724,124	211,638,188	285,724,124	211,638,188

Movements for the year

Opening balance	211,638,188	151,097,282	211,638,188	151,097,282
Contributions - current year	74,085,936	60,540,906	74,085,936	60,540,906
Net expense recognised in the statement of financial performance	285,724,063	121,081,812	-	-
Closing balance	**571,448,187**	**332,720,000**	**285,724,124**	**211,638,188**

Reconciliation of obligation to disclose liability

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Actuarial liability	359,810,000	332,720,000	359,810,000	332,720,000
Amount disclosed at 30 June 2011	-	(151,097,282)	-	(151,097,282)
Straight line contribution on remainder of liability	(74,085,937)	(60,540,906)	(74,085,937)	(60,540,906)
Amount to be contributed in the next four years	**285,724,063**	**121,081,812**	**285,724,063**	**121,081,812**

Key assumptions used

The projected unit credit method is used as the standard valuation methodology for the valuation done during the 2009/2010 financial period.

Plan assets were valued at current market value as required by IAS19.

Assumptions used on last valuation on 30 June 2010.

Discount rates used	6.42%	6.42%	6.42%	6.42%
to	9.27%	9.27%	9.27%	9.27%
Medical inflation - lower than discount rate	1.00%	1.00%	1.00%	1.00%
Medical inflation higher than CPI	1.00%	1.00%	1.00%	1.00%
Salary inflation- higher than CPI	2.00%	2.00%	2.00%	2.00%

Other assumptions; Post retirement mortality PA (90). Retirement age 65 years.

Sensitivity analysis

The impact of a 1% change in the medical aid inflation rate is reflected in the table underneath.

Sensitivity to medical inflation				
Base	290,448,544	290,448,544	290,448,544	290,448,544
-1%	248,825,292	248,825,292	248,825,292	248,825,292
+1%	343,541,221	343,541,221	343,541,221	343,541,221
	882,815,057	**882,815,057**	**882,815,057**	**882,815,057**

The employees of the Council as well as the Council as employer, contribute to municipal medical aids as listed below:				
LA Health	18,986,050	14,029,781	18,986,050	14,029,781
Key Health	32,365,732	31,259,032	32,365,732	31,259,032
Samwumed	2,010,576	2,270,705	2,010,576	2,270,705
Discovery	132,400	276,494	132,400	276,494
Bonitas	14,034,796	13,723,769	14,034,796	13,723,769
Hosmed	1,065,329	967,350	1,065,329	967,350
	68,594,883	**62,527,131**	**68,594,883**	**62,527,131**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

20. Provisions

Reconciliation of provisions - Economic entity - 2012

	Opening Balance	Additions	Total
Landfill rehabilitation provision	20,362,367	2,036,237	22,398,604

Reconciliation of provisions - Economic entity - 2011

	Opening Balance	Additions	Total
Landfill rehabilitation provision	3,623,648	16,738,719	20,492,863
Audit fees	-	9,877	9,877
Salary bonus	-	130,496	130,496
	3,623,648	**16,879,092**	**20,633,236**

Reconciliation of provisions - Controlling entity - 2012

	Opening Balance	Additions	Total
Landfill rehabilitation provision	20,362,367	2,036,237	22,398,604

Reconciliation of provisions - Controlling entity - 2011

	Opening Balance	Additions	Total
Landfill rehabilitation provision	3,623,648	16,738,719	20,362,367

The landfill site provision represents management's best estimate of the municipality's rehabilition liability based on an valuation provided by an external consultant on the remaining useful life of the landfill site.

Contract Q50 of 10/11 - Appointment and provisional programme for closure costing of the New England Road landfill site - was awarded to Jeffares and Green in June 2011.

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 terms of clearing listed alien invasive plants.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
21. Housing development fund				
Unappropriated surplus	21,269,012	18,957,004	21,269,012	18,957,004
Loans extinguished by government on 1 April 1998	34,256,892	34,256,892	34,256,892	34,256,892
	55,525,904	**53,213,896**	**55,525,904**	**53,213,896**
The housing development fund is represented by the following assets &liabilities				
Property plant and equipment	(1,620,309)	179,968	(1,620,309)	179,968
Housing selling scheme loans	6,908,890	6,808,732	6,908,890	6,808,732
Housing rental trade receivables	22,492,369	14,737,901	22,492,369	14,737,901
Loans extinguished by Government on 1 April 1998	34,256,892	34,256,892	34,256,892	34,256,892
Bank and cash	(6,510,724)	(2,766,061)	(6,510,724)	(2,766,061)
Less : trade payables	(1,214)	(3,536)	(1,214)	(3,536)
	55,525,904	**53,213,896**	**55,525,904**	**53,213,896**
22. Revenue				
Property rates	505,310,156	448,256,813	505,310,156	448,256,813
Property rates Penalties imposed and collection charges	31,244,472	26,358,475	31,244,472	26,358,475
Service charges	1,678,603,419	1,449,716,955	1,678,603,419	1,449,716,955
Rental of facilities & equipment	17,943,780	17,312,556	17,943,780	17,312,556
Income from agency services	373,664	576,982	373,664	576,982
Fines	3,813,388	5,354,278	3,813,388	5,354,278
Licences and permits	77,690	88,887	77,690	88,887
Government grants & subsidies	500,668,971	387,732,651	500,668,971	387,732,651
	2,738,035,540	**2,335,397,597**	**2,738,035,540**	**2,335,397,597**
The amount included in revenue arising from exchanges of goods or services are as follows:				
Service charges	1,678,603,419	1,449,716,955	1,678,603,419	1,449,716,955
Rental of facilities & equipment	17,943,780	17,312,556	17,943,780	17,312,556
Income from agency services	373,664	576,982	373,664	576,982
Licences and permits	77,690	88,887	77,690	88,887
	1,696,998,553	**1,467,695,380**	**1,696,998,553**	**1,467,695,380**
The amount included in revenue arising from non-exchange transactions is as follows:				
Taxation revenue				
Property rates	505,310,156	448,256,813	505,310,156	448,256,813
Property rates Penalties imposed and collection charges	31,244,472	26,358,475	31,244,472	26,358,475
Fines	3,813,388	5,354,278	3,813,388	5,354,278
Transfer revenue				
Government grants and subsidies	500,668,971	387,732,651	500,668,971	387,732,651
	1,041,036,987	**867,702,217**	**1,041,036,987**	**867,702,217**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
23. Property Rates				
Rates received				
Residential	221,412,701	212,981,912	221,412,701	212,981,912
Industrial/Commercial	257,702,741	222,910,407	257,702,741	222,910,407
Rural Communal land	209,300	98,150	209,300	98,150
Agriculture	880,034	245,768	880,034	245,768
Public service infrastructure	409,286	385,342	409,286	385,342
Vacant land	29,458,551	29,695,142	29,458,551	29,695,142
Less: Adjustment processed	(4,762,457)	(18,059,908)	(4,762,457)	(18,059,908)
	505,310,156	448,256,813	505,310,156	448,256,813
Property rates - penalties imposed and collection charges	31,244,472	26,358,475	31,244,472	26,358,475
	536,554,628	**474,615,288**	**536,554,628**	**474,615,288**
Valuations				
Residential	31,686,645,119	30,487,047,001	31,686,645,119	30,487,047,001
Industrial/Commercial	14,285,773,000	12,880,510,000	14,285,773,000	12,880,510,000
Rural Communal land	26,000,000	26,000,000	26,000,000	26,000,000
Agriculture	207,397,000	493,501,000	207,397,000	493,501,000
Public Service Infrastructure	163,749,001	241,265,000	163,749,001	241,265,000
Vacant land	1,503,085,000	1,659,693,000	1,503,085,000	1,659,693,000
Municipal properties	490,180,000	647,991,000	490,180,000	647,991,000
	48,362,829,120	**46,436,007,001**	**48,362,829,120**	**46,436,007,001**

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 2009. Supplementary valuations are take place on an annual basis to take into account building additions, changes, sub divisions and consolidations.

A general rate of 1.89 cents in a rand for 2012 - (2011: 1.78 cents in a rand) is applied to property valuations to determine assessment rates.

The adjustments during the year are compiled of all interim assessments, corrections and amendments to the accounts. This includes any transfer of payments, penalty reversals and value changes. A list of adjustments is available on a monthly basis and form part of the scope .

24. Service charges				
Sale of electricity	1,212,660,157	1,011,458,928	1,212,660,157	1,011,458,928
Sale of water	288,345,314	270,106,949	288,345,314	270,106,949
Solid waste	70,091,118	65,558,726	70,091,118	65,558,726
Sewerage and sanitation charges	107,506,830	102,592,352	107,506,830	102,592,352
	1,678,603,419	**1,449,716,955**	**1,678,603,419**	**1,449,716,955**

The above figure is net of revenue foregone.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

25. Government grants and subsidies

Allocation of government grants and subsidies				
Equitable share	304,835,000	267,210,613	304,835,000	267,210,613
Operating grants	35,563,903	21,276,882	35,563,903	21,276,882
Subsidies	11,200,000	14,591,071	11,200,000	14,591,071
Capital grants	149,070,067	84,654,085	149,070,067	84,654,085
	500,668,970	**387,732,651**	**500,668,970**	**387,732,651**
Equitable share	304,835,000	267,210,613	304,835,000	267,210,613
Airport	9,115,811	11,370,450	9,115,811	11,370,450
Developer contribution	840,000	-	840,000	-
Electricity side demand management	2,533,991	12,374,476	2,533,991	12,374,476
Expanded public works programme	2,113,720	1,350,405	2,113,720	1,350,405
Finance management grant	1,979,466	164,842	1,979,466	164,842
Freedom square tourism hub	11,701,509	974,218	11,701,509	974,218
Greater edendale development initiative	4,562,231	4,878,550	4,562,231	4,878,550
Health subsidy	9,667,000	12,488,226	9,667,000	12,488,226
Housing	542,341	-	542,341	-
Integrated development plan	212,839	110,769	212,839	110,769
Library	2,029,262	3,339,118	2,029,262	3,339,118
Lincoln Meade	2,867,716	6,868,750	2,867,716	3,686,750
Municipal infrastructure grant	123,779,634	5,682,156,821,968	123,779,634	56,821,968
Municipal systems improvement grant	793,937	272,892	793,937	272,892
Public transportation infrastructure	21,611,338	12,451,459	21,611,338	12,451,459
SETA	30,000	33,000	30,000	33,000
Department of sports and recreation	757,175	-	757,175	-
Arts and culture	696,000	80,000	696,000	80,000
Land use management grant	-	124,915	-	124,915
	500,668,970	**5,682,490,914,651**	**500,668,970**	**387,732,651**

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Municipal infrastructure grant

Balance unspent at beginning of year	3,116,596	24,834,088	3,116,596	24,834,088
Current-year receipts	126,455,000	74,659,000	126,455,000	74,659,000
Conditions met - transferred to revenue	(124,004,636)	(52,139,964)	(124,004,636)	(52,139,964)
Adjustment for expenditure in prior years	-	(44,236,528)	-	(44,236,528)
	5,566,960	**3,116,596**	**5,566,960**	**3,116,596**

Airport

Current-year receipts	9,115,811	11,370,450	9,115,811	11,370,450
Conditions met - transferred to revenue	(9,115,811)	(11,370,450)	(9,115,811)	(11,370,450)
	-	**-**	**-**	**-**

Electricity side demand management

Balance unspent at beginning of year	2,533,993	10,908,470	2,533,993	10,908,470
Current-year receipts	-	4,000,000	-	4,000,000
Conditions met - transferred to revenue	(2,533,993)	(12,374,476)	(2,533,993)	(12,374,476)
	-	**2,533,994**	**-**	**2,533,994**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Finance management grant				
Balance unspent at beginning of year	1,035,158	-	1,035,158	-
Current-year receipts	1,441,000	1,200,000	1,441,000	1,200,000
Conditions met - transferred to revenue	(1,979,466)	(164,842)	(1,979,466)	(164,842)
	496,692	**1,035,158**	**496,692**	**1,035,158**
Freedom square tourism hub				
Balance unspent at beginning of year	16,858,673	12,432,891	16,858,673	12,432,891
Current-year receipts (interest)	1,760,104	5,400,000	1,760,104	5,400,000
Conditions met - transferred to revenue	(11,701,509)	(974,218)	(11,701,509)	(974,218)
	6,917,268	**16,858,673**	**6,917,268**	**16,858,673**
Greater Edendale development initiative				
Balance unspent at beginning of year	12,416,766	16,452,641	12,416,766	16,452,641
Current-year receipts (interest)	566,372	759,026	566,372	759,026
Conditions met - transferred to revenue	(4,479,495)	(4,794,901)	(4,479,495)	(4,794,901)
Adjustments to opening balance	12,000	-	12,000	-
	8,515,643	**12,416,766**	**8,515,643**	**12,416,766**
Housing				
Balance unspent at beginning of year	36,209,596	43,062,459	36,209,596	43,062,459
Current-year receipts (interest)	691,753	6,264,940	691,753	6,264,940
Conditions met - transferred to revenue	(542,341)	(13,117,803)	(542,341)	(13,117,803)
	36,359,008	**36,209,596**	**36,359,008**	**36,209,596**
Sundry				
Balance unspent at beginning of year	6,784,550	2,183,869	6,784,550	2,183,869
Current-year receipts (interest)	1,133,104	9,828,604	1,133,104	9,828,604
Conditions met - transferred to revenue	(6,422,450)	(5,227,923)	(6,422,450)	(5,227,923)
Adjustments to opening balance	954,822	-	954,822	-
	2,450,026	**6,784,550**	**2,450,026**	**6,784,550**
Library				
Balance unspent at beginning of year	548,417	501,615	548,417	501,615
Current-year receipts (interest)	1,171,984	923,866	1,171,984	923,866
Conditions met - transferred to revenue	(792,652)	(877,064)	(792,652)	(877,064)
Adjustments to opening balance	(262,045)	-	(262,045)	-
	665,704	**548,417**	**665,704**	**548,417**
Municipal systems improvement grant				
Balance unspent at beginning of year	489,035	11,927	489,035	11,927
Current-year receipts	790,000	750,000	790,000	750,000
Conditions met - transferred to revenue	(793,937)	(272,892)	(793,937)	(272,892)
	485,098	**489,035**	**485,098**	**489,035**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Neighbourhood development partnership grant				
Current-year receipts (interest)	6,650,000	-	6,650,000	-
Public transportation infrastructure				
Balance unspent at beginning of year	31,942,905	20,394,364	31,942,905	20,394,364
Current-year receipts	63,270,000	24,000,000	63,270,000	24,000,000
Conditions met - transferred to revenue	(21,611,336)	(12,451,459)	(21,611,336)	(12,451,459)
	73,601,569	31,942,905	73,601,569	31,942,905
Other external grants				
Balance unspent at beginning of year	3,362,646	3,493,244	3,362,646	3,493,244
Current-year receipts (interest)	149,596	2,415,102	149,596	2,415,102
Conditions met - transferred to revenue	(1,319,346)	(2,545,700)	(1,319,346)	(2,545,700)
Adjustments to opening balance	(505,423)	-	(505,423)	-
	1,687,473	**3,362,646**	**1,687,473**	**3,362,646**
Trusts				
Balance unspent at beginning of year	5,865,258	5,601,465	5,865,258	5,601,465
Current-year receipts (interest)	186,946	263,793	186,946	263,793
	6,052,204	**5,865,258**	**6,052,204**	**5,865,258**
26. Other revenue				
Airport	3,460,651	2,646,441	3,460,651	2,646,441
Forestry	12,870,697	11,989,359	12,870,697	11,989,359
Market	17,174,918	16,804,430	17,174,918	16,804,430
Burials and cremations	1,258,041	746,824	1,258,041	746,824
Buildings	1,953,498	2,159,628	1,953,498	2,159,628
Re-connections	12,601,583	14,128,313	12,601,583	14,128,313
Training levy recoveries	3,146,805	1,067,365	3,146,805	1,067,365
Discount received	253,455	305,847	253,455	305,847
Sundry income	12,466,651	14,869,985	12,425,419	14,864,485
MIG project management unit operating costs	885	275	885	275
Insurance recoveries	11,250	11,270	11,250	11,270
Endowments	211,033	9,100	211,033	9,100
Other	-	(18,483)	-	(18,483)
Discounting of debtors	-	-	-	8,463,205
	65,409,467	**64,720,354**	**65,368,235**	**73,178,059**
27. Interest received				
Interest revenue				
Interest received - external investments	25,906,640	12,822,576	25,906,640	12,822,576
Interest received - service debtors	58,297,967	47,479,983	58,253,996	47,436,815
	84,204,607	**60,302,559**	**84,160,636**	**60,259,391**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
28. Employee related costs				
Salaries & wages	461,616,055	451,132,276	459,796,642	449,181,101
Contributions for UIF,WCA and SALBC levy	7,833,364	7,666,791	7,736,615	7,521,049
Contributions for pensions & medical aid	119,167,933	116,585,499	118,976,579	116,395,687
Travel, motor car, accommodation, subsistence and other allowances	32,352,063	28,542,745	32,352,063	28,542,745
Overtime payments	27,336,905	24,922,468	27,336,905	24,922,468
Long-service awards	16,244,652	15,796,260	16,244,652	15,796,260
Housing benefits and allowances	3,754,274	3,647,637	3,754,274	3,647,637
	668,305,246	**648,293,676**	**666,197,730**	**646,006,947**
Remuneration of municipal manager				
Annual Remuneration	415,932	-	415,932	-
Car Allowance	90,119	-	90,119	-
Contributions to UIF, Medical and Pension Funds	65,218	-	65,218	-
Bonus	90,000	-	90,000	-
Acting allowance	285,010	495,153	285,010	495,153
	946,279	**495,153**	**946,279**	**495,153**

The municipal manager was appointed on the 1 January 2012.

Remuneration of chief finance officer				
Annual Remuneration	81,448	542,866	81,448	542,866
Car Allowance	-	78,236	-	78,236
Acting allowance	201,548	30,607	201,548	30,607
	282,996	**651,709**	**282,996**	**651,709**

The Chief financial officer resigned on the 30 April 2011. The acting allowance relates to the Chief financial officer who was acting for the period July 2011 to May 2012. The Chief Financial Officer was appointed on the 1 June 2012.

Remuneration of executive manager - internal audit				
Acting allowance	85,768	67,283	85,768	67,283
Remuneration of deputy municipal manager community services				
Annual Remuneration	119,382	716,290	119,382	716,290
Car Allowance	33,481	200,903	33,481	200,903
Acting allowance	542,284	-	542,284	-
	695,147	**917,193**	**695,147**	**917,193**

The deputy municipal manager community services resigned on the 04 August 2011.

Remuneration of deputy municipal manager corporate services				
Annual Remuneration	977,381	855,340	977,381	855,340
Car Allowance	-	66,022	-	66,022
	977,381	**921,362**	**977,381**	**921,362**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Remuneration of deputy municipal infrastructure services				
Acting allowance	60,506	91,237	60,506	91,237
Remuneration of deputy municipal manager development services				
Acting allowance	57,737	-	57,737	-

Included in the employee related costs note are the above amounts in respect of remuneration paid to key personnel.

29. Remuneration of councillors

Mayor	1,021,842	691,499	1,021,842	691,499
Deputy Mayor	891,201	552,167	891,201	552,167
Councillors	20,764,738	10,404,670	20,764,738	10,404,670
Speaker	779,617	587,022	779,617	587,022
Executive committee members	4,419,058	4,204,859	4,419,058	4,204,859
Councillors pension and medical aid contributions	3,550,300	1,977,700	3,550,300	1,977,700
	31,426,756	**18,417,917**	**31,426,756**	**18,417,917**

In-kind benefits

The Mayor, Deputy Mayor, Speaker and Executive Committee Members are full-time. 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 and Deputy Mayor have security and an official driver at a cost to Council.

30.Depreciation and amortisation

Property, plant and equipment	221,421,225	247,888,778	269,405,248	247,860,166
Intangible assets	51,671,792	4,364,785	3,659,157	4,364,785
	273,093,017	**252,253,563**	**273,064,405**	**252,224,951**

31. Impairment of assets

Impairments				
Property, plant and equipment	-	156,028	-	156,028
Investment property	585,791	-	585,791	-
Inventories	-	1,103,748	-	1,103,748
	585,791	**1,259,776**	**585,791**	**1,259,776**

Inventory - Due to technological changes the inventory has become redundant.

The main classes of assets affected by impairment losses are:

Investment property

Contract Supply Chain Management (SCM 15 of 11/12) was awarded to Mills Fitchet (Natal)Pty Ltd to revalue and update the fixed asset register with complete records of investment property owned by the municipality.
Impairment of investment property was performed because the municipality had identified old and dilapidated buildings which added no contributory value to the investment property.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
32. Finance costs				
Annuity & finance loans	69,583,589	68,996,706	69,583,589	68,996,706
Finance leases	685,018	1,057,616	685,018	1,057,616
Other interest paid	1,865,460	1,513,739	1,865,460	1,513,739
	72,134,067	**71,568,061**	**72,134,067**	**71,568,061**

No external funding was borrowed during the 2011/2012 financial year for capital projects.

33. Debt impairment				
Contributions to debt impairment provision	58,209,770	96,000,000	58,209,770	96,000,000
34. Bulk purchases				
Electricity	919,409,896	729,325,043	919,409,896	729,325,043
Water	297,924,964	265,040,887	297,924,964	265,040,887
	1,217,334,860	**994,365,930**	**1,217,334,860**	**994,365,930**
35. Grants and subsidies paid				
Other subsidies				
Community bodies	196,459	191,788	196,459	191,788
Safe city project	-	2,947	3,947,368	3,774,877
	196,459	**194,735**	**4,143,827**	**3,966,665**
36. General expenses				
Other	133,485,132	107,341,297	133,485,132	107,341,297
Contracted services	21,090,729	13,765,577	21,090,729	13,765,577
External services	29,574,867	29,821,165	29,574,867	29,821,165
Airport	1,373,438	3,107,692	1,373,438	3,107,692
Forestry	11,901,599	10,249,500	11,901,599	10,249,500
Insurance	12,220,944	11,852,495	12,220,944	11,852,495
Provincial Intervention Team expenses	3,675,422	13,761,375	3,675,422	13,761,375
Departmental charges - expenditure	443,293,401	423,502,473	443,293,401	423,502,473
Telephone and fax	5,003,290	5,452,660	5,003,290	5,452,660
Departmental charges - less charge outs	(424,146,295)	(429,609,307)	(424,146,295)	(429,609,307)
Extraordinary	802,613	1,004,732	802,613	1,004,732
Pensions payable	13,403,363	11,039,712	13,403,363	11,039,712
Mayoral projects	2,697,714	160,264	2,697,714	160,264
Grants capital expenditure	(49,455)	-	(49,455)	-
Other expenses	36,354,615	22,062,107	35,563,903	21,276,880
	290,681,377	**223,511,742**	**289,890,665**	**222,726,515**
37. Gains or losses on disposal of assets				
Property,plant and equipment	-	1,350,631	-	1,350,631
Sales of assets	(326,100)	-	(326,100)	-
Housing	-	(146,751)	-	(146,751)
Land sales	1,266,964	(1,267,439)	1,266,964	(1,267,439)
	940,864	**(63,559)**	**940,864**	**(63,559)**

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
38. Cash generated from operations				
Surplus	234,941,901	94,697,295	234,467,830	94,732,058
Adjustments for:				
Depreciation and amortisation	273,093,017	252,253,563	273,064,405	252,224,951
Surplus sale of assets and liabilities	(1,266,964)	63,559	(1,266,964)	63,559
Loss on non-current assets	326,100	-	326,100	-
Impairment deficit	585,791	1,259,776	585,791	1,259,776
Movements in retirement benefit assets and liabilities	74,085,936	60,540,906	74,085,936	60,540,906
Movements in provisions	4,378,321	16,993,724	4,378,321	16,993,724
Other non-cash items	(126,209,325)	130,225,628	(126,165,354)	130,296,582
Changes in working capital:				
Inventories	914,518	3,052,854	914,518	3,052,854
Trade and other receivables from non exchange transactions	2,376,517	15,859,769	2,315,225	15,921,211
Consumer debtors	(145,351,587)	(101,181,379)	(145,351,587)	(101,181,379)
Trade and other payables from exchange transactions	77,988,611	5,720,365	78,315,398	5,423,140
VAT	11,101,024	19,045,753	11,101,024	19,045,753
Unspent conditional grants and receipts	28,138,098	(19,572,482)	28,138,098	(19,572,482)
Current portion of long - term receivables	1,422,093	1,444,570	1,422,093	1,444,570
Current portion of other financial instruments	-	1,860,000	-	1,860,000
	436,524,051	**482,263,901**	**436,330,834**	**482,105,223**
39. Issued capital				
Authorised share capital				
1000 Ordinary shares of R 1 each	1,000	-	-	-
Issued				
100 Ordinary shares of R 1 each	100	-	-	-

The unissued shares of Safe City are under the control of the directors until the forthcoming annual general meeting.

40. Additional disclosure in terms of Municipal Finance Management Act

Contribtions to SALGA/KWANALOGA				
Council subscriptions	356,497	3,746,394	356,497	3,746,394
Amount paid - current year	(356,497)	(3,746,394)	(356,497)	(3,746,394)
	-	-	-	-
Audit fees				
Opening balance	205,996	72,604	205,996	72,604
Audit fee invoiced	4,034,202	3,988,122	4,034,202	3,988,122
Amount paid - current year	(4,127,746)	(3,854,730)	(4,127,746)	(3,854,730)
	112,452	**205,996**	**112,452**	**205,996**
PAYE and UIF				
Opening balance	-	(32,915)	-	(32,915)
Current year payroll deductions	84,374,854	81,139,790	84,374,854	81,139,790
Amount paid - current year	(84,374,854)	(81,106,875)	(84,374,854)	(81,106,875)
	-	-	-	-

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
Pension and Medical Aid Deductions				
Current year payroll deductions & Council contributions	194,194,935	187,398,331	194,194,935	187,398,331
Amount paid - current year	(194,194,935)	(187,398,331)	(194,194,935)	(187,398,331)
	-	-	-	-
VAT				
VAT receivable	8,482	69,774	-	-
VAT payable	52,659,731	41,558,707	52,659,731	41,558,707
	52,668,213	**41,628,481**	**52,659,731**	**41,558,707**

VAT output payables and VAT input receivables are shown in note as net VAT payable.

All VAT returns have been submitted by the due date throughout the year.VAT is only declared to SARS on receipt of payment from consumers

Councillors arrear consumer accounts

The amounts reflected below relate to services that are due in excess of 30 days. Credit control has been applied in the recovery of the outstanding debt. The following Councillors had arrear accounts:

30 June 2012	Outstanding less than 90 days	Outstanding more than 90 days	Total
TI Dlamini	-	8,105	8,105
TRM Zungu	-	9,180	9,180
VGM Mlete	-	49,055	49,055
P Sithole	-	13,754	13,754
SC Ndawonde	-	542	542
DB Phungula	-	32,563	32,563
R Ahmed	-	15,788	15,788
FN Mbatha	-	2,933	2,933
	-	**131,920**	**131,920**

30 June 2011	Outstanding less than 90 days	Outstanding more than 90 days	Total
TI Dlamini	-	2,787	2,787
MB Mkhize	-	356	356
TRM Zungu	-	8,411	8,411
M Inderjit	-	3,893	3,893
TR Zuma	-	158	158
M Maphumalo	-	2,368	2,368
VGM Mlete	-	30,938	30,938
P Sithole	-	8,974	8,974
SC Ndawonde	-	15,186	15,186
DB Phungula	-	7,169	7,169
R Ahmed	-	12,032	12,032
T Matiwane	-	17,789	17,789
	-	**110,061**	**110,061**

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

41. Deviation from supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the City Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.

Incidents				
Advertisements	870,657	-	870,657	-
Computer expenditure	78,484	20,000	78,484	20,000
Health and safety	329,771	-	329,771	-
Legal	168,144	-	168,144	-
Other	29,380	-	29,380	-
Repairs to property, plant and equipment	595,322	81,172	595,322	81,172
Repairs to motor vehicles	2,064,560	418,896	2,064,560	418,896
Repairs and maintenance	1,182,242	252,163	1,182,242	252,163
Water quality testing	-	15,924	-	15,924
Procurement of property, plant and equipment	-	70,990	-	70,990
Service delivery	72,640	-	72,640	-
Service delivery	59,000	-	59,000	-
Uniforms	689,850	-	689,850	-
	6,140,050	**859,145**	**6,140,050**	**859,145**

42. Prepaid electricity

Commissions - are calculated on sales from prepaid electricity sales made by vendors on behalf of the Council.The commissions are included in the general expenses category of the statement of financial performance.

In the 2006/2007 financial year two vendors had defaulted in depositing amounts received from prepaid sales. As a result no commission was paid to them. The defaulting vendors are Sweet waters and Phayiphini who had ceased trading in January 2007 and October 2006 respectively.

The amounts of R55 723 and R75 896 respectively are deemed to be irrecoverable for the 2005/2006 financial year. Also the amounts of R13 980 and R15 671 being the movements for the 2006/2007 year are deemed irrecoverable .

This matter is being handled by the legal division in conjunction with the SAPS- Commercial branch unit and Venn Nemeth & Hart attorneys.

43. Commitments

Authorised capital expenditure

Already contracted for but not provided for				
• Property, plant and equipment	141,033,294	69,047,000	141,033,294	69,047,000

This committed expenditure relates to infrastructure assets and will be financed by available bank facilities.

44. Contingencies

Unfilled conditions and other contingencies attaching to government grants related to agricultural activity.

Refer to Appendix F for a detailed listing of the contingent liabilities	56,306,436	59,072,913	56,306,436	59,072,913

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

45. Related parties

The NCT tree farming (Pty) Ltd manages timber plantations established on Council owned land on behalf of the Council by a management agreement. NCT is entitled to a 5% management fee based on net profit.

Safe City has been formed as a partnership with the business community to combat crime in the city. Council allocates a grant in aid to the entity.

NCT - 5% of management fee	51,005	91,571	51,005	91,571
Safe City - grant	3,947,368	3,774,877	3,947,368	3,774,877
	3,998,373	**3,866,448**	**3,998,373**	**3,866,448**

46. Events after the reporting date

The assets and liabilities attached with the primary health care service department of their municipality have been presented as a discontinued operation following a Council decision dated 29 April 2011 to transfer the primary health care service department to the Kwazulu - Natal Provincial Government. The agreed date of transfer is 1 August 2012. The non currents assets are to be transferred at no cost or compensation to the municipality as per Council resolution dated 27 June 2012.

47. Discontinued operations or disposal groups or non-current assets held for sale

The decision was made by the accounting officer to discontinue these operations due the lack of return on investment.

The revenue and expenditure of the discontinued service is set below.

Surplus / Deficit

Revenue				
Grants and subsidies	3,266,965	12,488,226	3,266,965	12,488,226
Sundry	15,301	320	15,301	320
Expenditure				
Salaries and wages	(21,250,618)	(19,639,024)	(21,250,618)	(19,639,024)
General expenses	(3,983,367)	(3,884,123)	(3,983,367)	(3,884,123)
Departmental charges	(1,577,121)	(1,300,797)	(1,577,121)	(1,300,797)
	(23,528,840)	**(12,335,398)**	**(23,528,840)**	**(12,335,398)**

Assets and liabilities

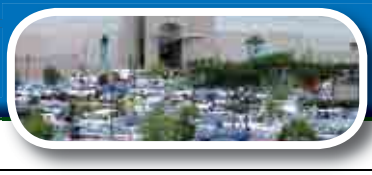
Non-current assets held for sale				
Property, plant and equipment	1,144,501	1,761,167	1,144,501	1,761,167
Other assets	23,569,837	25,432,795	23,569,837	25,432,795

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
48. Prior period errors				
The comparative amounts have been re-stated as follows :	-	(2,455,521)	-	(2,455,521)
Transaction's affecting the statement of financial performance				
Restatement of expenditure				
Due to under and over accruals raised in expenditure	-	838,123	-	838,123
Cancellation of goods received notes	-	(2,175,145)	-	(2,175,145)
Reimbursement of survey costs on land sales	-	(452,037)	-	(452,037)
Adjustment to depreciation	-	(431,075)	-	(431,075)
Write back of depreciation on investment properties	-	512,727	-	512,727
Reversal of duplication of a debtor	-	(140,000)	-	(140,000)
Restatement of revenue				
Consumer disputed billing	-	244,091	-	244,091
Writeback of unidentified receipts and revenue	-	(2,829)	-	(2,829)
Offset of rates revenue raised	-	(29,184)	-	(29,184)
Retrospective basic charges for electricity and refuse	-	(149,162)	-	(149,162)
Shortfall on commission due to prepaid vendors	-	418,814	-	418,814
Refund of surplus cash	-	360	-	360
	-	**(1,365,317)**	**-**	**(1,365,317)**
Transaction's affecting the statement of financial position				
Restatement of trade and other payables				
Due to errors control votes have been cleared	-	(1,152,054)	-	(1,152,054)
Refunds received from creditors due to overpayment	-	(45,724)	-	(45,724)
Consultant fee expensed due to developer not proceeding with development	-	150,093	-	150,093
Write back of financial instruments	-	(850,063)	-	(850,063)
Restatement of trade and other receivables from non exchange transactions				
Input vat not claimed from SARS	-	53	-	53
Write back of debtors	-	(13,772)	-	(13,772)
Write back of financial instruments	-	43,374,318	-	43,374,318
Restatement of current provisions				
Corrections on Debi market development	-	(28,800)	-	(28,800)
	-	**41,434,051**	**-**	**41,434,051**

Refer to Appendix H for detailed disclosure of prior period errors.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
49. Irregular expenditure				
Total irregular expenditure	221,368,337	222,825,734	221,368,337	222,825,734
Reconciliation				
Opening balance	222,825,734	185,613,918	222,825,734	185,613,918
Irregular expenditure for current year	27,482,884	37,211,816	27,482,884	37,211,816
Irregular expenditure condoned at Executive Committee - 05 April 2012	(19,708,214)	-	(19,708,214)	-
Irregular expenditure awaiting Council condonement	**230,600,404**	**222,825,734**	**230,600,404**	**222,825,734**
2010 : Procurement irregularitiesSupply Chain Irregularities				
Forensic investigations - Focus Project Management	-	570,000	-	570,000
2011: Procurement irregularities				
Unauthorised hire of specialised vehicles for landfill site	-	468,960	-	468,960
Msunduzi One Regional Taxi Council - Contract PS 50 of 07/08	-	2,532,943	-	2,532,943
Awards to persons in service of state	-	18,585,855	-	18,585,855
Unique Mbane SA (Pty) Ltd Contract PU79 of 07/08	-	13,778,059	-	13,778,059
Gestetner - Contract no 26 of 2004 (Full maintence lease of office equipment)	-	1,034,547	-	1,034,547
ABB South Africa - splitting of orders	-	241,452	-	241,452
	-	**36,641,816**	**-**	**36,641,816**
2012 : Procurement irregularities				
Awards to persons in service of state	7,146,839	-	7,146,839	-
Awards to persons in service of municipality	5,244,318	-	5,244,318	-
Msunduzi One Regional/Contract PU 79 of 07/08	2,390,726	-	2,390,726	-
Unique Mbane SA Pty / Contract PU 79 of 07/08	10,504,997	-	10,504,997	-
Gestetner - Contract no 26 of 2004	1,718,763	-	1,718,763	-
Lister and Lister	402,695	-	402,695	-
Book times	74,546	-	74,546	-
	27,482,884	**-**	**27,482,884**	**-**
Analysis of condonment				
Forensic investigations				
2008 / 2009	-	46,656,135	-	46,656,135
2009 / 2010	-	117,721,243	-	117,721,243
Awards to persons in service of state				
2009 / 2010	-	6,340,203	-	6,340,203
2010 / 2011	-	18,419,851	-	18,419,851
2011 / 2012	3,152,920	-	3,152,920	-
Procurement irregularities - Unique Mbane				
2009 / 2010	-	5,930,155	-	5,930,155
2010 / 2011	-	13,778,059	-	13,778,059
	3,152,920	**208,845,646**	**3,152,920**	**208,845,646**

At Executive Committee meetings held on the 05 April 2012 and 02 August 2012 irregular expenditure to the value of of R 19 708 214 and R 192 290 352 respectively were condoned.



Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011
50. Fruitless and wasteful expenditure				
Fruitless and wasteful expenditure	3,956,970	3,077,827	3,956,970	3,077,827
Reconciliation of fruitless and wasteful expenditure				
Opening Balance	3,077,827	2,842,349	3,077,827	2,842,349
Fruitless and wasteful expenditure current year	879,143	235,478	879,143	235,478
Fruitless and wasteful expenditure awaiting condonement/repayment	**3,956,970**	**3,077,827**	**3,956,970**	**3,077,827**
Interest on : Late payment to Gonal Construction - PU 90 of 08/09	-	72,464	-	72,464
Interest on : Late payment of Telkom accounts	22,011	46,375	22,011	46,375
Interest on : Late payment of Eskom accounts	11,708	32,485	11,708	32,485
Interest on : Late payment to Gonal Construction	-	3,343	-	3,343
Interest on : Late payment to H Collins and Sons	-	8,240	-	8,240
Interest on : Late payment to Masakhane Caterers	-	613	-	613
Interest on : Late payment to the Sheriff of the High Court	-	891	-	891
Advertising costs on tenders withdrawn	67,897	71,067	67,897	71,067
Cancellation of electricity contract : PriceWaterhouseCoopers	777,527	-	777,527	-
	879,143	**235,478**	**879,143**	**235,478**

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 negligence.

51. Unauthorised expenditure

Depreciation and asset impairment	21,071,373	136,390,573	21,071,373	136,390,573
Finance charges	-	570,740	-	570,740
	21,071,373	**136,961,313**	**21,071,373**	**136,961,313**

Depreciation is calculated as an estimate on the approved budget and taking in to account the previous years depreciation.

The following two factors are not considered when depreciation is estimated:

1. Depreciation as captured in the statement of financial performance is inclusive of offset depreciation which includes depreciation on revaluations.

2. Variances do occur due to asset reclassification,revaluations and review of useful lives of assets.

52. Electricity, water & inventory losses

Units purchased - kWh	1,752,171,161	17,521,752,171,161	1,752,171,161	1,752,171,161
Units sold - kWh	1,514,431,630	1,552,609,369	1,514,431,630	1,552,609,369
Loss - kWh	237,739,531	199,561,792	237,739,531	199,561,792
Electricity loss as a percentage	13	11	13	11
Electricity loss in Rand value	**119,063,582**	**82,413,730**	**119,063,582**	**82,413,730**

The acceptable norm of electricity loss is 3%.The significant electricity losses of 237,739,531 kWh (2011 - 199,561,792 KWh) occurred during the year under review, which resulted in material revenue losses to the municipality.

The loss above the norm is due to theft, distribution losses, illegal tampering of electricity meters and can also be attributable to the ageing infrastructure.

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

The following targets were set for the reduction of electricity losses:

- Physical audits will be carried out on all electricity meters
- Tampered meters will be removed and customers will be required to make good on debt before reinstatement.
- Where meters have been disconnected and reconnections have not been paid for, night checks will be done to ascertain whether customers have illegally reconnected the meter
- Provision has been made in the 2012/2013 capital budget for the acquisition of protected structures for housing the electricity meters.
- Customers will thereafter not have access to the electricity meters and this will assist in combating theft of electricity

Water losses				
Units purchased -Kl	66,801,851	61,846,351	66,801,851	61,846,351
Units sold - Kl	39,643,638	39,031,160	39,643,638	39,031,160
Losses - Kl	27,158,213	22,815,191	27,158,213	22,815,191
Apparent losses - Kl	(7,061,135)	(1,393,188)	(7,061,135)	(1,393,188)
Real losses - Kl	20,097,078	21,422,003	20,097,078	21,422,003
Water loss as a percentage	30	35	30	35
Water loss in Rand value	**75,116,846**	**75,459,006**	**75,116,846**	**75,459,006**

The acceptable norm in developing countries of water loss is 20%.The significant water losses of 20,097,078 kl (2011: 21,422,003 kl) occurred during the year under review, which resulted material revenue losses to the municipality.

The loss above the norm is due to theft, distribution losses, illegal tampering of water meters and can also be attributable to the ageing infrastructure.

The following targets were set for the reduction of water losses:

- Design of 10 new pressure reducing valves - 30 new pressure reducing values were designed
- Commissioning of 8 new pressure reducing valves
- Optimisation of 50 existing PRV zones
- Completion of leak detection and repair activities on approximately 1 350km of reticulation
- Inspection and repair of 10 reservoirs
- Replacement of 5km of existing AC pipelines

The following achievements were made in the reduction of water losses:

- Design of 30 new pressure reducing valves
- Recommissioning of 8 new pressure reducing valves zones
- All zones were prepared for optimizations however due to budget constraints broken meters were not repaired and no installing of new meters could be done.
- Completed 1350km of leak detection
- 10 reservoirs were inspected however only one reservoir was repaired due to budget constraints
- Replacement of 3.485km of existing AC pipelines due to budget constraints.

Inventory losses				
Central Stores - net write up of general ledger	132,048	408,486	132,048	408,486

In the 2011 financial year, the following remedy has been implemented to control the movement of stock within the stores environment, the stores unit has created a separate dispatching and receiving bay to restrict the unnecessary cross flow of stock that is being received and stock that is being issued. The results of the implementation of this measure is twofold.

•Firstly there is a check at the dispatch area of the number of items as per the requisition by a storeman and an assistant, the result of this is that we have seen a huge reduction in the number of shortages that have been reported on, as compared to previous years. Secondly the creation of the receiving bay were all items that are ordered by council are received except goods that are to be delivered to on-site locations has assisted in the reduction of short receipts on council orders. We have a stock monitor person that is tasked with the monitoring of materials delivered to on-site locations.

Cable stores - net write down of general ledger	-	(72,491)	-	(72,491)

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

The 2010 variance arose through the theft of cable from the cable yard. Copper is a high value commodity in the scrap metal market place. The thefts took place over a period of time and all have been reported to the South African Police as well to the Municipality's Internal Security division.

The 2011 write down is primarily due to the theft of copper cable at the cable yard. The South African police have been informed and various cases of theft have been opened. The following remedy has been implemented and has since yielded positive results:

- The cable yard though being fenced off is further secured with a security guard a guard dog as well as intruder sensors during the night shift, we have relocated all the copper cable drums and these are being stored in a secure lockable storeroom.
- During the day the gate leading to the cable yard is locked and only when a request for cable is received is the gate unlocked and opened, the number of personnel entering the cable yard are also restricted to the crew that is requesting the cable.

For the 2011 financial year the Edendale store has been closed and all stores issues are being made from the central stores department.

In 2011 quarterly inventory counts have been performed. An inventory management plan has been drafted which indicate the procedures that have been implemented with regard to receipts, issuing, safeguarding and physical verification of stores items. Monthly reconciliation's are also being performed. A inventory policy is being drafted as part of the Supply Chain Management policies and procedures.

53. Traffic fines outstanding

As per NATIS - traffic department				
Notice of intention to prosecute - 341 s	3,019,600	892,900	3,019,600	892,900
Paid	(114,250)	-	(114,250)	-
Withdrawn	(377,150)	-	(377,150)	-
Unsuccessful	(37,350)	-	(37,350)	-
Section 56 notices - summons	8,422,200	2,744,150	8,422,200	2,774,150
Paid	(1,412,595)	-	(1,412,595)	-
Withdrawn	(1,352,550)	-	(1,352,550)	-
Unsuccessful	(1,388,205)	92,150	(1,388,205)	92,150
Warrant of arrests	(500,650)	4,825,150	(500,650)	4,825,150
	6,259,050	**8,554,350**	**6,259,050**	**8,584,350**

54. Comparative figures

Certain comparative figures have been reclassified.

The net effects of the reclassification are as follows:

Statement of financial position				
Trade and other payables and unspent grants				
In the 2010/2011 financial year - trade & other payables: other payablesdecreased	-	145,962	-	145,962
In the 2010/2011 financial year - unspent conditional grant - sundryincreased	-	(145,962)	-	(145,962)
Statement of Financial Performance				
In the 2010/2011 financial year - revenue : other revenue decreased	-	(2,102,845)	-	(2,102,845)
In the 2010/2011 financial year - revenue : government grants andsubsidies increased	-	2,102,845	-	2,102,845
In the 2010/2011 financial year - employee related costs increased	-	11,901,439	-	11,901,439
In the 2010/2011 financial year - general expenses decreased	-	(11,901,439)	-	(11,901,439)

Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

55. Accumulated surplus / deficit

Implementation of GRAP - Ring fencing of reserves				
Accumulated surplus	5,748,351,019	5,581,073,020	5,747,183,223	5,580,253,794
Self insurance reserve	60,248,528	50,335,072	60,248,528	50,335,072
Government grant reserve	520,904,789	538,916,363	520,904,789	538,916,363
Capital replacement reserve	12,635,718	12,635,718	12,635,718	12,635,718
	6,342,140,054	**6,182,960,173**	**6,340,972,258**	**6,182,140,947**

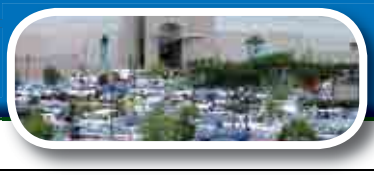
56.Intervention in terms of section 139 (1) (b) of the Constitution

Expenditure relating to the Provincial Intervention Team (PIT) for the period 1 July 2011 to 30 June 2012.

Salaries	-	2,379,513	-	2,379,513
Accommodation	-	295,817	-	295,817
Travelling	-	49,003	-	49,003
Subsistence	-	52,140	-	52,140
Car rental	-	52,268	-	52,268
Cellphone	-	22,977	-	22,977
Petrol	-	1,158	-	1,158
Forensic investigations	3,675,422	10,801,211	3,675,422	10,801,211
Conference	-	107,288	-	107,288
	3,675,422	**13,761,375**	**3,675,422**	**13,761,375**

The following expenditure for the Provincial Intervention Team (PIT) had deviated from normal supply chain management policy and procedures. These goods and services were procured under the Supply Chain Management Regulation Section 36 as emergency/ urgency requirement of goods and services.

List of suppliers				
Ben Dorfling	-	90,298	-	90,298
Class A Trading 253 (Pty) t/a Focus PMO	-	1,035,080	-	1,035,808
Conferences	-	158,897	-	158,897
Ezemvelo KZN Wild Life	-	33,400	-	33,400
Focus Project Management	1,158,595	2,567,964	1,158,595	2,567,964
Forensic Investigation Risk & Recovery Management (Pty) Ltd	-	9,018	-	9,018
Justica Investigations	-	299,464	-	299,464
Kirney Energy	-	626,068	-	626,068
KPMG Services	1,411,380	2,783,490	1,411,380	2,783,490
Kwazulu Natal Security	49,546	1,178,968	49,546	1,178,968
Liquid Amber	-	115,120	-	115,120
Masstores	-	4,196	-	4,196
Molodi Consulting	-	188,550	-	188,550
Msunduzi Vehicle Pool	-	3,549	-	3,549
Msunduzi Finance - Petty Cash	828	263,430	828	263,430
Piet Van Dyk	-	8,206	-	8,206
Potgieter Kunene Xaba	1,048,469	3,246,513	1,048,469	3,246,513
Reebib Rentals	-	11,531	-	11,531
S Sithole	-	207,000	-	207,000
SA Air Link	-	5,976	-	5,976
Spring Light	-	88,500	-	88,500
The Natal Witness	-	266	-	266
Topaz Lake Trading 107 CC	-	456,000	-	456,000
Truth Finders	-	2,400	-	2,400
Vido B & B	-	368,340	-	368,340
Zitkala Trading	-	8,423	-	8,423
W Geringer	6,604	-	6,604	-
	3,675,422	**13,760,647**	**3,675,422**	**13,761,375**



Figures in Rand	Economic entity 2012	Economic entity 2011	Controlling entity 2012	Controlling entity 2011

57. Change in estimate

Landfill rehabilitation provision

The New England Road landfill site provisional programme closure was awarded to Jeffares and Green in June 2011. The useful life of the landfill site was estimated in 2011 to be 10 years. The landfill site provision represents management's best estimate of the municipality's rehabilition liability based on an valuation provided by an external consultant. The effect of this revision has increased the provision by R 2 036 237.

58. Comparison of budget against actual

Refer to Appendix G for the statement of comparatives of budgets against actuals.

59. Risk management

Financial risk management

The municipality's activities expose it to a variety of 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, municipality 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.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Interest rate risk

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. 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 utilisation of credit limits is regularly monitored.

Market risk

An internal audit investigation was conducted during the 2010/2011 financial year. Discrepencies were identified and are in the process of being investigated and internal audit has been scheduled for follow up during the 2012/2013 financial year.

