



CHRIS HANI
DISTRICT MUNICIPALITY

**SUSTAINING GROWTH
THROUGH OUR PEOPLE**

CHRIS HANI DISTRICT MUNICIPALITY
ANNUAL REPORT
2016 / 2017
DRAFT

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

It gives me great pleasure to present this Annual Report for Chris Hani District Municipality, for the financial year 2016/17. It is a legal requirement that annually the municipality must compile an annual report on the performance of its approved Integrated Development Plan for the year under review.

This report is therefore a reflection on the performance of the District Municipality over the past financial year.



**Executive Mayor
Kholiswa Vimbayo**

This report comes on the backdrop of a changeover of tenure or terms of Council. In August 2016, we witnessed the successful conclusion of democratic local government elections which marked the beginning of a new term of Council.

Notwithstanding this change-over, within two months after the adoption of the IDP, our collective leadership drove the implementation of service delivery objectives, programmes and projects identified in the plan. We monitored the implementation of the IDP through monthly budget reporting, quarterly service delivery and budget implementation plan report as well as during the mid-year assessments conducted.

The Chris Hani District Municipality have jurisdiction over jurisdiction over six local municipalities, namely Emalahleni, Engcobo, Enoch Mgijima, Inxuba Yethemba, Intsika Yethu and Sakhisizwe,

Our vision is:

“Leaders in sustainable economic growth and improved quality of life.”

and;

Our mission statement is:

“To coordinate governance and quality service for vibrant communities”.

In an effort to realize the institutional vision, CHDM has developed five broad strategic objectives that are aligned to the National Key Performance Areas of Local Government, and include:

- To establish and maintain a skilled labour force guided by policies to function optimally towards the delivery of services to Communities;
- To ensure the provision of Municipal Health, Environmental Management and Basic Services in a well -structured, efficient and integrated manner;
- To ensure the development and implementation of regional economic strategies and effective Spatial Planning and Land Use Management approaches as drivers for economies of scale and social cohesion;
- To ensure effective, efficient and co-ordinated Financial Management that will enable CHDM to deliver its mandate; and
- To create an efficient, effective, accountable and performance-oriented Administration.

This report will therefore highlight the various activities, programmes and projects of the institution in response to the above-mentioned key performance areas in as far as the financial year ended 30 June 2017 is concerned.



Cllr Kholiswa Vimbayo

Executive Mayor

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COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

The Annual Report for the 2016/17 Financial Year has been compiled in accordance with the section 46 of the Local Government Municipal Systems Act, No. 32 of 2000 (as amended), section 127 (2) of the Local Government Municipal Finance Management Act, No. 56 of 2003 as well as accompanying circulars, templates and guidelines. The report records the performance and progress made by Chris Hani District Municipality in fulfilling its strategic objectives contained in the Integrated Development Plan (IDP), Institutional Scorecard and Service Delivery and Budget Implementation Plan (SDBIP) approved by Council for the year under review.

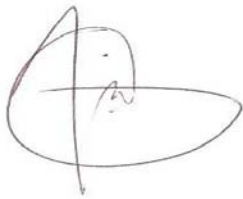


Municipal Manager
Mr M. Mene

The year under review had its share of successes and challenges from an administrative perspective. It is our assessment that the municipality has sustained a good rapport with national and provincial departments as well as with other organs of state based on principles of cooperative governance, service delivery and institutional support. Various campaigns and hearings were undertaken to raise public awareness on the various programmes being implemented by the District.

Service delivery defines the very existence of a municipality, and in the year under review, the District continued to roll-out its key infrastructure programmes primary in water and sanitation. Financial viability and sustainability is also key to our municipality's existence. The municipality maintained a qualified audit opinion and has since adopted an audit turnaround strategy to address the largely historical areas of qualification.

Lastly, local economic development defines the trajectory of growth and development across the district. It is our assessment that in the backdrop of high unemployment and poverty in the district, a vibrant and radical LED Strategy is the panacea for job creation. This area of the IDP has been lagging and will continue to receive more attention by the municipality in the future in order to unlock the potential for growth and development in the District.