60. 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 AS AT 30 JUNE 2012

EXTERNAL LOANS	ACCOUNT NO	Loan Number	Redeemable	Balance at 30/06/11	Received during the period	Redeemed written off during the period	Balance at 30/06/12
				R	R	R	R
LONG-TERM LOANS							
DBSA - 15.5%	PMB8108710930	11158	30/09/2018	9,710,925		755,315	8,955,610
DBSA - 15.5%	PMB8108710930	11159	31/03/2019	12,163,888		848,137	11,315,752
DBSA - 15.5%	PMB8108710930	11160	31/03/2019	10,366,739		722,829	9,643,910
DBSA - 16.5%	PMB8108710930	13446	31/03/2020	19,760,048		1,067,259	18,692,788
DBSA - 16.5%	PMB8108710930	13447	31/03/2020	8,422,934		454,931	7,968,004
DBSA - 16.5%	PMB8108710930	13448	31/03/2020	12,471,278		673,586	11,797,693
DBSA - 14.27%	PMB8108710930	14039/101	31/12/2014	28,403,441		6,828,020	21,575,421
DBSA - 14.27%	PMB8108710930	14039/102	31/12/2015	874,416		152,172	722,244
DBSA - 14.27%	PMB8108710930	102091	2/11/2020	4,364,780		280,131	4,084,649
DBSA - 14.27%	PMB8108710930	102416	28/06/2021	40,544,640		2,585,363	37,959,277
DBSA - 10.75%	PMB7878718900	11649	30/6/2013	13,143		6,226	6,917
DBSA - 9.31%	PMB8108710930	101922	30/09/2020	19,810,442		1,384,882	18,425,560
DBSA - 8.7%	PMB8108710930	102797	30/09/2022	77,728,582		4,142,972	73,585,610
DBSA - 10.79%	PMB8108710930	103059/1	9/30/2023	58,951,982		2,387,029	56,564,953
DBSA - 6.75%	PMB8108710930	103059/2	9/30/2023	14,302,292		757,008	13,545,284
DBSA -12.02%	PMB8108710930	103594/1	12/31/2024	107,909,905		3,454,034	104,455,872
DBSA - 6.75%	PMB8108710930	103594/2	12/31/2024	35,187,541		1,659,781	33,527,761
DBSA - 12.10%	PMB8108710930	103721	3/31/2025	72,608,098	112,361,377	8,366,045	176,603,430
DBSA Total				**533,595,075**	**112,361,377**	**36,525,719**	**609,430,734**
RMB/INCA - 16.35%	PMB8108710929	Piet-00-0001	12/31/2010	2,000,265		1,191,467	808,798
RMB/INCA - 13.39%	PMB8108710929	Msun-00-0001	12/31/2010	3,816,564		3,816,564	0
INCA - 11.65%	PMB8108710929	Msun-00-0001	12/31/2013	10,950,132		4,010,757	6,939,374
RMB/INCA Total				**16,766,962**		**9,018,789**	**7,748,173**
RMB/HULETTS - 8.71%	PMB8108710931	Sub-station	6/30/2013	3,662,843		1,303,403	2,359,439
RMB/HULETTS Total				**3,662,843**	**0**	**1,303,403**	**2,359,439**
Total Long-term Loans				**554,024,880**	**112,361,377**	**46,847,910**	**619,538,346**
LEASE LIABILITY							
Nedbank - 10.000%	PMB 810 871 0965	Nedbank 1	31/12/2011	19,435	-	19,435	0
Nedbank - 10.000%	PMB 810 871 0966	Nedbank 2	31/12/2012	19,435	-	19,435	0
Nedbank - 10.000%	PMB 810 871 0967	Nedbank 3	31/12/2013	19,435	-	19,435	0
Nedbank - 10.000%	PMB 810 871 0968	Nedbank 4	31/12/2014	19,435	-	19,435	0
Nedbank - 10.000%	PMB 810 871 0969	Nedbank 5	31/12/2015	19,435	-	19,435	0
Nedbank - 10.000%	PMB 810 871 0970	Nedbank 6	31/12/2016	19,435	-	19,435	0
Nedbank - 10.000%	PMB 810 871 0971	Nedbank 7	31/12/2017	19,435	-	19,435	0
Nedbank - 10.000%	PMB 810 871 0972	Nedbank 8	31/12/2018	20,132	-	20,132	0
Nedbank - 10.000%	PMB 810 871 0973	Nedbank 9	31/12/2019	20,154	-	20,154	-0
Nedbank - 10.000%	PMB 810 871 0974	Nedbank 10	31/12/2014	266,522	-	66,925	199,597
Nedbank - 10.000%	PMB 810 871 0975	Nedbank 11	24/12/2014	266,522	-	66,925	199,597
Nedbank - 10.500%	PMB 810 871 0976	Nedbank 12	31/12/2017	1,417,727	-	179,076	1,238,651
Nedbank - 10.413%	PMB 810 871 0977	Nedbank 13	6/30/2012	39,558	-	39,558	0
Nedbank - 10.413%	PMB 810 871 0978	Nedbank 14	6/30/2012	39,558	-	39,558	0
Nedbank - 10.413%	PMB 810 871 0979	Nedbank 15	6/30/2012	0	-	-	0
Nedbank - 10.413%	PMB 810 871 0980	Nedbank 16	6/30/2012	39,558	-	39,558	0
Nedbank - 10.413%	PMB 810 871 0981	Nedbank 17	6/30/2012	39,558	-	39,558	0
Nedbank - 10.413%	PMB 810 871 0982	Nedbank 18	6/30/2012	39,558	-	39,558	0
Nedbank - 10.413%	PMB 810 871 0983	Nedbank 19	6/30/2012	39,558	-	39,558	0

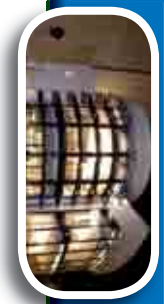
THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

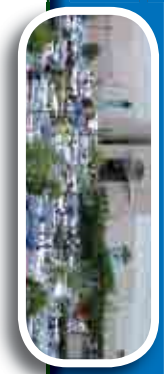
APPENDIX A

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2012

EXTERNAL LOANS	ACCOUNT NO	Loan Number	Redeemable	Balance at 30/06/11	Received during the period	Redeemed written off during the period	Balance at 30/06/12
				R	R	R	R
Nedbank - 10.413%	PMB 810 871 0984	Nedbank 20	6/30/2012	39,558	-	39,558	0
Nedbank - 10.413%	PMB 810 871 0985	Nedbank 21	6/30/2012	39,558	-	39,558	0
Nedbank - 10.413%	PMB 810 871 0986	Nedbank 22	6/30/2012	39,558	-	39,558	0
Nedbank - 13.369%	PMB 810 871 0138	Nedbank 23	10/1/2013	127,139	-	49,704	77,436
Nedbank - 13.369%	PMB 810 871 0139	Nedbank 24	10/1/2013	127,139	-	49,704	77,436
Nedbank - 13.369%	PMB 810 871 0137	Nedbank 26	10/1/2013	127,139	-	49,704	77,436
Nedbank - 13.369%	PMB 810 871 0104	Nedbank 27	10/1/2013	115,497	-	45,152	70,344
Nedbank - 13.369%	PMB 810 871 0102	Nedbank 28	10/1/2013	115,497	-	45,152	70,344
Nedbank - 13.369%	PMB 810 871 0103	Nedbank 29	10/1/2013	115,497	-	45,152	70,344
Nedbank - 13.369%	PMB 810 871 0105	Nedbank 30	10/1/2013	173,410	-	67,793	105,618
Nedbank - 13.369%	PMB 810 871 0109	Nedbank 31	10/1/2013	83,872	-	32,789	51,083
Nedbank - 13.369%	PMB 810 871 0107	Nedbank 32	10/1/2013	83,872	-	32,789	51,083
Nedbank - 13.369%	PMB 810 871 0110	Nedbank 33	10/1/2013	83,872	-	32,789	51,083
Nedbank - 13.369%	PMB 810 871 0108	Nedbank 34	10/1/2013	85,065	-	33,255	51,810
Nedbank - 13.369%	PMB 810 871 0106	Nedbank 35	10/1/2013	171,604	-	67,087	104,517
Nedbank - 13.369%	PMB 810 871 0128	Nedbank 36	10/1/2013	67,430	-	26,361	41,069
Nedbank - 13.369%	PMB 810 871 0100	Nedbank 37	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0999	Nedbank 38	10/1/2013	38,320	-	14,981	23,341
Nedbank - 13.369%	PMB 810 871 0998	Nedbank 39	10/1/2013	38,320	-	38,320	-0
Nedbank - 13.369%	PMB 810 871 0997	Nedbank 40	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0996	Nedbank 41	10/1/2013	38,320	-	38,320	-0
Nedbank - 13.369%	PMB 810 871 0995	Nedbank 42	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0994	Nedbank 43	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0131	Nedbank 44	10/1/2013	67,430	-	26,361	41,069
Nedbank - 13.369%	PMB 810 871 0993	Nedbank 45	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0129	Nedbank 46	10/1/2013	67,430	-	26,361	41,069
Nedbank - 13.369%	PMB 810 871 0101	Nedbank 47	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0130	Nedbank 48	10/1/2013	67,430	-	26,361	41,069
Nedbank - 13.369%	PMB 810 871 0991	Nedbank 49	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0990	Nedbank 51	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0988	Nedbank 52	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0989	Nedbank 53	10/1/2013	38,320	-	38,320	-0
Nedbank - 13.369%	PMB 810 871 0992	Nedbank 54	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.369%	PMB 810 871 0987	Nedbank 55	10/1/2013	38,320	-	14,981	23,339
Nedbank - 13.556%	PMB 810 871 0133	Nedbank 56	10/1/2013	57,573	-	22,478	35,095
Nedbank - 13.556%	PMB 810 871 0134	Nedbank 57	10/1/2013	57,573	-	22,478	35,095
Nedbank - 13.556%	PMB 810 871 0135	Nedbank 58	10/1/2013	57,573	-	22,478	35,095
Nedbank - 13.556%	PMB 810 871 0132	Nedbank 59	10/1/2013	57,573	-	22,478	35,095
Nedbank - 13.369%	PMB 810 871 0121	Nedbank 60	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0119	Nedbank 62	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0123	Nedbank 63	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0122	Nedbank 64	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0113	Nedbank 65	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0115	Nedbank 66	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0120	Nedbank 67	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0125	Nedbank 68	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0114	Nedbank 69	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0112	Nedbank 70	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0124	Nedbank 71	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0117	Nedbank 72	10/1/2013	75,937	-	29,687	46,250

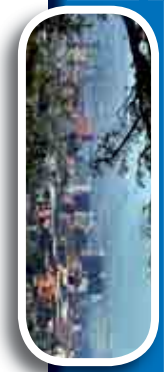
THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY							
APPENDIX A							
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2012							
EXTERNAL LOANS	ACCOUNT NO	Loan Number	Redeemable	Balance at 30/06/11	Received during the period	Redeemed written off during the period	Balance at 30/06/12
				R	R	R	R
Nedbank - 13.369%	PMB 810 871 0127	Nedbank 73	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0126	Nedbank 74	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0116	Nedbank 75	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0118	Nedbank 76	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.369%	PMB 810 871 0111	Nedbank 77	10/1/2013	75,937	-	29,687	46,250
Nedbank - 13.376%	PMB 810 871 0140	Nedbank 78	10/1/2013	155,912	-	58,505	97,407
Nedbank - 13.376%	PMB 810 871 0141	Nedbank 79	10/1/2013	156,827	-	58,848	97,979
Nedbank - 13.376%	PMB 810 871 0142	Nedbank 80	10/1/2013	153,057	-	57,434	95,623
Nedbank - 13.376%	PMB 810 871 0143	Nedbank 81	10/1/2013	156,965	-	58,900	98,065
Nedbank Total				**6,881,219**	**0**	**2,624,787**	**4,256,434**
Airport security system	PMB 810 871 0002	Khomani	31/03/2012	306,673		306,673	0
Other Finance lease total				**306,673**	**0**	**306,673**	**0**
Total lease liability				**7,187,892**	**0**	**2,931,460**	**4,256,434**
TOTAL EXTERNAL LOANS				**561,212,771**	**112,361,377**	**49,779,370**	**623,794,779**

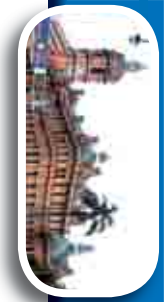




THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX B
ANALYSIS OF PROPERTY ,PLANT AND EQUIPMENT AT 30 JUNE 2012

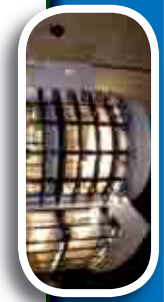
	Cost							Accumulated Depreciation						
	Opening Balance	Adjustments	Impairment	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Adjustments	Additions (Depre-ciation)	Disposals current year	Disposals Acc. Deprrecaition	Closing Balance	Carrying Value
LAND AND BUILDINGS														
Land	274,319,488	4,099,000		-	-	-530,000	277,888,488	-	-					277,888,488
Buildings	285,537,756			-	11,701,509	-13,990	297,225,274	73,917,081	-	18,692,616	-280.37	-0.77	92,609,416	204,615,858
Investment Property	405,306,365	-158,828,228	-585,791	135,120,000	-	-	381,012,346	-	-					381,012,346
									-					
Total Land and Buildings	**965,163,608**	**-154,729,228**	**-585,791**	**135,120,000**	**11,701,509**	**-543,990**	**956,126,108**	**73,917,081**	**0**	**18,692,616**	**-280**	**-0.77**	**92,609,416**	**863,516,692**
ELECTRICITY														
HV Overhead Lines	55,106,836	-		-	623,684	-	55,730,520	3,999,644	-	1,067,652	-		5,067,296	50,663,224
HV Substations	213,203,105	-		15,942,419	-	-	229,145,524	15,355,635	-	4,441,917	-		19,797,551	209,347,973
HV Underground Cables	15,087,569	-		-	-	-	15,087,569	1,159,647	-	290,742	-		1,450,389	13,637,180
LV Street Lighting	47,511,616	-		2,533,991	-	-	50,045,608	2,429,880	-	833,732	-		3,263,612	46,781,995
MV Ground Mounted Transformers	5,826,132	-		6,671,394	-	-	12,497,526	106,213	-	57,483	-		163,696	12,333,830
Transformer Kiosks	-						0	-	-		-		0	0
MV Mini Substations	107,179,585	-		-	-	-	107,179,585	8,201,010	-	2,066,094	-		10,267,104	96,912,481
MV Overhead Lines	23,406,159	-		-	-	-	23,406,159	1,755,263	-	451,818	-		2,207,081	21,199,077
MV Substations	121,558,459			342,743			121,901,202	9,898,970	-	2,518,186	-		12,417,156	109,484,045
MV Underground Cables	709,491,306	-		-	-	-	709,491,306	54,501,877	-	13,672,982	-		68,174,859	641,316,447
MV Pole Mounted Transformers	14,351,651	-		116,800	-	-	14,468,451	1,048,501	-	277,430	-		1,325,931	13,142,520
MV Ring Main Unit	14,042,379	-		-	-	-	14,042,379	994,360	-	304,652	-		1,299,012	12,743,367
	1,326,764,798	**0**		**25,607,347**	**623,684**	**0**	**1,352,995,828**	**99,451,001**	**0**	**25,982,688**	**0**		**125,433,689**	**1,227,562,140**
ROADS														0
Overhead Gantry	130,000	-		-	-	-	130,000	5,098	-	1,277	-		6,375	123,625
Concrete Roads	26,225,076	-		-	-	-	26,225,076	1,977,893	-	495,492	-		2,473,384	23,751,692
Flexible Roads	1,420,989,594	-3,306		31,714,004	36,855,605	-	1,489,555,897	193,707,829	-	49,418,211			243,126,040	1,246,429,857
Unpaved Roads	131,841,005						131,841,005	39,180,640	-	9,815,403	-		48,996,043	82,844,962
Other Roads	135,988,419			217,737			136,206,156	6,313,310	-	3,408,966	-		9,722,276	126,483,880
Structures	236,124,543	-		225,323	471,556		236,821,422	9,181,872	-	2,323,607	-		11,505,479	225,315,943
Signalized Intersections	44,732,227	-		-	-	-	44,732,227	9,278,561	-	2,432,866	-		11,711,427	33,020,800
Airport Runway	59,460,553			6,455,212			65,915,765	4,662,122	-	1,177,733	-		5,839,855	60,075,910
	2,055,491,417	**-3,306**		**38,612,276**	**37,327,162**	**0**	**2,131,427,548**	**264,307,324**	**0**	**69,073,554**	**0**		**333,380,879**	**1,798,046,669**
SANITATION														
Sewer Treatment Works	2,760,618	-		-	-	-	2,760,618	379,404	-	95,048	-		474,452	2,286,166
Pump Stations	11,070,901	-		-	9,285,790		20,356,691	1,588,130	-	430,474	-		2,018,604	18,338,087
Bulk Sewers	63,891,107	-		-	-	-	63,891,107	4,059,229	-	1,026,360	-		5,085,589	58,805,518
Sewer Reticulation	511,504,518	-		-	28,887,398		540,391,915	37,664,379	-	10,708,487	-		48,372,867	492,019,049
	589,227,143	**0**		**0**	**38,173,188**		**627,400,331**	**43,691,143**	**0**	**12,260,369**	**0**		**55,951,512**	**571,448,819**
WATER														
Water Reticulation	374,657,412	-74,000		-	21,535,980		396,119,392	29,740,923	-	7,817,967	-		37,558,891	358,560,501
Pump Stations	9,809,888	-		-	-	-	9,809,888	1,973,877	-	494,492	-		2,468,369	7,341,518
Reservoirs	126,237,554	-			3,416,226	-	129,653,780	6,421,862	-	1,648,713	-		8,070,574	121,583,206
Water Supply Bulk Water Pipelines	444,721,785	-		-	-	-	444,721,785	20,057,126	-	5,062,763	-		25,119,888	419,601,897
Water Supply Pressure Reduce Valves	3,764,700	-		-	-	-	3,764,700	885,666	-	221,876	-		1,107,542	2,657,158
Water Meters	230,940	-		-	-	-	230,940	54,331	-	13,612	-		67,943	162,997
	959,422,279	**-74,000**		**0**	**24,952,206**	**0**	**984,300,485**	**59,133,785**	**0**	**15,259,422**	**0**		**74,393,208**	**909,907,278**
SECURITY														
Fencing	4,401,501	0		405,390	-	-	4,806,891	2,099,756	-	625,194	-		2,724,950	2,081,941
Security Systems	24,254,166	-		12,068			24,266,234	15,812,678	-	1,940,601	-		17,753,279	6,512,955
Access Control	173,768	-		-	-	-	173,768	73,988	-	26,252	-		100,240	73,528
	28,829,436	**0**		**417,458**	**0**	**0**	**29,246,894**	**17,986,423**	**0**	**2,592,047**	**0**		**20,578,470**	**8,668,424**

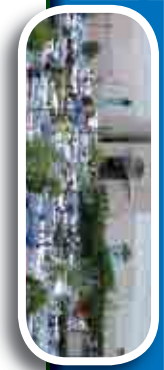




THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX B
ANALYSIS OF PROPERTY ,PLANT AND EQUIPMENT AT 30 JUNE 2012

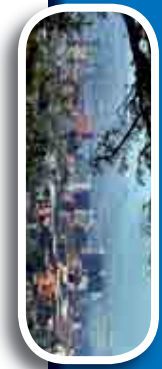
	Cost							Accumulated Depreciation						
	Opening Balance	Adjustments	Impairment	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Adjustments	Additions (Depre-ciation)	Disposals current year	Disposals Acc. Deprrecaition	Closing Balance	Carrying Value
STORMWATER														
Rivers	-							-	-	-	-		0	0
Major Culverts	41,382,991			-	-	-	41,382,991	3,097,965	-	798,485	-		3,896,450	37,486,541
Minor Culverts	662,608	-		-	-	-	662,608	50,306	-	12,603	-		62,909	599,700
Kerb Inlets	87,153,219	-		-	-	-	87,153,219	12,877,642	-	3,235,250	-		16,112,893	71,040,326
Manholes	56,558,788	-		-	-	-	56,558,788	8,378,203	-	2,098,879	-		10,477,081	46,081,707
Open Channels	13,309,316	-		778,857			14,088,172	988,990	-	257,014	-		1,246,003	12,842,169
Stormwater Drains	-	-					0	-	-		-		0	0
Reticulation	346,862,312	-		457,755	-	-	347,320,067	26,319,666	-	6,698,934	-		33,018,600	314,301,467
Head and Wingwalls	5,549,544	-		-	-	-	5,549,544	822,069	-	205,942	-		1,028,011	4,521,533
	551,478,778	**0**		**1,236,612**	**0**	**0**	**552,715,389**	**52,534,841**	**0**	**13,307,107**	**0**		**65,841,947**	**486,873,442**
RAILWAY LINES														
Railway Lines	3,509,480	-		-	-	-	3,509,480	1,532,151	-	102,392	-		1,634,544	1,874,937
	3,509,480	**0**		**0**	**0**	**0**	**3,509,480**	**1,532,151**		**102,392**	**0**		**1,634,544**	**1,874,937**
SOLID WASTE														
Garden Refuse	1,886,197	-		-	-	-	1,886,197	311,828	-	78,118	-		389,946	1,496,250
Landfill Site	2,693,157	-		-	-	-	2,693,157	324,515	-	81,295	-		405,811	2,287,346
Sorting Stations	870,400	-		-	-	-	870,400	121,066	-	30,329	-		151,396	719,004
	5,449,754	**0**		**0**	**0**	**0**	**5,449,754**	**757,410**	**0**	**189,742**	**0**		**947,152**	**4,502,601**
Total Infrastructure Assets	**5,520,173,085**	**-77,306**		**65,873,692**	**101,076,240**	**0**	**5,687,045,710**	**539,394,079**	**0**	**138,767,322**	**0**		**678,161,401**	**5,008,884,309**
COMMUNITY ASSETS														
Community Buildings														
Fire Stations	19,138,985	4,274,582		8,150	-	-	23,421,717	4,769,335	427,400	1,307,594	-		6,504,328	16,917,388
Stadiums	48,364,275			542,030			48,906,305	12,921,623	-	3,262,400	-		16,184,023	32,722,282
Public Conveniences	58,094,804	-		-	-	-	58,094,804	14,769,098	-	3,700,384	-		18,469,481	39,625,323
Clinincs	23,914,863	-		-	680,578		24,595,441	7,376,657	-	1,861,947	-		9,238,604	15,356,837
Libraries	82,248,944			33,458	132,241		82,414,643	21,297,425	-	5,455,731	-		26,753,156	55,661,487
Community Centres	147,608,489				1,380,576		148,989,065	39,761,470	-	10,125,410	-		49,886,880	99,102,185
Museums and Art Galleries	16,149,438	-		-	-		16,149,438	4,504,542	-	1,136,756	-		5,641,299	10,508,139
Beer halls	-						0	-	-	-	-		0	0
Cemetries	1,475,197	-		-	-	-	1,475,197	145,724	-	36,507	-		182,231	1,292,967
Parks	5,976,333	-		-	-	-	5,976,333	1,774,003	-	445,826	-		2,219,830	3,756,503
Civic Theatres	41,243,466	-		-	-	-	41,243,466	12,268,361	-	3,076,053	-		15,344,414	25,899,052
	444,214,795	**4,274,582**		**583,638**	**2,193,395**	**0**	**451,266,409**	**119,588,238**	**427,400**	**30,408,608**	**0**		**150,424,246**	**300,842,163**
Community Recreational Facilities														
Swimming Pools	13,307,663	-		36,009	-	-	13,343,672	4,158,806	-	1,044,670	-		5,203,476	8,140,196
Sports Facilities	6,934,027	-		7,515	757,175		7,698,717	1,964,460	-	504,973	-		2,469,434	5,229,283
Squash Courts	4,604,299	-		-	-	-	4,604,299	1,397,820	-	350,181	-		1,748,001	2,856,298
Cemetries	5,661,164	-		-	2,591,000		8,252,164	687,489	-	206,776	-		894,265	7,357,899
Parks	9,533,291	-		-	-	-	9,533,291	920,740	-	231,814	-		1,152,554	8,380,737
Sports Grounds	167,882,835	-		-	-	-	167,882,835	25,361,970	-	6,357,757	-		31,719,727	136,163,108
	207,923,279	**0**		**43,523**	**3,348,175**	**0**	**211,314,977**	**34,491,285**	**0**	**8,696,171**	**0**		**43,187,456**	**168,127,521**
Total Community Assets	**652,138,074**	**4,274,582**		**627,161**	**5,541,570**	**0**	**662,581,386**	**154,079,523**	**427,400**	**39,104,780**	**0**		**193,611,703**	**468,969,684**

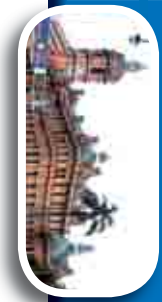




THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX B
ANALYSIS OF PROPERTY ,PLANT AND EQUIPMENT AT 30 JUNE 2012

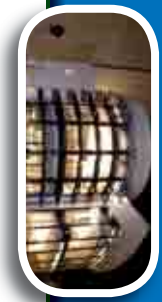
	Cost							Accumulated Depreciation						
	Opening Balance	Adjustments	Impairment	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Adjustments	Additions (Depre-ciation)	Disposals current year	Disposals Acc. Deprrecaition	Closing Balance	Carrying Value
OTHER ASSETS														
Other Properties														
Housing Schemes	75,261,033	-		-	-	-	75,261,033	20,292,733	-	5,134,257	-		25,426,990	49,834,042
Markets	226,464,822	-		-	-	-	226,464,822	61,104,082	-	15,318,387	-		76,422,468	150,042,354
Sewerage works and Dump Site	796,654	-		-	-	-	796,654	262,032	-	65,644	-		327,676	468,977
Worshops and Depots	29,594,652	1,999,902					31,594,554	9,088,255	199,963	2,324,993	-		11,613,210	19,981,344
Hostels	387,235	-		-	-	-	387,235	113,845	-	28,520	-		142,365	244,870
Training Centre	3,331,557	-		-	-	-	3,331,557	1,014,739	-	256,426	-		1,271,165	2,060,393
Landfill Site	6,022,197	-		-	5,631,774		11,653,971	546,665	-	182,359	-		729,024	10,924,947
Old Age Homes	924,086	-		-	-	-	924,086	312,317	-	78,241	-		390,559	533,527
Transport Facility	30,470,324				7,988		30,478,311	4,796,090	-	1,293,543	-		6,089,633	24,388,678
Crematoriums	7,316,014	-		-	-		7,316,014	1,796,447	-	461,406	-		2,257,854	5,058,160
Nurseries	9,811,035	-		-	-	-	9,811,035	2,968,250	-	743,798	-		3,712,048	6,098,987
Airport Buildings	16,923,047			2,033,564			18,956,611	4,624,767	-	1,181,040	-		5,805,807	13,150,804
Creches	3,671,036			-	-	-	3,671,036	1,159,578	-	290,497	-		1,450,075	2,220,961
Substations	-						0	-	-	-	-		0	0
	410,973,691	**1,999,902**		**2,033,564**	**5,639,762**	**0**	**420,646,919**	**108,079,800**	**199,963**	**27,359,111**	**0**		**135,638,874**	**285,008,044**
Total Other Assets	**410,973,691**	**1,999,902**		**2,033,564**	**5,639,762**	**0**	**420,646,919**	**108,079,800**	**199,963**	**27,359,111**	**0**		**135,638,874**	**285,008,044**
Plant and Equipment														
Graders	8,307,273	-		-	-	-	8,307,273	4,418,789	-	832,744	-		5,251,533	3,055,741
Tractors	8,997,350	-		-	-	-	8,997,350	6,095,466	-112,573	889,639	-		6,872,532	2,124,819
Farm Equipment	83,448	-		-	-	-	83,448	77,148	-	4,029	-		81,177	2,271
Lawnmowers	2,387,746	34,800		183,206	-	-	2,605,752	1,826,382	27,363	403,055	-		2,256,799	348,953
Compressors	138,950	-		-	-	-	138,950	87,230	-	27,885	-		115,115	23,835
Laboratory Equipment	1,539,868	-		6,172	-	-	1,546,040	1,056,504	-28,873	233,847	-		1,261,478	284,563
Radio Equipment	1,468,172	-		202,930	-	-	1,671,102	918,011	-	266,931	-		1,184,942	486,160
Firearms	31,800	-		-	-	-	31,800	6,373	-	6,373	-		12,746	19,054
Telecommunication	5,790,393	-		-	-	-	5,790,393	4,419,315	-	735,499	-		5,154,814	635,579
Plant and Equipment	18,669,426	39,200		4,600,143	-	-1,101	23,307,668	10,481,889	-39,224	3,842,390	-155.99	-770	14,284,129	9,023,539
Cremators	1,767,178	-		-	-	-	1,767,178	616,204	-	118,063	-		734,267	1,032,910
	49,181,604	**74,000**		**4,992,451**	**0**	**-1,101**	**54,246,954**	**30,003,311**	**-153,308**	**7,360,455**	**-156**	**-770**	**37,209,532**	**17,037,422**
Office Equipment														
Computer Hardware	34,042,334	-		1,233,291	-		35,275,625	21,278,025	-43,777	5,983,320			27,217,568	8,058,057
Office Machines	4,685,891	2,707		27,159		-2,887	4,712,870	2,973,659	-53,640	831,672	-79	-971	3,750,640	962,229
Airconditioners	11,603,995			40,345			11,644,339	6,966,548		2,141,205			9,107,752	2,536,587
	50,332,220	**2,707**		**1,300,794**	**0**	**-2,887**	**51,632,834**	**31,218,231**	**-97,417**	**8,956,196**	**-79**	**-971**	**40,075,961**	**11,556,873**
Furniture and Fittings														
Chairs	9,869,282	-		66,935	-	-	9,936,217	5,751,436	-	1,346,745	-		7,098,181	2,838,037
Tables and Desks	8,526,822	-		28,600	-	-271	8,555,151	4,571,581	-	1,153,424	-19.66	-70.09	5,724,915	2,830,237
Cabinets ands Cupboards	10,370,639	-2,707		6,370	-	-	10,374,302	5,135,814	-1,781	1,434,096	-		6,568,128	3,806,174
Furniture and Fittings Other	5,580,685	-		90,433	-	-	5,671,119	3,519,012	-11,730.01	604,227	-		4,111,509	1,559,610
	34,347,428	**-2,707**		**192,338**	**0**	**-271**	**34,536,789**	**18,977,842**	**-13,511**	**4,538,491**	**-20**	**-70**	**23,502,733**	**11,034,056**
Containers														
Household Refuse Bins	116,023	-		-	-	-	116,023	78,042	-	23,286	-		101,328	14,695
Bulk Containers	1,258,635	-		-	-	-	1,258,635	592,869	-	126,123	-		718,992	539,643
	1,374,658	0		0	0	0	1,374,658	670,911	0	149,409	0		820,320	554,338
Fire and Medical Equipment														
Fire Equipment	8,966,067	-		23,688	-	-	8,989,755	4,134,031	-	598,999	-		4,733,030	4,256,726
Medical Equipment Clinics	1,379,111	-		2,990	-	-	1,382,101	896,583	-42,476	257,598	-		1,111,705	270,396
	10,345,178	**0**		**26,678**	**0**	**0**	**10,371,856**	**5,030,613**	**-42,476**	**856,597**	**0**		**5,844,735**	**4,527,122**

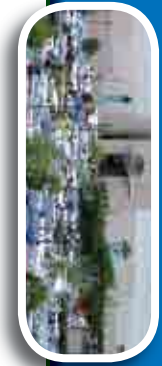




THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX B
ANALYSIS OF PROPERTY ,PLANT AND EQUIPMENT AT 30 JUNE 2012

	Cost							Accumulated Depreciation						
	Opening Balance	Adjustments	Impairment	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Adjustments	Additions (Depre-ciation)	Disposals current year	Disposals Acc. Deprrecaition	Closing Balance	Carrying Value
Motor Vehicles														
Fire Engines	29,430,074	-		-	-	-	29,430,074	3,955,035	-	1,474,536	-		5,429,571	24,000,503
Buses	55,750	-		-	-	-	55,750	34,978	-	3,726	-		38,704	17,046
Motor Vehicles	17,287,543	-		1,051,367		-13,353	18,325,557	11,395,935	-127,294	3,340,149	-2,676.08	-7,779.02	14,598,335	3,727,221
Motor Cycles	1,010,440	-		-		-	1,010,440	739,016	74,614	104,400	-		918,030	92,410
Trucks and Bakkies	90,713,129	-		23,522,852		-181,964	114,054,017	55,562,545	-252,084	18,367,618	-36,591.46	-106,086.58	73,535,401	40,518,616
Trailers	1,814,077	-		-	-	-	1,814,077	1,028,355	-	360,881	-		1,389,237	424,840
	140,311,013	**0**		**24,574,219**	**0**	**-195,317**	**164,689,915**	**72,715,864**	**-304,763**	**23,651,310**	**-39,268**	**-113,866**	**95,909,278**	**68,780,637**
General														
Water Craft	131,177	-		-	-	-	131,177	69,961	-	8,763			78,724	52,453
Artworks	2,032,853	-		53,000	-	-	2,085,853	-	-	-	-		-	2,085,853
	2,164,031	0		53,000		0	2,217,031	69,961	0	8,763	0		78,724	2,138,306
Total Movable Assets	**288,056,133**	**74,000**		**31,139,480**	**0**	**-199,576**	**319,070,037**	**158,686,735**	**-611,476**	**45,521,221**	**-39,522**	**-115,676**	**203,441,283**	**115,628,754**
Intangible Assets														
Computer Software	8,359,804	-		-	-	-	8,359,804	5,903,721	-43,248	1,711,302	-		7,571,775	788,029
Intangible Assets/software	12,901,040	-		15,499	-	-	12,916,539	8,878,447	223,551	1,947,854	-		11,049,852	1,866,687
Total Intangible Assets	**21,260,844**	**0**		**15,499**	**0**	**0**	**21,276,343**	**14,782,168**	**180,303**	**3,659,157**	**0**		**18,621,627**	**2,654,716**
Servitudes	803,846	-		-	-	-	803,846	-	-	-	-		-	803,846
	803,846	**0**		**0**	**0**	**0**	**803,846**	**-**						**803,846**
Biological assets														
Agricultural /Bilogical Assets	605,380	-		42,881	-	-	648,261	-	-	-	-		-	648,261
	605,380	**0**		**42,881**	**0**	**0**	**648,261**	**-**						**648,261**
Grand Total Assets	**7,859,174,660**	**-148,458,050**	**-585,791**	**234,852,277**	**123,959,080**	**-743,566**	**8,068,198,610**	**1,048,939,386**	**196,189**	**273,104,207**	**-39,802**	**-115,677**	**1,322,084,304**	**6,746,114,307**



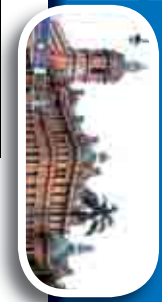


THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX C

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENTAS AT 30 JUNE 2012

Fixed Assets	Historical Cost								Accumulated Depreciation						
Description	Opening Balance	Adjustments Opening balance	Adjustments	Impairment	Additions	Under construction	Disposals	Closing Balance	Opening Balance	Adjustment	Additions	Depreciation disposals current year	Depreciation disposals previous year	Closing Balance	Carrying Value
Executive and Council	6,416,726	(3,056,114)						6,416,726.18	3,912,225.37		1,001,999.86			4,914,225.23	1,502,500.95
Finance and Administration	970,180,232	(162,084,684)	-152,729,325.77		92,895,432.63	1,380,575.79	-530,000.00	910,611,123.25	186,815,051.75	-188,735.00	52,371,733.72			238,997,981.47	671,613,141.78
Planning and Development	70,942,588	61,479,306			16,114.44	11,701,508.77	-3,158.00	82,657,053.48	33,446,527.28		4,158,398.76	-98.66	-1,041.09	37,603,787.04	45,053,266.44
Health	40,086,679	4,071,049			31,732.90	680,578.00		40,798,989.61	9,064,223.47	-42,476.00	2,269,751.36			11,291,498.83	29,507,490.78
Community and Social Services	142,901,991	(151,658,846)			332,314.68	2,723,241.01		145,957,546.46	34,980,055.44		9,171,718.40			44,151,773.84	101,805,772.62
Housing	201,241,655	116,787,565		-585,791.23	1,278,851.47	0		202,520,505.98	23,234,975.90		5,957,530.29			29,192,506.19	173,327,999.79
Public Safety	95,061,427	28,016,298	4,274,582.00		389,711.08	-		99,725,719.93	33,343,177.10	427,400.50	7,998,924.22			41,769,501.82	57,956,218.11
Sport and Recreation	374,550,161	75,407,389			1,040,082.24	757,175.00		376,347,418.08	82,317,265.25		21,860,499.36			104,177,764.61	272,169,653.47
Road Transport	2,605,717,729	(30,486,353)	-3,306.00		33,456,898.21	37,335,149.15		2,676,506,470.45	328,826,720.71		84,988,797.33			413,815,518.04	2,262,690,952.41
Environmental Protection	6,534,926	(2,646,861)						6,534,926.03	3,934,475.90		1,048,483.45			4,982,959.35	1,551,966.68
Water	966,206,055	(3,599,735)			48,570.00	24,952,206.35		991,206,831.47	62,655,260.73		16,253,474.91			78,908,735.64	912,298,095.83
Waste Water Management	631,711,016	(37,458,060)			14,724,351.07	38,173,187.90		684,608,554.47	58,841,377.89		16,781,220.89			75,622,598.78	608,985,955.69
Electricity	1,356,180,174	15,978,550			26,064,587.54	6,255,458.03		1,388,500,219.53	112,493,626.75		30,027,632.92			142,521,259.67	1,245,978,959.86
Other	391,443,303	89,250,497			64,573,630.90		-210,408.00	455,806,525.60	75,074,422.59		19,214,041.53	-39,703.34	-114,635.91	94,134,193.12	361,672,332.48
TOTALS	**7,859,174,660**	**0**	**-148,458,049.77**	**-585,791.23**	**234,852,277.16**	**123,959,080.00**	**-743,566.00**	**8,068,198,610.52**	**1,048,939,386.13**	**196,189.50**	**273,104,207.00**	**-39,802.00**	**-115,677.00**	**1,322,084,303.63**	**6,746,114,306.89**

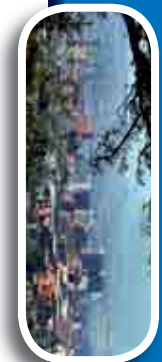


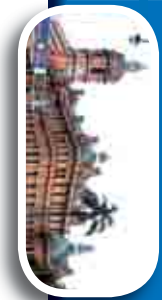
THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX D
ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY , PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2012

Description		2012 Budget R	2012 Actual R	2012 Under construction R	2012 Additions R	2012 Variance R	2012 Variance %	Explanation of Significant Variances greater than 5% versus Budget
Executive and Council		336,053.00	0.00	0.00	15,521.84	336,053.00	100%	
Finance and Administration		39,386,242.00	16,146,495.44	1,380,575.79	84,964,245.65	23,239,746.56	59%	
Planning and Development		24,104,358.00	11,717,623.21	11,701,508.77	16,114.44	12,386,734.79	51%	
Public Safety		485,450.00	388,961.18	0.00	389,711.18	96,488.82	20%	
Community and Social Services		4,199,775.00	3,055,555.69	2,723,241.01	352,026.45	1,144,219.31	27%	
Health		964,162.00	713,060.90	680,578.00	31,732.90	251,101.10	26%	
Sport and Recreation		9,646,528.00	1,482,048.24	757,175.00	1,335,812.83	8,164,479.76	85%	
Road Transport		149,964,199.00	70,924,594.13	37,335,149.15	34,266,477.59	79,039,604.87	53%	
Water		26,730,295.00	25,000,776.34	24,312,501.27	1,817,820.03	1,729,518.66	6%	
Waste Water Management		104,713,865.00	58,529,313.45	44,444,667.46	16,158,154.39	46,184,551.55	44%	
Electricity		99,875,687.00	26,696,477.65	623,683.61	29,625,019.38	73,179,209.35	73%	
Housing		2,003,852.00	3,851.47	0.00	1,276,595.00	2,000,000.53	100%	
Other		15,941,153.00	8,904,528.40	0.00	64,603,045.40	7,036,624.60	44%	
Environment Protection		0.00	0.00	0.00	0.00	0.00	0%	
TOTALS		**478,351,619.00**	**223,563,286.10**	**123,959,080.06**	**234,852,277.08**	**254,788,332.90**	**53%**	

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX E
DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2012

Account Description	Unspent Balance @ 1 July 2011	Transfers	Current Year receipts	Unspent Balance @ 30 June 2012	Source Code
GRANT COMMUNITY DEVELOPMENT WORKERS	-7,818.17	-	-	-7,818.17	UNSPENT CG - NATIONAL GOVERNMENT
NATIONAL GRANT - MSIG	-489,035.32	977,632.60	-973,696.00	-485,098.72	UNSPENT CG - NATIONAL GOVERNMENT
GRANT DPLG AMENDMENT IDP	-32,390.77	39,304.14	-6,913.37	-	UNSPENT CG - NATIONAL GOVERNMENT
FINANCE MANAGEMENT GRANT	-1,035,157.63	1,979,465.94	-1,441,000.00	-496,691.69	UNSPENT CG - NATIONAL GOVERNMENT
UNSPENT CONDITIONAL GRANT - MIG	-3,116,596.44	138,339,833.84	-140,790,198.20	-5,566,960.80	UNSPENT CG - NATIONAL GOVERNMENT
NT FUNDS NPDG	-	-	-6,650,000.00	-6,650,000.00	UNSPENT CG - NATIONAL GOVERNMENT
STORM DAMAGE - DOH FUNDING	-915,845.60	915,845.60	-	-	UNSPENT CG - NATIONAL GOVERNMENT
UNSPENT CONDITIONAL GRANT - PHB	-36,209,596.19	2,602,781.01	-2,752,194.39	-36,359,009.57	UNSPENT CG - NATIONAL GOVERNMENT
ELECT.DEMAND SIDE MGT GRANT - NT	-2,533,993.44	2,533,993.54	-0.10	-	UNSPENT CG - NATIONAL GOVERNMENT
EDN S - UPGRADE WATER SUPPLY	-240,263.15	-	-	-240,263.15	UNSPENT CG - NATIONAL GOVERNMENT
	-44,580,696.71	**147,388,856.67**	**-152,614,002.06**	**-49,805,842.10**	
PG:COMMUNITY COMMUNICATION INITIATIVE	-50,000.00	-	-	-50,000.00	UNSPENT CG - PROVINCIAL GOVERNMENT
UNSPENT CONDITIONAL GRANT - PROVINCE	-548,416.23	1,206,538.05	-1,323,824.99	-665,703.17	UNSPENT CG - PROVINCIAL GOVERNMENT
PROVINCE - TRANSPORT GRANT	-31,942,905.39	25,982,314.56	-67,640,977.70	-73,601,568.53	UNSPENT CG - PROVINCIAL GOVERNMENT
DWA LINCOLN MEADE CENTRE	-236,136.84	2,867,715.80	-2,631,578.96	-	UNSPENT CG - PROVINCIAL GOVERNMENT
COGTA - EPW PROJECT	-2,633.75	2,157,093.66	-2,190,334.61	-35,874.70	UNSPENT CG - PROVINCIAL GOVERNMENT
PROV - URBAN RENEWAL PROJECT	-2,213,434.20	257.85	-113,548.10	-2,326,724.45	UNSPENT CG - PROVINCIAL GOVERNMENT
FOOD AID PROGRAMME	-7,468.49	-	-	-7,468.49	UNSPENT CG - PROVINCIAL GOVERNMENT
ALEXANDRA PARK ATHLETIC TRACK	-	532,175.00	-1,067,465.65	-535,290.65	UNSPENT CG - PROVINCIAL GOVERNMENT
PROV GRANT AIRPORT	-	11,835,937.14	-11,835,937.14	-	UNSPENT CG - PROVINCIAL GOVERNMENT
COGTA ASHBURTON FEASIBILITY STUDY	-500,000.00	-	-	-500,000.00	UNSPENT CG - PROVINCIAL GOVERNMENT
I.D.P. FUND FROM DEPT. OF LG&H	-578,518.84	180,447.96	-	-398,070.88	UNSPENT CG - PROVINCIAL GOVERNMENT
LAND USE MGT (CONSULTANTS-DEPT LOCAL GVT)	-145,961.58	-	-	-145,961.58	UNSPENT CG - PROVINCIAL GOVERNMENT
PG - INTERGRATION WITH REDS	-	-	-21,294.74	-21,294.74	UNSPENT CG - PROVINCIAL GOVERNMENT
COGTA - CORRIDOR DEV.WATER TESTING	-	-	-300,000.00	-300,000.00	UNSPENT CG - PROVINCIAL GOVERNMENT
GRANT - WATER SERVICE DELIVERY PLANNING	-82,984.07	-	-	-82,984.07	UNSPENT CG - PROVINCIAL GOVERNMENT
	-36,308,459.39	**44,762,480.02**	**-87,124,961.89**	**-78,670,941.26**	
SPECIAL FUNDS - CASH SUSPENSE ACCOUNTS	-1,756,671.08	12,498,824.43	-10,742,153.35	-	UNSPENT CG - OTHER
SPECIAL FUNDS CLEARING AC - VAT ZERO	-2,213,007.61	79,746,270.22	-77,533,262.61	-	UNSPENT CG - OTHER
UNSPENT CONDITIONAL GRANTS : LIBRARY EXTERNAL	-2,120,290.84	1,334,093.32	-493,282.81	-1,279,480.33	UNSPENT CG - OTHER
UNSPENT GRANT - DEVELOPER CONTRIBUTION	-868,182.32	1,004,035.20	-135,852.88	-	UNSPENT CG - OTHER
RETENTION - MIG - VULINDLELA VIP CONSTR.	-32,810.65	32,810.65	-	-	UNSPENT CG - OTHER
GEDI - GIJIMA FUNDS	-19,053.45	82,820.58	-83,719.16	-19,952.03	UNSPENT CG - OTHER
E/DALE LAND LEGAL	-113,721.11	-	-5,827.87	-119,548.98	UNSPENT CG - OTHER
E/DALE PVT LAND LEGAL	-10,089,609.32	4,479,494.88	-459,255.07	-6,069,369.51	UNSPENT CG - OTHER
GRANT DEPT OF ARTS & CULTURE	-3,000.00	697,000.00	-694,000.00	-	UNSPENT CG - OTHER
GRANT - YOUTH ADVISORY COUNCIL	-125,000.00	-	-	-125,000.00	UNSPENT CG - OTHER
UDM - LOCAL TOURISM DEVELOPMENT	-16,858,673.00	14,603,833.18	-4,662,428.21	-6,917,268.03	UNSPENT CG - OTHER
GRANT - WARD 3 5 6	-40,122.84	-	-	-40,122.84	UNSPENT CG - OTHER
GRANT - SPOORNET	-314,995.77	-	-32,922.02	-347,917.79	UNSPENT CG - OTHER
TRUST - CEMETERY TRUST ACCOUNT	-15,842.89	-	-356.47	-16,199.36	UNSPENT CG - OTHER
TRUST - PATRIOTIC LEAGUE TRUST ACCOUNT	-48,267.49	-	-1,086.02	-49,353.51	UNSPENT CG - OTHER
TRUST - PEARSE TRUST ACCOUNT	-1,525,838.78	-	-46,931.37	-1,572,770.15	UNSPENT CG - OTHER
TRUST - WELCH TRUST ACCOUNT	-381,047.69	-	-8,573.57	-389,621.26	UNSPENT CG - OTHER
TRUST - MARIA KINSMAN TRUST ACCOUNT	-591,487.72	-	-	-591,487.72	UNSPENT CG - OTHER
TRUST - MARIA KINSMAN TRUST - NET INCOME	-71,809.99	-	-14,924.20	-86,734.19	UNSPENT CG - OTHER
TRUST - MAYORESS NECESSITY FUND	-82,073.21	-	-1,846.65	-83,919.86	UNSPENT CG - OTHER
TRUST - CEMETERY TRUST ACCOUNT (M/RISE)	-2,423,733.66	-	-41,445.32	-2,465,178.98	UNSPENT CG - OTHER
TRUST - CEMETERY TRUST ACCOUNT (M/RISE) - INTEREST	-491,392.32	-	-66,522.85	-557,915.17	UNSPENT CG - OTHER
TRUST - FLEMING TRUST ACCOUNT	-77,502.19	-	-1,743.80	-79,245.99	UNSPENT CG - OTHER
TRUST - CONT IMBALI FLOOD VICTIMS - PMB FLOOD VICTIMS	-62,379.45	-	-1,403.54	-63,782.99	UNSPENT CG - OTHER
TRUST - PMB FLOOD DISASTER	-31,764.05	-	-714.69	-32,478.74	UNSPENT CG - OTHER
TRUST - REFUGEES TRUST ACCOUNT	-62,118.93	-	-1,397.68	-63,516.61	UNSPENT CG - OTHER
	-40,420,396.36	**114,479,182.46**	**-95,029,650.14**	**-20,970,864.04**	
	-121,309,552.46	**306,630,519.15**	**-334,768,614.09**	**-149,447,647.40**	



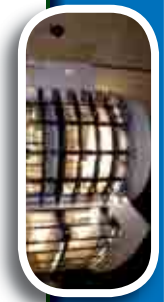


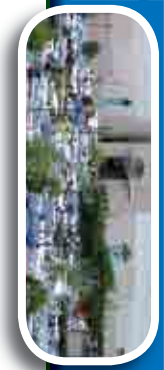
THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX F

SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2012

NO.	MATTER	MATTER TYPE	YEAR INI-TIATED	ATTORNEY/ADVOCATE IN-STRUCTED	Risk to the municipality as at 30 June 2012	Amount 2011/2012	Risk to the municipality as at 30 June 2011	Amount 2010/2011	COMMENTS
1	R.Sulaiman v Msunduzi Municipality	Delictual Claim	1998	Internal	R 50 000, 00	50,000.00	R 50 000, 00	50,000.00	
2	Roelofse v Msunduzi Municipality	Delictual Claim	2002	Internal	R 41 032, 58 plus interest at 15, 5 % per annum.	47,392.63	R 41 032, 58 plus interest at 15, 5 % per annum.	47,392.63	
3	MA Jewitt	Counter Claim	2003	Mr Bev Nicholson: TMJ Attorneys 033-341900 fax 0866169749 email tmj@tmj.co.za			R 9 279 625.00	9,279,625.00	
4	Premier of KZN v Msunduzi Municipality	Delictual Claim	2003	Internal	R 11 340, 00	11,340.00	R 11 340, 00	11,340.00	
5	R.B.Ngcobo v Msunduzi Municipality	Delictual Claim	2003	Internal	R 11 375, 27 plus interest at 15, 5 % per annum.	13,138.44	R 11 375, 27 plus interest at 15, 5 % per annum.	13,138.44	
6	R.Haffejee v Msunduzi Municipality	Delictual Claim	2004	Internal	R 98 800, 00 plus interest at 15, 5 % per annum.	114,114.00	R 98 800, 00 plus interest at 15, 5 % per annum.	114,114.00	
7	Telkom S.A Ltd v Msunduzi Municipality	Delictual Claim	2004	Richard Lister: Lister & Lister Attorneys 033-3454530 email rlister@listerandlister.co.za	R 32 585, 78 plus interest at 15, 5 % per annum.	37,636.58	R 32 585, 78 plus interest at 15, 5 % per annum.	37,636.58	
82	Telkom S.A Ltd v Msunduzi Municipality	Delictual Claim	2004	Richard Lister: Lister & Lister Attorneys 033-3454530	R 22 541, 11 plus interest at 15, 5 %.	26,034.98	R 22 541, 11 plus interest at 15, 5 %.	26,034.98	
8	M.Omarjee v Msunduzi Municipality	Delictual Claim	2005	Internal	R 31 000, 00	31,000.00	R 31 000, 00	31,000.00	
9	S.Makhaya v Msunduzi Municipality	Delictual Claim	2005	Internal	R 42 704, 96 plus interest	42,704.96	R 42 704, 96 plus interest	42,704.96	
10	Telkom S.A Ltd v Msunduzi Municipality	Delictual Claim	2005	Richard Lister: Lister & Lister Attorneys 033-3454530 email rlister@listerandlister.co.za	R 34 806, 17 plus interest at 15, 5 % per annum.	40,201.13	R 34 806, 17 plus interest at 15, 5 % per annum.	40,201.13	
11	Telkom S.A Ltd v Msunduzi Municipality	Delictual Claim	2005	Internal	R 8 071, 64 plus interest at 15, 5 % per annum.	9,322.74	R 8 071, 64 plus interest at 15, 5 % per annum.	9,322.74	
12	Woodley v Msunduzi Municipality	Delictual Claim	2005	Mr Forrester: Savage Jooste & Adams Attorneys 0124528200			R 600 000, 00	600,000.00	
13	Zeedim Investment v Msunduzi Municipality	Delictual Claim	2006	Mr Afzal Akoo: Afzal Akoo & Partners 033-3947272			Matter settled	-	
14	I. Ogilvie	Delictual Claim	2006	Insurance	R 166 160.54 plus interest at 15% per annum	191,084.62	R 166 160.54 plus interest at 15% per annum	191,084.62	
15	K.Chetty v Msunduzi Municipality	Delictual Claim	2006	Internal	R 26 169, 86.	26,169.86	R 26 169, 86.	26,169.86	
16	Painter v Msunduzi Municipality	Delictual Claim	2006	Internal	R 45 361, 38 plus interest at 15, 5 % per annum.	52,392.39	R 45 361, 38 plus interest at 15, 5 % per annum.	52,392.39	
17	G.Dladla v Msunduzi Municipality	Delictual Claim	2006	Internal	R 20 000, 00 plus interest at 15, 5 % per annum.	23,100.00	R 20 000, 00 plus interest at 15, 5 % per annum.	23,100.00	
18	Piexoto v Msunduzi Municipality	Delictual Claim	2006	Internal	R 39 822, 89 plus interest at 15, 5 % per annum.	45,995.44	R 39 822, 89 plus interest at 15, 5 % per annum.	45,995.44	
19	M.Zondi v Msunduzi Municipality	Delictual Claim	2006	Internal	R 50 000, 00 plus interest at 15, 5 % per annum.	57,750.00	R 50 000, 00 plus interest at 15, 5 % per annum.	57,750.00	
20	Telkom S.A Ltd v Msunduzi Municipality	Delictual Claim	2006	Richard Lister: Lister & Lister Attorneys 033-3454530	R 13 283, 82 plus interest at 15, 5 % per annum.	15,342.81	R 13 283, 82 plus interest at 15, 5 % per annum.	15,342.81	
21	Telkom S.A Ltd v Msunduzi Municipality	Delictual Claim	2006	Richard Lister: Lister & Lister Attorneys 033-3454530	R 21 697, 25 plus interest at 15, 5 % per annum.	25,060.32	R 21 697, 25 plus interest at 15, 5 % per annum.	25,060.32	
22	F.Osman V Msunduzi Municipality	Delictual Claim	2007	Internal	R 306 666, 45	306,666.45	R 306 666, 45	306,666.45	
23	T.E.Zulu v Msunduzi Municipality	Delictual Claim	2007	Internal	R 8 709, 23	8,709.23	R 8 709, 23	8,709.23	
24	D.V. Ngcobo	Delictual Claim	2007	Insurance	R1800 000.00 plus interest at 15% Per annum	2,070,000.00	R1800 000.00 plus interest at 15% Per annum	2,070,000.00	
25	Orion Telecon v Msunduzi Municipality	Delictual Claim	2007	Internal	R92189.52+ 23047.38	115,236.90	R92189.52+ 23047.38	115,236.90	
26	Thuthugisa Contracting Enterprises	Memorandum of Agreement	2007	Internal	R 210 749, 00 plus vat at 14 %.	240,253.86	R 210 749, 00 plus vat at 14 %.	240,253.86	
27	Hampton College v Msunduzi Municipality	Delictual Claim	2007	Ms Maharaj: Kruger Ngcobo Inc 0313064352	R 85 470, 00 plus interest at 15, 5 %.	98,717.85	R 85 470, 00 plus interest at 15, 5 %.	98,717.85	
28	R.Terry v Msunduzi Municipality	Delictual Claim	2007	Insurance	R 50 000, 00.	50,000.00	R 50 000, 00.	50,000.00	



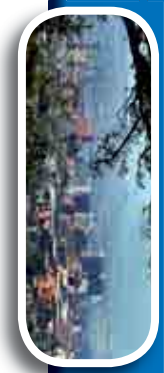


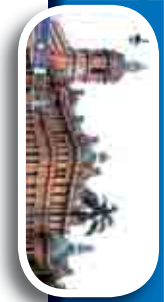
THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX F

SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2012

NO.	MATTER	MATTER TYPE	YEAR INITIATED	ATTORNEY/ADVOCATE INSTRUCTED	Risk to the municipality as at 30 June 2012	Amount 2011/2012	Risk to the municipality as at 30 June 2011	Amount 2010/2011	COMMENTS
29	A& F.Mall v Msunduzi Municipality	Delictual Claim	2007	Internal	R 17 181, 33	17,181.33	R 17 181, 33	17,181.33	
30	E.Makungisa v Msunduzi Municipality	Delictual Claim	2007	Internal	R 6 213, 00	6,213.00	R 6 213, 00	6,213.00	
31	R.Rabikisson v Msunduzi Municipality	Delictual Claim	2007	Internal	R 20 000, 00	20,000.00	R 20 000, 00	20,000.00	
32	N.V.Majozi v Msunduzi Municipality	Delictual Claim	2007	Uys Matyeka Schwartz Attorneys	R 110 046, 28	110,046.28	R 110 046, 28	110,046.28	
33	P.S.Zondi V Msunduzi Municipality	Delictual Claim	2007	Internal	R 15 080, 00	15,080.00	R 15 080, 00	15,080.00	
34	Mamusa Marketing v Msunduzi Municipality	Delictual Claim	2007	Internal	R 9 823,48 plus interest at 15,5 % per annum.	11,346.12	R 9 823, 48 plus interest at 15, 5 % per annum.	11,346.12	
35	Willowgardens Flats	Debt recovery and Evictions	2007	Mr Y Bhamjee: Y Bhamjee Attorneys 033-3942008			Unable to be estimated at this point in time matter ongoing	-	
36	Willowgardens Flats	Debt recovery and Evictions	2007	Advocate Padayachee SC 033-8453570			Unable to be estimated at this point in time matter ongoing	-	
37	South African Local Authorities Pension Fund v Msunduzi Municipality	Pension Surcharge	0	Internal	R 217 184, 13 plus interest at 15, 5 % per annum.	250,847.67	R 217 184, 13 plus interest at 15, 5 % per annum.	250,847.67	
38	Msunduzi Municipality v D.L. Petersen	Delictual Claim	2008	Internal				-	
39	Mkhumbuzi v Msunduzi Municipality	Delictual Claim	2008	Internal	R 100 000, 00	100,000.00	R 100 000, 00	100,000.00	
40	Nzaba v Msunduzi Municipality	Delictual Claim	2008	Bhamjee Attorneys	R 73 500, 01	73,500.01	R 73 500, 01	73,500.01	
41	P.J.Terwolbleek v Msunduzi Municipality	Delictual Claim	2008	Insurance	R 1 121 620, 01	1,121,620.01	R 1 121 620, 01	1,121,620.01	
42	Mouton v Msunduzi Municipality	Delictual Claim	2008	Mr Y Bhamjee: Y Bhamjee Attorneys 033-3942008	R 14,000.00	14,000.00	R 14,000.00	14,000.00	
43	Telkom v Msunduzi Municipality	Delictual Claim	2008	Richard Lister: Lister & Lister Attorneys 033-3454530 email rlister@listerandlister.co.za	R 45 979, 87 plus interest at 15, 5 % per annum.	53,106.75	R 45 979, 87 plus interest at 15, 5 % per annum.	53,106.75	
44	R.S.Govender v Msunduzi Municipality	Delictual Claim	2008	Internal	R 75 000, 00	75,000.00	R 75 000, 00	75,000.00	
45	N.G.Zuma v Msunduzi Municipality	Delictual Claim	2008	Internal	R 100 000, 00 plus interest at 15, 5 % per annum.	115,500.00	R 100 000, 00 plus interest at 15, 5 % per annum.	115,500.00	
46	Dr W Van Straaten Motor Accident-NP 3238	Delictual Claim	2008	Internal	R 96 401, 43	96,401.43	R 96 401, 43	96,401.43	
47	Ayoob Moosa	Interdict by municipality against owner for unauthorised town planning use of property.	2008	R. Lister :033-3454530 Advocate Mike Southwood 031 -3048054 fax 031-3076899 southwood@yebo.co.za		-	Before Court in August 2011.	-	
48	NT Dlomo / N.Cele	Interdict against municipality: to set aside building plan approval	2008	Ngcobo, Poyo & Diedricks:033-3419240: Adv.P. Buzuidenhout SC 033-8453522 fax 0333943734	Case not finalised. Costs if lost.		Case not finalised. Costs if lost.	-	
49	PMB & District Indian Funeral	Retransfer of Council Property	2008	Mr Aubrey Ncgobo, Ncgobo, Poyo and Diedricks phone 033-3943952 fax 033 3943961 email ndp@sai.co.za	Unable to be estimated at this point in time		Unable to be estimated at this point in time	-	
50	PMB & District Indian Funeral	Retransfer of Council Property	2008	Advocate Rob Seggie 033-8453509 fax number 033-3453062 seggie@worldonline.co.za			Matter ongoing as at 30 June 2011	-	
51	T Gonasillan v Msunduzi Municipality	Delictual Claim	2009	Internal	R 100 000, 00 plus interest at 15, 5% per annum.	115,500.00	R 100 000, 00 plus interest at 15, 5% per annum.	115,500.00	
52	F.B.I. Khan v Msunduzi Municipality	Delictual Claim	2009	Internal	R 63 280, 39 plus interest at 15, 5 % per annum	73,088.85	R 63 280, 39 plus interest at 15, 5 % per annum	73,088.85	
	R.Y Khan v Msunduzi Municipality	Delictual Claim	2009	Internal	R 1267.00 plus interest at 15, 5 % per annum	1,463.38	R 1267,00 plus interest at 15,5 per annum.	1,463.39	



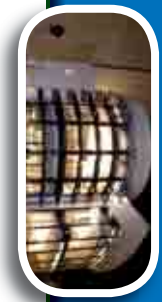


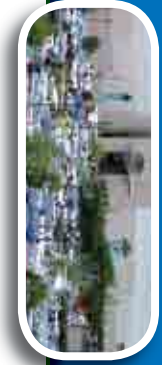
THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX F

SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2012

NO.	MATTER	MATTER TYPE	YEAR INITIATED	ATTORNEY/ADVOCATE INSTRUCTED	Risk to the municipality as at 30 June 2012	Amount 2011/2012	Risk to the municipality as at 30 June 2011	Amount 2010/2011	COMMENTS
53	S.Mthimkulu v Msunduzi Municipality	Delictual Claim	2009	Mr Shwartz/Mr Gcaba, Uys Matyeka Schwartz Attorneys 0313046063	R 204 650, 00 plus interest at 15, 5 % per annum.	236,370.75	R 204 650, 00 plus interest at 15, 5 % per annum.	236,370.75	
54	Blue Thunder Trading CC/ TA Khanyisa Energy Management and Services	Delictual Claim	2009	Vather Attorneys	R223 576.00 plus interest at 15% per annum	257,112.40	R223 576.00 plus interest at 15% per annum	257,112.40	
55	Stand 2436 PMB (pty) Ltd.	Delictual Claim	2009	Cajee Setsubi Chetty Inc. & Adv Dickson			0	-	
56	SAPPI	Delictual Claim	2009	Insurance	R25000 000.00	25,000,000.00	R25000 000.00	25,000,000.00	
57	Keshwa v Msunduzi Municipality	Delictual Claim	2009	Internal	R 30 470, 12 plus interest at 11, 5 % per annum.	33,974.18	R 30 470, 12 plus interest at 11, 5 % per annum.	33,974.18	
58	B.A.Clark v Msunduzi Municipality	Delictual Claim	March 2009	Mr Logan Chetty: Vather Attorneys Phone 033-342-4099 fax 033-3424075 email-vathers@hotmail.com	R379 975.84	379,975.84	R379 975.84	379,975.84	
59	Shortts Retreat	Interdict by land owners against illegal occupiers, municipality ordered to provide temporary housing & basic services. Municipality made application to vary the relocation order – now seeking expropriation of properties so as to house occupants on site. Counter application for contempt of court made against municipality. To be heard on 13 August 2012.	Municipality joined as party in July 2009	Adv. Dickson SC, TEL:033-8453542 adickson@law.co.za and Mr Julian von Klemperer : 033-3458101	(1) Costs of applications - unknown at this time. (2) Do not know whether application for variation, alternatively contempt will be granted.		(1) Costs of applications - unknown at this time. (2) Do not know whether application for variation, alternatively contempt will be granted.	-	
60	Bishop's Roadworks	Contractual Claim	Nov 2009	Internal	R120 000-00	120,000.00	unknown at this time.	120,000.00	
61	Chadya: 69 Railway Street	Interdict for reconnection of electricity. Matter not finalized.	Nov 2009	Adv. P. Bezuidenhout: 0824433836: K Tytherleigh withdrew Agrippa Mpungose: 033 3419100	Case not decided. Costs if case is lost.		Case not decided. Costs if case is lost.	-	
62	Billboards	Townbush Road order obtained by municipality for removal of billboards.	Dec 2009	Adv Ganie 033-8453517 email hoosen@iafrica.com Udesh Ramesar:3459569 (033) 345-9571	Possibility that costs of removal be incured by the municipality/ not fully recovered. Building Survey to facilitate. Legal costs.		Possibility that costs of removal be incured by the municipality/ not fully recovered. Building Survey to facilitate. Legal costs.	-	
63	Gavin s Panel Shop	Contractual Claim	2010	Internal	R2424-50	2,424.50	R2424-50	2,424.50	
64	Gavin s Panel Shop	Contractual Claim	2010	Internal	R5519-06	5,519.06	R5519-06	5,519.06	
65	Gavin s Panel Shop	Contractual Claim	2010	Internal	R5586-00	5,586.00	R5586-00	5,586.00	
66	Gavin s Panel Shop	Contractual Claim	2010	Internal	R1721-40	1,721.40	R1721-40	1,721.40	
67	Gavin s Panel Shop	Contractual Claim	2010	Internal	R4902-00	4,902.00	R4902-00	4,902.00	
68	Gavin s Panel Shop	Contractual Claim	2010	Internal	R5163-06	5,163.06	R5163-06	5,163.06	
69	Gavin s Panel Shop	Contractual Claim	2010	Internal	R5506-20	5,506.20	R5506-20	5,506.20	