Mr M. Mene

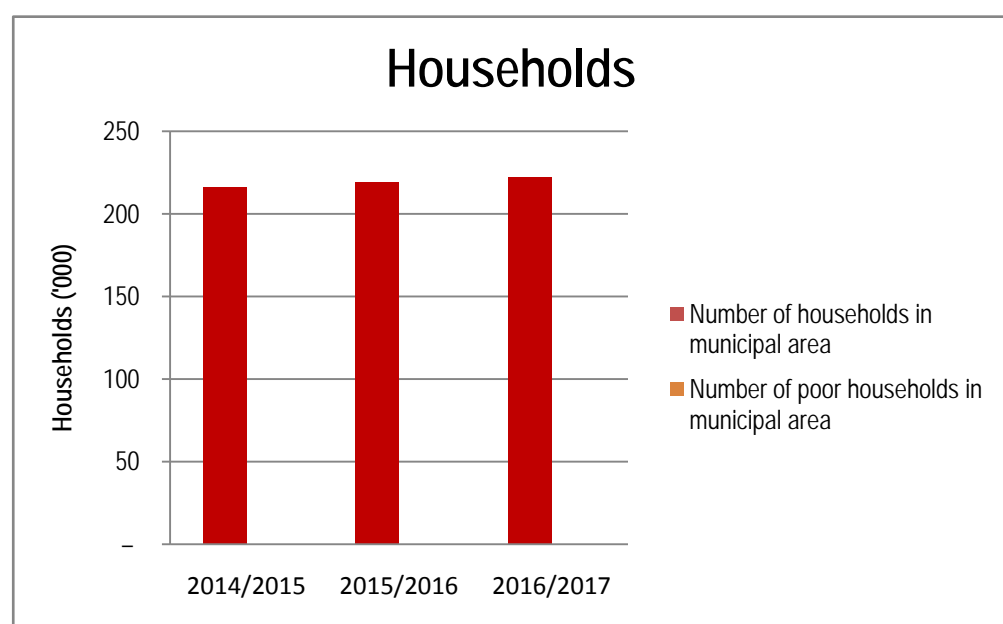
Municipal Manager

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1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Population Details									
Age	Year 2014/2015			Year 2015/2016			Year 2016/2017		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4			0			0	49491	48030	97521
Age: 5 - 9			0			0	49947	47946	97893
Age: 10 - 19			0			0	83219	76728	159987
Age: 20 - 29			0			0	78663	71142	150405
Age: 30 - 39			0			0	56145	55284	111429
Age: 40 - 49			0			0	25558	36518	62136
Age: 50 - 59			0			0	24122	40591	64713
Age: 60 - 69			0			0	21330	31041	52371
Age: 70+			0			0	14410	28810	45220

Source: ECSECC Socio Economic Review and Outlook 2017 Chris Hani District Municipality
T 1.2.2



Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2014/2015						
2015/2016						
2016/2017	48%	31%	0%	24%	12%	19%

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The contributions made by basic services can further be described as follows:

1.2.1.1 Water

The following table indicate households by type of water access in Chris Hani District Municipality

	Piped water inside dwelling	Piped water in yard	Communal piped water: less than 200m from dwelling (At RDP-level)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
InxubaYethemba	13,600	3,930	167	2	1,930	19,700
IntsikaYethu	954	2,460	13,800	6,760	17,200	41,200
Emalahleni	1,730	5,080	10,600	3,330	11,200	31,900
Engcobo	509	1,010	8,280	4,280	23,800	37,900
Sakhisizwe	2,490	3,780	4,480	1,080	4,760	16,600
Enoch Mgijima	25,300	17,600	16,100	2,850	9,200	71,000
Total Chris Hani	44,590	33,864	53,383	18,299	68,079	218,215

Source: IHS Global Insight Regional eXplorer version 1029

The region within Chris Hani District Municipality with the highest number of households with piped water inside the dwelling is Enoch Mgijima Local Municipality with 25 300 or a share of 56.67% of the households with piped water inside the dwelling within Chris Hani District Municipality. The region with the lowest number of households with piped water inside the dwelling is Engcobo Local Municipality with a total of 509 or a share of 1.14% of the total households with piped water inside the dwelling within Chris Hani District Municipality.