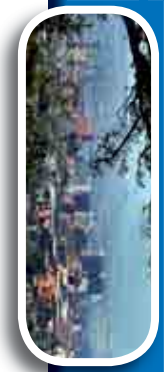


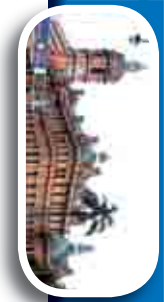
THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX F

SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2012

NO.	MATTER	MATTER TYPE	YEAR INI-TIATED	ATTORNEY/ADVOCATE IN-STRUCTED	Risk to the municipality as at 30 June 2012	Amount 2011/2012	Risk to the municipality as at 30 June 2011	Amount 2010/2011	COMMENTS
70	Resslar Investment	Interdict for reconnection of electricity. Matter not finalized.	Feb 2010	Adv.Snyman: 033-8453524 email snyman@pmblaw.co.za K Tytherleigh withdrew	Case not decided. Costs if lost.		Case not decided. Costs if lost.		
71	Exalon 6 CC	Interdict for reconnection of electricity. Matter not finalized.	Feb 2010	Adv.Snyman:033-8453524: email snyman@pmblaw.co.za	Case not decided. Costs if lost.		Case not decided. Costs if lost.		
72	Kogulan Naidoo	Delictual Claim	Mar 2010	Internal	R100 000-00	100,000.00	R100 000-00	100,000.00	
73	HS Majozi	Delictual Claim	Mar 2010	Internal	R95 000-00	95,000.00	R95 000-00	95,000.00	
74	BM Dlamini	Delictual Claim	Mar 2010	Internal	R 300 000.00	300,000.00	R 300 000.00	300,000.00	
75	Daljeeth Daljeeth	Delictual Claim	2010	Mr Shwartz/Mr Gcaba, Uys Matyeka Schwartz Attorneys 0313046063	R200 000.00	200,000.00	R200 000.00	200,000.00	
76	MS Singh	Delictual Claim	2010	Internal	R69 224.62	69,224.62	R69 224.62	69,224.62	
77	TT Ngubane	Delictual Claim	2010	Internal/Insurance	R118 490.00	118,490.00	R118 490.00	118,490.00	
78	GP Bayeni	Delictual Claim	2010	R 97 430.00	R 97 430.00	97,430.00	R 97 430.00	97,430.00	
79	VD Ramdeen	Delictual Claim	2010	Mr Afzal Akoo, Afzal Akoo & Partners phone 0333947274 Fax 0866149242 & Adv. Fleming phone 033-8453576 fax 033-3948374	R100 000.00 & R4438.00	104,438.00	R100 000.00 & R4438.00	104,438.00	
80	M Mlaba	Delictual Claim	2010	Internal	R100 000.00	100,000.00	R100 000.00	100,000.00	
81	Thuthugisa Contracting Enterprises	Contractual Claim	2007	Internal	R8 051 632.79	8,051,632.79	R8 051 632.79	8,051,632.79	
82	J Mahlaba	Delictual Claim	January 2010	Internal	R21406-36 and R 2650	24,056.36	R21406-36	21,406.36	
83	Longlife tyres (PTY) LTD	Contractual Claim	July 2010	Internal	R592 589-77	592,589.77	R592 589-77	592,589.77	
84	Gail Gayer	Delictual Claim	July 2010	Mr Shwartz/Mr Gcaba, Uys Matyeka Schwartz Attorneys 0313046063	R262 473-98	262,473.98	R262 473-98	262,473.98	
85	M. C. Mncwabe	Delictual Claim	Aug 2010	Internal	R71 500.00	71,500.00	R71 500.00	71,500.00	This claim has been dismissed after successfully arguing a special plea - May 2012.
86	H. Selepe	Delictual Claim	Sept 2010	Internal	R5 189.35	5,189.35	R5 189.35	5,189.35	
87	B. Mahlaba o.b.o. AY Mahlaba	Delictual Claim	Sept 2010	Internal/ Insurance	R 1000 000.00	1,000,000.00	R 1000 000.00	1,000,000.00	
88	N Mans	Delictual Claim	Sept 2010	Internal	R7 045.75	7,045.75	R7 045.75	7,045.75	
89	Mutual and federal	Delictual Claim	Sept 2010	Internal	R22 829.59	22,829.59	R22 829.59	22,829.59	
90	Ronald Reddy	Contractual Claim	Sept 2010	Internal	R 282 818.08	282,818.08	R 282 818.08	282,818.08	
91	AB Mavundla	Delictual Claim	Oct 2010	Internal	R100 000.00	100,000.00	R100 000.00	100,000.00	
92	SS Ngidi	Delictual Claim	Oct 2010	Internal/ Insurance	R2200 000.00	2,200,000.00	R2200 000.00	2,200,000.00	
93	N Raghu	Delictual Claim	Dec 2010	Internal/ Insurance	R500 000.00	500,000.00	R500 000.00	500,000.00	





THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX F

SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2012

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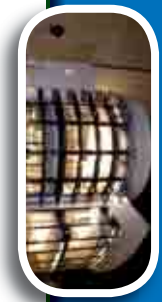
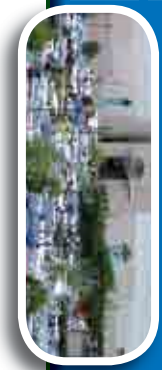
94	R Bhoodram	Delictual Claim	Dec 2010	Internal	R32 552.00 and R 30.03	32,582.03	R32 552.00 and R 30.03	32,552.00	
95	BC Mbatha	Delictual Claim	Nov 2010	Internal	R16 794.48	16,794.48	R16 794.48	16,794.48	
96	EW de Lange	Interdict	2010	Richard Lister: Lister & Lister Attorneys 033-3454530/ Adv Snyman 033-8453524 email snyman@pmblaw.co.za			R 50 000 plus 15% pa	57,500.00	
97	NK Mpongose	Delictual Claim	Jan 2011	Internal	R23 946.42	23,946.42	R23 946.42	23,946.42	
98	Y Ahren	Delictual Claim	Feb 2011	Internal	R14 845.71	14,845.71	R14 845.71	14,845.71	
99	NN Pandaram	Delictual Claim	Feb 2011	Internal	R 11 267.11	11,267.11	R 11 267.11	11,267.11	
100	TR Nxumalo	Delictual Claim	April 2011	Internal	R 21 791.04	21,791.04	R 21 791.04	21,791.04	
101	Mkhize Majola & Associates	Delictual Claim	April 2011	Internal	R 14,966.98	14,966.98	R 14,966.98	14,966.98	Matter settled with Municipality paying the costs envisaged in the claim.
102	Crescent Motor Brokers and Agents CC	Delictual Claim	April 2011	Internal	R 100 000.00	100,000.00	R 100 000.00	100,000.00	
103	3 DM Contractors	Contractual Claim	May 2011	Internal	R 66 930.35	66,930.35	R 66 930.35	66,930.35	
104	Z. Nondzanga	Delictual Claim	May 2011	Internal	R 22 232.97	22,232.97	R 22 232.97	22,232.97	
105	Roy Hesketh Racing Track	Land sold to developer. Did not develop as per agreement. Possibility of municipality having to purchase back at R3,5 million. Another developer indicated possible purchaser from current developer with benefits to municipality. Economic Development to advise.	N/A	N/A	Apparently another develpoer indicated possible purchase from current		Economic Development to advise. Another developer indicated possible purchase from current developer with benefits to municipality.	-	
106	Planet Waves 399	Council withholding payment to contractor that built sludge dams. Possibility of eventual liability.	N/A	N/A	Risk of having to pay oust-standing payment partially or in full. Amount witheld is currently +- R1,2 million. Costs of repairing estimated at +-/- R2, 4 million.	2,400,000.00	Risk of having to pay oust-standing payment partially or in full. Amount witheld is currently +- R1,2 million. Costs of repairing estimated at +-/- R2, 4 million.	2,400,000.00	
107	Union Risk Management Alliance (Pty) Ltd.	Delictual Claim	May 2011	Internal	R 152 948.84	152,948.84	R 152 948.84	-	
108	N.B. Dladla	Delictual Claim	June 2011	Internal	R 109 038.97	109,038.97	R 109 038.97	-	
109	Khuselani Security	Contract	June 2011	Internal	R 1830 532.00	1,830,532.00	R 1830 532.00	-	
110	Impress Services (Pty) Limited	Delictual Claim	June 2011	Internal	R29 238.27 & R 1638.70	30,876.97	R29 238.27 & R 1638.70	30,876.97	





THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY

APPENDIX F

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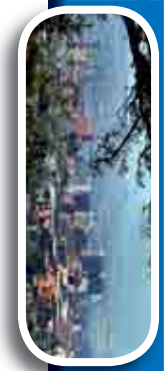
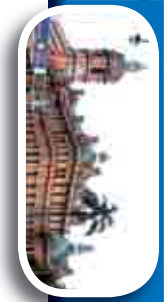
111	P.G. Vather	Delictual Claim	June 2011	Internal	R 12 659.99	126,559.99	R 12 659.99		
112	Kwenzokuhle Construction	Contract	June 2011	Internal	R2 178 000.00	2,178,000.00	R2 178 000.00		
113	Relief Interio and Joinery CC	Delictual Claim	June 2011	Internal	R 45 080.00	45,080.00	R 45 080.00	-	
114	Derby Supermarket	Delictual Claim	June 2011	Internal	R444 400.00	444,400.00	R444 400.00	-	
115	Ds Cremators	Delictual Claim	June 2011	Internal	R 27 789.37	27,789.37	R 27 789.37	-	
116	T Christodoulou and Sons	Application for interdict by Municipality against developer for compliance with Planning and Development Act.	2012	TMJ –Attorneys:Agrippa Mpungose: 033-341 9100 Adv CJ Hartzenberg-SC:033-8453553	Interdict granted by consent but costs reserved. Cost unknown at this stage. Risk of costs				
117	KZN – Digi Connect	Claim by contractor for payment for IT services allegedly rendered.	2012	Mr Alwyn Volsum 033-3948116 Adv V Naidoo 033-8453535	Claim for R500 000 plus interest plus legal costs. Not yet decided.	500,000.00			
118	APS Panelbeaters	Interdict application to prohibit electricity disconnection.	2011	TMJ –Attorneys:Agrippa Mpungose: 033-341 9100 Adv.Snyman: 033-38453524	Case to be heard end of August 2012. Costs if unsuccessful				
119	Innocent & Smangele Mchunu 3 Oban Drive.	Application by Municipality to enforce compliance with Planning and Development Act.	2012	Mr Matthew Francis:087 351 0608	Pleadings not yet closed. Costs if unsuccessful.				
120	Yugen Brian Govender (Magicone Investments CC) 65 Pine Street	Application by Municipality to enforce compliance with Planning and Development Act.	2012	Mr Matthew Francis:087 351 0608	Case not finalised. Costs if unsuccessful				
121	Pyarchand Meganbehare Vinesh Singh 44 Rosedale Road	Application by Municipality to enforce compliance with Planning and Development Act	2012	Mr Matthew Francis:087 351 0608	Case not finalised. Costs if unsuccessful				
122	Shepstone House Two Ltd	Application to prohibit disconnection and counter application to prohibit illegal occupation and electricity connection	2012	Mr Diedricks: Diedricks Attorneys: 0833754036 Adv A Rall SC: 0338453529.	Case not finalised. Costs if unsuccessful				
123	M. Naidoo	Delictual Claim	Jul-12	Internal/ Insurance	R370 000.00 +15% interest per annum	425,500.00			
124	D.J.G. Hanes	Delictual Claim	Sep-11	Internal	R25 000.00 +15% interest per annum	28,750.00			
125	Hilton Vet Clinic CC	Delictual Claim	Sep-11	Venn Nemeth and Hart Attorneys	R 390 270.21 +15% interest per annum	448,810.74			
126	Telkom SA Limited	Delictual Claim	Nov-11	Internal	R7 551.19 +15% interest per annum	8,683.86			





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127	M.L. Joubert	Delictual Claim	Nov-11	Internal	R 100 550.00 +15% interest per annum	115,632.50			
128	J. Kroese	Delictual Claim	Dec-11	Internal	R 40,000.00	40,000.00			
129	N. Ngubo	Delictual Claim	Jan-12	Internal	R9063.12 +15% interest per annum	10,422.58			
130	T.W. Mabaso	Delictual Claim	Feb-12	Internal	R 850.43 + 15% interest per annum	977.79			
131	Sayed t/a Metro Taxis and Yellow Cabs	Delictual Claim	Feb-12	Internal	R15 950.52 + 15% interest per annum	18,343.09			
132	J. Putsoane	Delictual Claim	Feb-12	Internal	R20 298.12 +15 % interest per annum	23,342.83			
133	C.J. De Meyer	Delictual Claim	Apr-12	Internal	1 .25 361.49 + interest per annum. 2 .30.03 +15% interest per annum.	29,200.24			
134	Bishop's Roadworks	Delictual Claim	Apr-12	Internal	1 .19 609.98 + interest per annum. 2 .12 938.95 +15% interest per annum.	34,489.77			
135	. W. Ahmed	Delictual Claim	Apr-12	internal	R35 700.92 +15% interest per annum	5,355.13			
136	Rosedew Investments CC	Delictual Claim	May-12	Internal	R160 716.94 +15% interest per annum	184,824.48			
137	Telkom SA Limited	Delictual Claim	May-12	Lister and Lister Attorneys	R 49 834.75 + 15% interest per annum	57,309.96			
138	R. Bridgnarain	Delictual Claim	May-12	Internal	1 .R4570.36 + interest per annum. 2 .R50 000 +15% intrest per annum.	62,070.36			
139	K. Govender	Delictual Claim	Jun-12	Internal	R 180 000.00 + 15% Interest per Annum	207,000.00			
140	M.H. Cassimjee	Delictual Claim	Jun-12	Internal	R 4015.00 + 15% Interest Per Annum	4,617.25			
141	O. Nunthoolal	Delictual Claim	Jun-12	Internal	1 .R10394.06 + interest per annum. 2 .R500.00 +15% intrest per annum.	12,528.16			
142	S.G. Padayachi	Debatement of Account	Jun-12	Internal	There is no monitory claim; however Council could be liable for legal costs.				
143	L. Balnag & F Balnag	High Court Application	2011	Afzal Akoo and Partners	There is no monitory claim; however Council could be liable for legal costs.				
144	Surendra Singh	High Court Application: Disconnection of Electricity Supply	2011	Afzal Akoo &Partners/Adv. S.Jasat	The matter has been settled with Council Paying Legal costs. R35 760.40	35,760.40			
145	Subrimoney	High Court Application: Disconnection of Electricity Supply	2012	Mastroos Attorneys	There is no monitory claim; however Council could be liable for legal costs.				
						56,306,436.08		59,072,912.74	

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX G
STATEMENT OF COMPARATIVE OF BUGET AGAINST ACTUAL

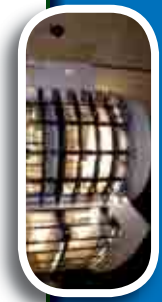
Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance

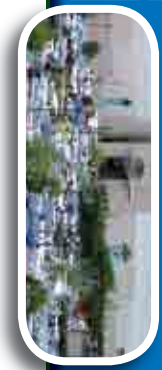
	Note	
Net surplus/deficit per the statement of financial performance		-234,467,830
Adjusted for:		
Revenue variances		**-56,742,656**
Fair value adjustments Income		-2,305,608
Surplus on the sale of assets		1,266,964
Add : Revenue variances	1	-55,704,012
Adjusted for:		
Expenditure variances		**268,984,129**
Loss on sale of asset		-326,100
Financial asset discounted		28,205
Less : Expenditure variances	2	269,282,024
Net surplus/deficit per approved budget		**-22,226,357**

REVENUE VARIANCES - NOTE 1	**Bud**	**Act**	**Var**
property rates	500,096,213	505,310,156	5,213,943
Free basic services - rates	392,989,565	373,551,940	-19,437,625
Property rates - penalties & collection chrgs	28,454,666	31,244,472	2,789,806
Service charges - sale of electricity	1,227,850,117	1,212,660,157	-15,189,960
Free basic services - electricity	2,410,440	3,648,042	1,237,602
Service charges - sale of water	285,316,958	288,345,314	3,028,356
Free basic services - water	67,528,349	3,661,270	-63,867,079
Service charges - sewerage	107,432,530	107,506,830	74,300
Free basic services - sewer	5,358,464	2,879,169	-2,479,295
Service charges - refuse	69,853,205	70,091,118	237,913
Free basic services - refuse	21,153	-14,363	-35,516
Unbilled water	-	53,934,335	53,934,335
Rentals received	17,119,776	17,943,780	824,004
Interest earned - external investments	15,493,454	25,906,640	10,413,186
Interest earned - outstanding debtors	1,018,527	1,065,642	47,115
Other interest	38,803,760	64,728,629	25,924,869
Fines	3,471,477	3,813,388	341,911
Licences & permits	39,991	77,690	37,699
Income for agency services	334,800	373,664	38,864
GG&S conditional grants - income	90,384,515	36,403,903	-53,980,612
GG&S grants & subsidies - capital	347,799,009	149,070,067	-198,728,942
GG&S equitable share	304,834,901	304,835,000	99
Provincial grant - health subsidy	-	10,360,000	10,360,000
Other income - airport	2,472,516	3,460,651	988,135
Other income - forestry	11,600,952	12,870,697	1,269,745
Other income - market	14,715,049	17,174,918	2,459,869
Other income - burials & cremations	901,852	1,258,041	356,189
Other income - buildings	2,010,662	1,953,416	-57,246
Other income - re-connections	12,783,868	12,601,583	-182,285
Other income - training levy recoveries	350,032	3,146,805	2,796,773
Other income - discount received	-	253,455	253,455
Other income - sundry income	10,794,589	12,439,864	1,645,275
Other income - other income	21,297	270,422,639	270,401,342
Non cash - offset depreciation	96,420,236	-	-96,420,236
	3,658,682,923	**3,602,978,911**	**-55,704,012**
OTHER INCOME - GAINS - LAND SALES	-	1,266,964	1,266,964
FINANCIAL LIABILITY - DISCOUNTED INTEREST	-	-2,305,608	-2,305,608
TOTAL REVENUE	**3,658,682,923**	**3,601,940,267**	**-56,742,656**

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX G
STATEMENT OF COMPARATIVE OF BUGET AGAINST ACTUAL

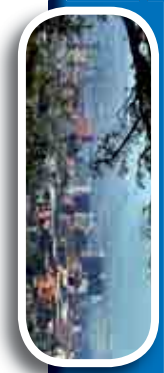
	Bud	Act	Var
EXPENDITURE VARIANCES - NOTE 2			
ERC - Salaries & wages	455,281,392	459,796,642	-4,515,250
ERC - Contributions to uif,pension & med.aid	128,678,647	126,713,194	1,965,453
ERC - Travel,motor car,accom.,s&t allownaces	26,635,572	32,352,063	-5,716,491
ERC - Housing benefits & allowances	3,882,804	3,754,274	128,530
ERC - Overtime payments	25,072,879	27,336,905	-2,264,026
ERC - Long service awards	16,313,770	16,244,652	69,118
Rem.of councillors - councillors	33,134,192	29,102,639	4,031,553
Rem.of councillors - pension & medical contri	2,239,619	2,324,116	-84,497
Non cash - Doubtful debts	328,582,353	58,209,770	270,372,583
Collection costs	1,711,300	1,539,889	171,411
Non cash - Depreciation	221,132,109	273,064,405	-51,932,296
Repairs & maintenance	48,805,959	39,509,685	9,296,274
Interest paid - annuity loans	65,895,077	69,583,589	-3,688,512
Interest paid - other	-	1,865,460	-1,865,460
Bulk purchases - Electricity	941,120,684	919,409,896	21,710,788
Bulk purchases - Water	307,006,648	297,924,964	9,081,684
Grants & subsidies paid - Community bodies	201,000	196,459	4,541
Grants & subsidies paid - Safe city project	4,500,000	3,947,368	552,632
GE - Extraordinary	802,644	802,613	31
GE - Pension payable	11,477,218	13,403,363	-1,926,145
GE - Insurance	10,518,355	12,220,944	-1,702,589
GE - Impairment of inventory	-	585,791	-585,791
GE - Impairment of assets	-	-	0
GE - Mayoral projects	4,600,178	2,697,714	1,902,464
GE - Telephones	5,219,267	5,003,290	215,977
GE - Conditional grant expenditure	86,888,078	35,563,903	51,324,175
GE - External services	44,833,702	41,476,466	3,357,236
GE - Other	158,925,509	143,796,861	15,128,648
GE - Contracted services	21,090,729	21,090,729	0
Non cash - Departmental charges	190,288,075	443,293,401	-253,005,326
Non cash - Less charge-outs	-322,716,354	-153,946,823	-168,769,531
Lease charges	1,477,269	685,018	792,251
Grants capital expenditure	344,931,320	-49,455	344,980,775
Income foregone - Rates	392,989,565	373,551,940	19,437,625
Income foregone - Refuse	21,153	-	21,153
Income foregone - Sewer	5,358,464	2,879,169	2,479,295
Income foregone - Electricity	2,029,040	3,648,042	-1,619,002
Income foregone - Water	3,813,547	57,595,605	-53,782,058
Unbilled water	63,714,802	-	63,714,802
	3,636,456,566	**3,367,174,542**	**269,282,024**
GE - LOSSES - SALE OF ASSETS	0	326,100	-326,100
GE - IMPAIRMENT OF INVENTORY	0	0	0
GE - IMPAIRMENT OF ASSETS	0	0	0
FINANCIAL ASSET - DISCOUNTED INTEREST	0	-28,205	28,205
TOTAL EXPENDITURE	**3,636,456,566**	**3,367,472,437**	**268,984,129**
SURPLUS/DEFICIT	**22,226,357**	**234,467,830**	**-212,241,473**

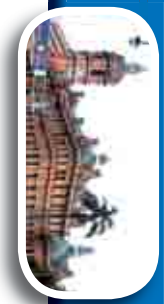




THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
ANNEXURE G: Statement of comparative and actual information

Description	2011/12								
R thousands or R	Original Budget	Budget Adjust-ments (i.t.o. s28 and s31 of the MFMA)	Virement (i.t.o. Council approved by-law)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	1	2	3	4	5	6	7	8	9
Financial Performance									
Property rates	500,096,213	0		500,096,213	505,310,156		5,213,943	101	101
Service charges	1,690,452,810	468,307,971		2,158,760,781	2,116,263,811		(42,496,970)	98	125
Investment revenue	15,493,454	0		15,493,454	25,906,640		10,413,186	167	167
Transfers recognised -operational	67,609,470	22,775,045		90,384,515	36,403,903		(53,980,612)	40	54
Other own revenue	546,148,951	347,799,009		893,947,960	918,055,757		24,107,797	103	168
Total Revenue (excluding capital transfers and contributions)	**2,819,800,898**	**838,882,025**		**3,658,682,923**	**3,601,940,267**		**(56,742,656)**	**98**	**128**
Employee costs	655,865,064	0		655,865,064	666,197,730		10,332,666	102	102
Remuneration of councillors	35,373,811	0		35,373,811	31,426,756		(3,947,055)	89	89
Debt impairment	328,582,353	0		328,582,353	58,209,770		(270,372,583)	18	18
Depreciation & asset impairment	221,132,109	0		221,132,109	273,064,405		51,932,296	123	123
Finance charges	65,895,077	0		65,895,077	71,449,049		5,553,972	108	108
Materials and bulk purchases	1,252,981,010	(4,853,678)		1,248,127,332	1,217,334,860		(30,792,472)	98	97
Transfers and grants	4,701,000	0		4,701,000	4,143,828		(557,172)	88	88
Other expenditure	390,951,310	685,828,510		1,076,779,820	1,045,646,039		(31,133,781)	97	267
Total Expenditure	**2,955,481,734**	**680,974,832**		**3,636,456,566**	**3,367,472,437**		**(268,984,129)**	**93**	**114**
Surplus/(Deficit)	**(135,680,836)**	**157,907,193**		**22,226,357**	**234,467,830**		**212,241,473**	**1,055**	**(173)**
Transfers recognised -capital	-	0		-	-		0	-	-
Contributions recognised -capital & contributed assets									
Surplus/(Deficit) after capital transfers & contributions	**(135,680,836)**	**157,907,193**	**0**	**22,226,357**	**234,467,830**	**0**	**212,241,473**	**1,055**	**(173)**
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	**(135,680,836)**	**157,907,193**	**0**	**22,226,357**	**234,467,830**	**0**	**212,241,473**	**1,055**	**(173)**
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised -capital	-	0		-	-		0	-	-
Public contributions & donations	-								
Borrowing	-	0		-	-		0	-	-
Internally generated funds	-						0		
Total sources of capital funds	**0**	**0**		**0**	**0**		**0**	**-**	**-**
Cash flows									
Cash/cash equivalents at the beginning of the year	-	-		0	-		0	-	-
Net cash from (used) operating	-	-		0	-		0	-	-
Net cash from (used) investing	-	-		0	-		0	-	-
Net cash from (used) financing	-	-		0	-		0	-	-
Cash/cash equivalents at the year end	**0**	**0**		**0**	**0**		**0**	**-**	**-**





THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPAL ENTITY
APPENDIX H
DISCLOSURE OF PRIOR PERIOD ERRORS AS AT 30 JUNE 2011

PRIOR PERIOD ERRORS FOR 2011/2012

Transaction affecting the Statement of Financial Position

Job	Task	Element	Nature of error	Element of restatement	Total	10/11	09/10	08/09	07/08	Prior 06/07
02PER001	010	SUND	Under accrual of expenditure	Restatement of expenditure	1,481,608	1,459,832	12,008	632	4,831	4,306
02PER002	010	SUND	Over accrual of expenditure	Restatement of expenditure	-642,806	-715,946	73,140			
02PER005	010	SUND	Reimbursement of survey costs on land sales	Restatement of expenditure	-452,037	-452,037				
02PER017	010	SUND	Cancelling goods received notes created but not processed for payment	Restatement of expenditure	-2,175,145	-2,175,145				
02PER033	010	SUND	Adjustment to depreciation due to review of useful life of movable assets.	Restatement of expenditure	-431,075	-107,769	-107,769	-107,769	-107,769	
02PER037	010	SUND	Consumer billed for trade effluent charges that was disputed, interest and charges reversed	Restatement of revenue	244,091	36,058	41,683	166,350		
02PER043	010	SUND	Write back of depreciation on investment properties	Restatement of expenditure	512,727	512,727				
02PER044	010	SUND	Writeback of unidentified receipts and revenue from training centre	Restatement of revenue	-2,829	-2,829				
02PER045	010	SUND	Refund of surplus cash previously recognised as revenue	Restatement of revenue	360	360				
02PER046	010	SUND	Offset of rates revenue raised against debtors iro counter claim - MA JEWITT	Restatement of revenue	-29,184	-29,184				
02PER048	010	SUND	Retrospective basic charges for electricity, refuse - Nandos as SLA not signed on time	Restatement of revenue	-149,163	-70,681	-49,503	-28,979		
02PER050	010	SUND	Shortfall on commission due to prepaid vendors	Restatement of revenue	418,814	122,415	252,753	43,645		
02PER051	010	SUND	Reversal of duplication - debtor raised for legal fees omitted from invoice	Restatement of expenditure	-140,000	-140,000				
				TOTAL	-1,364,638	-1,562,198	222,313	73,879	-102,938	4,306
			Nature of error	Element of restatement	Total	10/11	09/10	08/09	07/08	Prior 06/07
			Transaction affecting the Statement of Financial Performance							
02POS002	010	SUND	Clearing of control votes	Restatement of trade and other payables	-1,152,054	-1,152,054				
02POS011	010	SUND	Refunds received from creditors due to overpayment	Restatement of trade and other payables	-45,724	-45,724				
02POS012	010	SUND	Input vat not claimed from SARS	Restatement of trade and other receivables from non exchange transactions	53	53				
02POS014	010	SUND	Corrections on debi market development and maintenance reserve	Restatement of current provisions	-28,800	-28,800				
02POS019	010	SUND	Write back of pmb chamber of business debtors as monies paid back to council	Restatement of trade and other receivables from non exchange transactions	-13,772	-13,772				
02POS026	010	SUND	Consultant fee expensed due to developer not proceeding with development - Almond bank	Restatement of trade and other payables	150,093		150,093			
02POS027	010	SUND	Write back of financial instruments	Restatement of trade and other receivables	43,374,318	14,932,148	5,551,029	22,891,141		
02POS028	011	SUND	Write back of financial instruments	Restatement of trade and other payables	-850,063	-850,063				
				TOTAL	41,434,052	12,841,788	5,701,122	22,891,141	0	0
				GRAND TOTAL	40,069,413	11,279,590	5,923,435	22,965,020	-102,938	4,306

CHAPTER 5 – SAFE CITY (MUNICIPAL ENTITY)

SAFE CITY MSUNDUZI (PTY) LTD
(Registration No. 2012/024562/07)

ANNUAL FINANCIAL STATEMENTS
30 June 2012

SAFE CITY MSUNDUZI (PTY) LTD
(Registration No. 2012/024562/07)

ANNUAL FINANCIAL STATEMENTS
30 June 2012

The following reports and statements are presented in compliance with the Companies Act:

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Independent auditor s report	269
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Directors report	282
Balance sheet	284
Income statement	285
Statement of changes in equity	285
Cash flow statement	286
Notes to the annual financial statements	287
Detailed income statement	292

Approval and statement of responsibility

The annual financial statements set out on pages 268 to 293 are the responsibility of the directors and have been approved for issue by the Board of Directors and are signed on their behalf by:

7 August 2012

Z Sokela

Date

5 August 2012

D Kambouris

Date

Colenbrander

P.O.Box 3699, Pietermaritzburg 3200
Victoria Centre, 157 Victoria Road
Pietermaritzburg 3201
Tel: 033 - 394 0161
Fax: 033 - 394 0199
E-mail: info@colenbrander.co.za
Tax Practitioners No.: PR-75B5089
Practice Number: 964107

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFE CITY MSUNDUZI (PTY) LTD

Report on the financial statements

We have audited the annual financial statements of Safe City Msunduzi (Pty) Ltd, which comprise the directors' report, the balance sheet as at 30 June 2012, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 282 to 292.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements fairly present, in all material aspects, the financial position of the company as at 30 June 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities, and in the manner required by the Companies Act of South Africa.

Supplementary information

Without qualifying our opinion, we draw attention to the fact that the supplementary schedule set out on page 292 does not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly do not express an opinion on it.

Report on other legal and regulatory requirements

With the written consent of all shareholders, we have performed certain accounting and secretarial duties.

Colenbrander Inc.

Colenbrander Incorporated
Per: G L Banfield
Registered Auditors
Chartered Accountants (S.A.)
Pietermaritzburg

Date: 10 September 2012

Proprietor: Colenbrander Incorporated • Reg 2000/002149/21 •Directors: I. S. Colenbrander, G. L. Banfield, G. F. Chubb
REGISTERED AUDITORS • CHARTERED ACCOUNTANTS (S.A.)

Colenbrander

P.O.Box 3699, Pietermaritzburg 3200
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Pietermaritzburg 3201
Tel: 033 - 394 0161
Fax: 033 - 394 0199
E-mail: info@colenbrander.co.za
Tax Practitioners No.: PR-75B5089
Practice Number: 964107

INDEPENDENT COMPILER'S REPORT TO THE MEMBERS OF SAFE CITY MSUNDUZI (PTY) LTD

We have compiled the annual financial statements of Safe City Msunduzi (Pty) Ltd based on information provided by management. These financial statements are presented in accordance withInternational Financial Reporting Standards for Small and Medium-sized Entities, and in the manner required by the Companies Act, 2008 of South Africa. They comprise the directors' report, the balance sheet as at 30 June 2012, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 282 to 292.

Management responsibility for the financial statements

The company's management are responsible for these financial statements, including adoption of the applicable reporting framework, and the accuracy and completeness of the information used to compile the financial statements.

Compiler's responsibility

We performed this compilation engagement in accordance with International Standard on Related Services 4410, Compilation Engagements. This Standard requires that we comply with quality control standards and relevant ethical requirements, including ethical principles of integrity, objectivity, professional competence and due care.

A compilation engagement involves applying expertise in accounting and financial reporting to assist management in preparing and presenting financial information. A compilation engagement does not include gathering evidence for the purpose of expressing an audit opinion or a review conclusion. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

Colenbrander Incorporated
Per: I S Colenbrander
Registered Auditors
Chartered Accountants (S.A.)
Pietermaritzburg

Date: 10/9/12

SAFE CITY MSUNDUZI (PTY) LTD

CHAIRMANS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

Background

Safe City Pietermaritzburg was formally constituted as an Association incorporated under section 21 of the Companies Act on 28 March 2002. Its establishment followed a long period of research and planning undertaken under the guidance of Mr Des Winship and colleagues who constituted the Board of the local organisation then known as Business Against Crime. Initially, the organisation's Board, conceptualised as a partnership between the Municipality and the private sector, and was chaired by the Mayor at the time, Cllr Hloni Zondi. Other representatives of the Municipality also sat on Safe City Board of Directors. In the course of time, legislation prohibited these representatives from holding directorships and Safe City Pietermaritzburg lost the advantage of having direct Municipal input into decision-making. 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 has to register as a (Pty) Ltd company. To ensure that Safe City complies with the MFMA, it deregistered as a section 21 company, and registered as Safe City Msunduzi (Pty) Ltd in December 2010 thereby remaining legal as an entity of Msunduzi Municipality.

Representation on the Board aside, the partnership 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. While it is understood that the Board cannot include representatives of the Municipality, the organisation has felt for some time that its work is hampered by a lack of regular and constructive communication with its funding body. Despite numerous requests, to date no Municipal official has been nominated to represent council as an observer on the Safe City Board. All the people who have directed this project through both the planning and operational phases have done so on a voluntary basis and it remains a principle of the Board that there is no remuneration to its directors.

Directors

The following persons are Directors of Safe City Msunduzi (Pty) Ltd. It must be noted that there are still vacancies to be filled to have a fully composition management of the Board.

Ms. Z Sokhela - Director of BP Cascades, Past President and Member of PCB, UFET Council, UKZNCouncil and current chairperson of the Safe City Board of Directors.
Mr. D Kambouris - Past Chairman of BFC, Member of Community Chest and current Safe City Accounting Officer.
Mr D Winship - Retired CEO: HullettsAluminium, Retired Executive, Director of TongaatHulett Group, Member of BFC, Director of Life Line and founder member of Safe City.
Mr V C Biggs - Retired Director: McCarthy, Member of Allison Homes, Member of SAVS/NCW, Member of BFC and founder member of Safe City.
Mrs D Harrison - Director: Lifeline PMB T/A Lifeline and Rape Crisis, Member of BFC, Member of Community Chest.
Mr K Vorster - Financial Planner for PSG, Member of BFC. Currently Chairman of Business Fighting Crime, member of the non Ferrous Metal Group as well as the Banking Task Team.
Ms. P Dlamini - Currently Publishing Director for Nutrend Publishers. A former Tutor at UKZN (PMB) and lecturer in the African Languages and Applied Linguistics Departments at the University South Africa (UNISA) and a former IsiZulu Tutor for the American Embassy - South Africa.
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.
Advocate S Magwaza - Senior Council: Director of Public Prosecutions: Kwa Zulu Natal.

Ms. Z Kahn - Senior State Prosecutor: Magistrates Court Pietermaritzburg.
Brig. J Reynders - Current Station Commander: S A P S Pietermaritzburg and member of Business Fighting Crime.
Brig. R Gwala - Current Station Commander: S A P S Plessislaer.

Partners

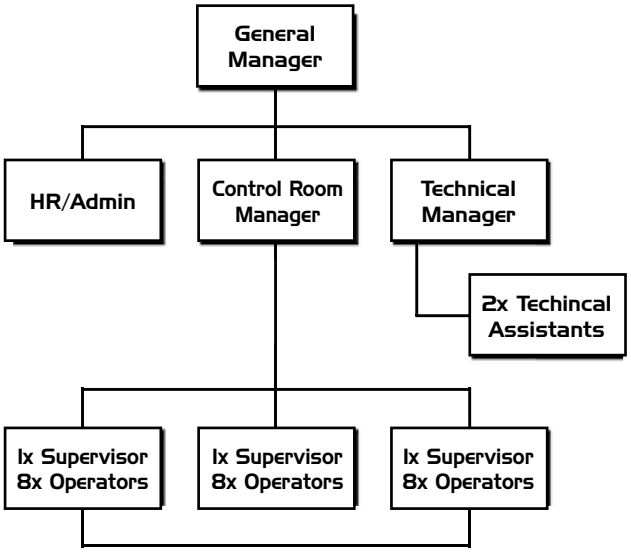
Business Fighting Crime (BFC) remains a sponsor on various activities for Safe City and has borne the costs of marketing an SMS crime alert campaign that was initiated by Safe City in 2008. BFC again made a financial contribution to Safe City for the financial year to the amount of R10 052.

Safe City also received other financial assistance in the form of discounts which will be explained in para 6.4. 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.

Of concern during the 2011/12 financial year was the inability to get adequate response from the Municipal Security Department to respond and apprehend persons responsible for bylaw infringements detected on camera. This matter has been brought to the attention of the Municipal Manager and Deputy Municipal Manager for Community Services. There is also a critical need for Municipal Traffic/Security staff on a near permanent basis in the Control Room. This presence will streamline and expedite Municipal response to the detection of Bylaw infringements. Income from ANPR operation could have been considerably higher if a dedicated Traffic team had been assigned to the project.

Staffing

The current Safe City operating staff consists of:



Total: 30

Particular matters relating to the year 2011 and 2012:

Automatic Number Plate Recognition

The Automatic Number Plate Recognition System (ANPR) was commissioned on the 1st September 2010 and enables the city to generate income from outstanding traffic fines. Results of the ANPR system can be seen in the table below. A Memorandum of Understanding between the Msunduzi Traffic Department and Safe City Msunduzi has been drafted and submitted but not yet approved.

Income generated	Arrests made	Warrants executed
R 1 489 305	1727	2 209

The Safe City Development Committee (SCDC)

The SCDC has ceased to operate which has a negative impact on an opportunity to meet on a monthly basis where matters of mutual interest between the Municipality and Safe City could be discussed, such as the implementation of new bylaws, illegal trading and policing of city bylaws. Progress in the ANPR project is being monitored and any shortcomings are timeously identified and addressed.

Promotion and Marketing of Safe City Msunduzi

In partnership with BFC, Correctional Services, SAPS and the NPA, Safe City exhibited again at the Royal Show in a hall dedicated to the agencies responsible for crime and justice. Safe City again secured a Gold Medallion and was a joint recipient of the President's Trophy for Special Endeavour. The RAS was again used to highlight the existence and importance of the partnership that exist between Safe City, Msunduzi Municipality, National Prosecuting Authority and the South African Police Service. Crime Prevention recommendations flyers were distributed in English and Zulu to visitors. Emphasis was placed on young school children to prevent becoming victims of crime and to report crime.

Regular media releases via local newspapers, electronic media and sms was sent to the public informing them of successes, crime tendencies and gatherings or marches that could disrupt the flow of traffic in the city.

Finance

Upgrading the Moveable Camera operating capacity

During the Municipal strikes in 2011the need for the rapid deployment of a reliable moveable camera to monitor key installations or potential flash points has been laid bare. The current moveable camera cannot operate if not in line of sight with the Natalia building. On numerous occasions the Joint Operational Centre under the chairmanship of Brigadier Reynders was unable to monitor unrest situations that could have been to the detriment of the city and its inhabitants. Under the guidance of Mr. P v Rensburg of Dihlase Consulting Engineers the Safe City Board of directors took a decision during a Special Board meeting held on 28th March 2012 to urgently upgrade and improve the existing capability of the moveable camera by using reserve operating funds to purchase a new wireless communication system which does not need line of sight with Natalia to operate in a 3km radius from Natalia.

The total cost of the upgrade including shipping and import costs amounted to R 349 806.00. (vat incl.)

Safe City Capital Budget for 2012 and 2013

Safe City applied for R3 500 000 in order extend the current CCTV footprint to the greater Edendale area by re commissioning the defunct CCTV camera at Edendale hospital, install CCTV surveillance in the vicinity of the new Edendale Mall, expand CCTV coverage to strategic Municipal sites and improve the viewing facilities in the Disaster Control Room. The expansion to the greater Edendale area would have enhanced security for persons visiting the newly developed business centres, and by monitoring Moses Mabidha Road increase the potential income in respect of the ANPR system. Unfortunately to date, no capital funding was made available to realise the proposed expansion.

Safe City Operating Budget for 2012 and 2013

Safe City has applied for R4 792 000 in order to maintain its high level of service excellence. Unfortunately only R4 500 000 was approved. The increase would have been used to maintain the ageing CCTV infrastructure and also to accommodate staff salary increases in accordance with PSIRA guidelines.

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 Company	Value	Period	Event
Business Fighting Crime	R 10 052	Once off and per annum	RAS 2012 stand and Coretalk Monthly lease.
Ben Booysen	R 4 563	Per annum	Reduction in monthly maintenance in air conditioners.
Mikros Traffic Monitoring	R 15 000	Per annum	No increase in monthly lease of ANPR system.
XTEC	R 1236	Per annum	37.5% reduction in standard photocopy machine lease.
Kay Makan	R 6 500	Once off	Donation for RAS 2012 lucky draw prizes.

The audited financial statements of the organisation are attached to this report.

Performance of the Control Centre

Core Functions:

The 24/7 surveillance operation is the core of Safe City's business. It is ISO 9001certified and SABSapproved.

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 to the relevant role-players.

Standard Procedure

The crime statistics for Pietermaritzburg are submitted to the Control Room every morning by the SAPS. These statistics together with observations made by surveillance is discussed every morning with SAPS coordinator and Municipal Security and Traffic officials, if present. An operational plan is then compiled to address any tendencies detected or planned events. This enables operators to be more crime prevention orientated. All suspicious incidents noted on camera are recorded as an "Incident detected". The SAPS, or Traffic Officer if 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.

Summary of Operational Performance: 2011 and 2012

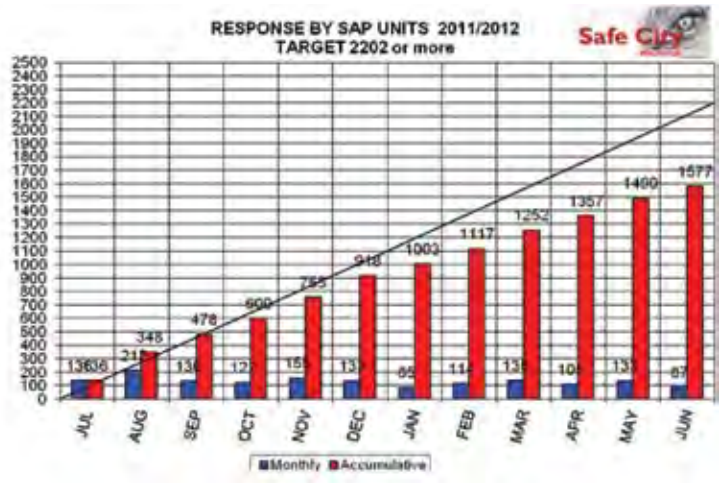
Description	Total for Year	Target for Year	Difference %
No of incidents Detected	3,706	3,672	1%
Response by SAP Units	1,571	1836	14%
Arrests Effected	232	333	33%
SAP Response Time	5.3 min	4 min	33%
% Camera down time	1%	1%	0%

Incidents detected

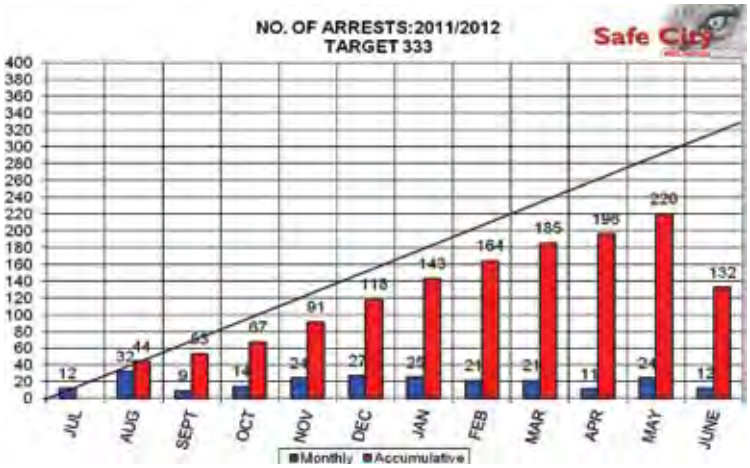
The total number of incidents detected was 3706 compared to 3403 incidents the previous year. The target for 2011/12 was exceeded by 34 (1%) incidents. These incidents include all matters detected such as fighting, committing crime, suspicious behaviour and motor vehicle accidents. Some of the incidents detected are as follows:

Fighting	1 455
Bylaw Infringements	383
Motor vehicle Accidents	308
Motor vehicles	313
Poss. of Stolen Prop	266
Suspicious behaviour	219
Robbery Related	157
Drug Related	154
Marches and Gatherings	37

Responses by SAP



The total number of responses of the SAPS was 1571 compared to 1471 for the previous year. The target for the year of 1853 (- 14%) was not met. The main reason is that a number of incidents such as fighting had stopped before the SAPS could be dispatched. As SAPS vehicles are always busy attending complaints Safe City will cancel a request for assistance if the need therefore no longer exists in order for vehicles to attend to other serious matters

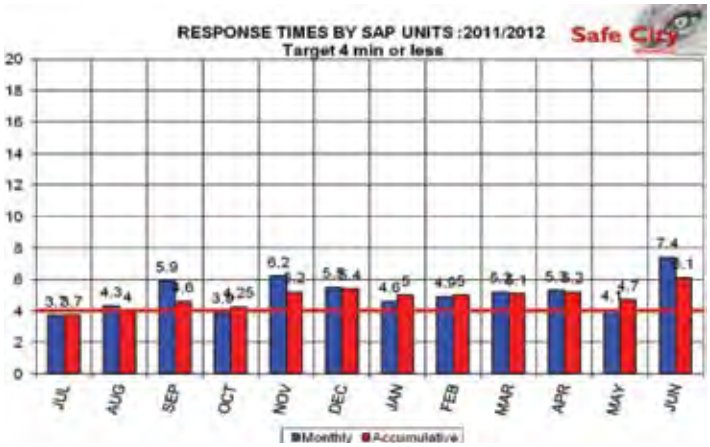


The number of arrest made was 232 compared to 235 for the previous year.

This is a decrease of 2 (- 0.8%). The target of 333 was not met. It has become increasingly clear that criminals are avoiding the area covered by the cameras and are committing their crimes in unmonitored areas.

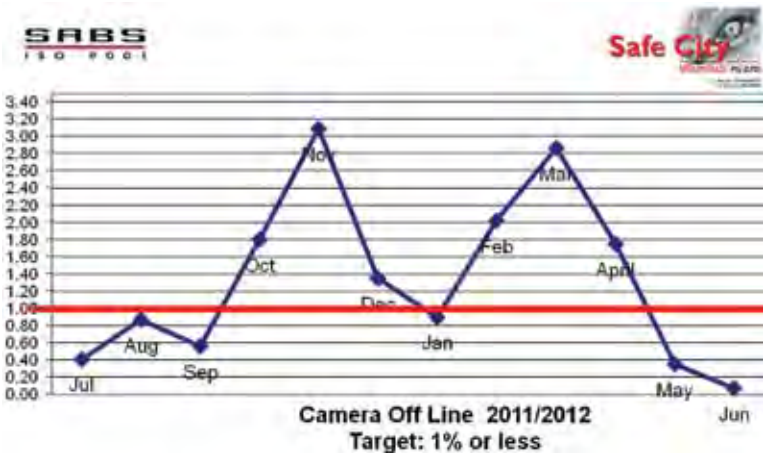
Between 76% - 82% of reported serious crime occurred outside camera area. Most reported contact crimes such as assault and rape occurred indoors and would therefore not be detected. Theft of motor vehicles still occurred mostly out of camera view. This matter can be resolved by expanding the CCTV coverage into identified areas provided that the necessary capital funds are available for such expansions

SAP 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. Time was 5.3 min compared to 4.9 min for the previous year. This is 1.3 min more than the target of 4 min. The availability of patrol vehicles during peak times and traffic congestion has had a negative effect in this regard. The high number of requests for SAPS assistance during weekends also has a negative effect on response times.

Camera Downtime



The average camera downtime was 1.09%. Safe City's target has always been 1%. It will be noticed that downtime has improved since May 2012 because the power supply to cameras has been restored by the Electricity Dept. Acceptable downtime targets can only be met through continuous and thorough maintenance schedules as well as the availability of sufficient spares.

Reported Crime Statistics

Please note that the statistics as provided by the SAPS Pietermaritzburg is for operational evaluation and is not for public consumption.

	2011/12	Nov-10	Inc /Dec	Safe City Arrests
Murder	30	33	3	4
Att. Murder	20	11	9	1
Ass. Com	419	433	14	10
Ass. GBH	230	216	14	22
Rape	56	39	17	3
Rob with F/A	45	37	8	-
Rob Other	263	220	43	49
Rob Com	202	117	85	30
Bus. Rob	34	33	1	-
Hi Jacking	8	9	1	-
Theft from M/V	107	174	67	1
Theft out of M/V	217	235	18	6
Theft of M/V	147	184	37	-
Burglary Bus.	319	179	140	23
A Crime (Serious)	6,414	6,823	409	232

The total serious crimes reported for 2011/12 shows a decrease compared to the previous year. Contact crimes such as Robbery and Rape however shows an increase whilst Property crimes such as Theft of Motor Vehicle shows a decrease. Assault GBH and Rape incidents still occur mostly indoors and is therefore difficult to detect and to prevent. Root causes for the latter is mainly due to socio economic factors such as unemployment, family violence and drug or liquor abuse. Theft out of and from motor vehicles however shows a decrease. False cases are still being reported for insurance purposes as well as for self-gain. Although theft of motor vehicles shows a decrease it remains a very difficult crime to detect and 95% of vehicles stolen occurred outside camera visual area. Safe City and the SAPS are currently using the Average Speed Enforcement cameras on the N3 in conjunction with Mikros and the RTI to alert Law Enforcement Agencies if stolen vehicles are moving on the N3 North or South bound from Pietermaritzburg.

Conclusion

The year 2011/12 again faced many challenges that had to be overcome.

One of the challenges is to improve the functionality of the moveable camera. As the wireless communication has not yet been installed and tested at the time of writing this report the matter will again be addressed in the Mid Year Budget Review.

Another challenge that still has not been addressed satisfactorily is to assist the Municipality in the enforcement of the bylaws. The continuous infringement of bylaws is detected by Safe City on a daily basis. The lack of adequate Municipal Security response and also the lack of arrests in this regard are very frustrating. This matter was again brought to the attention of the Deputy Municipal Manager for Community Services and was also highlighted during Safe City's presentation to the 2010/11 Budget Oversight Committee.

It is again emphasised that is of vital importance to ensure the continuation of the ANPR project, and that it should even be expanded where possible. Not only does it create a sense of law abidance by motorists but it is also a very effective tool in recovering outstanding Municipal revenue.

The most important challenge for Safe City is to remain a centre of excellence whilst no capital funding or an increase in operational funding has been granted for 2012/13. Not only does it place a severe strain on maintaining an ageing CCTV infrastructure but also places the entire operating budget under pressure because the increase in staff salaries and other monthly operating expenses such as telephone, electricity and administration fees has to be accommodated. It will be appreciated if this matter could receive urgent attention during the mid year review.

The relationship with the city's administration has however been very fruitful during 2011/12 and Safe City would like to thank the Mayor, Councillor Nkosi, the acting Municipal Manager Mr. Maseko as well as the new Municipal Manager Mr. Mxolisi for their constructive support towards the Safe City project and for supporting our belief that Safe City is performing a valuable community service.

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. Mr. Koos Vorster, chairperson of BFC, have again earned special thanks for their particular and loyal support.

We record with sadness the death on 15 December 2011 of Peter Warmington who served on our Board since the inception of Safe City in 2002, and was a past Chairman. Through his unique talents and positive attitude he contributed a great deal to the successful direction of the organization.

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.

We reserve our particular gratitude to the Msunduzi Municipality, the main funders of this operation. We acknowledge, too, the financial and moral support of Business Fighting Crime, Pietermaritzburg Chamber of Business, Hulamin, Ben Booysen, Mikros as well as the valuable assistance rendered by legal advisors, Venn Nemeth & Hart, our auditors Colenbrander Inc, and the local media on safety and security matters.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

The directors have pleasure in submitting their report together with the audited annual financial statements for the year ended 30th June 2012.12.27

General Review
Safe City Msunduzi (PTY) Ltd is a company incorporated in the Republic of South Africa. The principal activities of the company are to provide camera surveillance of certain areas under the Jurisdiction of the Msunduzi Municipality.
No matter which is material to the financial affairs of the company has occurred between 30 June 2012 and the date of approval of the financial statements.

Statements of Responsibility
The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information.

The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities, and in the manner required by the Companies Act.

The directors are also responsible for the company's system of internal financial controls. This is designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors' to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The 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.
These financial statements will be presented at the company annual general meeting for the approval of shareholders. It is possible that amendments may be required prior to shareholder approval being given.

Financial results
The results of the company for the year under review are fully set out in the attached financial statements and require no further comment.

Post balance sheet events
No material fact or circumstance, which requires comment, has occurred between the accounting date and the date of this report.

Dividends
No dividends were declared or proposed during the year under review.

Share capital
There were no changes in the authorised and issued share capital of the company during the year under review.

Directors and secretary
The directors of the company during the accounting period and up to the date of this report were as follows:

Z Sokhela (Chairman)
D Winship
P Warmington (deceased)
D Kambourois
V C Biggs
D Harrison
K Vorster

Auditors
Colenbrander Incorporated will continue in office.

BALANCE SHEET AT 30 JUNE 2012

	Notes	2012 R	2011 R
ASSETS			
Non-current assets		105,220	71,824
Property, plant and equipment	2	105,220	71,824
Current assets		1,188,177	1,074,189
Trade receivables	3	10,981	72,274
Bank and cash balances	4	1,177,196	1,001,915
Total assets		1,293,397	1,146,013
EQUITY AND LIABILITIES			
Equity		1,167,795	819,226
Issued capital	5	100	-
Retained earnings		1,167,695	819,226
Current liabilities		125,602	326,787
Trade and other payables	6	-	326,787
Taxation payable		125,602	-
Total equity and liabilities		1,293,397	1,146,013

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 R	2011 R
Revenue		3,988,600	3,842,823
Other income		43,971	43,168
Total income		4,032,571	3,885,991
Operating expenses		(3,558,500)	(3,920,754)
Profit / (loss) before taxation	7	474,071	(34,763)
Taxation	8	125,602	-
Net profit / (loss) for the year		348,469	(34,763)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012

	Issued capital R	Retained earnings R	Total R
Balance at 30 June 2010	-	853,989	853,989
Net loss for the year	-	(34,763)	(34,763)
Balance at 31 June 2011	-	819,226	819,226
Net profit for the year	-	348,469	348,469
Additional contributions received	100	-	100
Balance at 30 June 2012	100	1,167,695	1,167,795

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 R	2011 R
Net cash retained in operating activities		237,188	201,846
Cash generated from operating activities	9.1	193,217	158,678
Interest received		43,971	43,168
Cash flows from investing activities		(62,007)	(11,909)
Purchase of property, plant and equipment		62,007)	(11,909)
Net increase in cash and cash equivalents		175,281	189,937
Cash and cash equivalents at beginning of year		1,001,915	811,978
Cash and cash equivalents at end of year	9.2	1,177,196	1,001,915

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1. Basis of preparation and accounting policies

The basis of preparation and principal accounting policies of the company, are consistent in all material respects with those applied in the previous year, except as otherwiseindicated.

Basis of preparation

The financial statements have been prepared on the historical cost basis, except as modified by the re-valuation of freehold land and buildings.

Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation. Depreciation is recorded by a charge to income computed on the straight line basis so as to write off the cost of the assets over their expected useful lives. The expected useful lives are as follows

	Useful life
Computer equipment	3
Office equipment	6
Motor vehicles	5

Expenditure on additions and improvements to property, plant and equipment including the cost of re-lated interest is capitalised as expenditure is incurred.

Deferred taxation

Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences can be utilised.

Revenue

Revenue comprises the invoiced value of sales, recorded in the financial statements at the date goods are delivered to customers or services provided.
Revenue, which excludes Value Added Tax, comprises of the sale of goods, rendering of services and interest received.
Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.
Revenue from the rendering of services is recognised on an accrual basis in accordance with the sub-stance of the agreement.
Interest received is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the company.

Cash flows

For the purposes of the cash flow statement, cash includes cash on hand, deposits held on call with banks, investments in money market instruments, and bank overdrafts.

Comparative figures

Where necessary, comparative figures have been adjusted to conform with any changes in presentation in the current year.

1. Property, Plant & Equipment

	2012			2011		
	Cost / valuation	Accumulated depreciation	Carrying value	Cost / valu-ation	Accumulated depreciation	Carrying value
	R	R	R	R	R	R
Computer equipment	50,708	(42,488)	8,220	50,708	(38,799)	11,909
Office equipment	7,000	(7,000)	-	7,000	(7,000)	-
Motor vehicles	60,000	(26,000)	34,000	60,000	(14,000)	46,000
Furniture and fittings	126,623	(63,623)	63,000	64,615	(50,700)	13,915
	244,331	(139,111)	105,220	182,323	(110,499)	71,824

The carrying amounts for 2011 can reconciled as follows

	Carrying value at beginning of year	Additions	Revaluation	Disposals	Depreciation	Carrying value at end of year
	R	R	R	R	R	R
Computer equipment	11,909	-	-	-	(3,689)	8,220
Motor vehicles	46,000	-	-	-	(12,000)	34,000
Furniture and fittings	13,915	62,008	-	-	(12,923)	63,000
	71,824	62,008	-	-	(28,612)	105,220

The carrying amounts for 2011 can reconciled as follows

	Carrying value at beginning of year	Additions	Revaluation	Disposals	Depreciation	Carrying value at end of year
	R	R	R	R	R	R
Computer equipment	11,909	-	-	-	(3,689)	8,220
Motor vehicles	46,000	-	-	-	(12,000)	34,000
Furniture and fittings	13,915	62,008	-	-	(12,923)	63,000
	71,824	62,008	-	-	(28,612)	105,220

3. Trade receivables

	2012 R	2011 R
Deposits	2,500	2,500
Vat refundable	8,481	69,774
	10,981	72,274

4. Bank & Cash balances

Bank and cash balances at year end comprise:

First National Bank - current account	141,413	204,757
First National Bank - money market	1,034,533	793,692
Petty cash	1,250	3,466
	1,177,196	1,001,915

5. Issued Capital

Share Capital		
Authorised		
1 000 Ordinary shares of R 1 each	1,000	-
Issued		
100 Ordinary shares of R 1 each	100	-

The unissued shares of the company are under the control of the directors until the forthcoming annual general meeting.

6. Trade and other payables

Sundry suppliers	-	186,414
Provision for salary bonus	-	130,496
Provision for audit fees	-	9,877
	-	326,787

7. Profit / (loss) before taxation

Profit from operations is arrived at after taking into account the following:

Income	2012 R	2011 R
Contributions received	3,988,600	3,842,823
Cost of sales includes:		
Expenses		
Auditors remuneration	4,298	6,569
Depreciation	28,612	28,612
Computer equipment	3,689	3,689
Motor vehicles	12,000	12,000
Furniture and fittings	12,923	12,923

8. Taxation

SA Normal taxation		
Current taxation	125,602	-
Tax rate reconciliation		
Accounting profit	474,071	(34,763)
Tax at 28%	132,740	-
Non taxable / non deductible differences:		
Disallowable expenditure	2,138	-
Assessed loss	(9,276)	-
Tax expense	125,602	-

9. Notes to the cash flow statement

9.1 Reconciliation of net profit before taxation to cashflows from operations

	2012 R	2011 R
Net profit / (loss) before taxation	474,071	(34,763)
Adjustments for :		
Depreciation	28,612	28,612
Interest received	(43,971)	(43,168)
Non-cash expenses	-	37,607
Non-cash donation received	-	(65,393)
Operating profit / (loss) before working capital changes	458,712	(77,105)
Working capital changes		
Decrease / (increase) in trade receivables	61,292	(61,442)
(Decrease) / increase in trade and other payables	(326,787)	297,225
Cash generated from operations	193,217	158,678

9.2 Cash & cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and investments in money market instruments. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Bank and cash balances	1,177,196	1,001,915

DETAILED INCOME STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 R	2011 R
Revenue		3,988,600	3,842,823
Contribution received		3,988,600	3,842,823
Other income		43,971	43,168
Interest received		43,971	43,168
Total income		4,032,571	3,885,991
Operating expenses		(3,558,500)	(3,920,754)
Accounting fees		29,663	27,939
Administration fees - Pietermaritzburg Chamber of Commerce		17,651	26,000
Advertising and promotions		15,000	2,500
ANPR software rental		246,300	208,124
Audit fee		4,298	6,569
Audit fee - provision		-	9,877
Bank charges		7,944	6,785
Cleaning		18,675	13,401
Compensation commission		2,710	-
Computer expenses		7,803	7,002
Consulting fees		38,172	18,675
Consulting fees - project management		-	78,846
Consulting fees ISO -2011:9000		-	10,275
Courier and postage		943	1,099
Depreciation		28,612	28,612
Electricity and water		37,009	40,400
Entertainment expenses		3,868	3,239
General expenses		3,032	3,629
Gifts		250	850
HR audit fee		-	40,972
Insurance		4,676	4,944
ISO 9001 audit		-	23,266
Legal fees		7,635	1,636
Medical expenses		120,654	-
Motor vehicle expenses		4,536	10,118
Pension fund contributions		191,354	189,812
Petty cash expenses		-	624
Printing and stationery		26,825	26,641
Repairs and maintenance		631,658	820,187

	Notes	2012 R	2011 R
Royal show expenses		33,210	53,122
Security		554	-
Small assets		20,066	29,401
Staff petrol		13,673	9,593
Staff training		40,145	30,605
Staff welfare		48,922	19,558
Subscriptions		12,262	1,015
Telephone and fax		24,011	33,590
Travel and accommodation		49,149	54,489
Profit / (loss) before taxation	7	474,071	(34,763)
Taxation	8	(125,602)	-
Net profit / (loss) for the year		348,469	(34,763)

CHAPTER 6 – REPORT ON THE MUNICIPAL INFRASTRUCTURE GRANT (MIG)

INTRODUCTION TO MIG

The total MIG expenditure inclusive of the MIG Capital Budget and the MIG Administrative costs is R 124 004 637 and this amount represents 98.06% of the total MIG allocation of R 126 455.000. An amount of R 2 450 363 that represents 1.94% was unspent.

The MIG funds were used for the upgrade and construction of projects for roads and storm water, water and sanitation, landfill site, Hollingwood Cemetery, community halls, crèches and clinics.

SERVICE BACKLOGS AS AT 30 JUNE 2012				
	*Service level above minimum std		*Service level below minimum std	
	No. HHs	%HHs	No. HHs	%HHs
Water	129 734	92.48%	10 545	7.52%
Sanitation	94 756	67.5%	45 523	32.5%
Electricity	N/A	N/A	N/A	N/A
Waste Management - Landfill	89 910	62%	54 090	38%
Housing	N/A	N/A	N/A	N/A

MUNICIPAL INFRASTRUCTURE GRANT (MIG) EXPENDITURE 2011/2012 ON SERVICE BACKLOGS					
Details	Budget	Adjustment Budget	Actual	Variance	
				Budget	Adjustment Budget
Infrastructure Road transport					
Roads, Pavements & Bridges	22 900 000	44 663 824	44 643 324	-21 743 324	20 500
Stormwater	(Included above	Above)			
Infrastructure Electricity	N/A				
Generation					
Transmission & reticulation					
Street Lighting					
Infrastructure – water	43 429 406	26 670 295	26 113 428	17 315 978	556 867
Dams & Reservoirs					
Water Purification					
Reticulation					
Infrastructure - Sanitation					
Reticulation	23 073 594	40 568 391	38 709 687	-15 636 093	1 858 704
Sewage purification					
Infrastructure - Other					
Infrastructure - Other Clinic	2 900 000	874 920	850 215	2 049 785 422	24 705

MUNICIPAL INFRASTRUCTURE GRANT (MIG) EXPENDITURE 2011/2012 ON SERVICE BACKLOGS					
Details	Budget	Adjustment Budget	Actual	Variance	
				Budget	Adjustment Budget
Infrastructure – Other creches, educare, schools	5 417 000	336 053	336 050	5 080 950	3
Infrastructure Other Halls	300 000	1 489 350	1 380 576	-1 080 576	108 774
Waste Management					
Transportation					
Gas					
Other Specified					
Sports	3 120 000	706 165	706 165	2 413 835	-
Landfill	5 647 000	5 647 000	5 647 000	-	-
Hollingwood Cemetery	16 000 000	2 591 001	2 591 001	13 408 999	-
Erection of no trade structures	260 000	-	-	-	-
Informal trade Structures	500 000	-	-	-	-
PMU Admin cost	2 908 000	2 908 000	3 027 189	-119 189	-119 189
Total	**126 455 000**	**126 454 999**	**124 004 635**	**1 690 365**	**2 450 364**

COMMENT ON MIG:

The total MIG expenditure inclusive of the MIG Capital Budget and the MIG Administrative costs is R 124 004 637 and this amount represents 98.06% of the total MIG allocation of R 126 455.000. An amount of R 2 450 363 that represents 1.94% was unspent. The total MIG capital expenditure recorded on the Promis Financial System as at the end of the 2012 financial year is R 120 977 448.00 and this amount represents 97.92% of the MIG Capital Budget of R 123 547 000.

The total MIG administrative budget is R 2 908 000. The MIG funds were used for the upgrade and construction of projects for roads and stormwater, water and sanitation, landfill site, Hollingwood Cemetery, Community Halls, crèches and clinics. Refer to the attached document for projects undertaken for the 2011/2012 financial years.

CHAPTER 7 – REPORT OF THE AUDITOR GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATUREAND THE COUNCIL ON MSUNDUZI MUNICIPALITY

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Introduction

1. I have audited the consolidated and separate financial statements of the Msunduzi Municipality set out on pages 176 to 266, which comprise the consolidated and separate statements of financial position as at 30 June 2012, the consolidated and separate statements of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the consolidated financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (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.

Auditor-General s responsibility

3. My responsibility is to express an opinion on the consolidated and separate financial statements based on my audit. I conducted my audit in accordance withthe Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality s preparation and fair presentationof the consolidated and separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and separate financial statements.

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

Opinion

6. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Msunduzi Municipality as at 30 June 2012, and its financial performance and cash flows for the year then ended in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

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

Irregular expenditure

8. As disclosed in note 49 to the financial statements, irregular expenditure amounting to R27,483 million was incurred during the year, mainly as a result of contracts awarded to suppliers in contravention of the Local Government: Municipal Supply Chain Management Regulations (GNR 868 of 30 May 2005) (Municipal SCM Regulations).

Restatement of corresponding figures

9. As disclosed in note 48 to the financial statements, the corresponding figures for 30 June 2011 have been restated as a result of errors discovered during 2012 in the financial statements of the Msunduzi Municipality at, and for the year ended, 30 June 2011.

Material losses/ Impairments

10. As disclosed in note 52 to the financial statements, the municipality incurred significant electricity losses of R119, 064 million (2011: R82, 413 million) and water losses of R75, 117 million (2011: R75, 459 million) during the year.

11. As disclosed in note 5 to the financial statements, the municipality raised a provision for bad debts amounting to R584, 043 million (2011: R525, 990 million) on consumer debts as the recoverability of these amounts are doubtful.

Material underspending of the budget

12. As disclosed in note 58 to the financial statements, the municipality has materially underspent its capital budget to the amount of R234, 852 million (53%) [2011: R235, 361 million, (68%)]. As a consequence, the municipality has not achieved its objectives of basic service delivery and infrastructure development.

Additional matter

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

Unaudited supplementary schedules

14. The supplementary information set out on pages 246 to 266 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

15. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

16. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 62 to 175 of the annual report.

17. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information*.

    The reliability of the information in respect of the selected objective is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

18. The material findings are as follows:

Usefulness of information

Consistency

19. The Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), section 41(c) requires that the integrated development plan should form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. The reported targets as included in the service delivery budget implementation plan (SDBIP) or annual performance report submitted for auditing are not consistent with the targets as per the approved integrated development plan. The planned targets specified in the annual performance report were not all included in the integrated development plan. This was due to a lack of understanding by business units and inadequate training to enable application of the principles of the Municipal Planning and Performance Management Regulations, 2001.

Measurability

20. The Municipal Planning and Performance Management Regulations, 2001 require that indicators/measures should have clear unambiguous data definitions so that data is collected consistently and is easy to understand and use. A total of 38% of the indicators/measures relevant to the selected objective, basic service delivery and infrastructure development, were not well defined in that clear, unambiguous data definitions were not available to allow for data to be collected consistently. This was due to a lack of understanding by business units relating to the defining of key performance indicators and inadequate training to enable application of the principles of the Municipal Planning and Performance Management Regulations.

21. The Municipal Planning and Performance Management Regulations, 2001 require that performance targets should be specific in clearly identifying the nature and required level of performance, measurability, and the time period or deadline for delivery. The following findings relate to the planned and reported targets for the selected objective, basic service delivery and infrastructure development:

- All of the selected planned and reported performance targets were not specific in clearly identifying the nature and the required level of performance;
- 26% were not measurable in identifying the required performance;
- 38% were not time bound in specifying the time period or deadline for delivery.

Reliability of information

Validity and accuracy

22. The Municipal Planning and Performance Management Regulations, 2001 requires that processes and systems which produce the indicator should be verifiable. A total of 42% of the actual reported performance relevant to the selected objective, basic service delivery and infrastructure development, was not valid and accurate or differed materially when compared to evidence provided. This was due to a lack of monitoring, review and standard operating procedures for the recording of actual achievements.

Additional matter

23. I draw attention to the following matter below. This matter does not have an impact on the predetermined objectives audit findings reported above.

Achievement of planned targets

24. Of the total number of planned targets for the selected objective, only 119 (36,5%) were achieved during the year under review.

25. This was mainly because indicators and targets were not suitably developed during the strategic planning process. The municipality did not consider relevant systems and evidential requirements during the annual strategic planning process, while the capital budget relevant to the objective basic service delivery and infrastructure development was also underspent.

Material adjustments to the annual performance report

26. Material audit adjustments in the annual performance report were identified during the audit, some of which were corrected by management. Those that were not corrected are included in paragraphs 18 to 21 of this report.

Compliance with laws and regulations

27. I performed procedures to obtain evidence that the municipality has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Annual financial statements

28. 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 current assets, current liabilities, revenue, expenditure and irregular expenditure identified by the auditors were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Strategic planning and performance management

29. The municipality did not timeously adopt and implement a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players as required by sections 38, 39, 40 and 41 of the MSA and the Municipal Planning and Performance Management Regulations 7 and 8.

Procurement and contract management

30. The performance of contractors or service providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

31. 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, as required by SCM regulation 46(2)(e) and the code of conduct for staff members issued in terms of the MSA.

32. Awards were made to service providers who are persons in the service of other state institutions, in contravention of SCM regulation 44. Similar awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process in accordance with SCM regulation 38(1).

Human resource management and compensation

33. The acting senior managers directly accountable to the municipal manager did not sign annual performance agreements for the year under review, as required by sections 57(1)(b) and 57(2)(a) of the MSA.

34. The municipal manager did not provide a job description for each post on the staff establishment as required by section 66(1)(b) of the MSA.

Expenditure management

35. Money owing by the municipality was not always paid within 30 days of receiving an invoice or statement, as required by section 65(2)(e) of the MFMA.

36. The accounting officer did not take reasonable steps to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA.

Revenue management

37. A credit control and debt collection policy was not implemented as required by section 96(b) of the MSA.

Internal control

38. I considered internal control relevant to my audit of the consolidated and separate financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Leadership

39. The accounting officer did not exercise adequate oversight responsibility regarding performance reporting, compliance with laws and regulations and related internal controls. The monitoring of the implementation of action plans to address internal control deficiencies was not adequate to prevent some of the findings that are recurring. An information system governance framework that supports and enables the business, delivers value and improves performance has not been established and implemented.

Financial and performance management

40. Proper records were not kept to ensure that useful and reliable information is available to support financial and performance reporting. Adequate review and monitoring of compliance with applicable laws and regulations were not undertaken.

OTHER REPORTS

Investigations

41. As per the forensic report allegations of mismanagement, non-compliance with the SCM regulations and the MFMA, lack of overtime approval, irregularities in the procurement unit (contracts), theft and fraud, including those relating to the management of the market were investigated.Thirty-seven investigations were completed, of which 26 are being proceeded with criminally. Thirteen investigations are still in progress.

Auditor-General

Pietermaritzburg
30 November 2012

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

CHAPTER 8: RESPONSE TO THE REPORT OF THE AUDITOR

THE MSUNDUZI MUNICIPALITY
REPORT BY MUNICIPAL MANAGER FOR COUNCIL
January 2013

RESPONSE TO THE REPORT OF THE AUDITOR - GENERAL ON THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS OF THE MSUNDUZI MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2012

BACKGROUND AND PURPOSE OF REPORT

The report of the Auditor-General dated 30 November 2012 on the Audit of the Accounts of the Council for the financial year ended 30 June 2012, has been received and is on the Council agenda.

Section 21(1) and (2) of the Public Audit Act, 2004 (Act No. 25 of 2004) states:

(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 a reasonable time.

Also the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) Section 126 (1) and (2) must be complied with.

Comments and action on matters raised in the report are set out below with the numbering corresponding to the Auditor-General's report.

GENERAL RESPONSE

The Auditor General has expressed an **unqualified** opinion with emphasis of matters relating to irregular expenditure, restatement of corresponding figures, material losses/impairment and material under spending of the budget.

The audit opinion has remained the same from the previous financial year with similar emphasis of matter items that were reported. An audit action plan has been prepared to address these matters going forward.

REPORT ON THE FINANCIAL STATEMENTS

1. Introduction

Noted

2. Accounting officer's responsibility for the consolidated financial statements

Noted

3 Auditor-General s responsibility

Noted from 3 to 5

6. Opinion

Noted

7. Emphasis of matters

Noted

8. Irregular expenditure

Noted

9. Restatement of corresponding figures

Noted

Restatements of corresponding figures are in line with the accounting standard:
GRAP 3 - Accounting Policies, Changes in Accounting Estimates and Errors.

GRAP 3 paragraph 41 gives guidance on how to deal with material errors that are not discovered until a subsequent period. These prior period errors are corrected in the comparative information presented in the financial statements for that subsequent period.

10. Material losses/Impairments

Noted from 10 to 11

Electricity losses
The acceptable norm of electricity loss is 3%. The significant electricity losses of 237,739,531 kWh: 13 % occurred during the year under review, which resulted material revenue losses to the municipality.

The loss above the norm is due to theft, distribution losses, illegal tampering of electricity meters and can also be attributable to the ageing infrastructure.

Water losses
The acceptable norm in developing countries of water loss is 20%.The significant water losses of 20,097,078 kl : 30 % occurred during the year under review, which resulted material revenue losses to the municipality.

The loss above the norm is due to theft, distribution losses, illegal tampering of water meters and can also be attributable to the ageing infrastructure

12. Material under spending of the budget

Noted

13. Additional matter

Noted

14. Unaudited supplementary schedules

Noted

15. Report on other legal and regulatory requirements

Noted

16. Predetermined objectives

Noted from 16 to 18

19. Usefulness of information

Consistency
Noted

20. Measurability

Noted from 20 to 21

2.2. Reliability of information

Validity and Accuracy
Noted

23. Additional matter

Noted

24. Achievement of planned targets

Noted from **24 to 25**

26. Material adjustments to the annual performance report

Noted

27. Compliance with laws and regulations

Noted

28. Annual financial statements

Noted

Financial statements were handed to the Auditor General on 31 August 2012 as legislated in the MFMA, however as the audit was being conducted the auditor's from the Auditor General's office allowed, the municipality to pass subsequent journal entries and amend the annual financial statements.

29. Strategic planning and performance management

Noted

30. Procurement and contract management

Noted from **30 to 32**

33. Human resource management and compensation

Noted from **33 to 34**

35. Expenditure management

Noted from **35 to 36**

37. Revenue management

Noted

38. Internal control

Noted

39. Leadership

Noted

40. Financial and performance management

Noted

41. Other Reports

Investigations
Noted

42. Recommendation

It is recommended:

That the report dated 30 November 2012 by the Auditor - General to the members of the Council on the financial statements of The Msunduzi Municipality for the year ended 30th June 2012 be noted.

That the report dated 18 January 2013 by the Municipal Manager, in reply to the Auditor-General's report, be noted.

Submitted for consideration as per Legislation.

M. A. NKOSI
MUNICIPAL MANAGER

CHAPTER 9 – REPORT OF THE AUDIT COMMITTEE

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2011 TO 30 JUNE 2012

The Audit Committee of the Municipality has pleasure in submitting its report. This report is submitted in terms of the provisions of sections 121(3) (j), 166(2) (b) and 166(2) (c) of the Municipal Finance Management Act of 2003 ("the MFMA") and covers the financial period from 1 July 2011 to 30 June 2012.

The report records the outcome of the work done by the Audit Committee. The committee from time to time made recommendations as preventative or corrective measures to the weaknesses identified by Internal Audit Unit in the municipality based on reports and information supplied to the Audit Committee.

The recommendations or advice in this report have been made based on certain information at a point in time and supplied to the Audit Committee and are subject to change after due consideration of new information received as well as subsequent deliberation with the municipality.

Members

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 composition of the committee was changed by the Council during the cause of the year under review.

Name of Member	Number of Meetings Attended
Mr M A Jordan (Chairperson) (resigned June 2012)	6
Mrs S Keshav (Deputy Chairperson)	7
Mr R M J Baloyi	8
Mr B Ntuli	6
Mr G S Majola	6
Mr A Latiff	8

On the 21 June 2012 the Executive Committee as a result of the resignation of Mr Jordan recommended to council the appointment of MsKeshav as the chairperson and MrBaloyi as the deputy.

Overview of Activities

The Committee held 8 meetings during the year on the following dates.

26 July 2011
11 August 2011
29 August 2011
30 September 2011
25 November 2011
6 March 2012
24 April 2012
19 June 2012

In addition the chairperson or her delegate availed himself for meeting with the Auditor-General, the Executive Committee Meetings to report on Audit Committee issues.

Audit Committee Responsibilities

The Audit Committee has complied with its responsibilities arising from section 166 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and clause 14(2) (a) of the Municipal Planning and Performance Management Regulations of 2001. The Audit Committees' work was guided and regulated by an Audit Committee Charter, which was reviewed, amended and ratified by Council on the 27th June 2012 and has discharged all its responsibility as contained therein.

Internal Audit Function

The Internal Audit Charter as adopted by the Audit Committees on 26th July 2011 regulates the work of the Internal Audit Activities.

In terms of S165 (1) each Municipality is required to have an internal audit, S165 (3) allows the Municipality to co-source the internal audit function if the Municipality requires assistance to develop its internal capacity. The internal audit services were co sourced with two firms of Accountant and Auditors during the year ended 30 June 2012. The internal auditors presented annual audit coverage plan which was approved by the audit Committee on the meeting held on the 28 February 2012. The delay of submission of the annual audit coverage plan was due to the delays in finalising risk assessment exercise.

During this financial year internal audit reports were presented to the Committee and discussed with management and at the Audit committee meetings. Issues that were raised were, deliberated upon and recommendations made to council including the issues raised by the Auditor-General.

The Committees also noted that there were several acting positions at managerial level, including internal audit during the financial year as these are critical positions to operations of the Audit Committee being effective. The Committee also noted the re-action by the Accounting Officer as well Council in filling the vacancies at management level including the Executive Manager of Internal Audit Unit and hope that the process will continue until all vacancies have been filled.

Risk Management

Risk assessment was conducted with the assistance from KwaZulu-Natal Provincial Treasury which then informed the annual audit coverage plan for 20121/12 financial year. Risk assessment report was tabled before the Audit Committee and noted. Progress reports on risk management were submitted to the Audit Committee, however members expressed dissatisfaction of the format of the reporting and made recommendation thereto so as to enable members to identify the top ten risks of the municipality and advise accordingly and enable the committee to confirm that the risk register was duly updated and the risk assessment report was submitted to the Council. Notwithstanding the above certain risks identified were considered in the preparation of the audit coverage plan.

System of Internal Control

The system of internal control are designed to provide reasonable assurance that the assets are safeguarded and the liabilities and working capital are effectively and efficiently managed.

The internal audit reports in all areas audited indicated that there were weaknesses in the system of internal control due to a number of reasons including high vacancy rate at all levels, a number of policies which were outdated and needed review and limited financial resources. The Accounting Officer initiated a process of the review of policies and bylaws and improvement on the system of internal control including but not limited Trade Payables review on monthly basis before payment are realised as well as subjecting any payment documentation to internal audit review during the year under review.

Irregular, fruitless, wasteful expenditure and Unauthorised Expenditure have been brought to the attention of the Finance Portfolio Committee, Executive Committee, Council and Audit Committee for noting. The municipality has developed a framework on reporting of irregular, fruitless, wasteful expenditure on monthly basis. The Supply Chain Management processes and controls are improving thus reducing continuous incurring irregular expenditure.

Financial Management and Reporting

There has been an improvement in the use of the accounting system which assisted in producing adequate, credible and accurate financial reporting.

The Committee however noted that debtor's books continued to increase despite concerted effort during administration and various strategies. This was as a result of collection rate of the current debt which is not improving. These challenges taking place in the difficult economic situation being faced by residents and business in the Msunduzi and the lack of new employment opportunities.

Whilst the municipality is not faced by liquidity challenges, it needs to trade carefully to improve its long terms sustainability.

Annual Financial Statements for the Year Ended 30 June 2012

The Audit Committee reviewed the Annual Financial Statements for the year ended 30 June 2012 prior to submission to the Auditor-General. The first review was done by the Internal Audit Unit and presented its report to the Audit Committee and in addition the Audit Committee conducted its own review and raised questions on certain issues which satisfactory addresses to ensure adequacy and compliance GRAP and MFMA as well MFMA circulars issued by National Treasury.

The Audit Committee also review the accounting policy and noted changes in accounting practises which were informed by the GRAP standards.

The Chairperson or her delegate also attended the Audit Steering Committee meeting where the final management report was tabled and discussed with both Executive and Management.

Performance Management Reporting

Internal Audit Unit's annual audit coverage plan included review of performance management on quarterly basis. Quarterly reports were tabled at the Audit Committee meetings and deliberated on. The Audit Committee noted that the Key Performance Indicators as per the Service Delivery Budget Implementation Plan (SDBIP) did not comply with the smart principle. Although quarterly SDBIP reports were tabled before Executive Committee and Council, Council did not monitor performance of the section 57 managers.

Governance

The Committee has met the chairperson of the MPAC to establish a relationship that will promote the credibility of information reported to Council. Although no framework has been established, the Committee has invited the MPAC chairperson to attend all their meetings in order that MPAC as part of the discussions and deliberations which we believe will assist the MPAC in discharging its duties of the oversight role. The relationship between the two committees will be formalised and strengthened moving forward.

The Audit Committee did not perform governance review; however, this review is including in the annual audit coverage plan for 2012/13 financial year.

Information and Communication Technology

Although internal audit did not perform any audit on this area, however, the Audit Committee noted the findings of the Auditor-General in his interim report. The municipality has to improve its efforts to improve its Information and Communication Technology system of internal control.

Conclusion

The Committees wishes to express its sincere gratitude to the Council Committees and all those involved in the improvement of systems at the Municipality and to the Municipal Manager and Senior Management for their support during its term of office.

Chairperson

ANNEXURE I: SDBIP 2011 / 2012 QUARTER 4 & ANNUAL REPORT 2011/2012

ANNEXURE I(A): CORPORATE BUSINESS UNIT SERVICE DELIVERY TARGETS & PERFORMANCE INDICATORS For the Budget Years ended 2011/2012.

CORPORATE BUSINESS UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

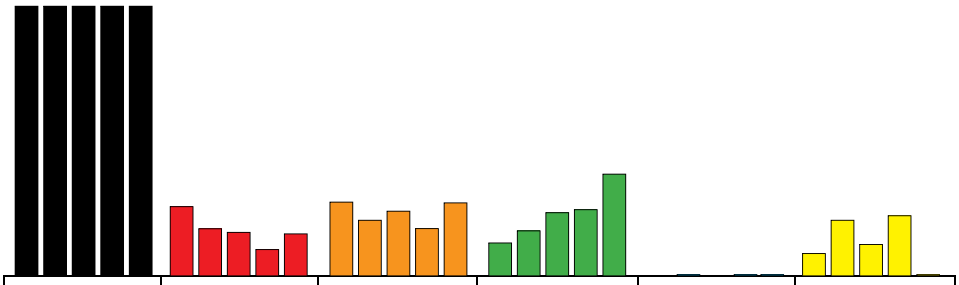
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 CORPORATE BUSINESS UNIT OVERVIEW

1.1 TOTAL PROJECTS: 67
1.1.1 OPERATING PROJECTS 66
1.1.2 CAPITAL PROJECTS 1

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

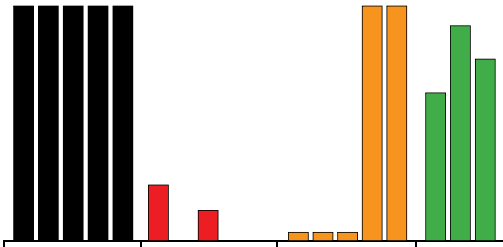
CORPORATE BUSINESS UNIT OVERVIEW - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR
QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	32.83%	34.32%	19.40%	0%	13.43%
QTR 2	100%	20.89%	26.86%	22.38%	1.49%	28.35%
QTR 3	100%	19.40%	31.34%	31.34%	0%	17.91%
QTR 4	100%	13.63%	22.72%	31.81%	1.51%	30.30%
Annual	100%	18.18%	34.84%	43.93%	1.51%	1.51%

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

CORPORATE BUSINESS UNIT OVERVIEW - CAPITAL PROJECTS 2011/2012 FINANCIAL YEAR
QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	25%	8.33%	60.67%	0%	0%
QTR 2	100%	0%	8.33%	91.66%	0%	0%
QTR 3	100%	16.66%	8.33%	75%	0%	0%
QTR 4	100%	0%	100%	0%	0%	0%
Annual	100%	0%	100%	0%	0%	0%

INTERNAL AUDIT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

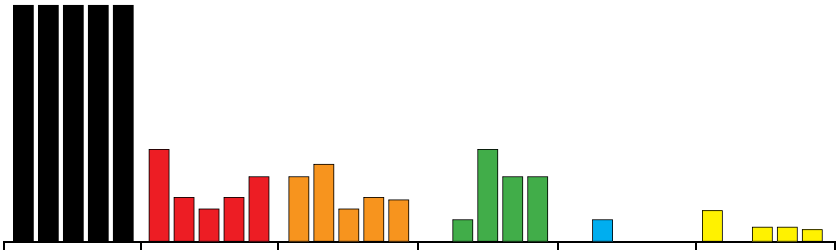
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 INTERNAL AUDIT UNIT OVERVIEW

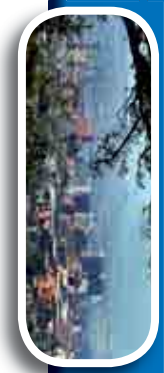
1.1 TOTAL PROJECTS: 18
- 1.1.1 OPERATING PROJECTS 18
- 1.1.2 CAPITAL PROJECTS 0

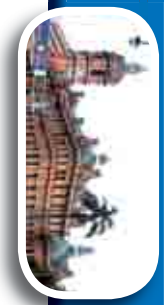
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - INTERNAL AUDIT 2011/2012 - OPERATING PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



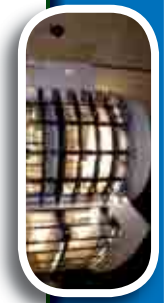
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	44.44%	33.33%	0%	0%	22.20%
QTR 2	100%	27.77%	38.88%	16.66%	16.66%	0%
QTR 3	100%	22.22%	22.22%	44.44%	0%	11.11%
QTR 4	100%	27.77%	27.77%	33.33%	0%	11.11%
Annual	100%	33.33%	27.27%	33.33%	0%	11%

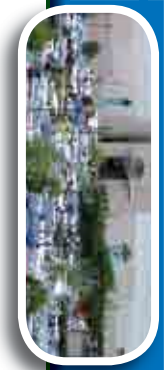




CORPORATE BUSINESS UNIT
1. INTERNAL AUDIT & COMPLIANCE

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT	Comments
IA01	Feroz Casimjee	Audit Plan	n/a	Annual plan to be approved by Audit Committee by July 2011	nil	Achieved	Nil Achieved	The Annual Audit Plan was approved on the 25 February 2012. Firstly being under administration had an impact on decision making as far as who was going to do risk assessment. Secondly after the decision was taken in July 2011 KZN Treasury came in in August 2011 and advised that they need 2 months to do the assessment and the report. Thirdly this delayed due to the approach that management had a 3 day workshop but did not want to finalise it but preferred that it be done per business unit & then the availability of manager created more delays until the draft report was ready in December 11 & the new MM started in January 12 when a final report was issued to him.	This could not corrected at that time, however moving forward risk assessment to inform the planning for the next three years 13/14 to 15/16 started ellier & is beng finalised.	Nil required	N/A	N/A	Annual plan to be approved by Audit Committee by July 2011	Annual Plan Approved	Nil Achieved	Audit Plan	The Annual Audit Plan was approved on the 25 February 2012 following the annual risk assessment which was completed in February 2012
IA02	Feroz Casimjee	Audit Plan	n/a	80% of projects completed as per audit plan	100% of projects completed	70%	Target Partially Met	3 audits in progress commenced in Q4. The annual audit plan only approved on 25 February 2012	4 projects rolled over into 2012/13	1 200 000	1 032 000	audit reports	80% of projects completed as per audit plan	70%	Target Partially Met	Audit reports	Whilst the % model is not suitable it will be reviewed by the newly appointed Exec Mgr Internal Audit
IA03	Feroz Casimjee	Audit Plan	n/a	10% of revision to the Audit Plan		Plan revised in February 2012	Target Met	N/A	N/A	nil required	N/A	N/A	10% of revision to the Audit Plan	Plan Revised February 2012	Target Met	Approved Audit Plan 25 February 2012	This KPI will be revisited by the newly appointed Exec Mgr Internal Audit as it is dependant on external variables
IA04	Feroz Casimjee	Audit Plan	n/a	4 X Performance information audits as part of the plan (continuous)	Q3 Audit of performance information commenced. Q4 performance information rolled over in Q1 of 2012/13	2 Performance Information Audits Completed	Target Partially Met	Annual audit plan approved on 25 February 12 .	Q3 & Q4 audit of performance information dependant on approved sdbip.	300 000	166 342	Audit of Performance Information Reports	4 X Performance information audits as part of the plan (continuous)	2 Performance Reports	Target Partially Met	Audit of Performance Information Reports	
IA05	Feroz Casimjee	Audit Plan	n/a	80% of Audit reports received with management comments which agree with findings	100% of audit reports received with management comments	9 reports received with management comments	Target Met	N/A	N/A	N/A	N/A	9 reports received with management comments	80% of Audit reports received with management comments which agree with findings	9 Reports Received with management comments	Target Met	Audit Reports	This KPI will be revisited as the mgt comments are owned by senior management
IA06	Feroz Casimjee	Audit Plan	n/a	4 audit reports at field stage i.e. work in progress (Quarterly)	4 Reports at end of May at fieldwork stage	3 reports at field work stage	Target Partially Met	The annual plan was approved very late in the midle of the third quarter duei to the delay in the risk assesmsent process explained above.	Audit assignment that could be done withith the timeframe were completed and the rmainder were rolledover to 2012/13 and have been completed.	(incorporated as part of Annual Plan)	N/A	Progress report ot the Audit Committee	3 audit reports at field stage i.e. work in progress (Quarterly)	3 reports at field work stage	Target Partially Met	Letters of engagement	The newly appointed Exec Mgr I/Audit will review the value of this KPI
IA07	Feroz Casimjee	Audit Plan	n/a	Budgeted hours for audit compared to actual hours (variance)	100% of budgeted hours relative to actual hours	100%	Target Met	N/A	N/A	N/A	N/A	Working paper file	Budgeted hours for audit compared to actual hours (variance)	100%	Target Met	Working Paper file	
IA08	Feroz Casimjee	Enterprise Wide Risk Management & Compliance	n/a	Review of risk management policy by audit committee	N/A	Review Completed March 2012	Target Met	N/A	N/A	50 000	Nil	Minutes of Committee meeting February 12	Review of risk management policy by audit committee	Policy Reviewed March 2012	Target Met	Minutes of Committee meeting March 2012	With the appointment of the new Exec Mgr I/Audit - the risk management framework will be addressed more thoroughly





CORPORATE BUSINESS UNIT
1. INTERNAL AUDIT & COMPLIANCE

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT	Comments
IA09	Feroz Casimjee	Enterprise Wide Risk Management & Compliance	n/a	A comprehensive risk register for all sections (Annually)	N/A	Risk Assessment Report Completed	Target Met	N/A	N/A	nil required	N/A	Risk Register 2012	A comprehensive risk register for all sections (Annually)	A comprehensive risk register for all sections (Annually)	Target Met	Risk Register 2012	With the appointment of the new Exec Mgr I/Audit - the risk management framework will be addressed more thoroughly
IA10	Feroz Casimjee	Enterprise Wide Risk Management & Compliance	n/a	All risks identified to be assigned to a section, a process and/or individual	Risk register to be updated and risk assessment for new year to be finalized	N/A	Not Applicable	Risk assesment was done and completed in December 2011 which culminated to the annual plan for 12/13	This target should been for 2012/13 as risk assessement was done in 2011/12.	nil required	N/A	N/A	All risks identified to be assigned to a section, a process and/or individual	N/A	Not Applicable	N/A	With the appointment of the new Exec Mgr I/Audit - the risk management framework will be addressed more thoroughly
IA11	Feroz Casimjee	Investigations	n/a	Establish a whistle-blowing Hotline.	Establish and monitor the functioning of the whistle-blowing Hotline	Specs drawn up for proposal	Target Partially Met	This target was not met please effect changes. Lack pof planning and capacity constratints.	The project has been rolled over to 12/13 and the approach has been changed in order to reduce cost.	513 885	nil	SLA with either Provincial CoGTA or Office of the Primier. Antifraud and Corruption Strategy. Resolution of SMC, Exco & Council.	Establish a whistle-blowing Hotline.	Specs drawn up for proposal	Target Partially Met	Spec sheet	This Kpi will be reviewed in 2012/13 by the newly appointed Exec Mgr I/Audit
IA12	Feroz Casimjee	Investigations	n/a	20% investigations arising from valid/ reliable allegations from hotline.	20% investigations arising from valid/ reliable allegations from hotline.		Nil Achieved	Awaiting set up of Whistle blowing hotline	Proposal Call to be advertised	60 000	Nil	N/A	20% investigations arising from valid/ reliable allegations from hotline.	N/A	Nil Achieved	N/A	This Kpi will be reviewed in 2012/13 by the newly appointed Exec Mgr I/Audit
IA13	Feroz Casimjee	Investigations	n/a	60 % of investigations completed in terms of agreed plan	100% completed		Nil Achieved	Awaiting set up of Whistle blowing hotline	Proposal Call to be advertised	240 000	Nil	N/A	60 % of investigations completed in terms of agreed plan	N/A	Nil Achieved	N/A	This Kpi will be reviewed in 2012/13 by the newly appointed Exec Mgr I/Audit
IA14	Feroz Casimjee	Client Satisfaction	n/a	80 % Auditee satisfaction with Audit Service	100% -Control self assessment questionnaires issued in May with responses completed by June		Nil Achieved	Annual Plan Approved in February 12- Questionnaire to go out in July 2012	Annual Plan Approved in February 12- Questionnaire to go out in July 2013	n/a	N/A	N/A	80 % Auditee satisfaction with Audit Service	N/A	Nil Achieved	N/A	The New Exec Mgr I/Audit will be introducing client satisfaxction surveys going forward
IA15	Feroz Casimjee	Client Satisfaction	n/a	60 % reduction of non-recurring management report findings from the Auditor General of the prior year	(1) 16 CTSC meetings- to address prior year findings; (2) 60 % reduction of non-recurring management report findings from the Auditor General of the prior year	6 Meetings Held	Target Partially Met	Committee commenced sitting in Feb 12	Mun Mgr revised the terms of reference (membership revision june 12)	n/a	N/A	N/A	60 % reduction of non-recurring management report findings from the Auditor General of the prior year	Minutes of the CTSC meetings + IT framework rolled out over 3 year period	Target Partially Met	Auditor General ffg up matrix + portfolio of evidence review file	
IA16	Feroz Casimjee	Training and Development	n/a	60% of auditors trained in the financial year	100% auditors trained	Nil	Nil Achieved	The unit had budget limitations and the structure of the unit requires reviewing	training to commence in 2012/13	100 000	Nil	N/A	60% of auditors trained in the financial year	N/A	Nil Achieved	N/A	The new Exec Mgr I/Audit will review the training program for staff in 2012/13
IA17	Feroz Casimjee	Training and Development	n/a	1 Management meeting per month	12 Management meetings	Nil	Not Applicable	Managers to be employed	Managers to be employed	nil required	N/A	N/A	1 Management meeting per month	N/A	Nil Achieved	N/A	
IA18	Feroz Casimjee	Training and Development	n/a	Team meetings on a monthly basis. Minutes available for inspection	12 Team meetings	12 meetings	Target Met	N/A	N/A	nil required	N/A	N/A	Team meetings on a monthly basis. Minutes available for inspection	Team meetings on a monthly basis. Minutes available for inspection	Target Met	Team meetings on a monthly basis. Minutes available for inspection	

MAYORAL SPECIAL PROJECTS OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

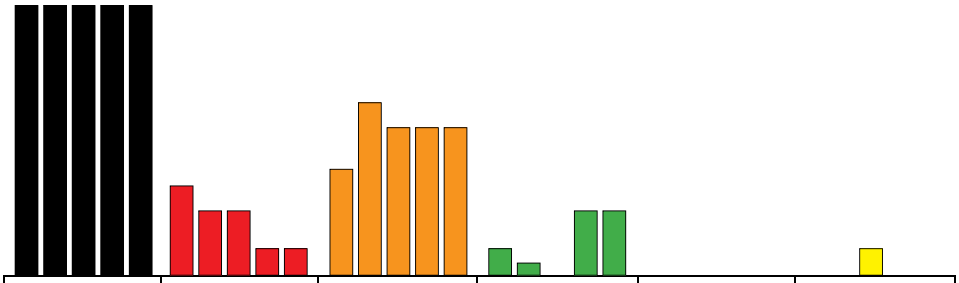
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 MAYORAL SPECIAL PROJECTS OVERVIEW

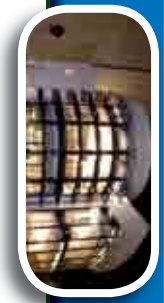
1.1 TOTAL PROJECTS: 22
- 1.1.1 OPERATING PROJECTS 11
- 1.1.2 CAPITAL PROJECTS 0

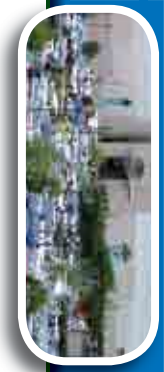
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - MAYORAL SPECIAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	36.36%	45.45%	18.18	0%	0%
QTR 2	100%	27.27%	63.63	9.09	0%	0%
QTR 3	100%	27.27%	54.54%	0%	0%	18.18%
QTR 4	100%	18.18%	54.54%	27.27%	0%	0%
Annual	100%	18.18%	54.54%	27.27%	0%	0%





CORPORATE BUSINESS UNIT
OFFICE OF THE MAYOR

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
CCS29	MSP	Education and Training	All	Identify 50 male&female adult recipients per zone and provide Adult Education and Training (AET)	Conduct skills audit at ward level in all wards through profiling by Community Caregivers in War rooms and identify 50 recipients per zone; Consult with Human Resource Development in order to develop implementation plan and update SDBIP with targets	Nil	Nil Achieved	Lack of Human Resources	Await finalisation and appointment of new organisational structure	R450 000	Nil	N/A	Identify 50 male&female adult recipients per zone and provide Adult Education and Training (AET)	Nil	Nil Achieved	N/A
CCS30	MSP	Education and Training	All	Identify 50 people with disabilities per zone and provide Adult Education and Training(AET)	Qrt1-conduct skills audit at ward level in all wards through profiling by Community Caregivers in War rooms and identify 50 recipients per zone; Consult with Human Resource Development in order to develop implementation plan and update SDBIP with targets	10 people with Disabilities are on a learnership on Plant Production NQF level 1 for 10 months from 1 April 2012 to 31 March 2013	Target Partially Met	Lack of resources to accommodate the number specified in the KPI	Form partnership with other stakeholders	R500 000	Nil	N/A	Identify 50 people with disabilities per zone and provide Adult Education and Training(AET)	10 people with Disabilities are on a learnership on Plant Production NQF level 1 for 10 months from 1 April 2012 to 31 March 2013	Target Partially Met	N/A
CCS31	MSP	Advocacy for Senior Citizens	All	Conduct 5 zonal awareness campaigns relating to conditions that affect the elderly	5 awareness campaigns	Nil	Nil Achieved	Lack of Human Resources	Await finalisation and appointment of new organisational structure	R330 000	Nil	N/A	Conduct 5 zonal awareness campaigns relating to conditions that affect the elderly	Nil	Nil Achieved	N/A
CCS32	MSP	Promote Active Ageing	All	Provide sporting equipment to established elderly groups in order to promote active ageing	Qrt2 Prepare tender specifications, advertise for purchase of equipment	Report signed, submitted to Expenditure Committee	Target Partially Met	Capacity constraints within the office of the Mayor in terms of the number of staff, there was also a change in managment dring the 4th quarter of the financial year	The KPI will be completed in the 2012/2013 financial year.	R240 000	Nil	Request to Procure documents/ Invoices	Provide sporting equipment to established elderly groups in order to promote active ageing	Report signed and submitted to Expenditure committee	Target Partially Met	Report/RTPs
CCS33	MSP	Local Advisory Council for Children	n/a	Functional Advisory Council for Children (LACC)	1xquartely meeting of the LACC	OSS meetings - 1st Thursday and 3rd Tuesday of each month	Target Met	LACC has been replaced by OSS Local Task Team	Nil required	R20 000	Nil	Attendance register	Functional Advisory Council for Children (LACC)	OSS meetings held twice each month	Target Met	Attendance register
CCS34	MSP	Promote Child Participation	All	Establish Junior Council	Induction & establishment of terms of reference of JCC	Inauguration of JCC	Target Partially Met	Inaguration was stood down at Full Council on 30 May 2012	JCC inaugurated at EXCO meeting of 21 June 2012	R80 000		Report/ invoice	Establish Junior Council	Consulted with schools to appoint representatives to the JCC; JCC inagurated	Target Partially Met	Report/ invoice
CCS35	MSP	Outreach and sport development	All	Implement structured sports development program for youth	Qrt 1 - Consult with internal sports development business units and develop implementation plan and update SDBIP with applicable dates	Zonal games in progress - 15 sports codes in all wards	Target Partially Met	No meeting convened with the sports business unit	Convene meeting with sports development unit and develop implementation plan	R1 500 000	R	Report/ invoice	Implement structured sports development program for youth	Zonal games in progress - 15 sports codes in all wards	Target Partially Met	Report/ invoice
CCS36	MSP	Children, Youth, Gender, Persons with disabilities, Elderly & HIV and Aids	All	Establish structured formation of vulnerable groups with specific groups	Developed programme of action/ implementation for each vulnerable group	Only Youth forum has been established with representatives from all wards	Target Partially Met	Lack of Human Resources	Await finalisation and appointment of new organisational structure	R250 000	Nil	N/A	Establish structured formation of vulnerable groups with specific groups	Only Youth forum has been established with representatives from all wards	Target Partially Met	N/A
CCS37	MSP	Mainstream the agenda of all vulnerable groups	All	Review all relevant municipal policies to ensure that they cater for the needs of vulnerable groups	Monitoring and evaluation : report on progress made on the implementation of the reviewed policies	Reviewed some policies- Supply chain and HR (employment equity) they cater for the sectors but there is lack of implementation and no monitoring and evaluation to ensure that policy is comrrectly implemented	Target Partially Met	No monitoring and evaluation of policies	MSP unit to consult with business units and develop quartely progress reports on implementation of policies on those aspects relating to vulnerable groups	R120 000	Nil	N/A	Review all relevant municipal policies to ensure that they cater for the needs of vulnerable groups	Reviewed some policies- Supply chain and HR (employment equity) they cater for the sectors but there is lack of implementation and no monitoring and evaluation to ensure that policy is correctly implemented	Target Partially Met	N/A
CCS38	MSP	Operation Sukuma Sakhe	All	Co-ordinate the participation of the municipality in the implementation of Operation Sukuma Sakhe	At least 70% attendance of municipal representatives at Local Task Team meetings (LTT) of OSS	70% attendance	Target Met	N/A	Nil required	R45 000	Nil	Attendance register	Co-ordinate the participation of the municipality in the implementation of Operation Sukuma Sakhe	70%	Target Met	Attendance register
CCS39	MSP	Co-ordinate International, National, Provincial and Municipal Calendar of events	All	Compile Calendar of events indicting applicable dates of celebration/commemoration etc for all vulnerable groups	Implement all the programmes outlined in the calendar of events	Annual calendar approved	Target Met	N/A	Nil required	R1 500 000		Calendar of events document	Compile Calendar of events indicting applicable dates of celebration/ commemoration etc for all vulnerable groups	Annual calendar approved	Target Met	Calendar of events document

INTERGRATED DEVELOPMENT PLAN UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

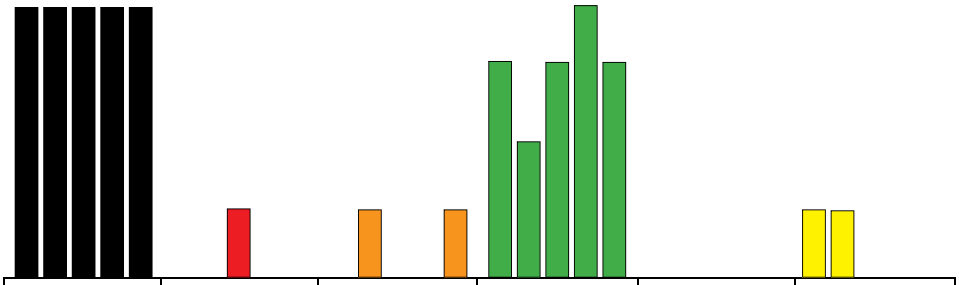
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 INTERGRATED DEVELOPMENT PLAN UNIT OVERVIEW

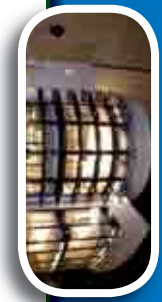
1.1 TOTAL PROJECTS: 4
- 1.1.1 OPERATING PROJECTS 4
- 1.1.2 CAPITAL PROJECTS 0

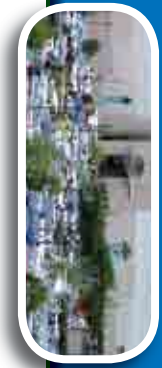
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - INTERGRATED DEVELOPMENT PLAN - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	0%	75%	0%	25%
QTR 2	100%	0%	25%	50%	0%	25%
QTR 3	100%	25%	0%	75%	0%	0%
QTR 4	100%	0%	0%	100%	0%	0%
Annual	100%	0%	25%	75%	0%	0%





CORPORATE BUSINESS UNIT
3. INTEGRATED DEVELOPMENT PLAN

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
EDP13	Robbie Mkhize	IDP review	n/a	Revised draft IDP	Council Approval of the 2012 - 2017 IDP by the end of May 2012	IDP Adopted on the 30th May 2012	Target Met	N/A	N/A	nil required	N/A	Council Resolution	Revised draft IDP	IDP Adopted on the 30th May 2012	Target Met	Council Resolution
EDP15	Robbie Mkhize	Stakeholders Consultation	All wards	Input from stakeholders	Prioritization of projects	Completed Consultations on Public and Stakeholders Priority Needs	Target Met	N/A	N/A	80 000	N/A	2012 - 2017 IDP	Input from stakeholders	Stakeholders and public priority needs	Target Partially Met	2012 - 2017 IDP
EDP16	Robbie Mkhize	Publication and Printing	n/a	4 x Public notices and Adverts	Public Notice on Adoption of the IDP	Public notices on Adoption of the IDP completed	Target Met	N/A	N/A	30 000	N/A	Newspaper adverts / SCM paperwork	4 x Public notices and Adverts	Public consultation on revised IDP and sector plans	Target Met	Newspaper adverts / SCM paperwork
EDP17	Robbie Mkhize	Publication and Printing	n/a	Design and Print IDP Document and Booklets	Printing of 2012 - 2017 IDP	Printed IDP document and booklet	Target Met	N/A	N/A	150 000	N/A	2012 - 2017 IDP / SCM paperwork	Design and Print IDP Document and Booklets	Printed IDP document and booklet	Target Met	2012 - 2017 IDP / SCM paperwork

SPEAKERS OFFICE UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

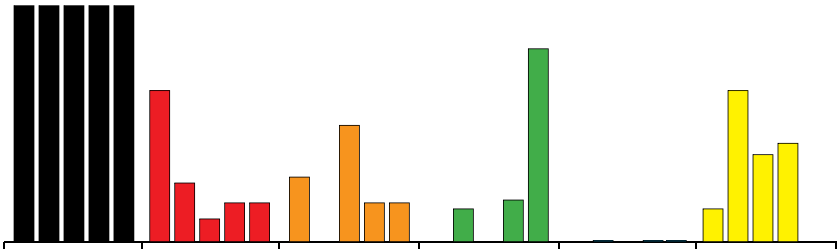
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 SPEAKER S OFFICE UNIT OVERVIEW

1.1 TOTAL PROJECTS: 9
- 1.1.1 OPERATING PROJECTS 7
- 1.1.2 CAPITAL PROJECTS 1

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

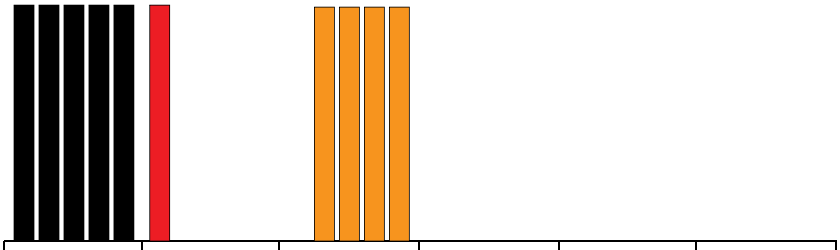
SUB BUSINESS UNIT OVERVIEW - SPEAKER S OFFICE - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR Q1 + Q2 + Q3



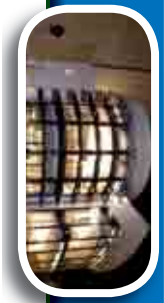
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	62.50%	25%	0%	0%	12.50%
QTR 2	100%	25%	0%	12.50%	0%	62.50%
QTR 3	100%	12.5%	50%	0%	0%	37.5%
QTR 4	100%	14.28%	14.28%	28.57%	0%	42.85%
Annual	100%	14.28%	14.28%	71.42%	0%	0%

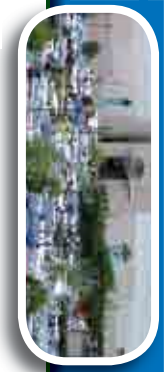
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - SPEAKER S OFFICE - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	100%	0%	0%	0%	0%
QTR 2	100%	0%	100%	0%	0%	0%
QTR 3	100%	0%	100%	0%	0%	0%
QTR 4	100%	0%	100%	0%	0%	0%
Annual	100%	0%	100%	0%	0%	0%





CORPORATE BUSINESS UNIT
4. SPEAKER S OFFICE

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 JAN-MAR TARGET/ TARGET CARRIED OVER FROM PREVIOUS QUARTER	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
CCS21	Blessing Dlamini	Establishment of Ward Committees	1-37	Establish 37 ward committees by the 18 August 2011	N/A	N/A	Not Applicable	N/A	N/A	1 500 000	N/A	N/A	Establish 37 ward committees by the 18 August 2011	37 Ward Committees estbished	Target Met	Ward Committee establishment records
CCS22	Blessing Dlamini	Training of Ward Committee Members	1-37	20 training sessions conducted within the financial year.	N/A	Nil	Nil achieved	Deadline for the adjudication not met as service providers were disqualified	Re-advertising	0 (as per adjusted bidget)	N/A	SCM documents	20 training sessions conducted within the financial year.	0 training sessions conducted	Nil Achieved	N/A - SCM documents
CCS23	Blessing Dlamini	Appointment of Ward Assistants	1-37	Appointment of 37 ward assistants by the 01 August 2011	N/A	N/A	Not Applicable	N/A	N/A	Nil required	N/A	N/A	Appointment of 37 ward assistants by the 01 August 2011	37 ward assistants appointed	Target Met	Office of the Speaker records - Appointment documents
CCS24	Blessing Dlamini	Training of Ward Assistants	1-37	1 x Training session on Office Administration for 37 ward assistants	N/A	N/A	Not Applicable	N/A	N/A	NIL (FUNDING WITHDRAWN DURING MID-YEAR)	N/A	N/A	1 x Training session on Office Administration for 37 ward assistants	1 x Training session on Office Administration for 37 ward assistants	Target Met	Office of the Speaker records - Training documents
CCS25	Blessing Dlamini	Community Meetings	1-37	Number of community meetings to be held during the year must be within the approved policy guidelines (minimum of 4 per ward and a maximum of 12)	N/A	210	Target Met	N/A	N/A	dependent on finalization of annual schedule	N/A	Office of the Speaker Meeting records	Number of community meetings to be held during the year must be within the approved policy guidelines (minimum of 4 per ward and a maximum of 12)	Number of community meetings to be held during the year were within the approved policy guidelines (minimum of 4 per ward and a maximum of 12)	Target Met	Office of the Speaker Meeting records
CCS26	Blessing Dlamini	Ward Committee Meetings	1-37	Number of ward committee meetings to be held during the year must be within the approved policy guidelines (minimum of 6 per ward and a maximum of 12)	N/A	339	Target Met	N/A	N/A	dependent on finalization of annual schedule	N/A	Office of the Speaker Meeting records	Number of ward committee meetings to be held during the year must be within the approved policy guidelines (minimum of 6 per ward and a maximum of 12)	339 ward committee meetings held during the year	Target Met	Office of the Speaker Meeting records
CCS27	Blessing Dlamini	Functioning of Ward Commitees	1-37	Establish and implement a tool that will monitor the functioning of ward committees on a monthly basis	37 reports per month (1 per ward).	Monitoring tool established	Target partially met	Delays in training of Ward Committee	To train Ward Assistants on how to use the tool.	Nil Required	N/A	Reports	Establish and implement a tool that will monitor the functioning of ward committees on a monthly basis	Monitoring tool established that will monitor the functioning of ward committees on a monthly basis	Target Partially Met	Reports
CCS42	Blessing Dlamini	Refurbishment of Ward Offices	1,2,3,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,25,26,29	23 Refurbished ward offices as per applicable refurbishment schedule	23 Ward Offices completely refurbished	17 Refurbished ward offices as per applicable refurbishment schedule	Target partially met	Renovations ongoing, delay caused by removal of funds during the midyear review	To request sufficient funding to carry out renovations to the remaining ward offices.	769000 budget removed and R300 000 thereafter allocated	N/A	SCM documents	23 Refurbished ward offices as per applicable refurbishment schedule	17 Refurbished ward offices as per applicable refurbishment schedule	Target Partially Met	SCM documents

MARKETING UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

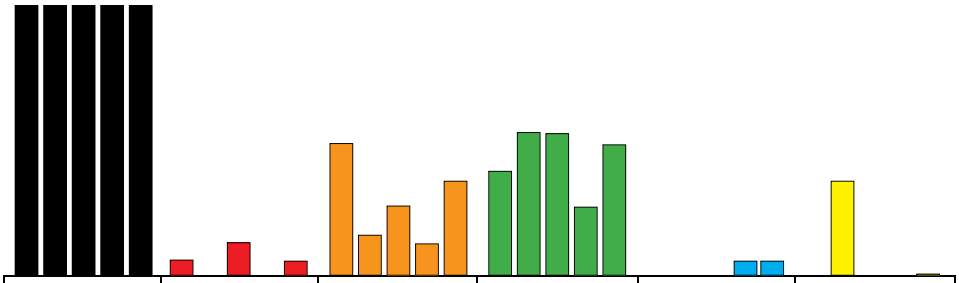
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 MARKETING UNIT OVERVIEW

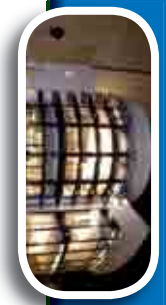
1.1 TOTAL PROJECTS: 14
- 1.1.1 OPERATING PROJECTS 14
- 1.1.2 CAPITAL PROJECTS 0

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - MARKETING - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR
QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	7.14%	50%	42.85%	0%	0%
QTR 2	100%	0%	17.40%	57.14%	0%	35.71%
QTR 3	100%	14.28%	28.57%	57.14%	0%	0%
QTR 4	100%	0%	14.28%	28.57%	7.14%	0%
Annual	100%	7.14%	35.71%	50%	7.14%	0%



CORPORATE BUSINESS UNIT
5. MARKETING

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
MPR01	Brian Zuma	Merger of two Tourism Associations.	n/a	Complete merger of the 2 Tourism Associations (PMB Tourism & Msunduzi Tourism Association).	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Complete merger of the 2 Tourism Associations (PMB Tourism & Msunduzi Tourism Association).	Merger achieved. New Pietermaritzburg Msunduzi Tourism Association	Target Met	Constitution of Pietermaritzburg Msunduzi Tourism Association and new logo.
MPR02	Brian Zuma	Merger of two Tourism Associations.	n/a	Signed Service Level Agreement between the new Tourism Association and the Municipality.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Signed Service Level Agreement between the new Tourism Association and the Municipality.	Service Level agreement still being drafted by the Legal Division.	Target Partially Met	Draft Service Level Agreement
MPR03	Brian Zuma	Merger of two Tourism Associations.	n/a	Monthly Reports from the newly established Tourism Association in order to effect monthly disbursements of R125 000.	Monthly Reports from the newly established Tourism Association in order to effect monthly disbursements of R125 000.	Quarterly reports until SLA is signed	Target Partially Met	SLA not signed because it is not ready from Legal Division.	Communicate with Legal Division.	1,500 000	N/A	Quarterly Reports	Monthly Reports from the newly established Tourism Association in order to effect monthly disbursements of R125 000.	Quarterly reports until SLA is signed	Target Partially Met	Quarterly Reports
MPR04	Brian Zuma	Events management policy.	n/a	Developed and approved Events Mangement Policy.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Developed and approved Events Mangement Policy.	Draft done, on MANCO agenda for discussion	Target Partially Met	Draft Events Management Policy
MPR05	Brian Zuma	Marketing Strategy	n/a	Developed and approved marketing strategy	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Developed and approved marketing strategy	NIL	Nil Achieved	N/A
MPR06	Brian Zuma	Public relations	n/a	Daily press cuttings of stories relating to the Municipality	April-June press cuttings	April to June cuttings kept	Target Met	N/A	N/A	Nil Required	N/A	Press Cuttings book	Daily press cuttings of stories relating to the Municipality	Daily press cuttings of stories relating to the Municipality filed	Target Met	Press Cuttings book
MPR07	Brian Zuma	Public relations	n/a	12 talk show radio slots on Umgungundlovu Radio.	12 radio slots	13 radio slots completed	Target Exceeded	N/A	N/A	100 000	N/A	Will request recorded discsof the show in future. No record at this stage.	12 talk show radio slots on Umgungundlovu Radio.	13 radio slots completed	Target Exceeded	Will request recorded discsof the show in future. No record at this stage.
MPR08	Brian Zuma	Public relations	n/a	Maintain annually updated record of press conferences indicating date, time and purpose as well as copies of issued press statement.	Maintain quarterly updated record of press conferences indicating date, time and purpose as well as copies of issued press statement.	Updated record kept.	Target Met	N/A	N/A	Nil Required	N/A	Press Conferences and press releases record book	Maintain annually updated record of press conferences indicating date, time and purpose as well as copies of issued press statement.	Updated record kept.	Target Met	Press Conferences and press releases record book
MPR09	Brian Zuma	Public relations	n/a	Maintain annually updated record of press releases indicating date, time and purpose as well as copies of issued press release.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Maintain annually updated record of press releases indicating date, time and purpose as well as copies of issued press release.	Updated record kept.	Target Met	Press Conferences and press releases record book
MPR10	Brian Zuma	Public relations	n/a	Develop and maintain a daily record of media queries received including date, time, received from, respose date & time.	Develop and maintain a daily record of media queries received including date, time, received from, respose date & time.	Responses by e-mail. No record kept.	Target Partially Met	No media Officer.	Keep own record.	Nil Required	N/A	E-mail records.	Develop and maintain a daily record of media queries received including date, time, received from, respose date & time.	Responces by e-mail. No record kept.	Target Partially Met	E-mail records.
MPR11	Brian Zuma	Call centre	n/a	Daily, updated record of customer complaints including date, time, nature of complaint and reference number.	Daily, updated record of customer complaints including date, time, nature of complaint and reference number, status towards resolving complaint and timeframe for resolving complaint.	Daily updated records kept.	Target Met	N/A	N/A	Nil Required	N/A	Electronic record of Customer Complaints.	Daily, updated record of customer complaints including date, time, nature of complaint and reference number.	Daily updated records kept	Target Met	Electronic record of Customer Complaints.
MPR12	Brian Zuma	Customer Services- Standards Manual	n/a	Develop, in consultation with business units, standards manual for turn-around times according to each service delivery category.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Develop, in consultation with business units, standards manual for turn-around times according to each service delivery category.	Meetings with departments discussing issues for the Customer Services Manual	Target Partially Met	Meeting documents
MPR13	Brian Zuma	Communication	n/a	Approved Communication Strategy.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Approved Communication Strategy.	Approved Communication Strategy	Target Met	Approved Communication Strategy
MPR14	Brian Zuma	Communication	n/a	12 Internal Newsletters posted on the municipal intranet.	12 Internal Newsletters posted on the municipal intranet.	12 Internal News letters posted on Corporate Communication.	Target Met	N/A	N/A	Nil Required	N/A	Electronic record of monthly Newsletters.	12 Internal Newsletters posted on the municipal intranet.	12 Internal News letters posted on Corporate Communication.	Target Met	Electronic record of monthly Newsletters.

ORGANISATIONAL PERFORMANCE MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

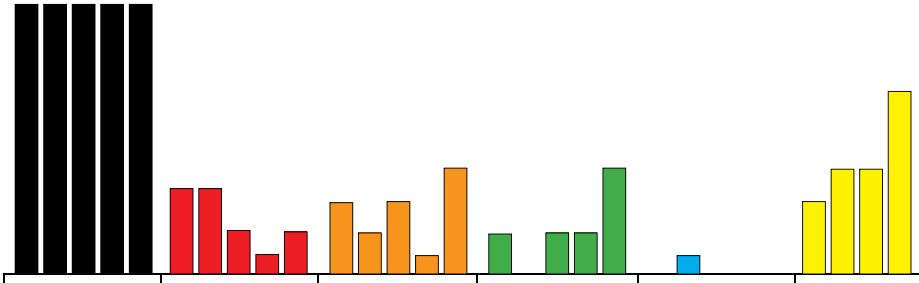
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 ORGANIZATIONAL PERFORMANCE MANAGEMENT UNIT OVERVIEW

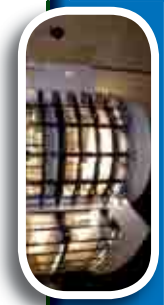
1.1 TOTAL PROJECTS: 12
- 1.1.1 OPERATING PROJECTS 12
- 1.1.2 CAPITAL PROJECTS 0

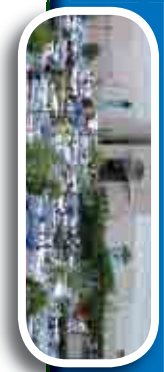
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



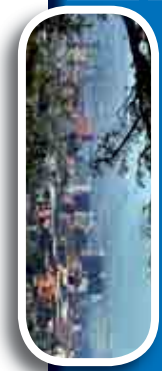
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	33.30%	25%	16.67	0%	25%
QTR 2	100%	33.30%	16.66%	0%	8.33%	41.66%
QTR 3	100%	16.66%	25%	16.66%	0%	41.66%
QTR 4	100%	8.33%	8.33%	16.66%	0%	66.66%
Annual	100%	16.66%	41.66%	41.66%	0%	0%

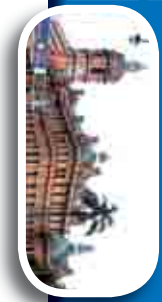




CORPORATE BUSINESS UNIT
6. ORGANIZATIONAL PERFORMANCE MANAGEMENT

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
OPMS01	Madeleine Jackson-Plaatjies	Service Delivery & Budget Implementation Plan (SDBIP)	n/a	Approved SDBIP 2011/ 2012 is made public 14 days after approved by the Mayor	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Approved SDBIP 2011/ 2012 is made public 14 days after approved by the Mayor	Approved SDBIP placed on the Municipal website on the 18 August 2011 - not within the required 14 days	Target Partially Met	E-mail sent to ICT to post approved SDBIP on the website
OPMS02	Madeleine Jackson-Plaatjies	Service Delivery & Budget Implementation Plan (SDBIP)	n/a	Approved SDBIP 2012/ 2013 - 28 days after the approval of the budget	Approved SDBIP 2012/ 2013 submitted to the Mayor for approval 28 days after the approval of the budget	SDBIP 2012/2013 submitted to the Mayor within 28 Days after the approval of the Budget, SDBIP 2012/2013 submited to Full Council within the 28 days	Target Met	N/A	N/A	Nil Required	N/A	SDBIP 2012/2013 letter of submission ot the Mayor, Council Resolution, SDBIP 2012/2013	Approved SDBIP 2012/ 2013 - 28 days after the approval of the budget	SDBIP 2012/2013 submitted to the Mayor within 28 Days after the approval of the Budget, SDBIP 2012/2013 submited to Full Council within the 28 days	Target Met	SDBIP 2012/2013 letter of submission ot the Mayor, Council Resolution, SDBIP 2012/2013
OPMS03	Madeleine Jackson-Plaatjies	Service Delivery & Budget Implementation Plan (SDBIP)	n/a	Quarterly reports on the SDBIP: (1) quarter 4 report on the SDBIP 2010/ 2011; (2) 3 x quarterly reports on the SDBIP 2012/ 2013	Quarter 3 report (SDBIP 2011/ 2012) submitted to EXCO by the end of April 2011	Q3 report has been submitted and presented to all portfolio committees. Has not been to EXCO to date.	Target Partially Met	Some business units only submitted their information towards the end of April. By the time collation, printing and submission had been completed we had missed the April & May portfolio committee meetings	A process plan will be put in place to ensure all reporting deadlines are met and that business units submit their information on time.	Nil Required	N/A	SDBIP Q3 report, Portfolio comittee agenda s and minutes	Quarterly reports on the SDBIP: (1) quarter 4 report on the SDBIP 2010/ 2011; (2) 3 x quarterly reports on the SDBIP 2011/ 2012	All reports were completed and submitted to portfolio committtees, however all were not completed within the timeframes set	Target Partially Met	Portfolio Committees Agenda s + Minutes, Exco Resolutions, & Quarterly SDBIP reports
OPMS04	Madeleine Jackson-Plaatjies	Mid-Year Performance Review	n/a	Mid-Year Performance Review submitted and approved by Council by the end of January 2012	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Mid-Year Performance Review submitted and approved by Council by the end of January 2012	Mid-Year Performance Review submitted and approved by Council by the end of January 2012	Target Met	Council Resolution,
OPMS05	Madeleine Jackson-Plaatjies	Annual Performance Report	n/a	Completed Annual Performance Report submitted to the Auditor General by 31st August 2011	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Completed Annual Performance Report submitted to the Auditor General by 31st August 2011	Completed Annual Performance Report submitted to the Auditor General by 31st August 2011	Target Met	Letter of submission to the Auditor General
OPMS06	Madeleine Jackson-Plaatjies	Annual Performance Plans-Managers appointed in terms of Section 57 of the Municipal Systems Act	n/a	1 x signed performance agreement for each Manager appointed in terms of Section 57 of the Municipal Systems Act within one month after the beginning of the financial year	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	1 x signed performance agreement for each Manager appointed in terms of Section 57 of the Municipal Systems Act within one month after the beginning of the financial year	2 x Signed performance agreements	Target Partially Met	MM performance agreement & DMM: Iinfrastructure Services performance agreement
OPMS07	Madeleine Jackson-Plaatjies	Publish Annual Performance Plans	n/a	Make public the Annual Performance agreements by 14 days after the approval of the SDBIP (note: MFMA & MSA contradictory in terms of timeframe)	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Make public the Annual Performance agreements by 14 days after the approval of the SDBIP (note: MFMA & MSA contradictory in terms of timeframe)	Nil	Nil Achieved	N/A
OPMS08	Madeleine Jackson-Plaatjies	Quarterly Assessments of all Managers appointed in terms of Section 57 of the Municipal Systems Act	n/a	3 x individual quarterly assessments of each Manager appointed in terms of Section 57 of the Municipal Systems Act	1 x individual quarterly assessments, per each S57 manager, conducted : quarter 1, 2 & 3 2011/ 2012	Nil	Nil Achieved	The evaluation panel to assess the MM & Managers reporting to him (S56/57) have not been established	A report was presented to the Corporate Services Portfolio Committee on the 29th of May 2012 iro how the evaluation panels should be constituted. Corporate services pf to still nominate relevant individuals	Nil Required	N/A	N/A	3 x individual quarterly assessments of each Manager appointed in terms of Section 57 of the Municipal Systems Act	Nil	Nil Achieved	N/A
OPMS09	Madeleine Jackson-Plaatjies	Review Organizational Performance Management System (OPMS) Policy	n/a	Policy reviewed and approved by Council	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Policy reviewed and approved by Council	Policy drafted and submitted to MANCO and Corporate Services Portfolio Committee	Target Partially Met	Draft policy





CORPORATE BUSINESS UNIT
6. ORGANIZATIONAL PERFORMANCE MANAGEMENT

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
OPMS10	Madeleine Jackson-Plaatjies	Annual Performance Management System/ Framework	n/a	PMS Framework adopted by Council	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	PMS Framework adopted by Council	PMS Framework drafted and submitted to MANCO and Corporate Services Portfolio Committee	Target Partially Met	Draft PMS Framework
OPMS11	Madeleine Jackson-Plaatjies	Annual Report	n/a	Annual Report tabled in Council by the 31st January 2012	N/A	N/A	Not Applicable	N/A	N/A	200 000	200 471.52	N/A	Annual Report tabled in Council by the 31st January 2012	Annual Report tabled in Council by the 31st January 2012	Target Met	Council Resolution, Annual Report 2010/2011
OPMS12	Madeleine Jackson-Plaatjies	Oversight Report	n/a	Oversight Report tabled and adopted by Council by the 31st March 2012	Payment to Community members on the Oversight Committee	3 x Community representatives on Oversight Committee Paid	Target Met	N/A	N/A	55 000	63027.56	Internal Memo from MOMM to CBU PAO, Payment Schedules	Oversight Report tabled and adopted by Council by the 31st March 2012	Oversight Report tabled and adopted by Council by the 31st March 2012	Target Met	Oversight Report, Council Resolution

ANNEXURE I(B): FINANCE
SERVICE DELIVERY TARGETS & PERFORMANCE INDICATORS
For the Budget Years ended 2011/2012.

FINANCE BUSINESS UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

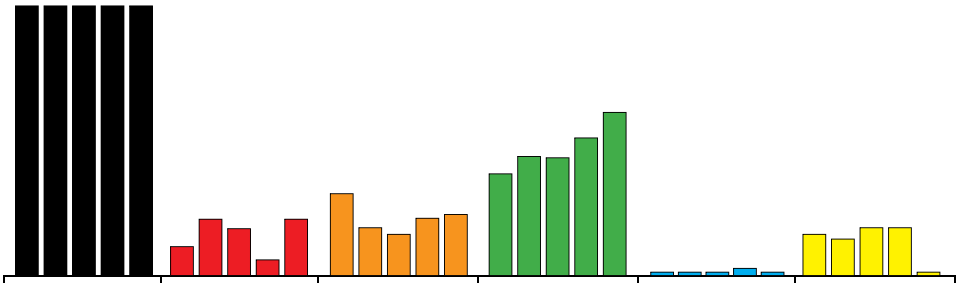
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 FINANCE BUSINESS UNIT OVERVIEW

1.1 TOTAL PROJECTS: 49
- 1.1.1 OPERATING PROJECTS 49
- 1.1.2 CAPITAL PROJECTS 0

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

FINANCE BUSINESS UNIT OVERVIEW - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR
QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	10%	32%	40%	2%	16%
QTR 2	100%	20%	18%	46%	2%	14%
QTR 3	100%	18%	16%	46%	2%	18%
QTR 4	100%	6.12%	20.4%	51.02%	4.08%	18.36%
Annual	100%	20%	22.44%	63.26%	2.04%	2.04%

BUDGET & TREASURY UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

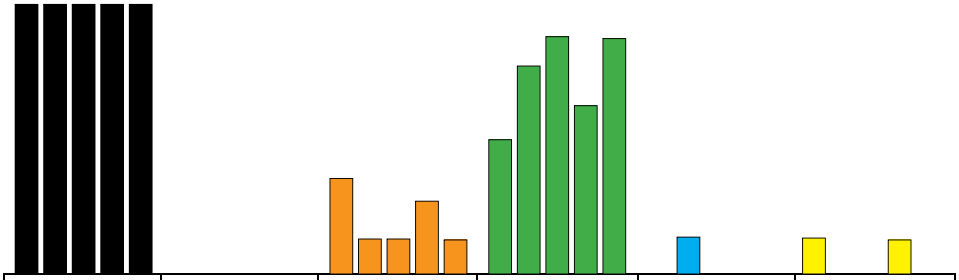
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 BUDGET & TREASURY UNIT OVERVIEW

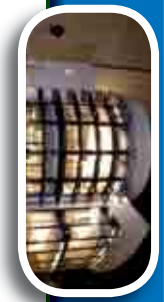
1.1 TOTAL PROJECTS: 8
- 1.1.1 OPERATING PROJECTS 8
- 1.1.2 CAPITAL PROJECTS 0

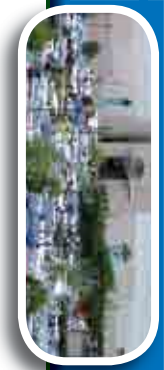
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - BUDGET & TREASURY - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	37.50%	50%	0%	12.50%
QTR 2	100%	0%	12.50%	75%	12.50%	0%
QTR 3	100%	0%	12.50%	87.50%	0%	0%
QTR 4	100%	0%	25%	62.50%	0%	12.50%
Annual	100%	0%	12.50%	87.50%	0%	0%





FINANCE
1. BUDGET AND TREASURY

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
BT01	Sixtus Gwala	Budget Policy / Guidelines	n/a	Revision of Council approved budget policy	Policy adopted at Full council on 30 May 2012	Policy adopted at Full council on 30 May 2012	Target Met	N/A	N/A	Nil Required	N/A	Council Resolution	Revision of Council approved budget policy	Policy adopted at Full council on 30 May 2012	Target Met	Council Resolution
	Sixtus Gwala	Virement Policy	n/a	Developed and approved virement policy	Policy adopted at Full council on 30 May 2012	Policy adopted at Full council on 30 May 2012	Target Met	N/A	N/A	Nil Required	N/A	Council Resolution	Developed and approved virement policy	Policy adopted at Full council on 30 May 2012	Target Met	Council Resolution
BT02	Sixtus Gwala	Operational deficit	n/a	No Deficit	No Deficit	No Deficit	Target Met	N/A	N/A	Nil Required	N/A	Budget Office records	No Deficit	No Deficit	Target Met	Budget Office records
BT03	Sixtus Gwala	Capital funding deficit	n/a	No Deficit	No Deficit	No Deficit	Target Met	N/A	N/A	Nil Required	N/A	Budget Office records	No Deficit	No Deficit	Target Met	Budget Office records
BT05	Sixtus Gwala	Operational budget 2012/13 and beyond	n/a	Preparation of budget within required MFMA timframe- approval of draft at least 90 days prior to financial year, final approval 30days prior financial year.	Final budget approved by 30th May 2012	n/a	Not Applicable	n/a	n/a	Nil Required	n/a	n/a	Preparation of budget within required MFMA timframe- approval of draft at least 90 days prior to financial year, final approval 30days prior financial year.	100%	Target Met	Schedule A
BT07	Sixtus Gwala	Reporting & Grants	n/a	Regular (monthly, quarterly and annually) reporting on deadlines in terms of section 71 of the MFMA.	3 monthly reports and 1 quarterly report per grant. Annual report per grant.	100%	Target Met	n/a	n/a	Nil Required	n/a	s71 Reports	Regular (monthly, quarterly and annually) reporting on deadlines in terms of section 71 of the MFMA.	100%	Target Met	s71 Reports
BT10	Sixtus Gwala	Maintain salary and wage curve	n/a	Maintain not more than 30% for salary and wage curve for operating budget	30%	100%	Target Met	n/a	n/a	Nil Required	n/a	Statement of Financial Performance/B Schedule	Maintain not more than 30% for salary and wage curve for operating budget	100%	Target Met	Statement of Financial Performance/B Schedule
BT11	Sixtus Gwala	Maintainance and repairs at 5%	n/a	Maintained at least 4% for maintenance and repairs on an operating budget	4%	1%	Target Partially Met	under-budgeted and underspending as a result of poor planning	Improve Planning Processes	Nil Required	n/a	Statement of Financial Performance/B Schedule	Maintained at least 4% for maintenance and repairs on an operating budget	1%	Target Partially Met	Statement of Financial Performance/B Schedule

SUPPLY CHAIN MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

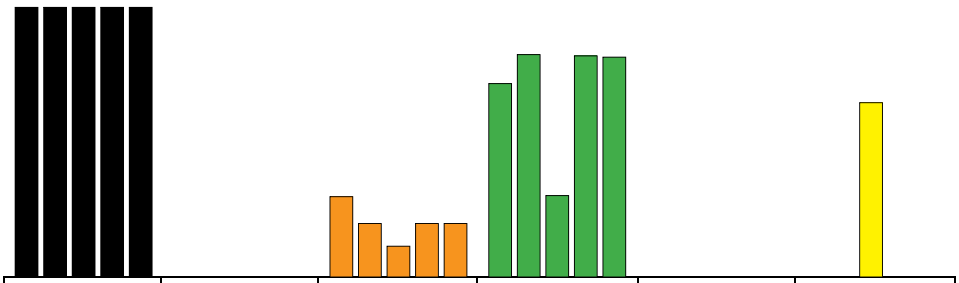
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 SUPPLY CHAIN MANAGEMENT UNIT OVERVIEW

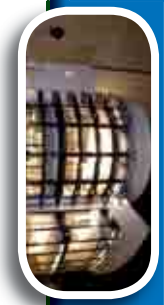
1.1 TOTAL PROJECTS: 10
- 1.1.1 OPERATING PROJECTS 10
- 1.1.2 CAPITAL PROJECTS 0

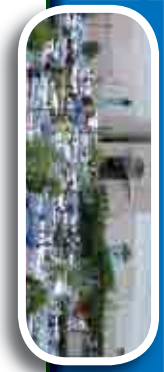
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - SUPPLY CHAIN MANAGEMENT - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	30%	70%	0%	0%
QTR 2	100%	0%	20%	80%	0%	0%
QTR 3	100%	0%	10%	30%	0%	60%
QTR 4	100%	0%	20%	80%	0%	0%
Annual	100%	0%	20%	80%	0%	0%





FINANCE
2. SUPPLY CHAIN MANAGEMENT

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
SCM01	Dudu Ndlovu	Revised SCM policy	n/a	Revised and approved Supply Chain Management Policy.	N/A	target met in quarter 1	Target Met	N/A	N/A	nil required	N/A	Supply Chain Managment Policy	Revised and approved Supply Chain Management Policy.	target met in quarter 1	Target Met	Supply Chain Managment Policy
SCM02	Dudu Ndlovu	Update Supply Chain Management procedure Manual	n/a	Update Supply Chain Management Procedure Manual.	N/A	target met in quarter 1	Target Met	N/A	N/A	nil required	N/A	Updated Supply chain management procedure manual	Update Supply Chain Management Procedure Manual.	target met in quarter 1	Target Met	Updated Supply chain management procedure manual
SCM03	Dudu Ndlovu	Automated Contract Payment Register	n/a	Develop an automated Contract Payment Register	Develop an automated Contract Payment Register	target met in quarter 1	Target Met	N/A	N/A	nil required	N/A	Automated contract payment register	Develop an automated Contract Payment Register	target met in quarter 1	Target Met	Automated contract payment register
SCM04	Dudu Ndlovu	Upgrade of Supplier Data Base and System	n/a	Upgrade of Intenda Supplier Data Base and System that is fully operational.		target met in quarter 1	Target Met	N/A	N/A	50,000.00	N/A	Upgrade documents	Upgrade of Intenda Supplier Data Base and System that is fully operational.	target met in quarter 1	Target Met	Upgrade documents
SCM05	Dudu Ndlovu	Bid processing	n/a	Bid processing turnaround time not to exceed stipulated policy provisions: (i) 7 day - quotation 14 days turnaround; (ii) Public tender - 75 days turnaround time	Bid processing turnaround time not to exceed stipulated policy provisions: (i) 7 day - quotation 14 days turnaround; (ii) Public tender - 75 days turnaround time	134 tender request received, 79 finalized 22 cancelled various reasons,19 on evaluation stage 11 projects are on hold (construction of crèches),2 were objected,1 court interdict	Target Partially Met	late submissions of tender request,delays on technical evaluation. Committee quorum problems.	New bid committees appointed, the training of new Bid committees took place on 5 to 7June 2012	nil required	N/A	Bid processing documents	Bid processing turnaround time not to exceed stipulated policy provisions: (i) 7 day - quotation 14 days turnaround; (ii) Public tender - 75 days turnaround time	134 tender request received, 79 finalized 22 cancelled various reasons,19 on evaluation stage 11 projects are on hold (construction of crèches),2 were objected,1 court interdict	Target Partially Met	Bid processing documents
SCM06	Dudu Ndlovu	Supplier Data Base & SCM System Integration with Financial System.	n/a	To fully integrate Intenda Supply Chain Management System with the Financial System.	To fully integrate Intenda Supply Chain Management System with the Financial System.	there were technical problems experienced when the integration was implemented hence not completed yet however the INTENDA consultants have indicated that by 15 July 2012 the interface will be completed.	Target Partially Met	there were technical problems experienced when the integration was implemented hence not completed yet however the INTENDA consultants have indicated that by 15 July 2012 the interface will be completed.	it is anticipated that the system will go live before the end of July 2012	nil required	N/A	Intergration documents	To fully integrate Intenda Supply Chain Management System with the Financial System.	there were technical problems experienced when the integration was implemented hence not completed yet however the INTENDA consultants have indicated that by 15 July 2012 the interface will be completed.	Target Partially Met	Intergration documents
SCM07	Dudu Ndlovu	Monthly reporting on preferential businesses	n/a	Quaterly report submitted to EXCO indicating the number of awards made to preferential suppliers (women, BEE's, youth, disabled, HDI s)	4 x Quaterly reports submitted to EXCO indicating the number of awards made to preferential suppliers (women, BEE's, youth, disabled, HDI s)	4 x Quaterly reports submitted to EXCO indicating the number of awards made to preferential suppliers (women, BEE's, youth, disabled, HDI's)	Target Met	N/A	N/A	nil required	N/A	Quarterly reports	Quaterly report submitted to EXCO indicating the number of awards made to preferential suppliers (women, BEE's, youth, disabled, HDI's)	4 x Quaterly reports submitted to EXCO indicating the number of awards made to preferential suppliers (women, BEE's, youth, disabled, HDI's)	Target Met	Quarterly reports
SCM08	Dudu Ndlovu	Controlled stock and inventory holdings	n/a	Quarterly stock take and report submitted to the Chief Financial Officer.	4 x Quarterly stock take and report submitted to the Chief Financial Officer.	4 x Quarterly stock take and report submitted to the Chief Financial Officer.	Target Met	N/A	N/A	nil required	N/A	Quarterly stock take reports	Quarterly stock take and report submitted to the Chief Financial Officer.	4 x Quarterly stock take and report submitted to the Chief Financial Officer.	Target Met	Quarterly stock take reports
SCM09	Dudu Ndlovu	Receiving & Despatch of Stock	n/a	Develop standardized process for receiving and despatch of stock.	N/A	Develop standardized process for receiving and despatch of stock.	Target Met	N/A	N/A	nil required	N/A	standardization process documents	Develop standardized process for receiving and despatch of stock.	Develop standardized process for receiving and despatch of stock.	Target Met	standardization process documents
SCM10	Dudu Ndlovu	Fuel theft	n/a	Develop 12 x detailed monthly reconcilliation of fuel dispatched per vehicle and per user	12 X Monthly analysis reconcilliation report on fuel consuption that will indicate and address any of the losses and theft	12 X Monthly analysis reconcilliation report on fuel consuption that will indicate and address any of the losses and theft	Target Met	N/A	N/A	nil required	N/A	Monthly analysis reconcilliation repor	Develop 12 x detailed monthly reconcilliation of fuel dispatched per vehicle and per user	12 X Monthly analysis reconcilliation report on fuel consuption that will indicate and address any of the losses and theft	Target Met	Monthly analysis reconcilliation repor

REVENUE MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

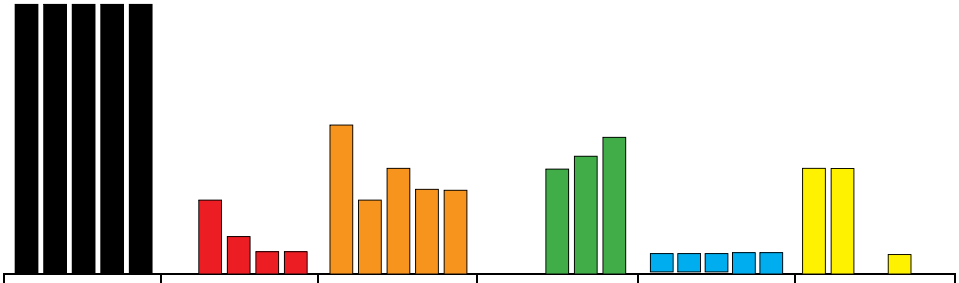
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 REVENUE MANAGEMENT UNIT OVERVIEW

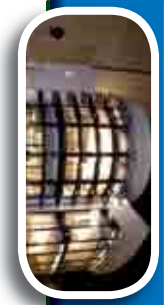
1.1 TOTAL PROJECTS: 10
- 1.1.1 OPERATING PROJECTS 10
- 1.1.2 CAPITAL PROJECTS 0

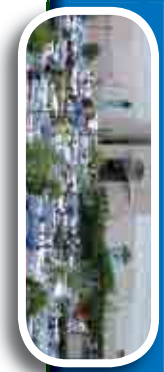
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - REVENUE MANAGEMENT - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	54.54%	0%	9.10%	36.36%
QTR 2	100%	27.27%	27.27%	0%	9.10%	36.36%
QTR 3	100%	18.18%	36.36%	36.36%	9.10%	0%
QTR 4	100%	10%	30%	40%	10%	10%
Annual	100%	10%	30%	50%	10%	0%





FINANCE
3. REVENUE MANAGEMENT

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
RM01	Dash Reddy	Revised Tariff Policy	n/a	Council approved tariff policy	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved tariff policy	Target Met	n/a	n/a	nil required	n/a	Tariff Policy	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved tariff policy	Target Met	Tariff Policy
RM02	Dash Reddy	Reviewed Credit Control Policy	n/a	Council approved credit control policy	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved credit control policy	Target Met	n/a	n/a	nil required	n/a	Credit Control Policy	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved credit control policy	Target Met	Credit Control Policy
RM03	Dash Reddy	Reviwed (indigent) lifeline policy	n/a	Council approved (indigent) lifeline policy	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved (indigent) lifeline policy	Target Met	n/a	n/a	nil required	n/a	Indigent Policy	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved (indigent) lifeline policy	Target Met	Indigent Policy
RM04	Dash Reddy	Rates policy	n/a	Council approved rates policy in line with municipal property rates act	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved rates policy in line with municipal property rates act	Target Met	n/a	n/a	nil required	n/a	Rates Polcy	Final policy completed for inclusion in annual budget by the end of May 2012.	Council approved rates policy in line with municipal property rates act	Target Met	Rates Policy
RM05	Dash Reddy	Decrease outstanding debt	n/a	Reduction in debtors days from 60 To 30 days.	Reduction in debtors days from 60 To 30 days.	Nil	Nil Achieved	The target is unrealistic. The largest portion of debt is in excess of 120 days plus.	Target should be ammended to reduction in debtors days from 120 days plus to 120 days.	n/a	n/a	Age Analysis	Reduction in debtors days from 60 To 30 days.	nil	Nil Achieved	Age Analysis
RM06	Dash Reddy	Recovered rental on properties	n/a	35% Reduction in debtors	Reduction in debtors by 35%	5%	Target Partially Met	Council s Credit Control Policy allows a maximum of 60 months to repay debt however, these consumers require a longer term due to affordbility	Approval to accept payment arrangement terms in excess of 60 months	n/a	n/a	Debt Analysis	Reduction in debtors by 35%	15%	Target Partially Met	Debt Analysis
RM07	Dash Reddy	Data Cleansing	n/a	Complete basic data cleansing of billing database (comprehensive data cleansing to take place when new financial management system is acquired)	Basic data cleansing completed.	Data cleansing has commenced and is approx. 35% complete	Target Partially Met	Lack of human resources and support from the Technical departments	Employ additional human resources and technical departments to submit a corrective plan of action	300 000	300 000	Analysis of accounts	Basic data cleansing completed.	Data cleansing has commenced and is approx. 35% complete	Target Partially Met	Analysis of accounts
RM08	Dash Reddy	Revenue Enhancement	n/a	Develop and approved comprehensive revenue enhancement strategy	n/a	n/a	Not Applicable	n/a	n/a	n/a	n/a	n/a	Develop and approved comprehensive revenue enhancement strategy	Revenue Enhancement Plan	Target Met	Exco Resolution
RM09	Dash Reddy	Meter reading	n/a	87.50 % of meters read monthly by the end of the 4th quarter. (dependant on technical departments)	87.50%	79% of meters read	Target Partially Met	Technical problems	Addressing technical meter problems	n/a	n/a	Meter reading stats	87.50%	82%	Target Partially Met	Meter Reading stats
RM10	Dash Reddy	Revenue Collection	n/a	Mainatain collection levels to 75% per month	Mainatain collection levels to 75% per month	Approx. 85%	Target Exceeded	n/a	n/a	n/a	n/a	Debtors Analysis	Mainatain collection levels to 75% per month	Approx. 80%	Target Exceeded	Debtors Analysis

EXPENDITURE MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

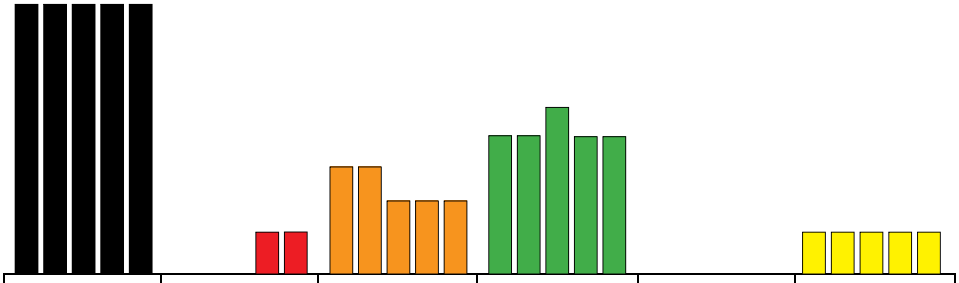
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 EXPENDITURE MANAGEMENT UNIT OVERVIEW

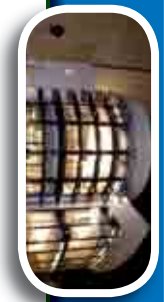
1.1 TOTAL PROJECTS: 8
- 1.1.1 OPERATING PROJECTS 8
- 1.1.2 CAPITAL PROJECTS 0

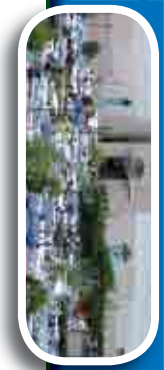
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - EXPENDITURE MANAGEMENT - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	37.50%	50%	0%	12.50%
QTR 2	100%	0%	37.50%	50%	0%	12.50%
QTR 3	100%	0%	25%	62.50%	0%	12.50%
QTR 4	100%	12.50%	25%	50%	0%	12.50%
Annual	100%	12.50%	25%	50%	0%	12.50%





FINANCE
4. EXPENDITURE MANAGEMENT

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
EM01	Neville Sarawan	cost containment strategy	n/a	1. Developed and Approved cost containment strategy; 2. implementation of cost containment strategy.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	1. Developed and Approved cost containment strategy; 2. implementation of cost containment strategy.	90%	Not Applicable	Report submitted to MANCO
EM02	Neville Sarawan	Management of expenditure	n/a	All payments (100%) must have expenditure committee approval.	All payments (100%) must have expenditure committee approval.	Payments without Expenditure Committee approval are rejected	Target Met	N/A	N/A	Nil Required	N/A	Creditors Records	All payments (100%) must have expenditure committee approval.	100%	Target Met	Creditors Records
EM03	Neville Sarawan	Management and Payment of contracts	n/a	100% payment of contracts paid on due date.	100% payment of contracts paid on due date.	Partial Achievement. Not all payments are done on due date	Target Partially Met	Invoices arrive late from supplier. Documents not submitted timeously by depts. Funding problems	PMU to fast track processes. Depts and Creditors to ensure docs and approvals are done timeously. Contract MGT belongs to SCM.	Nil Required	N/A	Creditors Records and Contracts Management SCM	100% payment of contracts paid on due date.	80%	Target Partially Met	Creditors Records and Contracts Management SCM
EM04	Neville Sarawan	Management of general insurance fund	n/a	Open Separate bank account for insurance claims and payments.	Open Separate bank account for insurance claims and payments.	Account is opened and claims are partially funded	Target Partially Met	insufficient capital to fully fund. Claims are paid from investments.	Funds must be transferred to supplement existing balance to take care of annual projected expenditure	Nil Required	N/A	Bank Records - Insurance Records	Open Separate bank account for insurance claims and payments.	80%	Target Partially Met	Bank Records - Insurance Records
EM05	Neville Sarawan	Management of general insurance fund	n/a	Monthly reports to Council on insurance claims processed.	12 x Monthly reports to Council on insurance claims processed.	All claims for current financial year have been submitted	Target Met	N/A	N/A	Nil Required	N/A	Reports submitted to Finance Committee	Monthly reports to Council on insurance claims processed.	100%	Target Met	Reports submitted to Finance Committee
EM06	Neville Sarawan	Remuneration Management	n/a	100% statutory payments within due dates: (1) medical aid & insurance-04th monthly; (2) SARS & pensions-07th monthly; (3) garnishees-31st monthy; (4) bonds & homeloans-24th monthly	100% statutory payments within due dates: (1) medical aid & insurance-04th monthly; (2) SARS & pensions-07th monthly; (3) garnishees-31st monthy; (4) bonds & homeloans-24th monthly	100 %. All statutory payments are done on time.	Target Met	N/A	N/A	Nil Required	N/A	In Pay Office records	100% statutory payments within due dates: (1) medical aid & insurance-04th monthly; (2) SARS & pensions-07th monthly; (3)garnishees-31st monthy; (4) bonds & homeloans-24th monthly	100%	Target Met	In Pay Office records
EM07	Neville Sarawan	Remuneration Management	n/a	100% reconciliation of IRP5 certificates and submission of certificates to SARS.	1. 100% reconciliation of IRP5 certificates; 2. submit certificates to SARS.	100% IRP Certificates issued and submitted to SARS	Target Met	N/A	N/A	Nil Required	N/A	Filed in Pay Office	100% reconciliation of IRP5 certificates and submission of certificates to SARS.	100%	Target Met	Filed in Pay Office
EM08	Neville Sarawan	Staff auditing	n/a	Conduct staff audit to prevent ghost and illegal payments		0%	Nil Achieved	not applicable as not enough staff have been employed since the last audit	none at this stage	Nil Required	N/A	On file - Pay Office	Conduct staff audit to prevent ghost and illegal payments	0%	Nil Achieved	On file - Pay Office

FINANCIAL CONTROL & CASH MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 FINANCIAL CONTROL & CASH MANAGEMENT UNIT OVERVIEW

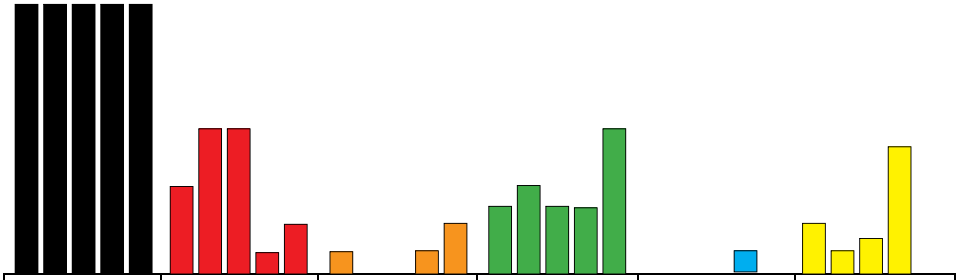
1.1 TOTAL PROJECTS: 13

1.1.1 OPERATING PROJECTS 13

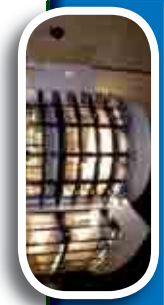
1.1.2 CAPITAL PROJECTS 0

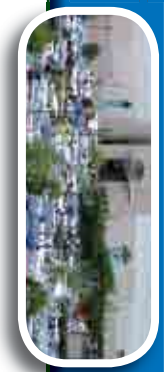
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - FINANCIAL CONTROL & CASH MANAGEMENT - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	38.46%	7.60%	30.76%	0%	23.80%
QTR 2	100%	53.84%	0%	38.46%	0%	7.69%
QTR 3	100%	53.84%	0%	30.76%	0%	15.38%
QTR 4	100%	7.69%	7.69%	30.76%	7.69%	46.15%
Annual	100%	23.07%	23.07%	53.84%	0%	0%





FINANCE 5. FINANCIAL CONTROL & CASH MANAGEMENT																
IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
FCCM01	Mahen Sahibdeen	Automated Cash Flow reporting	n/a	Provide regular cash flow reports: daily; weekly; monthly; annually	240 daily reports; 48 weekly reports; 12 monthly reports;	240 daily reports; 48 weekly reports; 12 monthly reports;	Target Met	N/A	N/A	Nil Required	N/A	N/A	Provide regular cash flow reports: daily; weekly; monthly; annually	Provided regular cash flow reports: daily; weekly; monthly; annually	Target Met	Reports
FCCM02	Mahen Sahibdeen	Reconciliations	n/a	Prepare monthly reconciliations on the following accounts: (i) main account; (ii) post office account; (iii) electronic account; (iv) unpaid cheque account,; (v) traffic fines account in compliance with legislation, policies and procedures.	12 x monthly reconciliations on each account.	12 x monthly reconciliations on each account.	Target Met	N/A	N/A	Nil Required	N/A	N/A	Prepare monthly reconciliations on the following accounts: (i) main account; (ii) post office account; (iii) electronic account; (iv) unpaid cheque account,; (v) traffic fines account in compliance with legislation, policies and procedures.	Prepare monthly reconciliations on the following accounts: (i) main account; (ii) post office account; (iii) electronic account; (iv) unpaid cheque account,; (v) traffic fines account in compliance with legislation, policies and procedures.	Target Met	Monthly reconciliations
FCCM03	Mahen Sahibdeen	Financial Control	n/a	1. Development and approval of internal control and financial procedure manual.; 2. Implement aspects relating to financial control and cash management from the internal control and financial procedure manual.	to be updated on approval of manual	Draft Cash Management and Investment policy being prepared - Sent to CFO for review	Target Partially Met	Draft policy developed towards he latter part of the 4th quarter	To be approved in the 2012/2013 financial year. Draft submitted to legal division for comment.	Nil Required	N/A	N/A	1. Development and approval of internal control and financial procedure manual.; 2. Implement aspects relating to financial control and cash management from the internal control and financial procedure manual.	Draft Cash Management and Investment policy being prepared	Target Partially Met	Draft Cash Management and Investment policy being prepared - Sent to CFO for review
FCCM04	Mahen Sahibdeen	Balancing of Asset Register/ Asset control	n/a	Update and maintain asset register on a monthly basis and balance to the general ledger in order to obtain immediate, accurate and reliable value ananlysis of assets.	12 x monthly reconciliations.	12 x monthly reconciliations.	Target Met	N/A	N/A	1500000	N/A	N/A	Update and maintain asset register on a monthly basis and balance to the general ledger in order to obtain immediate, accurate and reliable value ananlysis of assets.	Update and maintain asset register on a monthly basis and balance to the general ledger in order to obtain immediate, accurate and reliable value ananlysis of assets.	Target Met	Asset Register
FCCM05	Mahen Sahibdeen	Financial Statements	n/a	1. Produce annual financial statements in terms of MFMA requirements; 2. Produce consolidated annual financial statements in terms of MFMA requirements	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	1. Produce annual financial statements in terms of MFMA requirements; 2. Produce consolidated annual financial statements in terms of MFMA requirements	1. Produce annual financial statements in terms of MFMA requirements; 2. Produce consolidated annual financial statements in terms of MFMA requirements	Target Met	annual financial statements in terms of MFMA requirements, consolidated annual financial statements in terms of MFMA requirements
FCCM06	Mahen Sahibdeen	Market: Review internal controls.	n/a	Discontinue satff credit facility.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Discontinue satff credit facility.	Nil	Nil Achieved	N/A
FCCM07	Mahen Sahibdeen	Market: Review internal controls.	n/a	Eliminate credit facility to buyers.	Move the ownership and operating of the Freshmark System to ICT	Achieved	Target Met	N/A	N/A	Nil Required	N/A	N/A	Discontinue staff credit facility.	Achieved	Target Met	Letter sent to staff
FCCM08	Mahen Sahibdeen	Market: Review internal controls.	n/a	Develop Financial Procedures and Processes Manual	to be updated on approval of manual	Nil	Nil Achieved	The was a change in the Manager for the Market.	To be developed in the 2012/2012 financial year.	Nil Required	N/A	N/A	Eliminate credit facility to buyers.	KPI reviewed after discussion with MM, CFO and National Treasury	Nil Achieved	N/A
FCCM09	Mahen Sahibdeen	Market: Review internal controls.	n/a	Develop Tenant Register	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Develop Financial Procedures and Processes Manual	Operations Manual in place, needs further additions	Target Partially Met	Operations Manual
FCCM10	Mahen Sahibdeen	Market: Review internal controls.	n/a	Develop a protocol manual for cashiers which includes the procedure/ process should there be a transgression of protocols	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Develop Tenant Register	nil	Nil Achieved	N/A
FCCM11	Mahen Sahibdeen	Market: Review internal controls.	n/a	Recoup 100% of interest on all outstanding accounts	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Develop a protocol manual for cashiers which includes the procedure/ process should there be a transgression of protocols	protocol for incorrect capture on Freshmark	Target Partially Met	Proforma document drawn up for completion by Computer Controller
FCCM12	Mahen Sahibdeen	Market: Marketing Plan	n/a	Developed and approved marketing plan.	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Recoup 100% of interest on all outstanding accounts	Oustanding accounts addressed	Target Met	Buyers account schedule from Computer Controller
FCCM13	Mahen Sahibdeen	Market: Agent Relations	n/a	Regular meetings with agents in order to resolve issues. Agendas, minutes and actions will be available for inspection.	3	4	Target Exceeded	N/A	N/A	Nil Required	n/a	meeting records	Developed and approved marketing plan.	Marketing plan complete	Target Met	Marketing plan

ANNEXURE I(C): COMMUNITY SERVICES
SERVICE DELIVERY TARGETS & PERFORMANCE INDICATORS
For the Budget Years ended 2011/2012.

COMMUNITY SERVICES BUSINESS UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

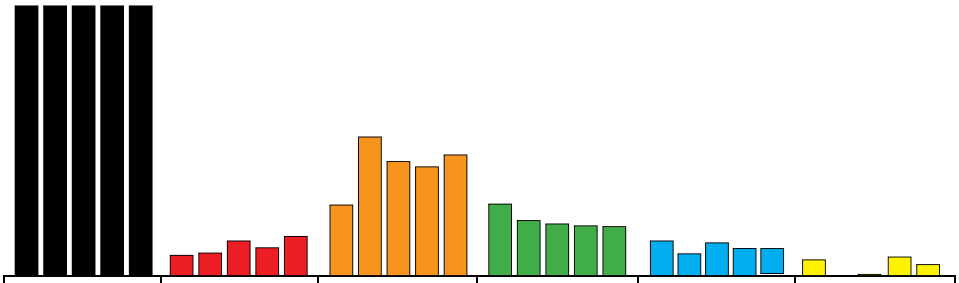
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 COMMUNITY SERVICES BUSINESS UNIT OVERVIEW

1.1 TOTAL PROJECTS: 64
- 1.1.1 OPERATING PROJECTS 50
- 1.1.2 CAPITAL PROJECTS 14

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

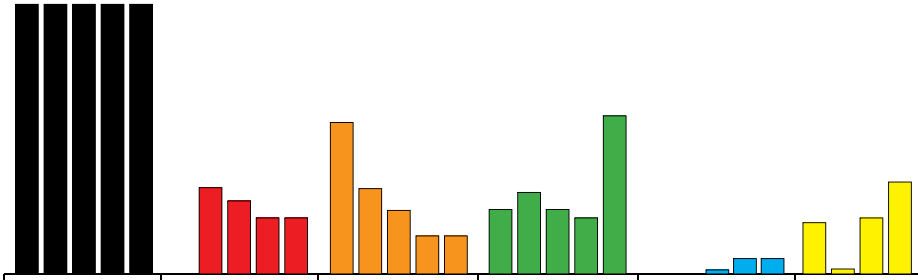
COMMUNITY SERVICES BUSINESS UNIT OVERVIEW - OPERATING PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	10.52%	31.57%	31.57%	15.78%	7.01%
QTR 2	100%	12.28%	50.87%	24.56%	12.28%	0%
QTR 3	100%	15.78%	43.85%	22.80%	15.78%	1.75%
QTR 4	100%	14%	40%	22%	14%	10%
Annual	100%	16%	44%	22%	14%	4%

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

COMMUNITY SERVICES BUSINESS UNIT OVERVIEW - CAPITAL PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	54.54%	24.24%	0%	18.18%
QTR 2	100%	33.33%	33.33%	30.33%	0%	3.03%
QTR 3	100%	27.27%	24.24%	24.24%	3.03%	21.21%
QTR 4	100%	21.42%	14.28%	21.42%	7.14%	35.71%
Annual	100%	21.42%	14.82%	57.14%	7.14%	0%

PUBLIC SAFETY & DISASTER MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 PUBLIC SAFETY & DISASTER MANAGEMENT UNIT OVERVIEW

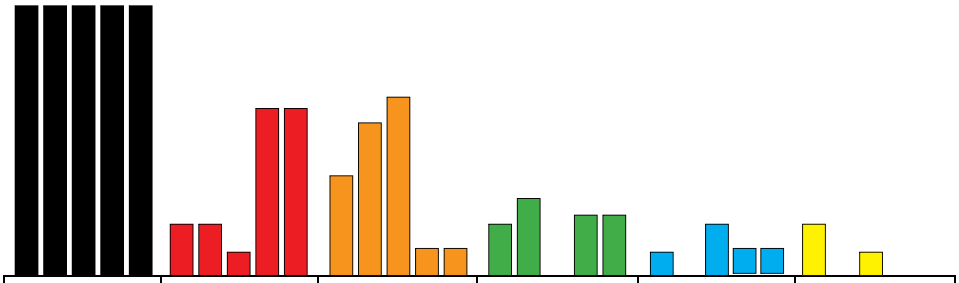
1.1 TOTAL PROJECTS: 12

1.1.1 OPERATING PROJECTS 10

1.1.2 CAPITAL PROJECTS 2

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

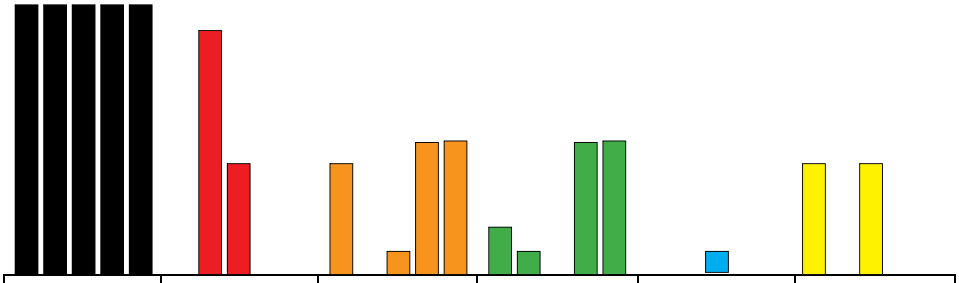
SUB BUSINESS UNIT OVERVIEW - PUBLIC SAFETY & DISASTER MANAGEMENT - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



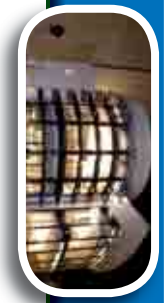
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	18.18%	36.36%	18.20%	9.09%	18.18%
QTR 2	100%	18.18%	54.54%	27.27%	0%	0%
QTR 3	100%	9.09%	63.63%	0%	18.18%	9.09%
QTR 4	100%	60%	10%	20%	10%	0%
Annual	100%	60%	10%	20%	10%	0%

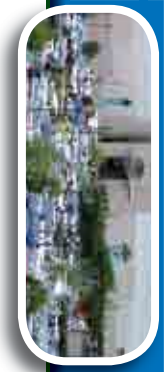
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - PUBLIC SAFETY & DISASTER MANAGEMENT - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	41.66%	16.66%	0%	41.66%
QTR 2	100%	91.66%	0%	8.33%	0%	0%
QTR 3	100%	41.66%	8.33%	0%	8.33%	41.66%
QTR 4	100%	0%	50%	50%	0%	0%
Annual	100%	0%	50%	50%	0%	0%





COMMUNITY SERVICES
1. COMMUNITY SAFETY & SECURITY

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
PSDM01	Priscilla Mahlaba	Visible policing	n/a	To employ 20 additional qualified traffic officers to enhance visible policing in the entire Msunduzi Municipality	Appointment of 20 staff	nil	Nil Achieved	no funds	funds need to be budget in 2012/2013	salaries budget	nil	n/a	To employ 20 additional qualified traffic officers to enhance visible policing in the entire Msunduzi Municipality	nil	Nil Achieved	n/a
PSDM02	Priscilla Mahlaba	Recovery of outstanding fines from warrants of arrest	n/a	Recovery of 10% of outstanding 8 million rand of unpaid warrants of arrest	800 000	R1,749m	Target Exceeded	nil	nil	nil required	nil	Warrants file	Recovery of 10% of outstanding 8 million rand of unpaid warrants of arrest	R1,749m	Target Exceeded	Warrants file
PSDM05	Priscilla Mahlaba	Critical Traffic equipment Two Way Radios	n/a	to purchase 100 two Way Radios	n/a	86	Target Partially Met	limited funds	more fund to be made available for capital budget 2012/2013	500 000	R 176,000	GRS	to purchase 100 two Way Radios	86	Target Partially Met	GRS
PSDM09	Priscilla Mahlaba	improve Parking enforcement in the CBD	n/a	Employment of 20 New Traffic Wardens by 2011	Appointment of 20 staff	nil	Nil Achieved	no funds	funds need to be budget in 2012/2013	salaries budget	nil	n/a	Employment of 20 New Traffic Wardens by 2011	nil	Nil Achieved	n/a
PSDM11	Priscilla Mahlaba	Fire Fighting Service	n/a	Signed Service Level Agreement with Ummgungundlovu District Municipality (UMDM)	n/a	SLA signed	Target Met	nil	nil	nil	nil	SLA	Signed Service Level Agreement with Ummgungundlovu District Municipality (UMDM)	SLA signed	Target Met	SLA
PSDM12	Priscilla Mahlaba	Disaster Management Recovery Plans	1-37	Updated Disaster Management Recovery plans and database.	n/a	nil	Nil Achieved	awaiting establishment of Disaster Management Advisory Committee	Once the DMAPC is established work on the plans and database will commence	nil required	nil	n/a	Updated Disaster Management Recovery plans and database.	nil	Nil Achieved	n/a
PSDM13	Priscilla Mahlaba	Crisis Response Protocol	n/a	To maintain an updated crisis response protocol which reflects current managers responsible for applicable functions at all times	To maintain an updated crisis response protocol which reflects current managers responsible for applicable functions at all times	document has been updated	Target Met	nil	nil	nil required	nil	crisis response protocol	To maintain an updated crisis response protocol which reflects current managers responsible for applicable functions at all times	document has been updated	Target Met	crisis response protocol
PSDM14	Priscilla Mahlaba	Disaster Management Risk Analysis	1-37	Develop a complete risk analysis, including all historic events and potential threats	n/a	nil	Nil Achieved	awaiting approval for DM advisory committee	Host Risk Analysis Workshops in collaboration with UDM	nil required	nil	n/a	Develop a complete risk analysis, including all historic events and potential threats	nil	Nil Achieved	n/a
PSDM15	Priscilla Mahlaba	Local Disaster Management Advisory Forum (LDMAF)	n/a	Establish a Local Disaster Management Forum as required in terms of the Framework for Disaster Risk Management, 2005.	n/a	EXCO approval for DM Advisory forum received June 2012	Target Partially Met	awaiting establishment of Disaster Management Advisory Committee	to formalise the forum	nil required	nil	EXCO resolution	Establish a LDMAF as required in terms of the Framework for Disaster Risk Management, 2005.	EXCO approval for DM Advisory forum received June 2012	Target Partially Met	EXCO resolution
PSDM16	Priscilla Mahlaba	Local Disaster Management Advisory Forum (LDMAF)	n/a	Updated and approved Disaster Management Plan	n/a	nil	Nil Achieved	awaiting approval for DM advisory committee	Report submitted to EXCO for approval of name change	nil required	n/a	n/a	Updated and approved Disaster Management Plan	nil	Nil Achieved	n/a
PSDM17	Priscilla Mahlaba	Event Safety Policy	n/a	Developed and approved Event Safety policy	n/a	nil	Nil Achieved	Process driven by Marketing & Communications Office	Submitted input for events policy to Marketing & Communications office	nil required	nil	n/a	Developed and approved Event Safety policy	nil	Nil Achieved	n/a
PSDM18	Priscilla Mahlaba	Crisis Control Centre	n/a	100 % Upgrade of PABX system in Fire and Rescue Services Crisis Control Centre.	n/a	PABX has been ugraded	Target Met	nil	nil	R 195,000	R 195,000	GRS	100 % Upgrade of PABX system in Fire and Rescue Services Crisis Control Centre.	PABX has been upgraded	Target Met	GRS

AREA BASED MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

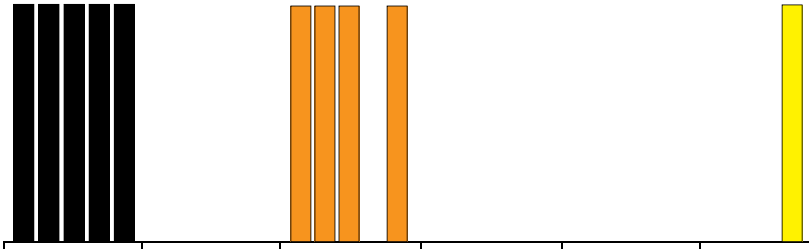
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 AREA BASED MANAGEMENT UNIT OVERVIEW

1.1 TOTAL PROJECTS: 3
- 1.1.1 OPERATING PROJECTS 1
- 1.1.2 CAPITAL PROJECTS 2

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

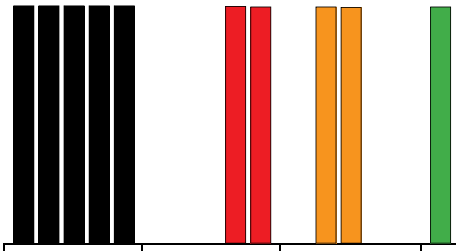
SUB BUSINESS UNIT OVERVIEW - AREA BASED MANAGEMENT - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



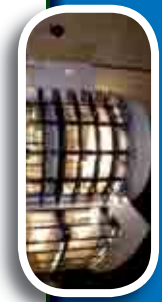
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	100%	0%	0%	0%
QTR 2	100%	0%	100%	0%	0%	0%
QTR 3	100%	0%	100%	0%	0%	0%
QTR 4	100%	0%	0%	0%	0%	100%
Annual	100%	0%	100%	0%	0%	0%

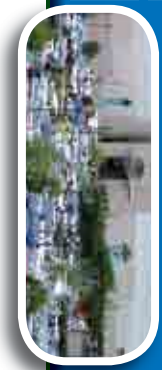
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - AREA BASED MANAGEMENT - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	0%	100%	0%	0%
QTR 2	100%	0%	100%	0%	0%	0%
QTR 3	100%	0%	100%	0%	0%	0%
QTR 4	100%	100%	0%	0%	0%	0%
Annual	100%	100%	0%	0%	0%	0%





COMMUNITY SERVICES
2. AREA BASED MANAGEMENT

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
CCS28	Lungisani Kunene	Public Participation framework	1-37	Developed and approved Public Participation Framework	N/A	N/A	Not Applicable	The research took long to complete, and then Manco sent it back to Cogta for input	The report is sent to Manco for approval.	Nil Required	N/A	N/A	Developed and approved Public Participation Framework	The Draft Policy is ready for approval.	Target Partially Met	Draft Policy
CCS40	Lungisani Kunene	Upgrade of ABM Offices: Vulindlela Multi-purpose offices	6	Purchase of furniture for Vulindlela ABM offices, Landscaping, Paving & the installation of burglar bars	Landscaping, Paving & Burglar bars completed	N/A	Nil Achieved	Funds were taken away at mid year review.	Requested funds in 2012/2013 budget. No funds allocated to this project.	350 000	N/A	N/A	Purchase of furniture for Vulindlela ABM offices, Landscaping, Paving & the installation of burglar bars	Nothing achieved as funding was removed at mid year review.	Nil Achieved	N/A
CCS41	Lungisani Kunene	Upgrade of ABM Offices: Ashburton ABM offices	37	100 % Repaired Roof at Ashburton ABM Office	N/A	N/A	Nil Achieved	Funds were taken away at mid year review.	Requested funds in 2012/2013 budget. No funds allocated to this project.	80 000	N/A	N/A	100 % Repaired Roof at Ashburton ABM Office	Nothing achieved as funding was removed at mid year review.	Nil Achieved	N/A

HEALTH & SOCIAL SERVICES UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

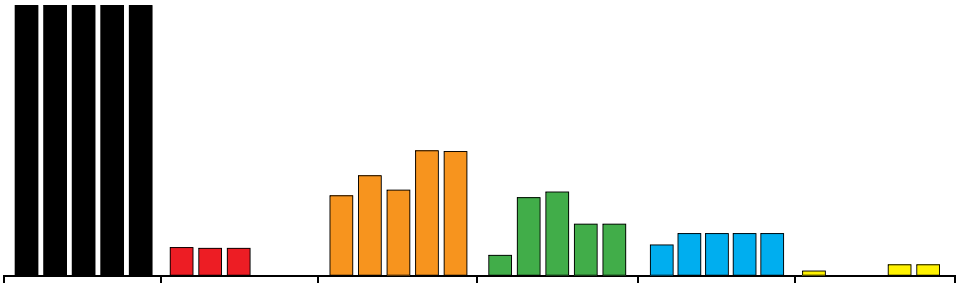
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 HEALTH & SOCIAL SERVICES UNIT OVERVIEW

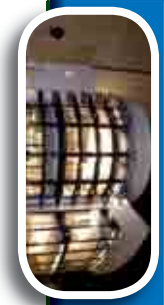
1.1 TOTAL PROJECTS: 29
- 1.1.1 OPERATING PROJECTS 29
- 1.1.2 CAPITAL PROJECTS 0

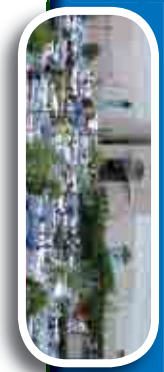
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - HEALTH & SOCIAL SERVICES - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



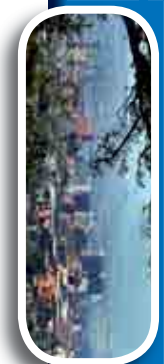
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	10.34%	31.03%	8%	17.24%	3.44%
QTR 2	100%	10.34%	37.93%	31.03%	20.68%	0%
QTR 3	100%	10.34%	34.48%	34.48%	20.68%	0%
QTR 4	100%	0%	48.27%	24.13%	20.68%	6.8%
Annual	100%	0%	48.27%	24.13%	20.68%	6.8%

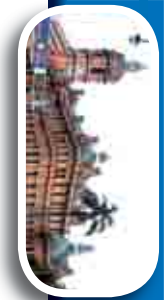




COMMUNITY SERVICES
3. HEALTH & SOCIAL SERVICES (ENVIRONMENTAL HEALTH, CLINICS, HIV/AIDS)

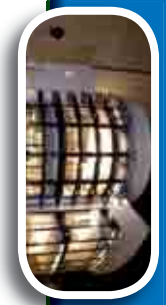
IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HSS01	Dr Nkosi	Environmental Health: Air Pollution Control	All wards	Monitor, on a quarterly basis, criteria pollutants as defined in the NEM: Air Quality Act at 3 air quality monitoring stations located at Edendale, Central CBD & Northdale	collection/ analysis of data and station maintenance in order to identify pollutants at 3 stations (Edendale, Central CBD & Northdale	Data captured from Northdale Station only	Target Partially Met	Central Station decommissioned in August and data for Edendale not available	Central Station to be relocated depending on funding	Readjusted budget R 261 978 81	R 261 978 81	Network database	Monitor, on a quarterly basis, criteria pollutants as defined in the NEM: Air Quality Act at 3 air quality monitoring stations located at Edendale, Central CBD & Northdale	Data captured from Northdale Station only	Target Partially Met	Network database
HSS02	Dr Nkosi	Environmental Health: Air Pollution Control	All wards	inspection and licencing of scheduled and listed activities, and registration of all fuel burning appliances, ito applicable legislation at 120 premises.	inspection and licencing of scheduled and listed activities, and registration of all fuel burning appliances, ito applicable legislation at 120 premises.	120	Target Met	N/A	N/A	Nil required	N/A	Property file s in records room	inspection and licencing of scheduled and listed activities, and registration of all fuel burning appliances, ito applicable legislation at 120 premises.	120	Target Met	Property file s in records room
HSS03	Dr Nkosi	Environmental Health: Water Quality	All wards	To conduct testing on 2005 water samples in order to obtain compliance with SANS - 241:2006	2005 samples	1661	Target Partially met	Samplings for springs and streams suspend-ede reticulated supply provided	sampling of springs will not be necessary-reticulated supply provided	N/A	N/A	Sample database and reports in Laboratory	To conduct testing on 2005 water samples in order to obtain compliance with SANS - 241:2006	1661	Target Partially Met	Sample database and reports in Laboratory
HSS04	Dr Nkosi	Environmental Health: Food Control	All wards	Inspect 1 600 premises in order to ensure that they comply 100% with legal standards	1600 premises	1638	Target Exceeded	N/A	N/A	nil required	N/A	Property file s in records room	Inspect 1 600 premises in order to ensure that they comply 100% with legal standards	1638	Target Exceeded	Property file s in records room
HSS05	Dr Nkosi	Environmental Health: Food Control	All wards	To conduct testing on 360 food samples and 120 swabs in order to obtain 100% compliance in terms of the FCD Act 54 of 1972	360 samples and 120 swabs	341 samples and 264 swabs	Target Partially Met	Laboratory consumables not received due to delay in procurement process	Streamline procurement process	Readjusted budget R18 150 00	R 17 563 00	Sample database and reports in Laboratory	To conduct testing on 360 food samples and 120 swabs in order to obtain 100% compliance in terms of the FCD Act 54 of 1972	341 samples and 264 swabs	Target Partially Met	Sample database and reports in Laboratory
HSS06	Dr Nkosi	Environmental Health: Vector Control	All wards	Baiting & treatment at 1200 sites in order to prevent vector borne diseases	1200 sites	1004	Target Partially Met	Vector control consumables not received due to delay in procurement process. Transport not available for vector control staff	Steamline procurement provess. Vehicles in workshop to be repaired	Nil requred	N/A	Monthly vector control programme	Baiting & treatment at 1200 sites in order to prevent vector borne diseases	1004	Target Partially Met	Monthly vector control programme
HSS07	Dr Nkosi	Environmental Health: Enviro health complaints	n/a	Investigation of environmental health complaints received from the public relating to food; water; unsatisfactory living standards; vectors; pollution; drainage; keeping of animals and poultry	complaints attended to within a turn around action time of 1 to 5 days from receipt of complaint	550 received and 467 attended to and resolved	Target Partially Met	not practical for all compliants to be completed within the turn around action time of 1-5 days	future reporting will include complaints investigated but not necessarily resolved within the 1-5 days turn around action time	N/A	N/A	Complaints register	Investigation of environmental health complaints received from the public relating to food; water; unsatisfactory living standards; vectors; pollution; drainage; keeping of animals and poultry	550 received and 467 attended to and resolved	Target Partially Met	Complaints register
HSS08	Dr Nkosi	Environmental Health: Health Care waste	All wards	Inspect 480 premises to ensure compliance with Health Care Risk Policy and Bylaws relating to Special Waste	480 premises	384	Target Partially Met	Unable to obtain adequate information	Planned programme to be introduced	nil required	nil required	Data base and property files	Inspect 480 premises to ensure compliance with Health Care Risk Policy and Bylaws relating to Special Waste	384	Target Partially Met	Data base and property files
HSS09	Dr Nkosi	Environmental Health: Tobacco Control	All wards	Inspect 1680 premises to ensure compliance with theTobacco Products Control Act eg: in designated areas and smoke free areas	1680 premises	1868	Target exceeded	nil required	nil required	nil required	nil required	Property file s in records room	Inspect 1680 premises to ensure compliance with theTobacco Products Control Act eg: in designated areas and smoke free areas	1868	Target Exceeded	Property file s in records room
HSS10	Dr Nkosi	Environmental Health: Places of Care	All wards	Inspect 240 premises to ensure compliance with Creches and Crèche Cum Nursery School Bylaws	240 premises	423	Target exceeded	nil required	nil required	nil required	nil required	Property file s in records room	Inspect 240 premises to ensure compliance with Creches and Crèche Cum Nursery School Bylaws	423	Target Exceeded	Property file s in records room
HSS11	Dr Nkosi	Environmental Health: Disposal of the Dead	All wards	Inspect 30 premises to ensure compliance with Regulations relating to Funeral Undertakers Premises and the Cemeteries and Crematoria Act and Regulations	30 premises	57	Target exceeded	nil required	nil required	nil required	nil required	Property file s in records room	Inspect 30 premises to ensure compliance with Regulations relating to Funeral Undertakers Premises and the Cemeteries and Crematoria Act and Regulations	57	Target Exceeded	Property file s in records room
HSS12	Dr Nkosi	Environmental Health: Noise Control	All wards	complaints attended to within 5 days from receipt of complaint	complaints attended to within 5 days from receipt of complaint	49	Target met	nil required	nil required	nil required	nil required	Complaints register	complaints attended to within 5 days from receipt of complaint	49	Target met	Complaints register





COMMUNITY SERVICES
3. HEALTH & SOCIAL SERVICES (ENVIRONMENTAL HEALTH, CLINICS, HIV/AIDS)

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HSS13	Dr Nkosi	Environmental Health: Health surveillance	All wards	Inspect 800 premises to ensure compliance with Municipal Bylaws	800 premises	2998	Target exceeded	nil required	nil required	nil required	nil required	Property file s in records room	Inspect 800 premises to ensure compliance with Municipal Bylaws	2998	Target Exceeded	Property file s in records room
HSS14	Dr Nkosi	Environmental Health: Communicable disease control	All wards	Prevention of spread of diseases based on notifications received and investigated in terms of policy relating to Communicable Disease Control - 100% of notifications investigated	100% of notifications investigated	101	Target met	nil required	nil required	nil required	nil required	Databased/ CDC file	Prevention of spread of diseases based on notifications received and investigated in terms of policy relating to Communicable Disease Control - 100% of notifications investigated	101	Target met	Databased/ CDC file
HSS15	Dr Nkosi	Environmental Health: Health promotion/ education	All wards	Conduct 60 education & promotion of healthy environment programmes	60 programs	92	Target exceeded	nil required	nil required	nil required	nil required	Training files	Conduct 60 education & promotion of healthy environment programmes	92	Target Exceeded	Training files
HSS16	Dr Nkosi	Environmental Health: Law enforcement	All wards	notices issued in all cases of contraventions and summons issued due to non compliance of notice (turn around time depending on time given for compliance and severity of offence)	100% - in terms of the number of contraventions	603 notices and 101 prosecutiions	Target met	nil required	nil required	nil required	nil required	Property file s in records room	notices issued in all cases of contraventions and summons issued due to non compliance of notice (turn around time depending on time given for compliance and severity of offence)	603 notices and 101 prosecutions	Target met	Property file s in records room
HSS17	Dr Nkosi	Environmental Health: Transfer of Environmental Health Services	n/a	Finalise transfer/ MOA with District Municipality by June 2012	dependent on transer process	n/a	N/A	Awaiting meeting with National, provincial and District Municipality. Municipal Manager to arrange meeting with District Municipality	nil required	nil required	nil required	Community Services Portfolio Minutes/file	Finalise transfer/ MOA with District Municipality by June 2012	N/A	N/A	Community Services Portfolio Minutes/file
HSS18	Dr Nkosi	Provision of quality, efficient, accessible and affordable health services	Clinics are in Wards: 10, 11, 12, 14, 18, 23, 24, 26, 29, 30, 31, 32, 34,35, 36 and 37	The eight clinics operating 5 days a week by June 2011	(a) 8 clinics to open 5 days a week. (b) Analysis report submitted to Council	100% completed in the 2010/2011 financial year, erronously included in the 2011/2012 financial year SDBIP	N/A	N/A	N/A	nil required	N/A	Report submitted to MM	The eight clinics operating 5 days a week by June 2011	100% completed in the 2010/2011 financial year, erronously included in the 2011/2012 financial year SDBIP	N/A	Report submitted to MM
HSS19	Dr Nkosi	Provision of quality, efficient, accessible and affordable health services	Clinics are in Wards: 10, 11, 12, 14, 18, 23, 24, 26, 29, 30, 31, 32, 34,35, 36 and 37	100 % Acceptable Quality Assurance Standards achieved by June 2012	Engage Department of Health to conduct follow up audit to ensure standards are met and gaps are remedied	Policies in place. Staff trained on Batho Pele.	Target Partially Met	Lack of proper equipment Poor Infrastructure	Fast-track of relevant equipment by SCM.	R 37 992	N/A	Policy File in place and attendance register.	100 % Acceptable Quality Assurance Standards achieved by June 2012	Policies in place. Staff trained on Batho Pele.	Target Partially Met	Policy File in place and attendance register.
HSS20	Dr Nkosi	Provision of quality, efficient, accessible and affordable health services	Clinics are in Wards: 10, 11, 12, 14, 18, 23, 24, 26, 29, 30, 31, 32, 34,35, 36 and 37	To train all (100%) identified Health Professionals that are required to undergo training in order to enable 16 (80%) clinics to offer comprehensive Primary Health Care by the end of June 2012	To train all identified staff.	Trained 2 identified staff	Target Met	N/A	N/A	N/A	N/A	N/A	To train all (100%) identified Health Professionals that are required to undergo training in order to enable 16 (80%) clinics to offer comprehensive Primary Health Care by the end of June 2012	Trained 2 identified staff	Target met	Signed contracts with HRD
HSS21	Dr Nkosi	Education, training and Awareness campaigns relating to HIV&AIDS prevention and management	All wards	10 Education and Training sessions; 5 Peer Education Courses conducted	10 education and training sessions conducted; 5 Peer Education Courses conducted	10 Education and Training sessions conducted; 5 Peer Education Courses conducted	Target met	Nil	Nil	nil required	N/A	Documents filed in the HIV&AIDS Unit	10 Education and Training sessions	10 Education and Training sessions conducted	Target met	Documents filed in the HIV&AIDS Unit



COMMUNITY SERVICES
3. HEALTH & SOCIAL SERVICES (ENVIRONMENTAL HEALTH, CLINICS, HIV/AIDS)

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HSS22	Dr Nkosi	Education, training and Awareness campaigns relating to HIV&AIDS prevention and management	All wards	5 Awareness Campaigns conducted focusing on Prevention and Behaviour Change by May 2012.	5 awareness campaigns conducted.	5 Awareness campaigns conducted	Target Met	Nil	Nil	nil required	N/A	Documents filed in the HIV&AIDS Unit	5 Awareness Campaigns conducted focusing on Prevention and Behaviour Change by May 2012.	5 Awareness Campaigns conducted	Target Met	Documents filed in the HIV&AIDS Unit
HSS23	Dr Nkosi	Education, training and awareness campaigns relating to HIV&AIDS prevention and management.	All wards	All Municipal wards to have condom outlets identified and functioning by June 2012.	Male condoms outlets established in all wards	18 wards with Condom Outlet established	Target Partially Met	Target dependent on the contracted organization	Proper supervision and monitoring of the contracted organization	nil required	N/A	Documents filed in the HIV&AIDS Unit	All Municipal wards to have condom outlets identified and functioning by June 2012.	18 wards with Condom Outlets established	Target Partially Met	Documents filed in the HIV&AIDS Unit
HSS24	Dr Nkosi	Home-Based Care group.	25; 27; 28; 30; 36	Home based care groups established in the remaining 5 wards viz ward 25, 27, 28, 30,36	Implement Home Based Care services in wards 25, 27, 28, 30,36 .	2 wards with Home Based Care groups established i.e. Ward 27 and 28	Target Partially Met	Difficulty in the recruitment of the volunteers- most residents are employed	Recruit volunteers working closely with ABM staff and the Ward Councillor	nil required	N/A	Documents filed in the HIV&AIDS Unit	Home based care groups established in the remaining 5 wards viz ward 25, 27, 28, 30,36	2 ward with Home Based Care groups established	Target Partially Met	Documents filed in the HIV&AIDS Unit
HSS25	Dr Nkosi	Local AIDS Council	n/a	A total of four (1 per quarter) Local AIDS Committee (LAC) meetings held by June 2012.	4 LAC meetings	4 LAC meetings held	Target Met	N/A	N/A	R 28 000	R 28 000	Documents filed in the HIV&AIDS Unit	A total of four (1 per quarter) Local AIDS Committee (LAC) meetings held by June 2012.	4 LAC meetings held	Target Met	IDP
HSS26	Dr Nkosi	HIV&AIDS: Ward Councillors Training	n/a	All Councillors trained on HIV&AIDS related issues by June 2012.	37 Ward Councillors trained on HIV&AIDS related issues .	18 Councillors trained	Target Partially Met	Only 18 Ward Councillors attended training though two days was set aside to train all of them.	Review the organization structure	nil required	N/A	The copy of the Draft Msunduzi HIV&AIDS Strategy is in the HIV&AIDS Unit	All Ward Councillors trained on HIV&AIDS related issues by June 2012.	18 Councillors trained.	Target Partially Met	The copy of the Draft Msunduzi HIV&AIDS Strategy document is in the HIV&AIDS Unit.
HSS27	Dr Nkosi	HIV&AIDS: Ward AIDS Council	1-37	Establish 37 Ward AIDS Councils	All 37 Wards established AIDS Councils in place.	5 Wards have WAC in place	Target Partially Met	Only 18 Ward Councillors attended training though two days was set aside to train all of them.	Conduct another training for all the Councillors, Tradition al Leadership and Ward Committee members	R 21 000	R 21 000	The copy of the Draft Msunduzi HIV&AIDS Strategy is the HIV&AIDS Unit	Establish 37 Ward AIDS Committees	5 Ward AIDS Committees established	Target Partially Met	The copy of the Draft Msunduzi HIV&AIDS Strategy document is in the HIV&AIDS Unit.
HSS28	Dr Nkosi	HIV&AIDS: War Rooms	1-37	Sukuma Sakhe Committees(War Rooms) established in the remaining 36 wards.	War Rooms in place in all wards.	5 War Rooms in place	Target Partially Met	Only 18 Ward Councillors attended training though two days was set aside to train all of them.	Conduct another training for all the Councillors, Tradition al Leadership and Ward Committee members	Nil budget required	Nil	The copy of the Draft Msunduzi HIV&AIDS Strategy document is in the HIV&AIDS Unit.	Sukuma Sakhe Committees established in the remaining 32 wards.	5 war rooms established	Target Partially Met	The copy of the Draft Msunduzi HIV&AIDS Strategy document is in the HIV&AIDS Unit
HSS29	Dr Nkosi	HIV & AIDS Strategy	n/a	(a) Approved Ward Aids strategy (b) Implementation of the Ward Aids Strategy	To insert targets from approved strategy	Draft strategy in place but not approved yet	Target Partially Met	Draft strategy awaiting approval by Council	Draft Strategy to be discussed by Council and approved	nil required	Nil	The copy of the Draft Msunduzi HIV&AIDS Strategy document is in the HIV&AIDS Unit.	(a) Approved Ward Aids strategy (b) Implementation of the Ward Aids Strategy	Draft Strategy in place	Target Partially Met	The copy of the Draft Msunduzi HIV&AIDS Strategy document is in the HIV&AIDS Unit
HSS38	Dr Nkosi	MASONS CLINIC	29	New clinic built by 2012	Building completed. Ready for hand over	Drawings and Bill of Quantities	Target Partially Met	A descision has been made by the Municipal Manager that the project would not go ahead health care is being transferred to Provincial Governement	Project to be continued by Provincial Health Department	R 2 000 000	Cost for design and Quantity Survey Fees R 169637.06	Partially Achieved	Project to be continued by Provincial Health Department	Drawings and Bill of Quantities	Target Partially Met	Bill of Quantities and Drawings
HSS39	Dr Nkosi	Construction of consulting rooms-Willowfountain Clinic	14	Extensions to clinic completed by end June 2012	To insert updated targets based on project implementation plan.	Bulk Excavations Completed, Trenches dug,	Target partially met	Sewer Leakage underground into trenches	Sewer Line to be re-routed	R 300 000	Nil (Contractor to claim once off full payment - R185 275.08)	Bills of Quantities with Supply Chain Unit	Extensions to clinic completed by end June 2012	Bulk Excavations Completed, Trenches dug,	Target Partially Met	Bills of Quantities with Supply Chain Unit
HSS40	Dr Nkosi	Construction of consulting rooms- Impilwenhle Clinic	13	Extensions added by 2012	To insert updated targets based on project implementation plan.	Construction Completed	Target Met	N/A	N/A	R 200 000	(R170 225.00)	Bills of Quantities with Supply Chain Unit	Extensions added by 2012	Construction Completed	Target Met	Bills of Quantities with Supply Chain Unit
HSS41	Dr Nkosi	Construction of consulting rooms- Sinathing Clinic	11	Extensions added by 2012	To insert updated targets based on project implementation plan.	Construction Completed	Target Met	N/A	N/A	R 200 000	(R168 865.00)	Bills of Quantities with Supply Chain Unit	Extensions added by 2012	Construction Completed	Target Met	Bills of Quantities with Supply Chain Unit
HSS42	Dr Nkosi	Construction of consulting rooms- eSigodini Clinic	12	Extensions added by 2012	To insert updated targets based on project implementation plan.	Construction Completed	Target Met	N/A	N/A	R 200 000	(R204 021.24)	Bills of Quantities with Supply Chain Unit	Extensions added by 2012	Construction Completed	Target Met	Bills of Quantities with Supply Chain Unit

AIRPORT, CREMATORIA, ART GALLERY, CEMETERIES UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

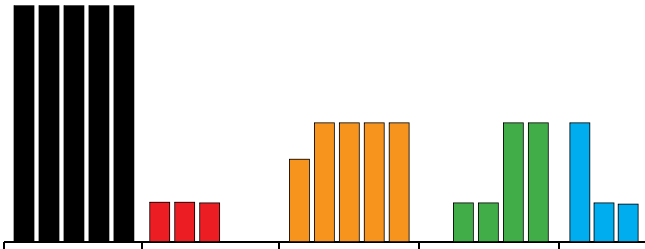
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 AIRPORT, CREMATORIA, ART GALLERY, CEMETERIES UNIT 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

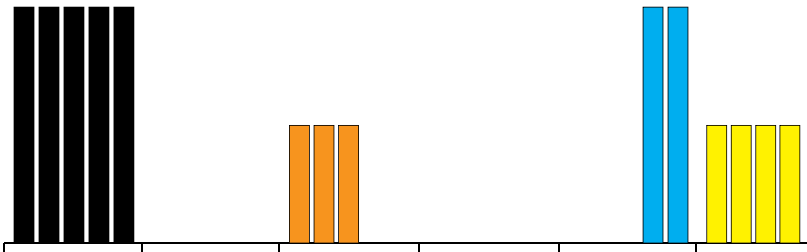
SUB BUSINESS UNIT OVERVIEW - AIRPORT, CREMATORIA, ART GALLERY, CEMETERIES UNIT - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



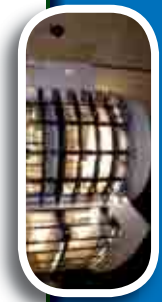
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	16.67%	33.33%	0%	50%	0%
QTR 2	100%	16.66%	50%	16.66%	16.66%	0%
QTR 3	100%	16.66%	50%	16.66%	16.66%	0%
QTR 4	100%	0%	50%	50%	0%	0%
Annual	100%	0%	50%	50%	0%	0%

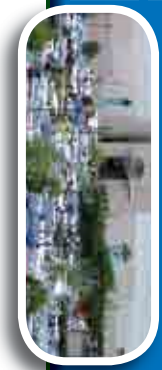
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - AIRPORT, CREMATORIA, ART GALLERY, CEMETERIES UNIT - CAPITAL PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	50%	0%	0%	50%
QTR 2	100%	0%	50%	0%	0%	50%
QTR 3	100%	0%	50%	0%	0%	50%
QTR 4	100%	0%	0%	0%	100%	50%
Annual	100%	0%	0%	0%	100%	0%





COMMUNITY SERVICES
4. CREMATORIA, , CEMETERIES ,ART GALLERY , LIBRARIES

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
RCS 05	Mr Mandla Zuma	Crematoria	All wards	2 fully functional cremators in operation	2 fully functional cremators in operation	two cremators are fully functioning	Target Met	n/a	n/a	N/A	31771.6 (operating budget)	Orders	Signed Service Level Agreement for a 3 year period with appointed service provider	2 fully functional cremators in operation	Target Met	Orders
RCS 08	Mr Mandla Zuma	Hollingwood Cemetery	All wards	Fully completed & operational cemetery facility	Reinstatment of SRK as consultants to oversee the project and the previous contractors.	Report submitted to BAC. SRK Approved as consultants. Awaiting approval to reinstate contractor	Target Partially Met	There were contractual problems with the contractors	Contractor to be re-instated in 2012/2013 financial year and works to commence	16,000,000	N/A	BAC report Vanal Maharaj	Fully completed & operational cemetery facility	Approval of SRK as consultant and still awaiting negotiation with previous contractors(ISF Divison)	Target Partially Met	BAC Documents , Reports and Tender Adjudication
RCS 06	Mr Mandla Zuma	Community outreach Project	N/A	5 Art exhibitions hosted	8 Art Exhibitions staged	8 Art Exhibitions staged	Target Exceeded	N/A	N/A	N/A	N/A	Art Exhibitions documents	5 Art exhibitions hosted	8 Art Exhibitions staged	Target Exceeded	Art Exhibitions documents

WASTE MANAGEMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

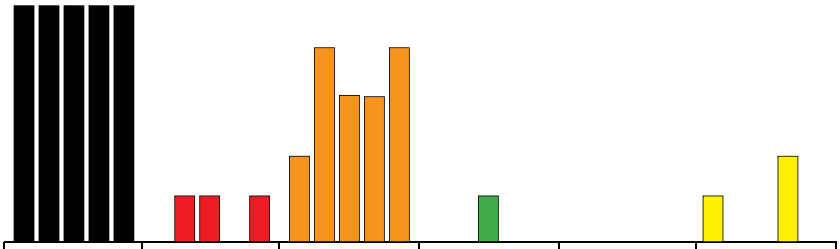
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 WASTE MANAGEMENT UNIT OVERVIEW

1.1 TOTAL PROJECTS: 15
- 1.1.1 OPERATING PROJECTS 10
- 1.1.2 CAPITAL PROJECTS 5

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

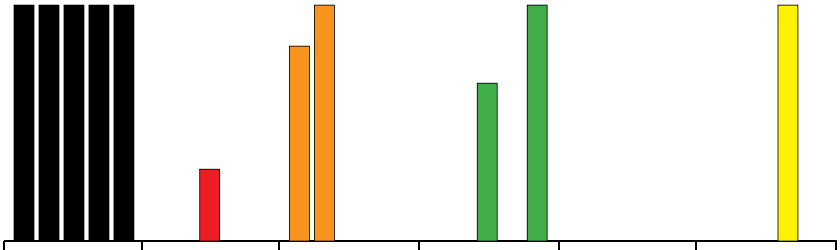
SUB BUSINESS UNIT OVERVIEW - WASTE MANAGEMENT - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



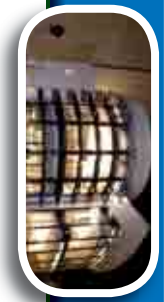
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	40%	0%	0%	20%
QTR 2	100%	20%	80%	0%	0%	0%
QTR 3	100%	20%	60%	20%	0%	0%
QTR 4	100%	0%	60%	0%	0%	40%
Annual	100%	20%	80%	0%	0%	0%

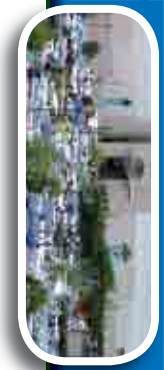
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - WASTE MANAGEMENT - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	87.50%	0%	0%	0%
QTR 2	100%	0%	100%	0%	0%	0%
QTR 3	100%	37.50%	0%	62.50%	0%	0%
QTR 4	100%	0%	0%	0%	0%	100%
Annual	100%	0%	0%	100%	0%	0%





COMMUNITY SERVICES
5. COMMUNITY DEVELOPMENT (WASTE MANAGEMENT)

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
WM01	Mandla Zuma	Integrated Waste Management Plan	All	Integrated waste management plan developed and approved by Council	Integrated waste management plan developed and approved by Council	Draft Intergrated Waste Management Plan	Target Partially Met	non appointment of WMO and business manager	Appointment of Waste Management Officer appointment of Bussiness Manager	Nil Required	N/A	Draft IWMP	Integrated waste management plan developed and approved by Council	Draft Intergrated Waste Management Plan	Target Partially Met	Draft IWMP
WM02	Mandla Zuma	Scheduled Collection of refuse	All	A refuse collection plan	1. Refuse collection plan to be completed & implemented as per integrated waste management plan recommendations	domestic refuse collection plan	Target Partially Met	revenue enhancement strategy not yet approved	approval of the strategy	Nil Required	N/A	domestic refuse collection schedule	A refuse collection plan	domestic refuse collection plan	Target Partially Met	domestic refuse collection schedule
WM03	Ramu	Materials Recovery Facility	All	Establishment of a materials recovery facility	Sustainable recycling: provision of bags to 60000 households weekly; 50 tons of daily recyclables.	UMDM to award tender for construction	Not Applicable	Project progress and funding dependant on UMDM	N/A	To be funded via external grant from COGTA	N/A	N/A	Establishment of a materials recovery facility	Tender awarded for construction phase of facility	Target Partially Met	SCM Document
WM04	Ramu	Gas-to-Energy	All	Establishment of gas-to-energy facility.	Generating 2 KW electricity per hour (REFIT: renewable feed-in tariff to be agreed).	Application for appointment as IPP submitted by service provider	Target Partially Met	Project dependant on appointment of IPP by DoE - award deferred to May 2013	None as the project is dependant on DoE approval	No cost to Council	N/A	N/A	Establishment of gas-to-energy facility.	Application for appointment as IPP submitted by service provider	Target Partially Met	SCM Document
WM05	Ramu	Conversion of garden sites to recycling centres	All	Establishment of 9 buy-back/ recycling centres.	Establish and finalize 6 SMME agreements for management of 9 sites.	N/A	Not Applicable	Funding agent desolved	To be addressed by Waste Management	To be funded via external grant	N/A	N/A	Establishment of 9 buy-back/ recycling centres.	Nil	Nil Achieved	N/A
WM06	Ramu	Landfill upgrade	All	Rehabilitation of roads	N/A	N/A	Not Applicable	N/A	N/A	5,647,000		Site Meeting Minutes	90% Rehabilitation of roads	90% of road rehabilitation	Target Met	Site Meeting Minutes
WM07	Ramu	Landfill upgrade	All	construction and capping of containment berms	N/A	N/A	Not Applicable	N/A	N/A			Site Meeting Minutes	80% construction of containment berms	80% of construction	Target Met	Site Meeting Minutes
WM08	Ramu	Landfill upgrade	All	construction of female change rooms	N/A	N/A	Not Applicable	N/A	N/A		5 647 000	Site Meeting Minutes	95% construction of female change rooms	95% of construction	Target Met	Site Meeting Minutes
WM10	Ramu	Landfill upgrade	All	installation of new weigh bridge	N/A	N/A	Not Applicable	N/A	N/A			Site Meeting Minutes	installation of new weigh bridge	New weighbridge installed	Target Met	Site Meeting Minutes
WM11	Ramu	Landfill upgrade	All	upgrade leachate pump system	N/A	N/A	Not Applicable	N/A	N/A			Site Meeting Minutes	Inspect leachate pump system for defects	Inspection completed	Target Met	Site Meeting Minutes

PARK & RECREATION UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

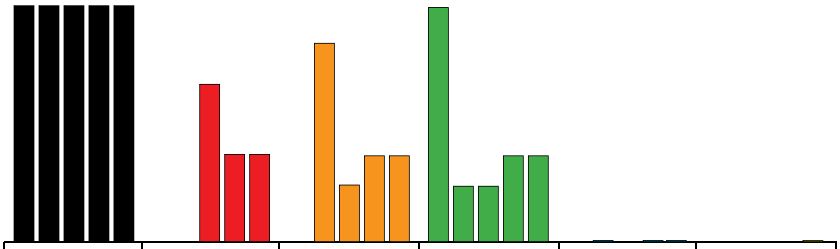
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 PARKS & RECREATION UNIT OVERVIEW

1.1 TOTAL PROJECTS: 7
- 1.1.1 OPERATING PROJECTS 3
- 1.1.2 CAPITAL PROJECTS 4

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

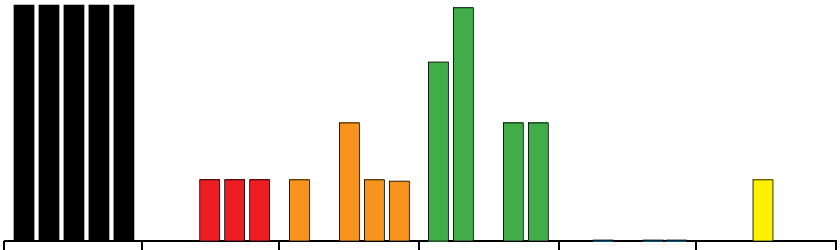
SUB BUSINESS UNIT OVERVIEW - PARKS & RECREATION - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



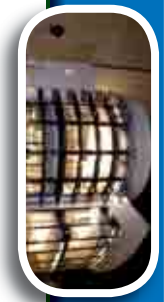
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	0%	100%	0%	0%
QTR 2	100%	0%	80%	20%	0%	0%
QTR 3	100%	60%	20%	20%	0%	0%
QTR 4	100%	33.33%	33.33%	33.33%	0%	0%
Annual	100%	33.33%	33.33%	33.33%	0%	0%

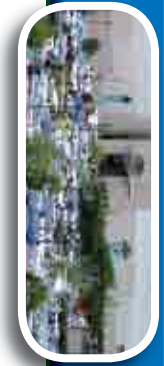
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - PARKS & RECREATION - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	25%	75%	0%	0%
QTR 2	100%	0%	0%	100%	0%	0%
QTR 3	100%	25%	50%	0%	0%	25%
QTR 4	100%	25%	25%	50%	0%	0%
Annual	100%	25%	25%	50%	0%	0%





COMMUNITY SERVICES
5.1. COMMUNITY DEVELOPMENT (PARKS & RECREATION)

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
CSP01	Mandla Zuma	Maintenance of Municipal property grounds	All	75% implementation of Grass cutting in the municipality as per developed Maintenance Plan	75% implementation of Grass cutting in the municipality as per developed Maintenance Plan	30 % achieved currently utilizing (98) Parks Staff	Target Partially Met	downtime on repairs of tractors and brushcutters, EPWP Contract expired in May 2012	priority to be given to the repairs of tractors and brushcutters by fleet , Iniate EPWP Programme	2 900 000	1321 (Balance removed during the Budget Review Process)	Performing Monitor Template and Dialy Stats	75% implementation of Grass cutting in the municipality as per developed Maintenance Plan	60% achieved utilizing EPWP Staff	Target Partially Met	Performing Monitor Template and Dialy Stats
CSP02	Mandla Zuma	Maintenance of Vacant Private Property	All	Implement Plan to Maintain Private vacant Properties	ascertain number of properties that require cutting by the municipality; cut the above properties	this is only undertaken on a request basis	Target Met	n/a	n/a	Dependent on demand/ need	No budget	Valuation Roll	Implement Plan to Maintain Private vacant Properties	This is only undertaken on a request basis	Target Met	Valuation Roll
CSP05	Mandla Zuma	Rehabilitation of Halls- Vulindlela	9-Jan	maintain 1 community hall per ward=9	Completed rehabilitation of 9 x halls as per plan.	Nil	Nil Achieved	funds removed at budget review process	To be budgeted for in the new 2012/13 Capital Budget	3 999 996	Nil	Budget Reivew	maintain 1 community hall per ward=9	Nil	Nil Achieved	Budget Review
CSP06	Mandla Zuma	Athletics Track	37	Completed construction of new atheletics track in Alexander Park	Earthworks in Progress	Earthworks in Progress	Target Met			2,100,000 (Project awarded for R1,44m)	546,011.65 (26%)	Tender Documents -Site Committee Minutes	Completed construction of new atheletics track in Alexander Park	Earthworks in Progress	Target Met	Contract Documents SCM 46 of 11/12 -Site Committee Minutes
CSP08	Mandla Zuma	Sports and Recreation Facilities	20	Sports and Recreation Facilities maintained to an acceptable level(Caluza Sportfield)	Conduct EIA assessment , Compilation of project scope & design	EIA -Record of Decision passed and Bills of Quanitties	Target Met	none	none	2520000 (budget adjusted to R481,165.00 pending EIA)	481,165.00 (100%)	ROD and BOQ s	Sports and Recreation Facilities maintained to an acceptable level	100%	Target Met	ROD and BOQ s
CSP09	Mandla Zuma	Provision of New Parks in Edendale	10-23	Develop, Design & Conduct Feasibility study for new parks in Edendale	Nil	Submitted applications for donor funding.	Nil Achieved	MIG Funding removed at budget review process	To be budgeted for in the new 2012/13 Capital Budget	300,000	Nil	Budget Reivew	Develop, Design & Conduct Feasibility study for new parks in Edendale	Nil	Nil Achieved	Budget Review
CSP10	Mandla Zuma	Complete Revamp of Winston Churchill Theatre	All	100% Revamped facility meeting the required standards of Arts Centre	100% revamp of Winston Churchill Theatre	90% complete	Target Partially Met	National Arts and Culture allocated funds to the Board as the impementing agent	The appointed board to complete the revamp in the 2012/2013 financial year.	10 000000	N/A	Tender Documents -Board Committee Meetings	100% Revamped facility meeting the required standards of Arts Centre	90% complete	Target Partially Met	Tender Documents -Board Committee Meetings

ANNEXURE I(D): INFRASTRUCTURE SERVICES SERVICE DELIVERY TARGETS & PERFORMANCE INDICATORS For the Budget Years ended 2011/2012.

COMMUNITY SERVICES BUSINESS UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

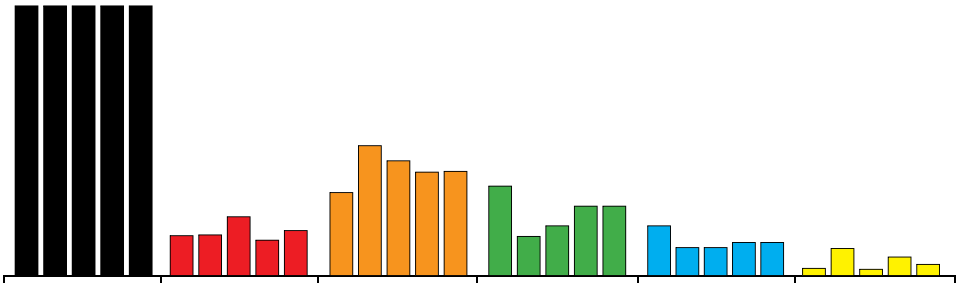
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 INFRASTRUCTURE SERVICES BUSINESS UNIT OVERVIEW

1.1 TOTAL PROJECTS: 54
- 1.1.1 OPERATING PROJECTS 24
- 1.1.2 CAPITAL PROJECTS 30

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

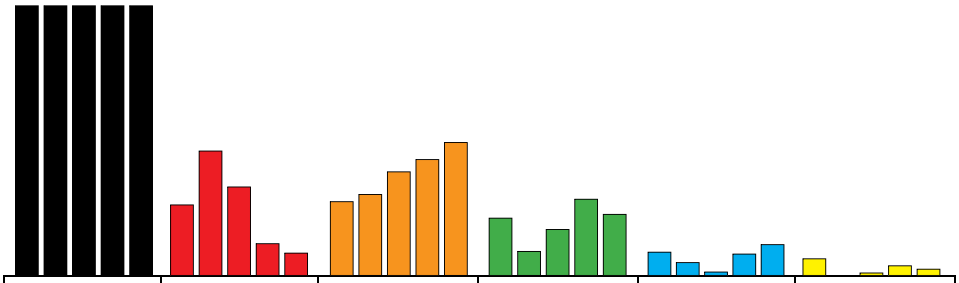
INFRASTRUCTURE SERVICES BUSINESS UNIT OVERVIEW - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	14.80%	30%	33.30%	18.51%	3.70%
QTR 2	100%	14.80%	48.14%	14.81%	11.11%	11.11%
QTR 3	100%	22.22%	44.44%	18.51%	11.11%	3.70%
QTR 4	100%	12.50%	41.66%	25%	12.50%	8.33%
Annual	100%	16.66%	41.66%	25%	12.50%	4.16%

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

INFRASTRUCTURE SERVICES BUSINESS UNIT OVERVIEW - CAPITAL PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	27.07%	32.40%	22%	10.80%	8.10%
QTR 2	100%	48.64%	35.13%	10.81%	5.40%	0%
QTR 3	100%	32.43%	43.24%	18.91%	2.70%	2.70%
QTR 4	100%	13.33%	46.66%	33.33%	10%	6.66%
Annual	100%	10%	50%	23.33%	13.33%	3.33%

PROJECT MANAGEMENT & FLEET UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

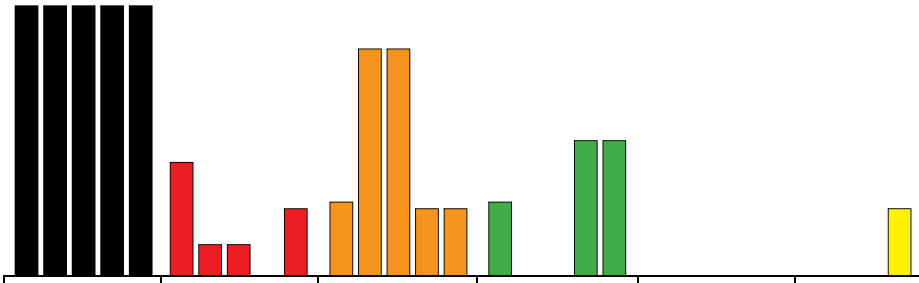
1 PROJECT MANAGEMENT & FLEET UNIT OVERVIEW

1.1 TOTAL PROJECTS: 7

1.1.1 OPERATING PROJECTS 4
1.1.2 CAPITAL PROJECTS 3

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

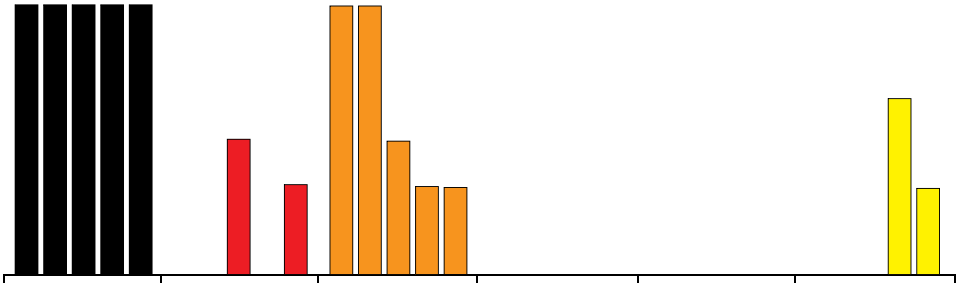
SUB BUSINESS UNIT OVERVIEW - MUNICIPAL INFRASTRUCTURE GRANT - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



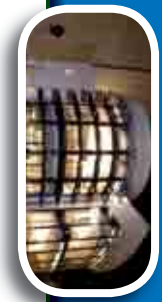
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	43%	28.60%	28.60%	0%	0%
QTR 2	100%	14.28%	85.71%	0%	0%	0%
QTR 3	100%	14.28%	85.17%	0%	0%	0%
QTR 4	100%	0%	25%	50%	0%	25%
Annual	100%	25%	25%	50%	0%	0%

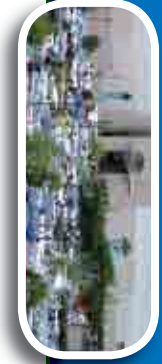
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - MUNICIPAL INFRASTRUCTURE GRANT - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	100%	0%	0%	0%
QTR 2	100%	0%	100%	0%	0%	0%
QTR 3	100%	50%	50%	0%	0%	0%
QTR 4	100%	0%	33.30%	0%	0%	66.60%
Annual	100%	33.30%	33.30%	0%	0%	33.30%





INFRASTRUCTURE SERVICES
1. MUNICIPAL INFRASTRUCUTURE GRANT & FLEET

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
INFRA01	Dev Reddy	Fleet Management System	n/a	Implementation of an integrated fleet management system by the 30th June 2012.	Quarterly reports on the results achieved by Fleet Management Reports to business units	The Camis System is currently being used by Fleet	Target Partially Met	Fleet Management has the Camis system in place.	Fleet Management Reorts to be sent to business units	nil required	nil	camis	Implementation of an integrated fleet management system by the 30th June 2012.	The Camis System is currently being used by Fleet	Target Partially Met	Camis
INFRA02	Dev Reddy	Vehicle Abuse Monitoring	n/a	Implementation of a system that identifies, measures, reports on and reduces unauthorised use of vehilces/ vehicle abuse	System delivered Vehicle Abuse Indicators baselines established and initial reports to business units	107 units fitted to the new vehicles purchased.	Target Met	n/a	n/a	2.976.000.00	R260 per month lease agreement for	tender document SCM	Implementation of a system that identifies, measures, reports on and reduces unauthorised use of vehilces/ vehicle abuse	The Vehicle Monitoring System has been awarded to E.W.Corp. The installation of the system is in progress.	Target Met	Tender document SCM 32 of 11/12
INFRA03	Dev Reddy	Mechaical workshop	n/a	Fully fledged mechanical workshop	Plant and equipment delivered	nil	Not Applicable	no funding	nil	nil	nil	N/A	Fully fledged mechanical workshop	nill, no funding for the project	Nil Achieved	nil
INFRA04	Dev Reddy	Vehicle Repair and servicing	n/a	Vehicle servicing and maintenance plans	Monthly vehicle servicing and maintenance performance reports	service plan developed and distributed to Business Units.	Target Met	n/a	n/a	R13.000.000.00	nil	job cards/ service plan	Vehicle servicing and maintenance plans	The service plan has been implemented and commences on the 1st of july 12	Target Met	Service Plan/ job cards
INFRA05	Dev Reddy	Establishment of approved Fleet Management Structure	n/a	Section 78 recommendations finalised, resolved and implemented	City Fleet restructuring commenced	n/a	Not Applicable	n/a	n/a	nil	nil	n/a	Section 78 recommendations finalised, resolved and implemented	Nil	Nil Achieved	n/a
INFRA06	Krishna Singh	Expenditure annual MIG allocation	n/a	95% of annual MIG allocation spent	(1) 12 monthly reports (2) 95% of MIG allocation spent	n/a	Not Applicable	n/a	n/a	nil required for reporting purposes			95% of annual MIG allocation spent		Not Applicable	
INFRA09	Krishna Singh	Fleet Replacement	n/a	Developed and approved Fleet Replacement Policy	Draft Fleet Policy submitted to Manco	Draft Policy submitted to Manco for approval	Target Partially Met	Amendments were made to the draft policy	To submit draft policy to Manco	nil required	nil	Draft Fleet Policy	Developed and approved Fleet Replacement Policy	Draft Fleet Policy report submitted to Manco	Target Partially Met	Draft Fleet Policy

ELECTRICITY UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

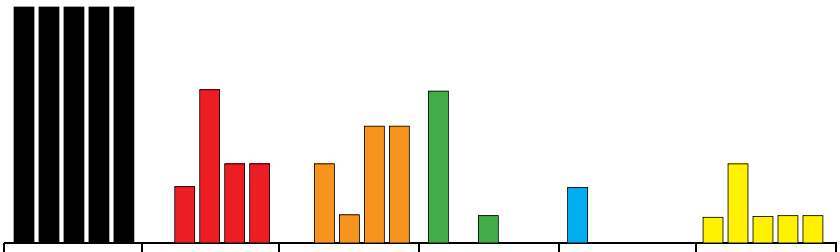
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 ELECTRICITY UNIT OVERVIEW

1.1 TOTAL PROJECTS: 13
- 1.1.1 OPERATING PROJECTS 8
- 1.1.2 CAPITAL PROJECTS 5

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

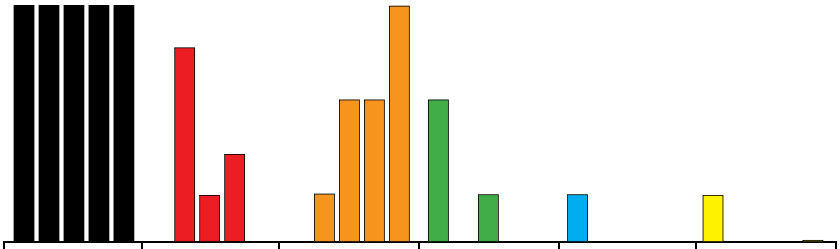
SUB BUSINESS UNIT OVERVIEW - ELECTRICITY - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR
QUARTERS 1 - 4 & ANNUAL REPORT



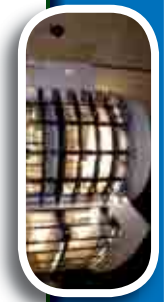
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	0%	62.50%	25%	12.50%
QTR 2	100%	25%	37.50%	0%	0%	37.50%
QTR 3	100%	62.50%	12.50%	12.50%	0%	12.50%
QTR 4	100%	37.50%	50%	0%	0%	12.50%
Annual	100%	37.50%	50%	0%	0%	12.50%

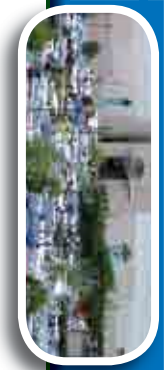
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - ELECTRICITY - CAPITAL PROJECTS 2011/2012 FINANCIAL YEAR
QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	0%	60%	20%	20%
QTR 2	100%	80%	20%	0%	0%	0%
QTR 3	100%	20%	60%	20%	0%	0%
QTR 4	100%	40%	60%	0%	0%	0%
Annual	100%	0%	100%	0%	0%	0%





INFRASTRUCTURE SERVICES
2. ELECTRICITY

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 OCT - DEC TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
EDM01	Sewdutt Nagesar	Planned maintainence	All Wards	Develop a Maintainence plan for primary and secondary sub stations	N/A	Maintenance plans for primary substations complete and 80% complete for secondary substations	Target partially met	Records not updated	Update records	Nil Required	R1m spent	Maintenance Plans	Develop a Maintainence plan for primary and secondary sub stations	Maintenance plans for Primary substations complete and 80% complete for Secondary substations	Target partially met	Maintenance plans
EDM02	Sewdutt Nagesar	Contain electricity losses	All Wards	1. Developed strategy to reduce losses to 7% including immediate disconnections	Property to property walk visit to do audit	ongoing	Target partially met	Limited Audit Teams	Appoint more audit teams	Nil Required		Tampering / Theft of Electricity Documents	1. Developed strategy to reduce losses to 7% including immediate disconnections	ongoing	Target partially met	Tampering Theft of Electricity Documents Reports
EDM03	Sewdutt Nagesar	Manage load shedding	All Wards	Develop a plan which will use load shedding as a tool to reduce peak demand	Implement rotational load shedding as per plan	nil	Nil Achieved	no system in place for load shedding to reduce peak demand	Prepare a plan for load shedding to reduce peak demand	Nil Required	N/A	N/A	Develop a plan which will use load shedding as a tool to reduce peak demand	nil	Nil Achieved	N/A
EDM04	Sewdutt Nagesar	Refurbishment of Network	n/a	Review and update Refurbishment network plan		nil	Nil Achieved	Records not updated and no proper planning	Ensure maintenance /refurbishment plans are maintained	Nil Required	N/A	N/A	Review and update Refurbishment network plan	nil	Nil Achieved	N/A
EDM05	Sewdutt Nagesar	Meters	n/a	A program for bulk, credit & pre-payment meters is reconciled		nil	Nil Achieved	no program in place	develop a programme	dependent on funding application & approval	N/A	N/A	A program for bulk, credit & pre-payment meters is reconciled	nil	Nil Achieved	N/A
EDM06	Sewdutt Nagesar	Vending Stations	n/a	A plan for vending station needs for pre-payment meters and new vending stations in place	N/A	Finance Business Unit responsible for vending	Not Applicable	N/A	N/A	dependent on funding application & approval	N/A	N/A	A plan for vending station needs for pre-payment meters and new vending stations in place	Finance Business Unit responsible for vending	Not Applicable	N/A
EDM08	Sewdutt Nagesar	Capital Projects	n/a	Completed business plan detailing all projects together with capital funding requirements for a period of 5 years		Assessment and Business Plan completed by IDT	Target partially met	Funding	IDT to source funding	Nil Required	N/A	IDT Report	Completed business plan detailing all projects together with capital funding requirements for a period of 5 years	Draft Plans & IDT Report	Target partially met	IDT Report
EDM09	Sewdutt Nagesar	Electrification in Eskom Area of Supply	20, 21, 14, 12	2 700 households newly electrified.	750	126	Target partially met	Network constraints as advised by Eskom	Eskom to upgrade and strengthen their their network.	26,355,000	N/A	N/A	2 700 households newly electrified.	1843	Target partially met	Eskom correspondence
EDM10	Sewdutt Nagesar	Refurbishment of Mini-Subs and Pole Transformers, cables	Various	Refurbish 8 mini-subs	Acquisition and Replacement of 4mini-subs	1 mini-sub replaced	Target partially met	Awaiting delivery of equipment	Maintain minimum stock levels	26361300	N/A	N/A	Refurbish 8 mini-subs	Replaced 5 mini-subs	Target partially met	Electricity Records
EDM11	Sewdutt Nagesar	Refurbishment of Pole Transformers	Various	Refurbish 12 pole transformers	Acquisition and Refurbishment of 6 pole transformers	Replaced 3 pole mounted transformers	Target partially met	Awaiting delivery of equipment	Maintain minimum stock levels		N/A	N/A	Refurbish 12 pole transformers	Replaced 7 pole mounted transformers	Target partially met	Electricity Records
EDM12	Sewdutt Nagesar	Refurbishment of cables	Various	Refurbish 5km of 11kV cables	N/A	nil	Nil Achieved	Limited capital funding	provide adequate funding		N/A	N/A	Refurbish 5km of 11kV cables	1,275 m cable installed in Sweetwaters	Target partially met	Electricity Records
EDM13	Sewdutt Nagesar	Copesville (1800 beneficiaries)	Various	1800 households to be connected	1800 connections	nil	Nil Achieved	design not completed	design completed by Independent Development Trust and connections to commence in 2012/2013 financial year.	26 361 300	N/A	N/A	1800 households to be connected	design	Target partially met	Design Documents

WATER & SANITATION UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

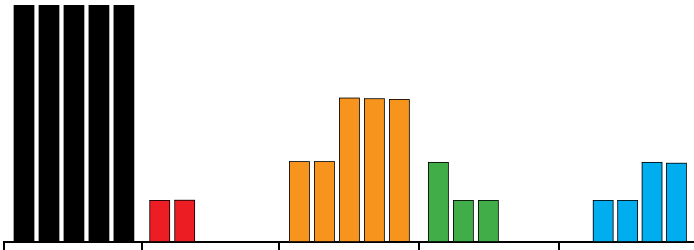
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 WATER & SANITATION UNIT OVERVIEW

1.1 TOTAL PROJECTS: 16
- 1.1.1 OPERATING PROJECTS 5
- 1.1.2 CAPITAL PROJECTS 11

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

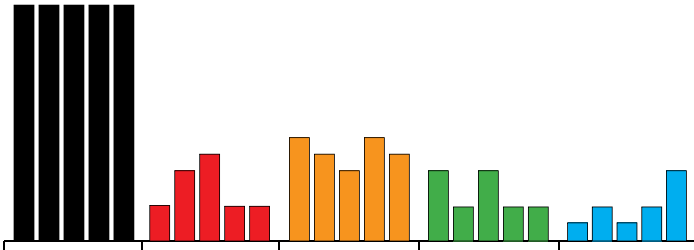
SUB BUSINESS UNIT OVERVIEW - WATER & SANITATION - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



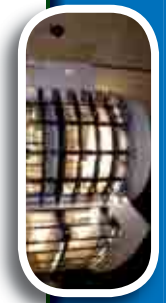
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	20%	40%	40%	0%	0%
QTR 2	100%	20%	40%	20%	20%	0%
QTR 3	100%	0%	60%	20%	20%	0%
QTR 4	100%	0%	60%	0%	40%	0%
Annual	100%	0%	60%	0%	40%	0%

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - WATER & SANITATION - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT

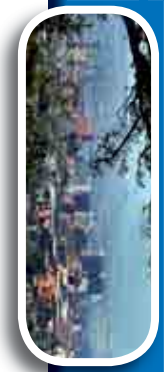


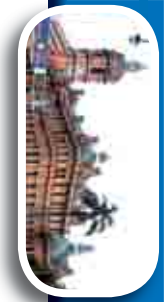
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	18.18%	45.45%	27.27%	9.19%	0%
QTR 2	100%	27.27%	36.36%	18.18%	18.18%	0%
QTR 3	100%	36.36%	27.27%	27.27%	9.09%	0%
QTR 4	100%	18.18%	45.45%	18.18%	18.18%	0%
Annual	100%	18.18%	36.63%	18.18%	27.27%	0%



INFRASTRUCTURE SERVICES
3. WATER & SANITATION

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
WS01	Brenden Sivparsad	Prepare a business plan for MIG funding.	n/a	Approval of MIG Funding & Construction of 10 Standpipes	completed installation of 10 standpipes	Ward 2 - 800m, Ward 4 - 800m, Ward 14 - 850m, Ward 20 - 600m, Ward 3 - 530m, Ward 30 - 400m., Higher level of Service been delivered in the form of individual connections	Target Exceeded	N/A	N/A	2,000,000	R 1,933,427	Mig Approval, Orders, Physical Construction	Approval of MIG Funding & Construction of 10 Standpipes	MIG Approved, 3.9km of water main constructed	Target Exceeded	Mig Approval, Orders, Physical Construction
WS02	Brenden Sivparsad	Planned maintenance Water distribution	n/a	Approved planned maintenance programme.	N/A	Draft Planned Maintenance Programme	Target Partially Met	Resource schedule incomplete, Technical Capacity constraints	To be completed in the 2012-2013 financial year in conjunction with OD	nil required	N/A	Draft Planned Maintenance Program	Approved planned maintenance programme.	Draft Planned Maintenance Programme	Target Partially Met	Draft Planned Maintenance Program
WS03	Brenden Sivparsad	Planned maintenance Sanitation	n/a	Approved planned maintenance programme.	N/A	Draft Planned Maintenance Programme	Target Partially Met	Resource schedule incomplete, Technical Capacity constraints	To be completed in the 2012-2013 financial year in conjunction with OD	nil required	N/A	Work Procedure Manual	Approved planned maintenance programme.	Draft Planned Maintenance Programme	Target Partially Met	Work Procedure Manual
WS04	Brenden Sivparsad	Reactive Operations Water & Sanitation	n/a	water, 60%; sanitation 85%	water, 60%; sanitation 85%	Water : 75.76%, Sanitation : 88%	Target Exceeded	N/A	N/A	N/A	N/A	Heat Records	water, 60%; sanitation 85%		Target Exceeded	Heat Records
WS05	Brenden Sivparsad	Installation of VIPs in Vulindlela	9-Jan	Install 2000 VIP s in Vulindlela	500	1294	Target Exceeded	N/A	N/A	18,721,715	17,490,417	Payment Certificates	Install 2000 VIP s in Vulindlela	2116	Target Exceeded	Payment Certificates
WS06	Brenden Sivparsad	Masons Reservoir and Pipeline	26	Completed Design and Environmental Impact Assessment	Approval - ROD	EMP proposal submitted to DAEA. Awaiting Response. Mason s Reservoir Design complete	Target Partially Met	ROD is dependant on DAEA	Budgeted for in 2012-2013	500,000	370,921	EIA/EMP Submission from consultant and Email correspondences	Completed Design and Environmental Impact Assessment	EMP proposal submitted to DAEA. Awaiting Response. Mason s Reservoir Design complete	Target Partially Met	EIA/EMP Submission from consultant and Email correspondences
WS07	Brenden Sivparsad	Reduction of Non Revenue Water	All wards	Target : Reduce the amount of Non Revenue Water to 50%	50%	47.8% (May 2012)	Target Exceeded	N/A	N/A	21,396,080	16,346,488	IWA Water Balance montly calculation,	Target : Reduce the amount of Non Revenue Water to 50%	48.2	Target Exceeded	IWA Water Balance montly calculation,
WS08	Brenden Sivparsad	Sanitation Infrastructure Feasibility Study	Various	Survey of 650km of sewer infrstructure	164 km	44.2 (up to 24 June 2012)	Target Partially Met	Rates Based contract and therefore contractor had to supply within the award amount	Project award amount including the approved variation order was completed within the scope. Phase 3 will be undertaken with the budgeted amount in the 2012/2013 financial year.	2,973,594	1,474,366	Email from Supplier, Payment Certificates	Survey of 650km of sewer infrstructure	2446km	Target Exceeded	Email from Supplier, Payment Certificates
WS09	Brenden Sivparsad	Shenstone Ambleton Sanitation System	18	Environmental Impact Assessment for water bourne system for 6,000 households, Advertise, Appoint & Commence construction on outfall sewer	1. Commence construction of outfall; 2. continue preliminary design.	EIA Completed and await ROD to proceed with project process. Design and tender process taken as far as possible pending receipt and conditions linked to ROD	Target Partially Met	Time frame for receipt of ROD longer than programmed. Delay outside control of Council.	Advertise, Appoint & Construction start postponed to 1st Quarter 2012/13 pending timeous receipt of ROD.	400,000	390,637 excl VAT 445,326 incl VAT	MIG Cashflow Report 30 Jun 2012. Liebenberg Jenkins	Environmental Impact Assessment for water bourne system for 6,000 households, Advertise, Appoint & Commence construction on outfall sewer	EIA Completed and await ROD to proceed.	Target Partially Met	MIG Reporting 30 Jun 2012. Liebenberg Jenkins
WS10	Brenden Sivparsad	Edendale Proper New Mains and Reticulation	20	Replacement and extensions of pipelines:1. site investigation of pipeline; 2. installation of approximtely 1800m of new water pipeline	investigation and intallation of pipeline (1800m)	Ph 2 - Ward 20 747m Piping and 30no Water Meters installed Ph 3 - Ward 11 Site investigation for installation of 3,800m piping	Target Partially Met	Ph 2 - Ward 20 Scope of works revised to undertake on-site plumbing to connect new meters to site piping. Resolving Admin/Legal issues to connect new meters without "formal applications".	Ph 2 - Ward 20 Proceed with formal and informal yard connections regardless of current legal status to reduce water loss control and increase accounting measures. Formal applications to follow-up.	1,410,000	Ph 2 - Ward 20 500,383 exc VAT 570,436 incl VAT Ph 3 - Ward 11 139,330 exc VAT 158,836 incl VAT	MIG Cashflow Report 30 Jun 2012. Liebenberg Jenkins	Replacement and extensions of pipelines:1. site investigation of pipeline; 2. installation of approximtely 1800m of new water pipeline	Ph 2 - Ward 20 747m Piping and 30no Water Meters installed Ph 3 - Ward 11 Site investigation for installation of 3,800m piping	Target Partially Met	MIG Reporting 30 Jun 2012. Liebenberg Jenkins
WS11	Brenden Sivparsad	Service Midblock Eradication in Sobantu, Ashdown and Imbali [water]	14, 15, 17, 18, 19, 23, 35	Design to Eradicate 10 km of midblock drains		Tender Docs and Design Drawings	Target Met	N/A	N/A	312,725	312,724	Tender Docs and Design Drawings, Payment Certificates	Design to Eradicate 10 km of midblock drains	Tender Docs and Design Drawings	Target Met	Tender Docs and Design Drawings, Payment Certificates
WS12	Brenden Sivparsad	Refurbishment of networks in accordance with plan: replace 4000m of defective sanitation pipe	Various	Replace 3000m of defective sanitation pipe;	1000m	100m at Roberts Road, Material Purchased for Manning Avenue Porject	Target Partially Met	Lack of Labour resources, Budget Adjustment in line with MIG approval amount for Phase 1.	Budget for in 2012-2013	712,126	462,126	Orders and Physical Construction	Replace 3000m of defective sanitation pipe;	100m at Roberts Road, Material Purchased for Manning Avenue Porject	Target Partially Met	Orders and Physical Construction





INFRASTRUCTURE SERVICES
3. WATER & SANITATION

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
WS13	Brenden Sivparsad	Refurbishment of networks in accordance with plan: purchase new pumps for pump stations	35	Refurbishment of sewer pump station	N/A	Sobantu Pump Station upgraded. Pump and Non return Valves	Target Met	N/A	N/A	Incorporated into Rehabilitation of Sanitation Infrastructure		Installation and Order number, Payment Certificate	Refurbishment of sewer pump station	Sobantu Pump Station upgraded. Pump and Non return Valves	Target Met	Installation and Order number, Payment Certificate
WS14	Brenden Sivparsad	Sewer Pipes Unit H - Ward 16 [Design Phase]	16	Design for Water bourne sanitation for 400 households	Completed design and tender documents.	Nil	Nil Achieved	Construction of Phase 1 carried over into current financial year	Design budgeted for in the 2012-2013 financial year	500,000	N/A for Design	N/A	Design for Water bourne sanitation for 400 households	N/A	Nil Achieved	N/A
WS16	Brenden Sivparsad	Sewer Pipes Azalea - Phase 2 (Design)	10	Design for Water bourne sanitation for 400 households	Completed design and tender documents.	Nil	Nil Achieved	Construction of Phase 1 carried over into current financial year	Design budgeted for in the 2012-2013 financial year	500,000	N/A for Design	N/A	Design for Water bourne sanitation for 400 households	N/A	Nil Achieved	N/A
WS17	Brenden Sivparsad	Copesville Reservoir	29	50 % Construction of new reservoir (i.e. earthworks, floor & walls only)	construction of resovoir walls. (50%complete)	Earthworks complete (60%)	Target Partially Met	Contract only awarded in May 2012	Contractually commited for 2012-2013	2,600,000	R 845,486	Payment Certificates, Progress reports, award letter	50 % Construction of new reservoir (i.e. earthworks, floor & walls only)	Earthworks complete (60%)	Target Partially Met	Payment Certificates, Progress reports, award letter

ROADS & STORMWATER UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 ROADS & STORMWATER UNIT OVERVIEW

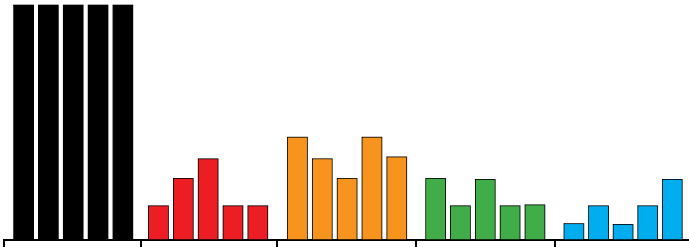
1.1 TOTAL PROJECTS: 18

1.1.1 OPERATING PROJECTS 7

1.1.2 CAPITAL PROJECTS 11

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

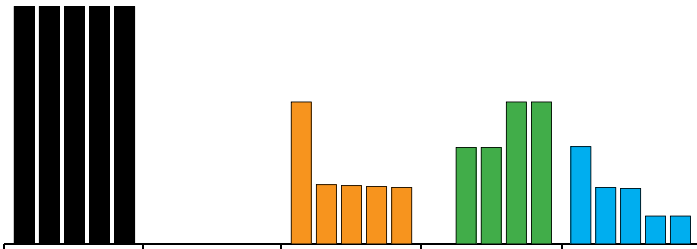
SUB BUSINESS UNIT OVERVIEW - ROADS & STORMWATER - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



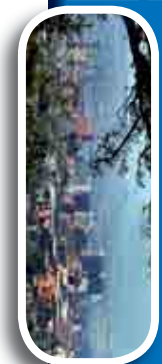
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	18.18%	45.45%	27.27%	9.19%	0%
QTR 2	100%	27.27%	36.36%	18.18%	18.18%	0%
QTR 3	100%	36.36%	27.27%	27.27%	9.09%	0%
QTR 4	100%	18.18%	45.45%	18.18%	18.18%	0%
Annual	100%	18.18%	36.63%	18.18%	27.27%	0%

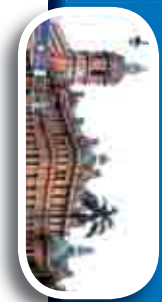
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - ROADS & STORMWATER - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



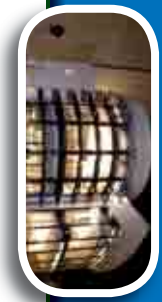
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	57%	0%	42.85%	0%
QTR 2	100%	0%	28.57%	42.85%	28.57%	0%
QTR 3	100%	0%	28.57%	42.85%	28.57%	0%
QTR 4	100%	0%	28.50%	57.14%	14.28%	0%
Annual	100%	0%	28.50%	57.14%	14.28%	0%

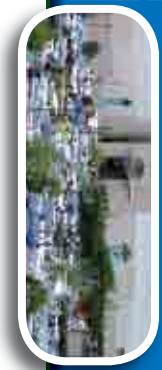




INFRASTRUCTURE SERVICES
4. ROADS, TRANSPORTATION & PUBLIC WORKS

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
RNMP01	Sithembiso Mbimbi	Pothole Repairs	Various	Attend within 7 days from date reported	Attend within 7 days from date reported	Attend within 21 days from date reported	Target Partially Met	Shortage of premix and other resources	None. Dependent on external sources and suppliers of premix plants outside Municipal control.	6,103,222 & 4,801,934	5,899,570 & 4,684,385	Reports by Roads Superintendent	Attend within 7 days from date reported	Attended within 21 days from date reported	Target Partially Met	Reports by Roads Superintendent
RNMP02	Sithembiso Mbimbi	Verge Infrastructure Repairs	Various	+/- 20sqm of repairs /MNTH	240 sqm	245 sqm	Target Met	N/A	N/A	341,641 & 409,977	294,793 & 409,977	Completion Certificates	+/- 20sqm of repairs /MNTH	290 sqm	Target Met	Completion Certificates
RNMP03	Sithembiso Mbimbi	Clearing of Catchpits	Various	85% response rate	85% response rate	245 sqm	Target Met	N/A	N/A	nil required		Reports by Drainage	85% response rate	85% response rate	Target Met	Reports by Drainage
RNMP04	Sithembiso Mbimbi	Maintenance of Railways as per Railway Safety Regulator	Various	95% response rate	95% response rate	95% response rate	Target Met	N/A	N/A	551,410	517,685	Completion certificates	95% response rate	95% response rate	Target Met	Completion Certificates
RNMP05	Sithembiso Mbimbi	Gravel Roads Maintenance	Various	10km / month	120km	130 km	Target Met	N/A	N/A	6,103,222 4,801,934 6,600,000	5,899,570 4,684,385 6,568,392	Completion Certificates	10km / month	130 km	Target Met	Completion Certificates
RNMP06	Sithembiso Mbimbi	Road Marking	Various	50km / month	600 km	348.6 km	Target Partially Met	- Target overstated - Unreliable vehicles - ABET training contributes to staff shortage which is already high	- To state reasonable targets in future - Fleet to be replaced - ABET be conducted after hours or on weekend	547,500	519,123	Completion certificates	50km / month	348.6 km	Target Partially Met	Completion certificates
RNMP07	Sithembiso Mbimbi	Replacement of Traffic Signs	Various	40 signs / month	480 signs	587	Target Exceeded	N/A	N/A	235,000	173,088	Completion certificates	40 signs / month	587	Target Exceeded	Completion certificates
RNMP08	Sithembiso Mbimbi	Rehabilitation of Roads in Ashdown	23	To upgrade 1.0km of gravel roads to a black top surface by June 2012	N/A	1.0 km completed	Target Met	N/A	N/A	1,450,067	1,450,067	Completion Certificate	To upgrade 1.0km of gravel roads to a black top surface by June 2012	1.0 km completed	Target Met	Completion Certificates
RNMP09	Sithembiso Mbimbi	Upgrading of Machibisa/ Dambuza Roads	21	To upgrade 3.0km of gravel roads to a black top surfacing by June 2012	Complete 2.0km of road	7.0 km black-base and 2.0 km asphalt = 9.0 km	Target Exceeded	Scope of works increased due to savings from other projects	N/A	20,508,364	20,080,024	Completion Certificate	To upgrade 3.0km of gravel roads to a black top surfacing by June 2012	9 km completed	Target Exceeded	Completion Certificates
RNMP10	Sithembiso Mbimbi	Upgrading of Hlathini Road, Sinathingi	11	To upgrade 1.9 km of gravel road to a black top surfacing, by June 2012	N/A	1.9 km completed	Target Met	N/A	N/A	5,238,030	5,238,030	Completion Certificate	To upgrade 1.9 km of gravel road to a black top surfacing, by June 2012	1.9 km completed	Target Met	Completion Certificate
RNMP11	Sithembiso Mbimbi	Upgrade D1128 Rd	5	To upgrade 2.0 km of gravel road to a black top surface, by June 2012	Complete 2.0 km of road	Road base under construction	Target Partially Met	Scope of work reinstated to 3.2 km	Project duration increased	8,600,000	8,600,000	Site Minutes and Payment Certificate	To upgrade 2.0 km of gravel road to a black top surface, by June 2012	Stormwater completed. Road base 60% completed	Target Partially Met	Site Minutes & Payment Certificates
RNMP12	Sithembiso Mbimbi	Upgrade of Unit P internal Roads- Phase 2	18	To complete a Design Report of Unit P Roads-Ph.2, by March 2012	N/A	Completed design	Target Met	N/A	N/A	78,600	78,600	Report	To complete a Design Report of Unit P Roads-Ph.2, by March 2012	Completed design	Target Met	Report
RNMP13	Sithembiso Mbimbi	Upgrading of Waterfall Road-Esigodini	12	To upgrade 0.9km of gravel road to a black top surface, by June 2012	Complete 0.9km of road	- Preparation 100% - Sub-base - 100% Surfacing under remedial	Target Partially Met	Late start of the project	Works under accelerated programme	2,013,160	2,013,160	Payment Certificate	To upgrade 0.9km of gravel road to a black top surface, by June 2012	- Preparation 100% - Sub-base - 100% Surfacing under remedial	Target Partially Met	Payment Certificate & Completion Certificate
RNMP14	Sithembiso Mbimbi	Horse Shoe Access Rd in Imbali Stage 1 & 2	15 & 19	To upgrade 0.8km of gravel roads by June 2012	N/A	Completed design	Target Met	N/A	N/A	942,963	942,963	Payment Certificate and Completion Certificate	To upgrade 0.8km of gravel roads by June 2012	Completed design	Target Met	Payment Certificate and Completion Certificate
RNMP15	Sithembiso Mbimbi	Upgrade Station Road Bridge - EIA & Design Update	11	To complete EIA & Design Reports for Station Road Bridge, by June 2012	Completed EIA Report	EIA application to DAEA, drawing and preliminary Design Report (PDR)	Target Partially Met	- Nil response to tender advert - EIA takes 6 - 18 months	Budgeted for Multi-year	471,556	471556	Letter of acceptance Design drawings, EIA application to DAEA and PDR	To complete EIA & Design Reports for Station Road Bridge, by June 2012	Design drawings, EIA application to DAEA	Target Partially Met	Letter of acceptance Design drawings, EIA application to DAEA and PDR
RNMP16	Sithembiso Mbimbi	Upgrading of Moscow Roads	12	To complete Design Report for Moscow Roads, by April 2012	Completed design report	Design report and drawings	Target Met	N/A	N/A	234,000	234,000	Letter of acceptance, PS contract	To complete Design Report for Moscow Roads, by April 2012	Design drawings, Design report	Target Met	Design drawings, Design report





INFRASTRUCTURE SERVICES
4. ROADS, TRANSPORTATION & PUBLIC WORKS

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
RNMP17	Sithembiso Mbimbi	Integrated Rapid Public Transportation Network (IRPTN)	All	To produce Operational Plan report by June 2012	Complete a final Operational Plan Report	Confirmation of Phase 1	Target Partially Met	Appointment of Consultant delays Challenges with Taxi Association in terms of the project Household travel surveys delayed	Consultants accelerating programme Consultations ongoing Household travel surveys almost complete	65,000,000	15,898,743	Exco Resolution	To produce Operational Plan report by June 2012	Confirmation of Phase 1	Target Partially Met	Exco Resolution for Phase 1 and IRPTN Programme
RNMP18	Sithembiso Mbimbi	Upgrade New England Road	37	To widen New England Rd into two lanes each direction between Woodhouse and Ridge intersections- approx. 0.9km	Complete widening between Woodhouse and Ridge Intersection	Services relocated. Widening between Woodhouse & New England Road completed	Target Partially Met	- Project commenced late due to funding approvals - Reallocation of services	- Project duration extended - Multi-year project	9,400,000	6,600,000	Payment Certificate	To widen New England Rd into two lanes each direction between Woodhouse and Ridge intersections- approx. 0.9km	Project 55% completed	Target Partially Met	Payment Certificate
RNMP22	Sithembiso Mbimbi	Upgrade N3/ Chota Motala Interchange	All	Complete new ramps and bridge widening for Upgrade to N3/ Chota Motala Interchange	Complete earthworks for ramps	All earthworks and layer works completed	Target Met	N/A	N/A	20,000,000	20,000,000	Payment Certificate	Complete new ramps and bridge widening for Upgrade to N3/Chota Motala Interchange	All earthworks and layer works completed	Target Met	Payment Certificate

ANNEXURE I(E): CORPORATE SERVICES SERVICE DELIVERY TARGETS & PERFORMANCE INDICATORS For the Budget Years ended 2011/2012.

CORPORATE SERVICES BUSINESS UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

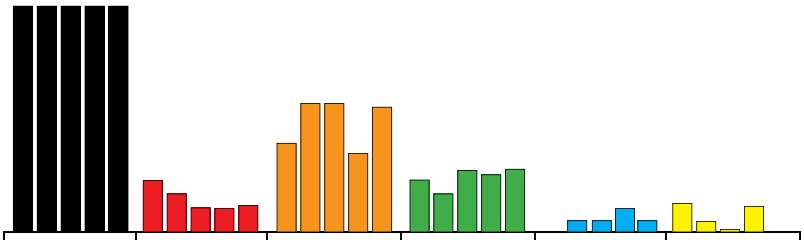
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 CORPORATESERVICES BUSINESS UNIT OVERVIEW

1.1 TOTAL PROJECTS: 51
- 1.1.1 OPERATING PROJECTS 49
- 1.1.2 CAPITAL PROJECTS 2

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

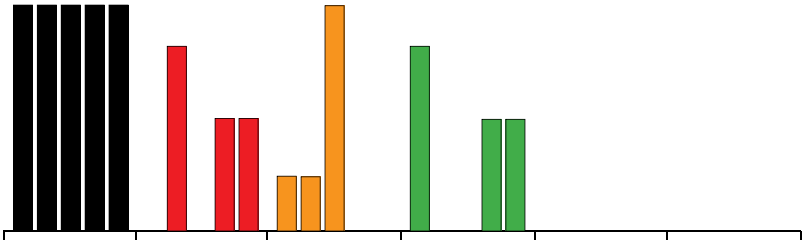
CORPORATE SERVICES BUSINESS UNIT OVERVIEW - OPERATING PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	22%	40%	22%	0%	16%
QTR 2	100%	16%	56%	16%	6%	6%
QTR 3	100%	10%	56%	26%	6%	2%
QTR 4	100%	10.20%	38.77%	24.48%	12.24%	14.28%
Annual	100%	12.24%	55.10%	26.53%	6.12%	0%

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

CORPORATE SERVICES BUSINESS UNIT OVERVIEW - CAPITAL PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	25%	75%	0%	0%
QTR 2	100%	75%	25%	0%	0%	0%
QTR 3	100%	0%	100%	0%	0%	0%
QTR 4	100%	50%	0%	50%	0%	0%
Annual	100%	50%	0%	50%	0%	0%

LEGAL SERVICES UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

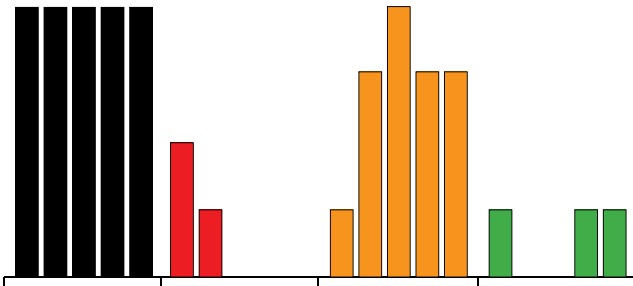
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 LEGAL SERVICES UNIT OVERVIEW

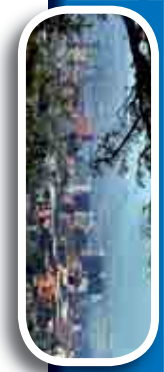
1.1 TOTAL PROJECTS: 4
- 1.1.1 OPERATING PROJECTS 4
- 1.1.2 CAPITAL PROJECTS 0

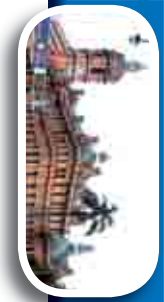
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - LEGAL SERVICES - OPERATING PROJECTS 2011/2012
FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	50%	25%	25%	0%	0%
QTR 2	100%	25%	75%	0%	0%	0%
QTR 3	100%	0%	100%	0%	0%	0%
QTR 4	100%	0%	75%	25%	0%	0%
Annual	100%	0%	75%	25%	0%	0%





CORPORATE SERVICES
1. LEGAL SERVICES

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
LSLC01	Kass Thaver	Corporate and legal services	n/a	Prepare Service Level Agreements for all Business Units	N/A	Draft prepared	Target partially met	Awaitng approval of service charter	Approval of Service charter	Nil Required.	Nil	Draft service level agree-ment	Prepare Service Level Agreements for all Business Units	Draft prepared	Target partially met	Draft agree-ment
LSLC02	Johan vd Merwe	Corporate and legal services	n/a	No Adverse reporting by business units of service	Update SDBIP with service standards contained in the Service Charter.	Draft service charter	target partially met	Awaitng approval of service charter	Approval of Service charter	Nil Required.	Nil	Draft service charter	No Adverse reporting by business units of service	Draft service charter	target partially met	Draft service charter
LSLC03	Johan vd Merwe	By-law revision and updating	All wards	9 bylaws reviewed by the end of June 2012.	25%, 2 bylaws	The following bylaws have been published for public comments special ratingarears: no comments received: report to go to full council for adoption. Fireworks bylaws comment received and being processed.	Target partially met	The processes in order to promulgate the by-laws as in the advertising and receipt of public com-ment took more time than was expected	Process was speeded up and will be completed in the 2012/2013 financial year	R100 000	Nil	Draft bylaws	9 bylaws reviewed by the end of June 2012.	Note: the following bylaws have been reviewed and have been adopted & are ready for publication: Credit Control Amendment, Indigent, Solid Waste bylaws, General Bylaws (With Government Printers) The following bylaws have been published for public comment Special Rating Areas :No com-ments received report to go to Full Council for adoption. Fireworks Bylaws Comments received and being processed	Target partially met	Draft Bylaws
LSLC04	Johan vd Merwe	Legislation and case law update	n/a	Acquire: (a) 1 x complete set of South African Law reports; (b) 1 x complete set of Butterworth Legislation	100%	100%	Target Met	Not applicable	Not applicable	R30 000	Nil	Lexis Nexis sofware	Acquire: (a) 1 x complete set of South African Law reports; (b) 1 x complete set of Butterworth Legislation	100%	Target Met	Lexis Nexis software

SOUND GOVERNANCE UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

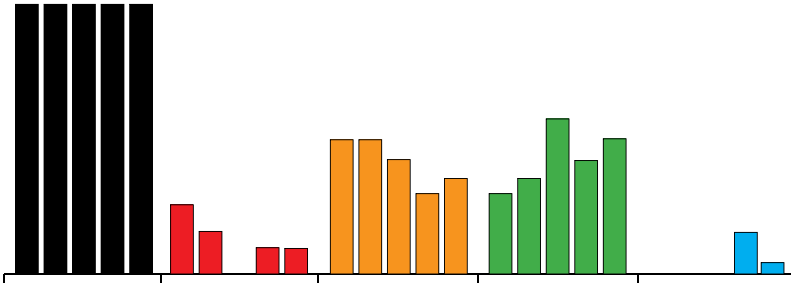
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 SOUND GOVERNANCE UNIT OVERVIEW

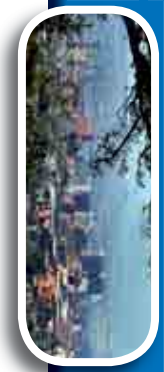
1.1 TOTAL PROJECTS: 24
- 1.1.1 OPERATING PROJECTS 24
- 1.1.2 CAPITAL PROJECTS 0

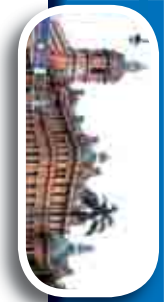
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - SOUND GOVERNANCE - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



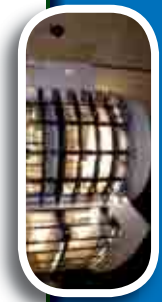
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	20%	50%	30%	0%	0%
QTR 2	100%	15%	50%	35%	0%	0%
QTR 3	100%	0%	45%	55%	0%	0%
QTR 4	100%	10%	30%	45%	15%	0%
Annual	100%	10%	35%	50%	5%	0%

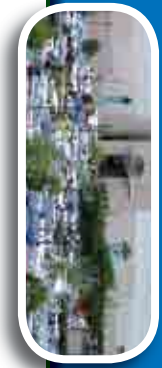




CORPORATE SERVICES
2. SOUND GOVERNANCE

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
CCS01	Dr. K. Barichievy	Quality Management-Minutes	n/a	1. Implement Quality Management by having all (100%) minutes signed off by all appropriate levels of authority. Strive for zero defect by minimising errors.	100%	100%	Target Met	n/a	n/a	nil required	n/a	minutes	1. Implement Quality Management by having all minutes signed off by all appropriate levels of authority. Strive for zero defect by minimising errors.	100%	Target Met	minutes
CCS02	Dr. K. Barichievy	Turn-Around Time for Compilation of Minutes	n/a	Turnaround Time for finalisation of minutes 7 days after the meeting.	100%	80%	Target Partially Met	Unscheduled meetings & Insufficient capacity	Request to fill vacant posts submitted, but not approved.	nil required	n/a	minutes	Turnaround Time for finalisation of minutes 7 days after the meeting.	80%	Target partially met	minutes
CCS03	Dr. K. Barichievy	Decision Tracking System	n/a	Decision Tracking system to be extended to the Council and Portfolio Committees.	100%	22,5%	Target Partially Met	Poor Infrastructure and maintenance agreement with supplier was cancelled.	Upgrading of equipment and re-instatement of the maintenance agreement with the suplier.	nil required	n/a	decision tracker	Decision Tracking system to be extended to the Council and Portfolio Committees. (100%)	22,5%	Target partially met	decision tracker
CCS04	Dr. K. Barichievy	Interpretation and Translation	n/a	Translation of selected Committee Agendas & Minutes. Turnaround Time is 15-20 minutes per page. Measurement of Quality: Number of complaints received regarding accuracy. Also to keep a record of outputs and timelines.	100%	100%	Target Met	n/a	n/a	nil required	n/a		Translation of selected Committee Agendas & Minutes. Turnaround Time is 15-20 minutes per page. Measurement of Quality: Number of complaints received regarding accuracy. Also to keep a record of outputs and timelines.	100%	Target Met	Minutes & Agenda s
CCS05	Dr. K. Barichievy	Interpretation and Translation	n/a	100% provision of translation/ interpretation, as required/ requested, at Council, Portfolio Committee meetings, hearings, ad-hoc meetings and documents.	100%	100%	Target Met	n/a	n/a	nil required	n/a	agendas	100% provision of translation/ interpretation, as required/ requested, at Council, Portfolio Committee meetings, hearings, ad-hoc meetings and documents.	100%	Target Met	agendas
CCS06	Dr. K. Barichievy	Calendar of Meetings	n/a	Annual, monthly and weekly calendars of meetings specifying : venues, dates, times and responsible Committee Officers.	100%	100%	Target Met	n/a	n/a	nil required	n/a	calendars	Annual, monthly and weekly calendars of meetings specifying : venues, dates, times and responsible Committee Officers.	100%	Target Met	calendars
CCS07	Dr. K. Barichievy	Electronic capturing of minutes	n/a	To train all committee officers on the electronic capturing and display of minutes at all meetings of the Council, Executive Committee and Portfolio Committees.	15%	22% (3 committee officers trained)	Target exceeded	n/a	n/a	nil required	n/a	n/a	To train all committee officers on the electronic capturing and display of minutes at all meetings of the Council, Executive Committee and Portfolio Committees.	57%	Target partially met	n/a
CCS08	Dr. K. Barichievy	Compilation of Agendas	n/a	Agenda closes 10 days before all meetings .	100%	10%	target partially met	late submission of items and unavailability of chairpersons	closing dates being specified in the calendar	nil required	n/a	agendas	Agenda closes 10 days before all meetings .	50%	target partially met	agendas
CCS09	Dr. K. Barichievy	Compilation of Agendas	n/a	Draft agenda items presented to chairpersons for discussion 8 days before meeting.	100%	0%	nil achieved	late submission of items and unavailability of chairpersons	closing dates being specified in the calendar	nil required	n/a	agendas	Draft agenda items presented to chairpersons for discussion 8 days before meeting.	0%	nil achieved	agendas
CCS10	Dr. K. Barichievy	Distribution of Agendas	n/a	Agenda dispatached by printing 7 days before meeting - put in councillors boxes.	100%	0%	nil achieved	late submission of items, unavailability of chairpersons & insufficient capacity	deadlines being specified in the calendar.	nil required	n/a	agenda register	Agenda dispatached by printing 7 days before meeting - put in councillors boxes.	100%	nil achieved	agenda distribution logbook
CCS11	Dr. K. Barichievy	Distribution of Minutes	n/a	Minutes dispatched 7 days after meeting- put in Councillors boxes	100%	80%	Target Partially Met	Insufficient capacity and unscheduled meetings.	a report on staffing needs being prepared	nil required	n/a	minutes distribution logbook	Minutes dispatched 7 days after meeting- put in Councillors boxes	80%	Target partially met	minutes distribution logbook
CCS12	Dr. K. Barichievy	Distribution of Tabled Items	n/a	Tabled items circular dispatched 7 days after meeting- put in Councillors boxes	100%	100%	Target Met	n/a	n/a	nil required	n/a	tabled items	Tabled items circular dispatched 7 days after meeting- put in Councillors boxes	100%	Target Met	tabled items and tabled items distribution logbook
CCS13	Dr. K. Barichievy	Availability of minutes on intranet	n/a	Minutes of all Council and Committee meetings available on the intranet 7 days after meeting.	100%	60%	Target Partially Met	Insufficient capacity.	staffing needs report being prepared	nil required	n/a	intranet	Minutes of all Council and Committee meetings available on the intranet 7 days after meeting.	60%	Target partially met	intranet
CCS14	Dr. K. Barichievy	Dispatch of decisions for implementation	n/a	7 days after meeting: the dispatch of electronic mail to departments to implement decisions.	100%	60%	Target Partially Met	Legal and financial risk to Council if minutes are actioned before confirmation.	Build capacity to electronically capture minutes at meetings and have them confirmed on the spot.	nil required	n/a	emails and internal memos to business units	7 days after meeting: the dispatch of electronic mail to departments to implement decisions.	60%	Target partially met	emails and internal memos to business units





CORPORATE SERVICES
2. SOUND GOVERNANCE

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
CCS15	Dr. K. Barichievy	Document Management System	n/a	Within two days of receipt, documents are registered on the Document Management System.	100%	100%	Target Met	n/a	n/a	nil required	n/a	Data Base System.	Within two days of receipt, documents are registered on the Document Management System.	100%	Target Met	Data Base System.
CCS16	Dr. K. Barichievy	Providing secretariat support to IDP/ Budget Izimbizo/ public meetings / workshops	n/a	Ensure secratriat staff attend IDP/ Budget Izimbizo/ public meetings/ workshops in order to capture the proceedings	100%	100%	Target Met	n/a	n/a	nil required	n/a	Izimbizo minutes	Ensure secratriat staff attend IDP/ Budget Izimbizo/ public meetings/ workshops in order to capture the proceedings	100%	Target Met	izimbizo minutes
CCS17	Dr. K. Barichievy	Providing secretariat support to IDP/ Budget Izimbizo/ public meetings / workshops	n/a	Turn-around time for submission of finalized minutes to IDP office 7 days.	7 days	5 days	Target exceeded	n/a	n/a	nil required	n/a	emails to IDP office	Turn-around time for submission of finalized minutes to IDP office 7 days.	7 days	Target Met	emails to IDP office
CCS18	Dr. K. Barichievy	Printing of Agendas for meetings of EXCO, Council and Portfolio Committees	n/a	Maintain turn-around time of not more than 2 days.	2 days	2 days	Target Met	n/a	n/a	nil required	n/a	agendas	Maintain turn-around time of not more than 2 days.	2 days	Target Met	agenda logbook
CCS19	Dr. K. Barichievy	Customer satisfaction with Printing department	n/a	80% satisfaction from business units	80%	100%	Target exceeded	n/a	n/a	nil required	n/a	lack of complaints recorded	80% satisfaction from business units	100%	target exceeded	lack of complaints recorded
CCS20	Dr. K. Barichievy	Printing requests from Business Units	n/a	Maintain turn-around time of not more than 10 days for printing requests from business units.	10 days	100%	Target Met	n/a	n/a	nil required	n/a	logbook	Maintain turn-around time of not more than 10 days for printing requests from business units.	100%	Target Met	logbook

HUMAN RESOURCE MANAGEMENT, OCCUPATIONAL HEALTH, ORGANISATIONAL DEVELOPMENT & SKILLS DEVELOPMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 HRM, OCCUPATIONAL HEALTH, OD & SD UNIT OVERVIEW

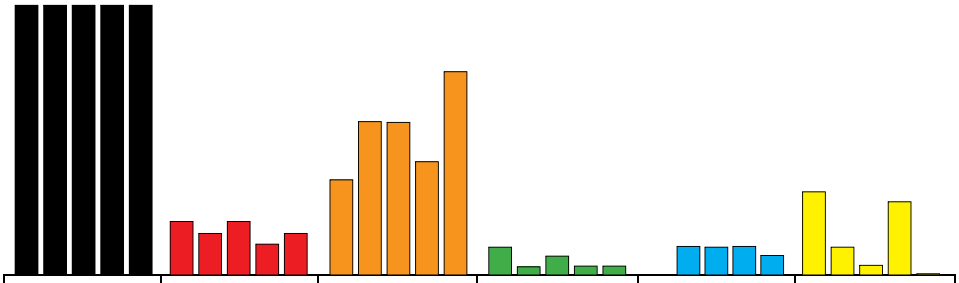
1.1 TOTAL PROJECTS: 20

1.1.1 OPERATING PROJECTS 20

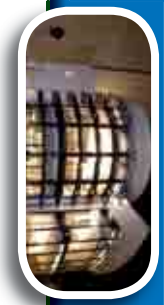
1.1.2 CAPITAL PROJECTS 0

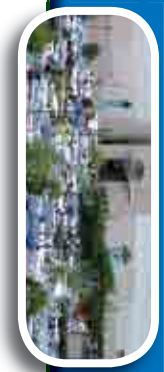
1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - HUMAN RESOURCE MANAGEMENT, OCCUPATIONAL HEALTH, ORGANISATIONAL DEVELOPMENT & SKILLS DEVELOPMENT UNIT QUARTERS 1 - 4 & ANNUAL REPORT



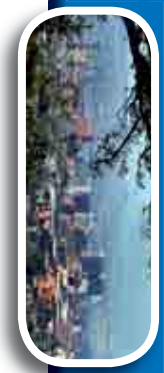
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	20%	36%	12%	0%	32%
QTR 2	100%	16%	56%	4%	12%	12%
QTR 3	100%	20%	56%	8%	12%	4%
QTR 4	100%	13%	41.66%	4.66%	12.50%	29.16%
Annual	100%	16.66%	70.83%	4.16%	8.33%	0%

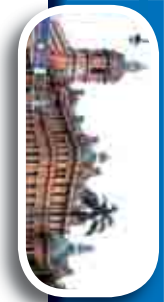




CORPORATE SERVICES
3. HUMAN RESOURCES MANAGEMENT, OCCUPATIONAL HEALTH & SKILLS DEVELOPMENT + OD

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HRM01	Faith Ndlovu	Legislation, Policies and Collective Agreements	n/a	29 HRM policies Approved-	5 HRM policies approved: Scarce Skills Policy, Staff Memorial Services & Funerals Policy, Career Pathing Policy, Incapacity Policy, Succession Policy	Draft Scarce Skills Policy, Staff Memorial Services & Funerals Policy, Career Pathing Policy, Incapacity Policy, Succession Policy	Target Partially Met	Policies not approved	Approve Policies	nil required	0	Draft Policies	29 HRM policies Approved-	29 Policies in Draft. Policy Expert seconded to the organisation to fast track	Target Partially Met	Draft Policies
HRM02	Faith Ndlovu	Revision of Organisational Structure	n/a	Approved organisational structure	OD specialist seconded to organisation to fast track process	Level 3 Structure. Consultation on Community Services and Infrastructure Service	Target Partially Met	Organisational structure not approved.	Finalise Draft, approval by Council	nil required	0	Draft Structures: Level 3 Community Services Infrastructure Services	Approved organisational structure	Draft Structures: Level 3 Community Services Infrastructure Services	Target Partially Met	Draft Structures: Level 3 Community Services Infrastructure Services
HRM03	Faith Ndlovu	Allocation of Staff to New structure	n/a	All staff correctly placed according to the Allocation Policy	All level 4 Managers	Nil	Nil Achieved	No new approved structure	Finalise and approve new structure	nil required	0	N/A	All staff correctly placed according to the Allocation Policy	Nil Achieved	Nil Achieved	N/A
HRM04	Faith Ndlovu	Job Evaluation (JE)	n/a	All posts on new structure evaluated on TASK Job Evaluation system	100% Job Descriptions Evaluated referred for moderation	Nil	Nil Achieved	No new approved structure	Finalise and approve new structure	nil required	0	N/A	All posts on new structure evaluated on TASK Job Evaluation system	Nil Achieved	Nil Achieved	N/A
HRM05	Faith Ndlovu	Introduction of a shared value system	n/a	Approved Corporate Service Charter communicated to all staff	Review of Service Charter	Draft Service Charter.	Target Partially Met	Service Charter not approved	Approve Charter	nil required	0	Draft Charter	Approved Corporate Service Charter communicated to all staff	Draft Service Charter	Target Partially Met	Draft Charter
HRM07	Faith Ndlovu	Labour relations	n/a	24 workshops on Collective agreements and Internal Policies	24 workshops on Collective agreements and Internal Policies	1 workshop on Collective agreements and Internal Policies	Target Partially Met	Poor Planning	Workshops on Collective agreements and internal policies	nil required	0	Workshop presentation	24 workshops on Collective agreements and Internal Policies	1 workshop on Collective agreements and Internal Policies	Target Partially Met	Workshop presentation
HRM08	Faith Ndlovu	Personnel Administration	n/a	0% deviation from employment policy and procedures	100 % Adhereance to Policy and Procedure	Draft Employment Policy. Process Mapping of Personnel	Target Partially Met	Non-approval of policy. Process and Policy conflict	Approve Policy, align process to policy	nil required	0	Draft Policy, Process Map	0% deviation from employment policy and procedures	Draft Employment Policy. Process Mapping of Personnel	Target Partially Met	Draft Policy, Process Map
HRM09	Faith Ndlovu	Occupational Health Awareness	n/a	4 Occupational and Health awareness events per annum.	n/a	n/a	Not Applicable	n/a	n/a	nil required	0	n/a	4 Occupational and Health awareness events per annum.	2 Occupational Awareness events	Target Partially Met	Reports
HRM10	Faith Ndlovu	Occupational Health: Risk Medicals	n/a	100% Annual Risk employees medicals conducted in Infrastructure and Community Services	100% Annual Risk employees medicals conducted in Infrastructure and Community Services	18%	Target Partially Met	Staff Shortages	Fill Vacant Posts	200000	87581	Medical Reports	100% Annual Risk employees medicals conducted in Infrastructure and Community Services	18%	Target Partially Met	Medical Reports
HRM11	Faith Ndlovu	Occupational Health: Risk Assessments	n/a	Annual Risk Assessments of Depot, Parks Traffic and Fire work environments	(1) Annual risk Assessments conducted in Traffic, Safety and Fire; (2) Annual risk Assessments conducted in Parks and Fleet; (3) Annual risk Assessments conducted in Electricity and Roads; (4) Annual risk Assessments conducted in Water, Waste and Landfill	25%	Target Partially Met	Staff Shortages	Fill Vacant Posts	200000	0	Risk Assessment Reports	Annual Risk Assessments of Depot, Parks Traffic and Fire work environments	25%	Target Partially Met	Risk Assessment Reports
HRM12	Faith Ndlovu	Skills Development: Training of Employees	n/a	1080 Employees Trained	1080 Employees Trained.	289	Target Partially Met	Training Budget cut in the mid-year review	1% of Salary Bill to be budgeted for Training and Development as per MANCO resolution	2 940 000	347452	Training Registers	1080 Employees Trained	289	Target Partially Met	Training Registers
HRM13	Faith Ndlovu	Skills Development: Learnerships	n/a	5 Learnerships	nil	3 Learnerships	Target Partially Met	Training Budget cut in the mid-year review	1% of Salary Bill to be budgeted for Training and Development as per MANCO resolution	500 000	500 000	Learnership Agreements	5 Learnerships	3 Learnerships	Target Partially Met	Learnership Agreements
HRM14	Faith Ndlovu	Skills Development: Skills Programmes	n/a	4 Skills Programmes	1 skills Programmes.	1 skills Programmes.	Target Met	n/a	n/a	n/a	0	Training Registers	4 Skills Programmes	4 Skills Programmes	Target Met	Training Registers
HRM15	Faith Ndlovu	Skills Development: Councillors Training	n/a	54 Councillors Trained	10Clirs Trained	15 Trained	Target Exceeded	n/a	Planning	498 000	45858.75	Training Registers	54 Councillors Trained	15 Trained	Target Partially Met	Training Registers
HRM16	Faith Ndlovu	Skills Development: Internships	n/a	Appoint 15 Interns	15 Interns Contracted.	30	Target Exceeded	Budgetry Provision & Department Needs	Planning	847 038	374291	Internship Agreements	Appoint 15 Interns	30 Appointed	Target Exceeded	Internship Agreements
HRM17	Faith Ndlovu	Skills Development: Employee Study Assistance	n/a	15 employees awarded Study Assistance.	15 employees awarded Study Assistance.	41	Target Exceeded	Budgetry Provision & Department Needs	Planning	376 920	30000	Study Assistance Agreements	15 employees awarded Study Assistance.	41	Target Exceeded	Study Assistance Agreements





CORPORATE SERVICES
3. HUMAN RESOURCES MANAGEMENT, OCCUPATIONAL HEALTH & SKILLS DEVELOPMENT + OD

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HRM18	Faith Ndlovu	Skills Development: External Bursaries	n/a	Award 15 External Bursaries.	Nil	2	Target Partially Met	The students selected did not meet the criteria for entrance into the Educational Institutions	Develop a application that will assist with selection and recruitment of bursary students	395 766	158,168	Bursary Agreements	Award 15 External Bursaries.	2	Target Partially Met	Bursary Agreements
HRM19	Faith Ndlovu	Introduction of Employee Assistance Program (EAP)	n/a	Approved EAP Policy	n/a	n/a	Not Applicable	n/a	n/a	nil required		n/a	Approved EAP Policy	Draft EAP Policy	Target Partially Met	Draft Policy, Process Map
HRM20	Faith Ndlovu	HR Information systems	n/a	Accurate HR Data: Post Establishment; uploaded to payday	n/a	n/a	Not Applicable	n/a	n/a	200 000	0	Staff Establishment	Accurate HR Data: Post Establishment; uploaded to payday	80%	Target Partially Met	Staff Establishment
HRM21	Faith Ndlovu	HR Information systems	n/a	Accurate HR Data: Qualifications uploaded to payday	n/a	n/a	Not Applicable	n/a	n/a	nil required	0	n/a	Accurate HR Data: Qualifications uploaded to payday	47% of staff audited in 2009. Verification incomplete - not uploaded to payday	Target Partially Met	Skills Database
HRM22	Faith Ndlovu	HR Information systems	n/a	Accurate HR Data: Annual Leave and Sickleave uploaded to payday	n/a	n/a	Not Applicable	n/a	n/a	nil required	n/a	n/a	Accurate HR Data: Annual Leave and Sickleave uploaded to payday	80%	Target Partially Met	Payday reports
HRM23	Faith Ndlovu	Qualified Management	n/a	Conduct Management Training programme	Audit skills of all Level 4 Managers . Develop Management Training Programme	Nil	Nil Achieved	Total Budget was cut in the midyear review, Nil Balance	Enter into SLA with Educational Institutions	420000	0	N/A	Conduct Management Training programme	Nil Achieved	Nil Achieved	N/A
HRM24	Faith Ndlovu	Recruitment and selection strategy	n/a	Approved Recruitment and selection strategy	n/a	n/a	Not Applicable	n/a	n/a	nil required	n/a	n/a	Approved Recruitment and selection strategy	Nil Achieved	Nil Achieved	n/a
HRM25	Faith Ndlovu	Motivated staff	n/a	Conduct climate survey in order to determine baseline	n/a	n/a	Not Applicable	n/a	n/a	nil required	n/a	n/a	Conduct climate survey in order to determine baseline	Planning, Development of Questionairre. Approval by Committee System	Target Partially Met	Questionairre. Survey Process Plan

INFORMATION COMMUNICATION TECHNOLOGY UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

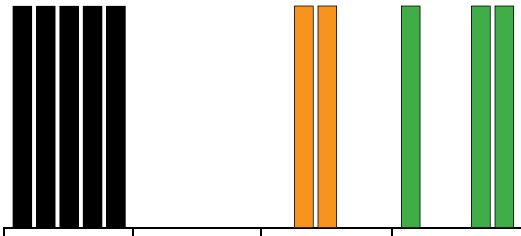
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 INFORMATION COMMUNICATION TECHNOLOGY UNIT OVERVIEW

1.1 TOTAL PROJECTS: 3
- 1.1.1 OPERATING PROJECTS 1
- 1.1.2 CAPITAL PROJECTS 2

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

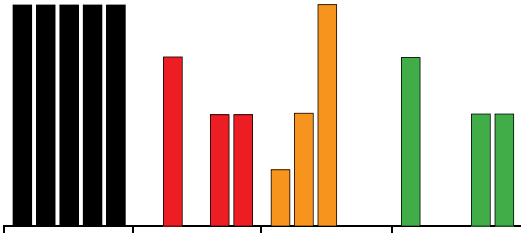
SUB BUSINESS UNIT OVERVIEW - INFORMATION COMMUNICATION TECHNOLOGY - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



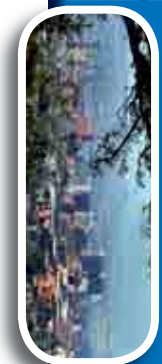
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	0%	100%	0%	0%
QTR 2	100%	0%	100%	0%	0%	0%
QTR 3	100%	0%	100%	0%	0%	0%
QTR 4	100%	0%	0%	100%	0%	0%
Annual	100%	0%	0%	100%	0%	0%

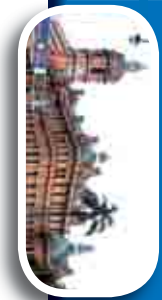
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - INFORMATION COMMUNICATION TECHNOLOGY - CAPITAL PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	0%	25%	75%	0%	0%
QTR 2	100%	75%	52%	0%	0%	0%
QTR 3	100%	0%	100%	0%	0%	0%
QTR 4	100%	50%	0%	50%	0%	0%
Annual	100%	50%	0%	50%	0%	0%





CORPORATE SERVICES
4. INFORMATION COMMUNICATION TECHNOLOGY

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
INFO01	Suresh Maharaj	Audit Finding	n/a	Favourable AGs Report for 2012/2013	34 Policies to be written up for Ags remediation	34 Policies Written and are available in draft	Target Met	N/A	N/A	1.02m	570000	34 Policy documents available for perusal	Favourable AGs Report for 2012/2013	Progress towards Favourable AGs Report for 2012/2013	Target Met	34 Policy documents available for perusal
INFO02	Suresh Maharaj	Blade Server Upgrade	n/a	Acquisition of Server	Replacement of Blade Servers	NIL	Nil Achieved	Funds withdrawn by Finance	Budget for this in the 2103/14 year	2, 200, 000	0	N/A	Acquisition of Server	NIL	Nil Achieved	N/A
INFO03	Suresh Maharaj	Un-interupted Power Supply (UPS) Replacement	n/a	Acquisition of UPS	Replace UPS in Data Centre	NIL	Nil Achieved	Funds withdrawn by Finance	Budget for this in the 2103/14 year	250, 000	0	N/A	Acquisition of UPS	NIL	Nil Achieved	N/A
INFO04	Suresh Maharaj	Replacement of Core Switching Equipment	n/a	2 Core CISCO switches to be replaced in Data Centre	Replace Core Switches in Data Centre	NIL	Nil Achieved	Funds withdrawn by Finance	Budget for this in the 2103/14 year	1,050,000	0	N/A	2 Core CISCO switches to be replaced in Data Centre	NIL	Nil Achieved	N/A
INFO05	Suresh Maharaj	Replacement of personal computers	n/a	Purchase of personal computers (pcs)	85 Personal Computers and 15 Laptop Computers to be purchased	Purchased 85 PCs and 15 Laptop Computers	Target Met	N/A	N/A	1,000,000	1000000	Delivery Note	Purchase of personal computers (pcs)	Purchased 85 PCs and 15 Laptop Computers	Target Met	Delivery Note

ANNEXURE I(F): DEVELOPMENT SERVICES SERVICE DELIVERY TARGETS & PERFORMANCE INDICATORS For the Budget Years ended 2011/2012.

DEVELOPMENT SERVICES BUSINESS UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

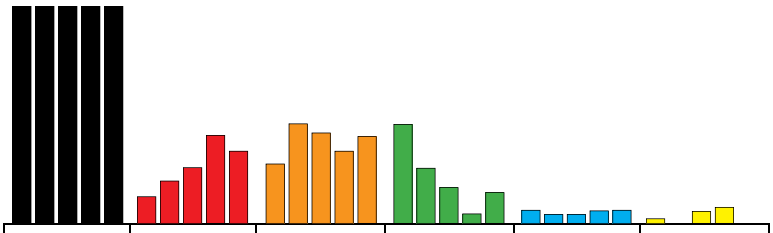
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 DEVELOPMENT SERVICES BUSINESS UNIT OVERVIEW

1.1 TOTAL PROJECTS: 41
- 1.1.1 OPERATING PROJECTS 39
- 1.1.2 CAPITAL PROJECTS 2

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

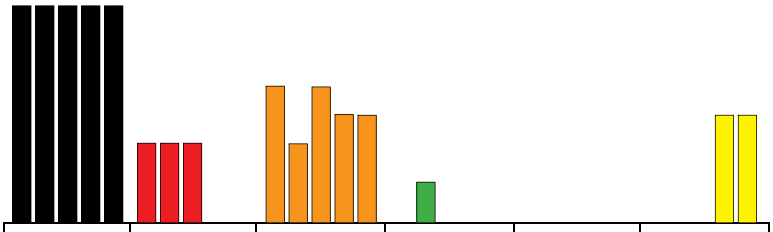
DEVELOPMENT SERVICES BUSINESS UNIT OVERVIEW - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	12.50%	30%	47.50%	7.50%	2.50%
QTR 2	100%	20%	47.50%	27.50%	5%	0%
QTR 3	100%	27.50%	42.50%	17.50%	5%	7.50%
QTR 4	100%	41.02%	35.89%	5.12%	7.69%	10.25%
Annual	100%	35.89%	41%	15.38%	7.69%	0%

2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

DEVELOPMENT SERVICES BUSINESS UNIT OVERVIEW - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	40%	60%	0%	0%	0%
QTR 2	100%	40%	40%	20%	0%	0%
QTR 3	100%	40%	60%	0%	0%	0%
QTR 4	100%	0%	50%	0%	0%	50%
Annual	100%	0%	50%	0%	0%	50%

ECONOMIC DEVELOPMENT UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

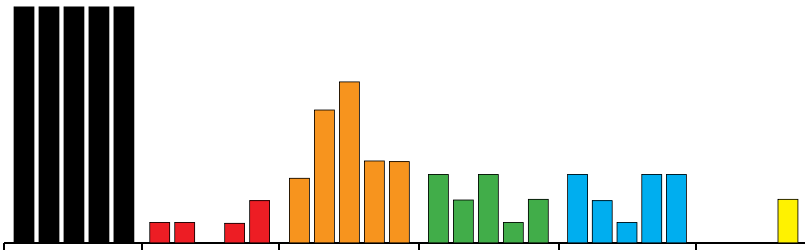
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 ECONOMIC DEVELOPMENT UNIT OVERVIEW

1.1 TOTAL PROJECTS: 13
- 1.1.1 OPERATING PROJECTS 11
- 1.1.2 CAPITAL PROJECTS 2

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

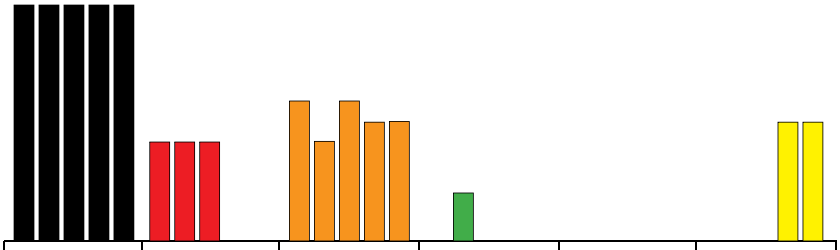
SUB BUSINESS UNIT OVERVIEW - ECONOMIC DEVELOPMENT - OPERATING PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



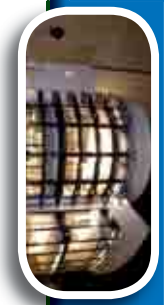
	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	9.09%	36.36%	27.27%	27.27%	0%
QTR 2	100%	9%	54.50%	18.10%	18.10%	0%
QTR 3	100%	0%	63.63%	27.27%	9.09%	0%
QTR 4	100%	9.09%	36.36%	9.09%	27.27%	18.18%
Annual	100%	18.18%	36.36%	18.18%	27.27%	0%

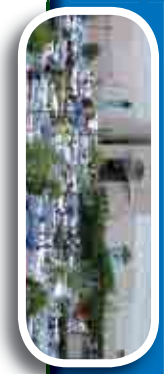
2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

SUB BUSINESS UNIT OVERVIEW - ECONOMIC DEVELOPMENT - CAPITAL PROJECTS
2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT



	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	40%	60%	0%	0%	0%
QTR 2	100%	40%	40%	20%	0%	0%
QTR 3	100%	40%	60%	0%	0%	0%
QTR 4	100%	0%	50%	0%	0%	50%
Annual	100%	0%	50%	0%	0%	50%





DEVELOPMENT SERVICES
1. ECONOMIC DEVELOPMENT & PLANNING

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
EDP01	Sipho Zimu	1. Expanded Public Works Progame	All wards	1000 Jobs and income opportunities from special projects and other development projects	1000 Jobs and income opportunities	260 jobs	Target Exceeded	Inclusion of 2 co-operatives	n/a	R3,5 m	Unknown	Report	1000 Jobs and income opportunities from special projects and other development projects	1040 jobs	Target Exceeded	Report
EDP02	Sipho Zimu	Local economic development strategy	n/a	Completed, Approved & Updated strategy	n/a	N/A	Not Applicable	N/A	N/A	nil required	N/A	N/A	Completed, Approved & Updated strategy	nil	Nil Achieved	N/A
EDP05	Sipho Zimu	Development of a New industrial park in Shenstone Ambleton	18	1. Completed Business plan for new industrial par;k 2. Application for grant funding.	Implementation - dependent on funding	Draft site establishment documment still beingfinalised by Forwrd Planning and SDF processes.	Target Partially Met	Data still being collated; Document put into GIS format	Forward Planning to speed up the process	Grant funding - required funding to be determined by business plan.	n/a	Draft document	1. Completed Business plan for new industrial park 2. Application for grant funding.	Draft site establishment documment still being finalised by Forward Planning and SDF processes.	Target Partially Met	Draft doucment
EDP06	Sipho Zimu	Business retention and expansion	All wards	Focussed Visitation programme	Report on evaluation of the BR&E programme	Agreed on partnership with MIDI and TIKZN to run the programme. Technical work for programme complete	Target Partially Met	Advised by PCB not to proceed as a municipality driven project given our poor record. Needed confirmation from MIDI to accept co-ordinating role	Engage with MIDI re co-ordination role	R100 000	Budget removed.	Questionnaire; Data base	Focussed Visitation programme	Completed technical documents; Confirmation of parnership with TIKZN and MIDI; Data base of businesses complete.	Target Partially Met	Questionnaire; Data base
EDP07	Sipho Zimu	1 Marketing brochure completed and 2 adverts	n/a	1 Marketing brochure completed and 4 adverts	Evaluation report	Second advert placed	Target Partially Met	Funding removed from budget	Motivate for funding to be provided in next budget	R200 000	R 100,000	Advert	1 Marketing brochure completed and 4 adverts	2 adverts	Target Partially Met	Adverts
EDP08	Sipho Zimu	SMME trade fair	n/a	1 x SMME trade fair	n/a	n/a	Not Applicable	n/a	n/a	n/a	nil required	n/a	1 x SMME trade fair	1 Trade fair	Target Met	Report
EDP09	Rishi Ramharak	Informal economy	All wards	Strategy and policy for informal economy developed and approved.	R50 001	Policy document	Target Partially Met	Awaiting comments from respective business units	Requested Acting DMM to raise martter at Manco	R100 000	n/a	n/a	Strategy and policy for informal economy developed and approved.	Policy document	Target Partially Met	Policy document
EDP10	Rishi Ramharak	Informal economy	All wards	Development of informal economy data base	Completed database	Completed database	Target Met	n/a	n/a	nil required	n/a	Database	Development of informal economy data base	Database of informal economy actors	Target Met	Portfolio of Evidence
EDP11	Rishi Ramharak	Training programmes for informal traders	All wards	8 Focussed training workshops (1). Health & Safety, (2). Basic Business, (3). Basic Finance, (4). Marketing	2 Training Workshops	3 Training Workshops	Target Exceeded	n/a	n/a	R200 000	n/a	Portfolio of Evidence	8 Focussed training workshops (1). Health & Safety, (2). Basic Business, (3). Basic Finance, (4). Marketing	9 Training Workshops	Target Exceeded	Portfolio of Evidence
EDP12	Rishi Ramharak	Allocation of street trading sites	All wards	100 New sites to be allocated to traders	100 sites (Boom Street)	148 new trading sites	Target Exceeded	n/a	n/a	nil required	n/a	n/a	100 New sites to be allocated to traders	148 new trading sites	Target Exceeded	Portfolio of Evidence
EDP18	Sipho Zimu	Business incentives programme	n/a	Approved, revised policy and dedicated programme to support business	Implementation of programme, and review	2nd Draft policy completed	Target Partially Met	Consultation with stakeholders and sub-units yet to be completed	Complete document and submit for approval.	nil required	n/a	draft document	Approved, revised policy and dedicated programme to support business	2nd Draft policy completed	Target Partially Met	Draft document
EDP21	Sipho Zimu	Upgrading and resuscitation of Satellite markets	4 & 9	Upgrading of 2 satellite markets (Kwa-Shange & Kwa Mncane)	N/A	Nil. Awaiting UMDM Exco resolution	Not Applicable	Awaiting UMDM Exco resolution	Complete business plan	to be confirmed on receipt of funds	n/a	n/a	Upgrading of 2 satellite markets (Kwa-Shange & Kwa Mncane)	Nil. Awaiting UMDM Exco resolution	Not Applicable	n/a
EDP22	Sipho Zimu	Township Regeneration	19 & 16	Develop Business and project plans, and construction	100% of Construction completed	Nil. Tender for contractor had to be readvertised	Target Partially Met	Awiting appointment of contractor	Motivate for the SCM processes to be implemented.	R4 million	nil	n/a	Develop Business and project plans, and construction	Business plans, project plans and designs completed	Target Partially Met	Project and business plans

PLANNING, HOUSING, REAL ESTATE & VALUATIONS UNIT OVERVIEW
SDBIP QUARTER 4 & ANNUAL REPORT 2011/2012 FINANCIAL YEAR

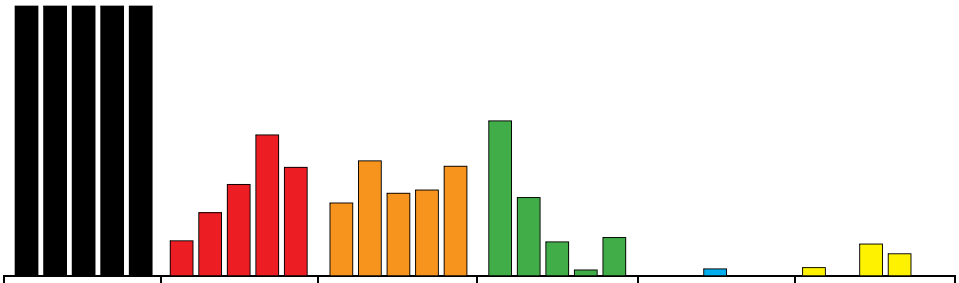
	TARGET PROJESTS	KEY
	NIL ACHIEVED	
	TARGET PARTIALLY MET	
	TARGET MET	
	TARGET EXCEEDED	
	NOT APPLICABLE	

1 PLANNING, HOUSING, REAL ESTATE & VALUATIONS UNIT OVERVIEW

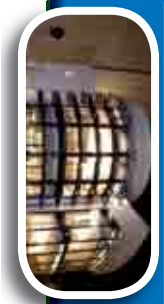
1.1 TOTAL PROJECTS: 28
- 1.1.1 OPERATING PROJECTS 28
- 1.1.2 CAPITAL PROJECTS 0

1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

SUB BUSINESS UNIT OVERVIEW - PLANNING, HOUSING, REAL ESTATE & VALUATIONS - OPERATING PROJECTS 2011/2012 FINANCIAL YEAR QUARTERS 1 - 4 & ANNUAL REPORT

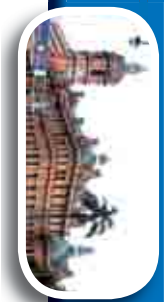


	Total Projects	Nil Achieved	Target Partially Met	Target Met	Target Exceeded	NOT APPLICABLE
QTR 1	100%	13.80%	27.60%	55%	0%	3.44%
QTR 2	100%	24.13%	44.82%	31.03%	0%	0%
QTR 3	100%	37.93%	34.48%	13.79%	3.44%	10.34%
QTR 4	100%	53.57%	35.71%	3.57%	0%	7.14%
Annual	100%	42.85%	42.85%	14.28%	0%	0%



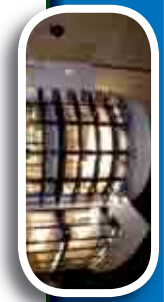
DEVELOPMENT SERVICES
2. PLANNING, HOUSING, REAL ESTATE & VALUATIONS

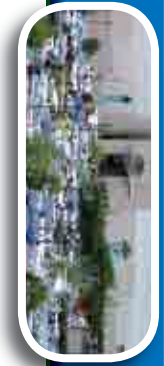
IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HSDM01	Radha Gounden	Allocation of Houses	All wards	Transfer of 2000 properties to approved beneficiaries	600	Nil	Nil Achieved	Rates Clearance Certificate cannot be issued by CFO	Land Legal Committee addressing this issue with the MM	1,400,000	Nil	LLC Minutes and Report to Manco	Transfer of 2000 properties to approved beneficiaries	Nil	Nil Achieved	LLC Minutes and Report to MANCO
HSDM02	H Grobler	Housing maintenance	33,24	Maintenance of Current Rental stock of 364 units as per maintenance plan: falling facia boards; plumbing; electrical; roof leaks;	Initiate maintenance: Plumbing Roof Repair Electrical	Maintenance as per plan	Target Partially Met	Lack of funds and maintenance staff. Mid-year review. Funds drastically reduced from R1,194,935 to R499,613	Incorporate remaining maintenance work on to next financial year's maintenance plan.	Reduced to R499,613	R431,149	Maintenance works orders	Maintenance of Current Rental stock of 364 units as per maintenance plan: falling facia boards; plumbing; electrical; roof leaks;	Maintenance as per Plan	Target Partially Met	Maintenance works orders
HSDM03	Radha Gounden	Provision of emergency housing for Jika Joe informal settlement	33	Develop 1000 emergency/ rental units	Begin Earthworks	Nil on original project, but submission made to DoHS on replacement project and in process to appoint IA	Nil Achieved	Prepared submission to DOHS. Approval granted to advertise appointment of IA	Prepare Terms of Reference	43,000,000	Nil	Letter from DOHS and ToR.	Develop 1000 emergency/ rental units	Nil on original project, but submission made to DoHS on replacement project and in process to appoint IA	Nil Achieved	Letter from DOHS and ToR.
HSDM04	Radha Gounden	North East Sector (Services)	34	Obtain approval from DoHS; Finalize planning and design phase (completed feasibility study).	Construction of services	Nil	Nil Achieved	DOHS wanted to terminate appointment with IA. This matter ongoing for 10 months.	MEC intervened and has agreed to continue with existing IA.	600,000	Nil	Letter from MEC	Obtain approval from DoHS; Finalize planning and design phase (completed feasibility study).	Nil	Nil Achieved	Letter from MEC
HSDM05	Radha Gounden	Vulindlela Rural Housing Project	1 to 9	Construction of 4000 units.	1000	508	Target Partially Met	Establishment on Site and Cash Flow	DOHS have addressed delays.	R300m	260000000	Technical Report	Construction of 4000 units.	675	Target Partially Met	Technical Report
HSDM06	Radha Gounden	Copesville	29	Obtain approval from DoHS; Finalize planning and design phase (completed feasibility study).	Obtain DoHS approval & conclude & sign contract.	EIA still with DAEA. Awaiting RoD.	Nil Achieved	Cannot proceed without RoD from DAEA	IA currently addressing the matter with the DAEA.	Nil Required	Nil	EIA Scoping report and acknowledgement letter from DAEA.	Obtain approval from DoHS; Finalize planning and design phase (completed feasibility study).	EIA still with DAEA. Awaiting RoD.	Nil Achieved	EIA Scoping report and acknowledgement letter from DAEA.
HSDM07	Radha Gounden	Edendale Unit S phases 3-8	10, 16	Complete installation of Services: water; sanitation; roads; drainage for 2010 houses as per NHBRC report.	Project implementation. Construct oustanding Services as per NHBRC report. Sanitation Water Roads	Project has started and is 5 months into contract and proceeding well.	Target Partially Met	Start delayed due to site establishment and labour problems.	Implementng Agent has resolved the matter. Project proceeding according to development programme.	37,000,000		Status Report	Complete installation of Services: water; sanitation; roads; drainage for 2010 houses as per NHBRC report.	Project proceeding according to approved development programme.	Target Met	Status Report
HSDM08	Radha Gounden	Edendale Unit S phase 8 Ext.	16	1. Conclude Land Availability and Services Agreements;2. Obtain Approval from DoHS 3. Finalize Planning and Design	Construction of Services as per Development programme.	Nil	Nil Achieved	IA to undertake EIA process, thereafter start Planning process. Both process are time consuming.	Make every effort to fast track were possible.	5,000,000	Nil	Development Programme	1. Conclude Land Availability and Services Agreements;2. Obtain Approval from DoHS 3. Finalize Planning and Design	IA in Planning and Design Phase. 3 Months behind programme.	Target Partially Met	Development Programme
HSDM09	Radha Gounden	Msunduzi WireWall	All wards	Complete Construction of 850 Top Structures	850 completed top structures	Nil	Nil Achieved	MEC has requested a full audit of existing work completed.	Service Provider currently prepary necessary report for DOHS.	48,000,000	Nil	Approval by DOHS and Report from Service Provider	Complete Construction of 850 Top Structures	Nil	Nil Achieved	Approval by DOHS and Report from Service Provider
HSDM10	Radha Gounden	.Lot 182 Sinating	11	1. Obtain Approval form DoHS; 2. Complete Construction of 133 Top Structures	133 completed top structures	Nil	Nil Achieved	Problems in finalising the Contract	DOHS making changes to agreement.	R7.18m	Nil	Final Agreement	1. Obtain Approval form DoHS; 2. Complete Construction of 133 Top Structures	Approval obtained. Dohs to finalise agreement.	Target Partially Met	Final Agreement
HSDM11	Radha Gounden	Willowfountain EE Phase 2	17	1. Complete Construction of Top Structures for 10 units; 2. Effect transfers of 408 sites.	Transfer 408 sites	Nil	Nil Achieved	Finalise GP and Open Township Register	Town Planning dealing with relaxation to Building Line	714,450	Nil	Report to Council for Planning approval.	1. Complete Construction of Top Structures for 10 units; 2. Effect transfers of 408 sites.	Nil	Nil Achieved	Report and resolution to EXCO.
HSDM12	Radha Gounden	Khalanyoni	12	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Nil	Nil Achieved	Awaiting approval from DOHS	Discussed with DOHS. Submission to be approved by end of July.	80,000	Nil	Approval from DOHS	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Awaiting approval by DOHS	Nil Achieved	Approval from DOHS
HSDM13	Radha Gounden	Kwa Thirty	10	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Nil	Nil Achieved	Awaiting approval from DOHS	Discussed with DOHS. Submission to be approved by end of July.	32,000	Nil	Approval from DOHS	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Awaiting approval by DOHS	Target Partially Met	Approval from DOHS
HSDM14	Radha Gounden	J2 and Quarry	15	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Service Provider appointed by DOHS	Target Partially Met	Process undertaken by DOHS	DOHS dealt with SCM process. DOHS were requestd to update process regularly.	80,000	Nil	appointment letter from DOHS	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider appointed by DOHS	Target Partially Met	appointment letter from DOHS



DEVELOPMENT SERVICES
2. PLANNING, HOUSING, REAL ESTATE & VALUATIONS

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HSDM15	Radha Gounden	Edendale: Bulwer	14	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Service Provider appointed by DOHS	Target Partially Met	Process undertaken by DOHS	DOHS dealt with SCM process. DOHS were requestd to update process regularly.	80,000		appointment letter from DOHS	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider appointed by DOHS	Target Partially Met	appointment letter from DOHS
HSDM16	Radha Gounden	Ambleton 3	18	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Nil	Nil Achieved	Inadequate resources to prepare report and submission	On programme for next financial year.	240,000	Nil		1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Nil	Nil Achieved	
HSDM17	Radha Gounden	Glenwood: South East Sector	34	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Nil	Nil Achieved	Inadequate resources to prepare report and submission	On programme for next financial year.	22,640	Nil		1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Nil	Nil Achieved	
HSDM18	Radha Gounden	Hollingwood	35	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Submission prepared and sent to DOHS in June 2012	Target Partially Met	Inadequate resources to prepare report and submission	On programme for next financial year.	80,000			1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Nil	Nil Achieved	
HSDM19	Radha Gounden	Peace Valley 2	23	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Service Provider to prepare & complete inception reports	Awaitng approval from DAEA. DOHS want to terminate contract with IA.	Nil Achieved	DOHS wanted to terminate appointment with IA. This matter ongoing for 10 months.	MEC intervened and has agreed to continue with existing IA.	41,500		Letter from MEC.	1. Obtain approval from DOHS; 2. Appoint Service Provider to undertake feasibility studies.	Nil	Nil Achieved	Letter from MEC
HSDM20	H Grobler	Letting Council property	33, 24	Consolidated accounts for compliant tenants	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Consolidated accounts for compliant tenants	Completed serving letters of demand. Handed over to CFO for collections	Target Met	Letters of Demand
HSDM21	H Grobler	Letting Council property	33, 24	Evict 364 non-compliant tenants	N/A	N/A	Not Applicable	N/A	N/A	Nil Required	N/A	N/A	Evict 364 non-compliant tenants	Completed serving letters of demand. Handed over to CFO for collections	Target Met	Letters of Demand
HSDM23	H Grobler	Reduction in housing rental stock	All wards	Reduced rental stock by 5%.	Service Provider To finalise report and Implementation plan for all rental stock.	Appointment of service provider still not finalised by Provincial DoHS	Target Partially Met	Delays by Provincial DoHs in appointing service provider	Met with DoHS Procurement staff to compile draft tender documents	Nil Required	Nil	DoHS correspondence and DoHS approved funding	Reduced rental stock by 5%.	Obtained delegated authority from EXCO to MM to sign all tenancy documents pertaining to transfer of Housing Schemes. In the process to compile draft tender documents in conjunction with DoHS Procurement sectiona and both QS sections, for advertising.	Target Partially Met	DoHS correspondence and DoHS approved funding
EDP03	Blackie Swart	Sale of commercial land	All wards	sale of 2 commercial properties	Transfer of 2 commercial sites Liberty phase 3 and New England hotel site	Transfer documents lodged in deeds office	Target Met	na	na	Operating budget		Real Estate Files	Sale and transfer of 2 commercial properties	2 sites transfer documents lodged in dees office	Target Met	Real estate files
EDP04	Blackie Swart	Sale of industrial land for development	All wards	16 sales per annum	4 sales	Nil	Nil Achieved	Moritorium on sales pending land audit	Land audit presentation made to Manco Portfolio and Exco	nil required		Real Estate Files	16 sales per annum	7 sales in Qtr 1 and 2	Target Partially Met	Real estate files
HSDM25	Blackie Swart	Updated valuation roll	All wards	Prepare new Valuation Roll in accordance with the Municipal Prpperty Rates Act	Prepare Bid Spec documents and advertise tender	Bid Spec document complete	Target Partially Met	No budget for advertising Budget taken at mid year review	Advertise in 2012/2013	R 50000 reduced to zero	nil	Bid Spec document	Prepare for new Valuation Roll in accordance with the Municipal Property Rates Act	Bid Spec document complete	Target Partially Met	Bid Spec document
HSDM26	Atkins Khoali	Town Planning	All wards	1. Reviewed Spatial Development Framework; 2. Prepare and introduce land use management system.	Complete Contextual Report	Tender documents completed for advertisements for local area plans for two priority areas, and advertised on 25th June 2012.	Target Partially Met	Capacity shortage. Delays in getting information and reports to EXCO for resolution.	To be continued next financial year.	1,000,000	nil	Tender documents and advert.	1. Reviewed Spatial Development Framework; 2. Prepare and introduce land use management system.	Review of SDF commenced (Gap Analysis, Industrial Development Strategy, alignment with District, Local Area Plans). Extension of Town Planning Scheme to Edendale and Sobantu for the Land Use Management System approved by EXCO.	Target Partially Met	EXCO resolution 26 April 2012. Gap Analysis report. Industrial Development Strategy presented to DFC. GIS mapping showing alignment with District.





DEVELOPMENT SERVICES
2. PLANNING, HOUSING, REAL ESTATE & VALUATIONS

IDP NUMBER	PROCESS UNIT & RESPONSIBLE OFFICIAL	PROJECT NAME	WARD	MEASURABLE KEY PERFORMANCE INDICATOR	QUARTERLY TARGETS QUARTER 4 APR - JUN TARGET	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURES	TOTAL BUDGET FOR THE YEAR	BUDGET SPENT TO DATE	SOURCE DOCUMENT	ANNUAL TARGET (1 JULY 2011 - 30 JUNE 2012)	ACTUAL ACHIEVED	ACTUAL (Target Met, Nil Achieved, Target Partially Met, Target Exceeded, Not Applicable)	SOURCE DOCUMENT
HSDM27	Radha Gounden	Ablution facilities for emergency housing for	33	Cleaning of ablutions as per weekly schedule and within available budget.	Cleaning of ablutions as per weekly schedule and within available budget.	Nil	Nil Achieved	Community have vandilised toilets facility. Cleaning will not be feasible. Many contraventions of agreement with Community.	Political leadership need to address community and obtain commitment of no further vandalism. Many social problems exist as well. Report has been prepared and approved by MANCO. Forward to Portfolio Comm and EXCO. Approved by EXCO. Resolution to be effected in 2012/13.	360,000		Report and Resolution from EXCO.	Cleaning of ablutions as per weekly schedule and within available budget.	Nil	Nil Achieved	Report and Resolution from EXCO.
HSDM28	H Grobler	Housing application list	All wards	1. Develop a housing database for housing applications. 2.register at least 1000 applicants onto housing database	Register 500 applicants	Training in progress. Nil applicants registered	Target Partially Met	National DoHS delay in implementing Housing Needs Register and training. Entries on existing Waiting List can not be transferred across.	Qafter training completed, and new computers installed by ICT, registrations to start.	Nil Required	Nil	Correspondence between Housing Admin and DoHS and from ICT.	1. Develop a housing database for housing applications. 2.register at least 1000 applicants onto housing database	National DoHS presented to two day workshops with all relevant stake holders concerning implementing of the National Housing Needs Register and future training	Target Partially Met	Correspondence between Housing Admin & DoHS and from ICT.

Notes

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ANNEXURE G - LEGISLATED KEY PERFORMANCE INDICATORS - DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

ORGANISATIONAL SCORECARD

NAME OF MUNICIPALITY: Msunduzi local municipality	SELECT THE YEAR (IDP)		4			FINANCIAL YEAR ENDED : 30 JUNE
	TICK THE APPROPRIATE BOX		√			
	SELECT THE QUARTER		4			
	TICK THE APPROPRIATE BOX		√			

IDP / SDBIP NO.	OUTCOME 9	NATIONAL KEY PERFORMANCE AREAS	OUTPUTS	NO.	INDICATORS	UNIT OF MEASURE/ CALCULATIONS	Annual			Annual		Quarterly		Blockages	Corrective Measures	Support needed in terms of unblocking	Portfolio of Evidence
							Demand	Baseline	Backlog	Target		Target					
										Projected	Actual	Projected	Actual				
	DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Simplified IDPs focusing on planning for the delivery of 10 critical municipal services	1	IDP's Adopted	Yes/No				Yes	Yes	Yes	Yes	N/A	N/A	N/A	Council Resolution
						Date Adopted				(31/5/2012)	(30/5/2012)	(31/5/2012)	(30/5/2012)	N/A	N/A	N/A	Council Resolution
				2	10 Critical services indentified and included in the IDP	Yes/No				Yes	Yes	Yes	Yes	N/A	N/A	N/A	IDP 2012-2017
				3	IDP aligned to Outcome 9	Yes/No				Yes	Yes	Yes	Yes	N/A	N/A	N/A	IDP 2012-2017
			Implementation of Performance Contracts	4	Number (as well as percentage) of critical posts filled	Number	6	1	5	600%	3	600%	3	Vacancies due to Sec 56/57 manager's resigning - restructuring of council	Finalize organizational structure & Advertisement of vacancies	N/A	Staff establishment & Recruitment advertisements.
						Percentage	100%	17%	83%	100%	50%	100%	50%				
						Total number of posts on organogram	4899	2997	1902 (subject to finalization of organizational structure)	4899	2774	4899	2774	Backlog 2125 subject to change on the basis of restructuring	Finalize organizational structure	N/A	Staff establishment
				5	Number (as well as percentage) of performance agreements signed reflecting national government priorities	Number of signed performance agreements	6	0	6	6	2	6	2	Vacancies due to Sec 56/57 manager's resigning - restructuring of council - acting appointments	Acting Manager's to sign performance agreements / appointment of sec 56/57	N/A	Staff establishment & Recruitment advertisements.
						Percentage of signed performance agreements	100%	0%	1	1	33%	1	33%				
				6	Budget spent on Work Skills Plan	Budgeted amount	6 512 390	n/a	n/a	6 512 390	1939008	1 628 097	1939008	Budget Lost during Mid-Year Review	Fast track procurement processes . Sign SLA's with Educational Institutions	N/A	Procurement Documents / Training registers
						Actual amount spent	55 925	n/a	n/a	1 628 097	1647908	1 628 097	1647908				
						Percentage spent	3.40%	n/a	n/a	25%	85%	25%	85%				
				7	Number of people from employment equity target groups employed in the three highest levels of management	Number	24	12	12	24	15	24	15	High rate of vacancies in the 3 highest levels of management	Employment in line with equity targets	N/A	Staff Establishment
			Functional OPMS	8	Number of quarterly reviews conducted	Number of reviews conducted	6	0	6	6	0	6	0	Committee to conduct the quarterly reviews has not been constituted	Committee to be constituted and evaluations/reviews to be conducted as per legislative requirements	N/A	N/A
				9	Number of reports submitted on performance in terms of Section 46 of the MSA	Number of reports	1	1	0	1	1	1	1	N/A	N/A	N/A	Annual Performance report 2010/11 / Council resolution
				10	Number of corrective actions taken to improve performance	Number	23	0	23	23	17 resolved, 3 in progress, 3 no progress	23	17 resolved, 3 in progress, 3 no progress	Some corrective measures are technical in nature and require more time than other corrective measures	To ensure all corrective measures are implemented accordingly & in line with all relevant legislation	N/A	MSUNDUZI MUNICIPALITY KZN 225 Section 72 / Mid Term Budget Report, QUARTER ENDING 31 DECEMBER 2011
	IMPROVED ACCESS TO BASIC SERVICES	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Improved access to basic services	11	Number (as well as percentage) of households with access to potable (drinkable) water	Number	140279	110431	29848	1000	139	250	58	Funding problems/adverse economic conditions	Source funding / make applications for funding (MIG/National Treasury)	N/A	Water & Sanitation database, & live re-active database
						Percentage	100%	78.72%	21.28%	100.00%	13.90%	25.00%	23.20%				
				12	Number (as well as percentage) of schools with access to potable (drinkable) water	Number	230	230	0	230	230	230	230	No schools applied to council for water borne sanitation	N/A	N/A	Water & Sanitation
						Percentage	100%	100%	0%	100%	100%	100%	100%		N/A	N/A	Water & Sanitation database, & live re-active
				13	Number (as well as percentage)of clinics with access to potable (drinkable) water	Number	44	44	0	44	44	44	44	N/A	N/A	N/A	Water & Sanitation
						Percentage	100%	100%	0%	100%	100%	100%	100%	N/A	N/A	N/A	Water & Sanitation database, & live re-active
				14	Number (as well as percentage) of households with access to sanitation	Number	140279	96373	43906	2500	1225	1500	1205	Funding problems/adverse economic conditions	Source funding / make applications for funding (MIG/National Treasury)	N/A	Water & Sanitation database, & live re-active database
						Percentage	100%	68.70%	31.30%	100%	49.00%	60.00%	80.33%				
				15	Number (as well as percentage) of schools access to sanitation	Number	230	184	46	46	0	12	0	No schools applied to council for water borne sanitation	School intervention	N/A	Water & Sanitation database, & live re-active database
						Percentage	100%	80%	20%	100%	0%	25%	0%				
				16	Number(as well as percentage) of clinics access to sanitation	Number	44	44	0	44	44	44	44	N/A	N/A	N/A	Water & Sanitation database, & live re-active database
						Percentage	100%	100%	0%	100%	100%	100%	100%				
				17	Number of households with access to refuse removal at least once per week	Number	144 000	89 910	54 090	89 910	89 910	89 910	89 910	Budgetary Constraints	Seeking alternative funding sources	N/A	Consolidated Billing + SMME reports
				18	Number of registered landfill / waste disposal sites	Number	1	1	0	1	1	1	1	Capital funding Limitations	seek alternative funding	seek support in funding measures	permit requirements
				19	Number (as well as percentage) of households with access to electricity	Number	143307	134580	8727	3000	1847	750	126	Unavailability of funding	DME approved R5 m for the next financial year	N/A	SDBIP and Division of Revenue Bill
						Percentage	100%	93.91%	6.09%	100%	62%	25%	17%				
			Improved access to Free Basic Services	20	An adopted and updated Indigent Register for the municipality	Yes/No	Yes	No	Yes	Yes	No	Yes	No	Current Indigent policy not fully addressing the needs of the indigent	Indigent Policy revised for 2012/13	N/A	Revised Approved Indigent Policy 2012/13 & Billing System

ANNEXURE G - LEGISLATED KEY PERFORMANCE INDICATORS - DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS														
ORGANISATIONAL SCORECARD														
NAME OF MUNICIPALITY: Msunduzi local municipality				SELECT THE YEAR (IDP)		4							FINANCIAL YEAR ENDED : 30 JUNE	
				TICK THE APPROPRIATE BOX		√								
				SELECT THE QUARTER		4								
				TICK THE APPROPRIATE BOX		√								

IDP / SDBIP NO.	OUTCOME 9	NATIONAL KEY PERFORMANCE AREAS	OUTPUTS	NO.	INDICATORS	UNIT OF MEASURE/ CALCULATIONS	Annual			Annual		Quarterly		Blockages	Corrective Measures	Support needed in terms of unblocking	Portfolio of Evidence
							Demand	Baseline	Backlog	Target		Target					
				21	Number (as well as percentage) of households with access to free basic water	Number	ADHOC / Demand Fluctuates	16900	ADHOC / Demand Fluctuates	ADHOC / Demand Fluctuates	16900	ADHOC / Demand Fluctuates	6268	Current Indigent policy not fully addressing the needs of the indigent	Indigent Policy revised	N/A	Revised Approved Indigent Policy 2012/13 & Billing System
						Percentage	ADHOC / Demand Fluctuates	36%	ADHOC / Demand Fluctuates	ADHOC / Demand Fluctuates	36%	ADHOC / Demand Fluctuates	37%				
				22	Number (as well as percentage) of households with access to free basic sanitation	Number	ADHOC / Demand Fluctuates	11850	ADHOC / Demand Fluctuates	ADHOC / Demand Fluctuates	11850	ADHOC / Demand Fluctuates	3968	Current Indigent policy not fully addressing the needs of the indigent	Indigent Policy revised	N/A	Revised Approved Indigent Policy 2012/13 & Billing System
						Percentage	ADHOC / Demand Fluctuates	23%	ADHOC / Demand Fluctuates	ADHOC / Demand Fluctuates	23%	ADHOC / Demand Fluctuates	33%				
				23	Number (as well as percentage) of households with access to free basic electricity	Number	ADHOC / Demand Fluctuates	3612	ADHOC / Demand Fluctuates	ADHOC / Demand Fluctuates	3612	ADHOC / Demand Fluctuates	3083	Current Indigent policy not fully addressing the needs of the indigent	Indigent Policy revised	N/A	Revised Approved Indigent Policy 2012/13 & Billing System
						Percentage	ADHOC / Demand Fluctuates	69%	ADHOC / Demand Fluctuates	ADHOC / Demand Fluctuates	69%	ADHOC / Demand Fluctuates	76%				
				24	Percentage of households earning less than R1100 per month with access to free basic services	Percentage	Not Available	Not Available	Not Available	N/A	Not Available	N/A	Not Available	Current Indigent policy not fully addressing the needs of the indigent	New Indigent criteria will request this information	N/A	Revised Approved Indigent Policy 2012/13 & Billing System
	COMMUNITY WORK PROGRAMME IMPLEMENTED AND COOPERATIVES SUPPORTED	**LOCAL ECONOMIC DEVELOPMENT**	Community Work programme implemented and cooperatives supported	25	Number of wards where CWP has been implemented	Number	N/A	N/A	N/A	24	24	24	24	N/A	N/A	N/A	POE FILE
				26	Number of work opportunities created through LED development initiatives including Capital Projects	Number	N/A	N/A	N/A	1000	1040	250	260	N/A	N/A	N/A	POE FILE
				27	Number of projects implemented per ward	Number	N/A	N/A	N/A	Between 2 - 5 Projects per ward (24 wards)	3 proj. Av.	Between 2 - 5 Projects per ward (24 wards)	3 proj. Av.	N/A	N/A	N/A	POE FILE
				28	Types of projects implemented per ward	Types	N/A	N/A	N/A	Food gardens, Vulnerable households, Home based care, Construction, Road construction & maintenance, Fencing, Disease awareness campaigns & Soup	Food gardens, Vulnerable households, Home based care, Construction, Road construction & maintenance, Fencing, Disease awareness campaigns & Soup	Food gardens, Vulnerable households, Home based care, Construction, Road construction & maintenance, Fencing, Disease awareness campaigns & Soup	Food gardens, Vulnerable households, Home based care, Construction, Road construction & maintenance, Fencing, Disease awareness campaigns & Soup	N/A	N/A	N/A	POE FILE
	DEEPEN DEMOCRACY THROUGH A REFINED WARD COMMITTEE SYSTEM	**GOOD GOVERNANCE, COMMUNITY PARTICIPATION AND WARD COMMITTEE SYSTEMS**	Improved Ward Committees	29	Number of ward committee management meetings held and percentage attendance by members	Number of wards	37	37	0	37	37	37	37	N/A	N/A	N/A	Municipal demarcation board documents
						Number of meetings per ward	222	76	146	444	339	111	244	N/A	N/A	N/A	Office of the Speaker records
						Percentage of attendance by members per ward	100%	80%	20%	100%	80%	100%	80%	N/A	N/A	N/A	
				30	Number of community meetings organized by the ward committee and percentage attendance by the ward community	Number of wards	37	37	0	37	37	37	37	N/A	N/A	N/A	Municipal demarcation board documents
						Number of community meetings per ward	148	54	94	444	210	111	180	N/A	N/A	N/A	Office of the Speaker records
						Percentage of attendance by ward community per ward	100%	80%	20%	100%	80%	100%	80%	N/A	N/A	N/A	
				31	Submission and tabling of ward reports and plans to the council covering needs and priorities for the ward, feedback on the performance of the Councils various line/service functions and their impact on the ward	Number of reports per project per ward	N/A	N/A	N/A	Ad-Hoc	37 (All Ward Submitted Ward needs to the IDP office)	Ad-Hoc	37 (All Ward Submitted Ward needs to the IDP office)	N/A	N/A	N/A	Ward Needs Analysis - IDP Office
				32	Number of door to door campaigns and/or interactions with sub structures including street committees	Number of Campaigns	N/A	N/A	N/A	Ad-Hoc	0	Ad-Hoc	0	Ward Committees to start submitting information to the Office of the Speaker	Ward Assistants to be trained on Office Administration	N/A	N/A
				33	Number of complaints, queries and requests registered from the community and attended to (checklist for meetings needs against registered needs and turn around time)	Number per project per ward	N/A	N/A	N/A	Ad-Hoc	2	Ad-Hoc	2	N/A	N/A	N/A	Office of the Speaker records
						Checklist Yes/No	N/A	N/A	N/A	Yes	No	Yes	No	Checklist not being used, complaints are received, recorded and forwarded to relevant line departments via letters	N/A	N/A	Office of the Speaker records
				34	Distributed publications over a period of time	Type of Communication (information brochures, flyers, newsletters, emails, sms and others)	N/A	N/A	N/A	Ad-Hoc	Nil	Ad-Hoc	Nil	All communication done through the ABM offices, at other times publications communicated through the Local Newspapers	N/A	N/A	N/A
						Number	N/A	N/A	N/A	Ad-Hoc	Nil	Ad-Hoc	Nil				
				35	Management and updating of ward profiles and database of indigent households	Date last updated	N/A	N/A	N/A	Management and updating of ward profiles and database of indigent households	Nil	Management and updating of ward profiles and database of indigent households	Nil	Office of the Speaker working together with ABM to institutionalise the matter through war rooms as part of the Sukhuma Sakhe programme	N/A	N/A	N/A
				36	Participation in plans and programmes of municipalties and other spheres of government impacting on the ward development and monitoring	List plans / programmes	N/A	N/A	N/A	DoHS Housing Programme, Operation Sukuma Sakhe, Sanitation programme	DoHS Housing Programme, Operation Sukuma Sakhe, Sanitation programme	DoHS Housing Programme, Operation Sukuma Sakhe, Sanitation programme	DoHS Housing Programme, Operation Sukuma Sakhe, Sanitation programme	N/A	N/A	N/A	Meetings records

ANNEXURE G - LEGISLATED KEY PERFORMANCE INDICATORS - DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

ORGANISATIONAL SCORECARD

NAME OF MUNICIPALITY: Msunduzi local municipality	SELECT THE YEAR (IDP)		4				FINANCIAL YEAR ENDED : 30 JUNE
	TICK THE APPROPRIATE BOX		√				
	SELECT THE QUARTER		4				
	TICK THE APPROPRIATE BOX		√				

IDP / SDBIP NO.	OUTCOME 9	NATIONAL KEY PERFORMANCE AREAS	OUTPUTS	NO.	INDICATORS	UNIT OF MEASURE/ CALCULATIONS	Annual			Annual		Quarterly		Blockages	Corrective Measures	Support needed in terms of unblocking	Portfolio of Evidence
							Demand	Baseline	Backlog	Target		Target					
	IMPROVED MUNICIPAL FINANCIAL AND ADMINISTRATIVE CAPABILITY	**FINANCIAL VIABILITY AND FINANCAIL MANAGEMENT**	Improved Audit Opinion	37	Established municipal public accounts committee	Yes/No	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Minutes of Meetings & Terms of Reference
				38	Established internal audit	Yes/No	Yes	Yes	No	Yes	Yes	Yes	Yes	Although unit is established, it is not fully functional as their remains vacancies within the unit	Fully constitute intrnal audit unit by filling vacancies with suitably qualified people	N/A	Vacancy control forms / Memorandum of Understanding between National Treasury & Msunduzi Municipality
				39	Established audit committee	Yes/No	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Minutes of meetings & terms of reference
				40	Fraud prevention plan in place and implemented	Yes/No	Yes	Yes	No	Yes	Yes	Yes	Yes	Fraud prevention plan to be reviewed	Plan Reviewed and approved by Council	N/A	Fraud prevention plan / EXCO minutes of Approval
				41	Current debtors more than 50% of own revenue	Percentage of current debtors - 30 days outstanding	N/A	N/A	N/A	N/A	3.70%	N/A	3.70%	Workflow Processes & resources	Review and enhancing credit control procedures	N/A	Age Analysis and billing system
				42	Operational expenditure 100% or less of amount budgeted	Percentage	N/A	N/A	N/A	100% or Less of the budgeted amount	85%	100% or Less of the budgeted amount	92%	N/A	N/A	N/A	Statement of Financial Performance as at end May 2012/ B schedule - Adjustments budget
				43	Percentage spent of Operational Budget (OPEX) on repairs and maintenance of infrastructure	Percentage	N/A	N/A	N/A	4%	1%	4%	1%	under-budgeted and underspending as a result of poor planning	Improve Planning Processes	Appointment of Critical Staff	Statement of Financial Performance as at end May 2012/ B schedule - Adjustments budget
				44	Percentage of a municipality's capital budget actually spent on capital projects identified in the IDP	Percentage : Total spending on capital projects divided by total capital budget x 100	N/A	N/A	N/A	100%	47.89%	24%	32.00%	Poor Planning/ Delayed SCM processes/Technical Staff Vacancies	Improve Planning Processes/ SCM Processes	Appointment of Critical Staff	Monthly s71 Capex Report
				45	Financial viability in terms of debt coverage	Ratio: Total operating revenue received minus operating grants divided by debt service payments (ie. Interests plus redemption)	N/A	N/A	N/A	N/A	1971:1	N/A	982:1	N/A	N/A	N/A	Projected Cash Flow
				46	Financial viability in terms of cost coverage	Ratio: Available cash plus investments divided by monthly fixed operating expenditure	N/A	N/A	N/A	N/A	2.83:1	N/A	2.83:1	N/A	N/A	N/A	Investment Register/ B schedule
				47	Financial viability in terms of outstanding service debtors to revenue	Ratio: Outstanding service debtors divided by annual revenue actually received for services	N/A	N/A	N/A	N/A	0.51:1	N/A	0.51:1	N/A	N/A	N/A	Cash Flow/s71/Aged Debtors
	IMPROVED ACCESS TO BASIC SERVICES	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Improved access to basic services	48	Kilometers of new municipal roads constructed	Kilometers	2232	1866	366	10.59	13.6	10.59	13.6	N/A	N/A	N/A	Completion Certificates
	IMPROVED ACCESS TO BASIC SERVICES	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Improved access to basic services	49	No. of new houses constructed	No. of Households	56 000	30 084	25 916	4000	675	1000	508	Production incrased due to new contractors on site, but still behind due to poor performance of I.A.	DoHS dealing with I.A.	Project proceeding under DOHS	Minutes of Technical Project Meeting and Project Steering Committee (PSC)

INDICATORS:

- **REGULATED : Local Government: Municipal Planning and Performance Management Regulations, 2001**
- **Local Government Turn Around Strategy**
- **Unique Municipal Indicator**

INDICATOR NO. 11 - 16 : TO BE REPORTED BY ALL DISTRICT MUNICIPALITIES, METRO AND NEWCASTLE, MSUNDUZI AND UMHLATUZE LOCAL MUNICIPALITIES ONLY

INDICATOR NO. 18 : TO BE REPORTED BY ALL DISTRICTS MUNICIPALITIES AND METRO ONLY

INDICATOR NO. 19 :TO BE REPORTED BY METRO AND MUNICIPALITIES WITH ELECTRICITY LICENCES ONLY

INDICATOR NO. 21 - 22 : TO BE REPORTED BY ALL DISTRICT MUNICIPALITIES, METRO AND NEWCASTLE, MSUNDUZI AND UMHLATUZE LOCAL MUNICIPALITIES ONLY

INDICATOR NO. 23 : TO BE REPORTED BY METRO AND MUNICIPALITIES WITH ELECTRICITY LICENCES ONLY

NAME OF OFFICIAL: Madeleine Plaatjies

SIGNATURE OF OFFICIAL: Submitted Electronically

DESIGNATION OF OFFICIAL: Manager: Office of the Municipal Manager

DATE: 11 July 2012

KEY PERFORMANCE AREA'S, OBJECTIVES, INDICATORS, AND TARGETS THAT ARE IN THE MUNICIPAL IDP BUT NOT REFLECTED IN THE SCORECARD MUST BE INCLUDED BY THE MUNICIPALITY FOR REPORTING PURPOSES AND TO ENSURE ALIGNMENT WITH THE IDP

CITY OF CHOICE

PIETERMARITZBURG
MSUNDUZI

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Chief Albert Luthuli Avenue
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