1.2.1.2 Sanitation

The following table indicate the households by type of sanitation in Chris Hani District Municipality

	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
InxubaYethemba	16,400	552	728	141	1,830	19,700
IntsikaYethu	2,100	16,400	9,150	31	13,500	41,200
Emalahleni	5,010	11,400	6,250	453	8,770	31,900
Engcobo	2,020	16,800	6,290	50	12,700	37,900
Sakhisizwe	3,910	6,780	3,120	109	2,660	16,600
Enoch Mgijima	38,900	21,200	4,480	193	6,190	71,000
Total Chris Hani	68,387	73,237	30,025	976	45,588	218,214

Source: IHS Global Insight Regional eXplorer version 1029

The region within Chris Hani with the highest number of flush toilets is Enoch Mgijima Local Municipality with 38 900 or a share of 56.92% of the flush toilets within Chris Hani. The region with the lowest number of flush toilets is Engcobo Local Municipality with a total of 2 020 or a share of 2.96% of the total flush toilets within Chris Hani District Municipality.

1.2.1.3 Electricity

The following table indicate the households by type of electrical connection in Chris Hani District Municipality

	Electricity lighting only	Electricity for lighting and other purposes	Not using electricity	Total
InxubaYethemba	1,180	17,300	1,230	19,700
IntsikaYethu	8,840	19,500	12,800	41,200
Emalahleni	7,670	18,700	5,570	31,900
Engcobo	6,640	16,700	14,500	37,900
Sakhisizwe	2,860	10,500	3,210	16,600

Enoch Mgijima	6,180	56,800	8,090	71,000
Total Chris Hani	33,359	139,482	45,372	218,214

Source: IHS Global Insight Regional eXplorer version 1029

The region within Chris Hani with the highest number of households with electricity for lighting and other purposes is Enoch Mgijima Local Municipality with 56 800 or a share of 40.70% of the households with electricity for lighting and other purposes within Chris Hani District Municipality. The region with the lowest number of households with electricity for lighting and other purposes is Sakhisizwe Local Municipality with a total of 10 500 or a share of 7.54% of the total households with electricity for lighting and other purposes within Chris Hani District Municipality.

1.2.1.4 Refuse Disposal

The following table indicate the households by refuse disposal type in Chris Hani District Municipality

	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
InxubaYethemba	15,400	768	820	2,220	461	19,700
IntsikaYethu	1,760	403	903	33,600	4,480	41,200
Emalahleni	2,780	232	727	25,600	2,590	31,900
Engcobo	1,140	423	591	28,000	7,710	37,900
Sakhisizwe	2,660	470	749	11,600	1,120	16,600
Enoch Mgijima	38,100	1,600	805	27,900	2,670	71,000
Total Chris Hani	61,829	3,894	4,596	128,874	19,021	218,214

Source: IHS Global Insight Regional eXplorer version 1029

The region within Chris Hani with the highest number of households where the refuse is

removed weekly by the authority is Enoch Mgijima Local Municipality with 38 100 or a share of 61.61% of the households where the refuse is removed weekly by the authority within Chris Hani. The region with the lowest number of households where the refuse is removed weekly by the authority is Engcobo Local Municipality with a total of 1 140 or a share of 1.84% of the total households where the refuse is removed weekly by the authority within the district municipality.

POPULATION DETAILS

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POPULATION LEVELS

Population statistics are important when analysing an economy, as the population growth both directly and indirectly affects employment and unemployment, as well as other economic indicators such as economic growth and per capita income.

TABLE 1. Total population - Chris Hani, Eastern Cape and National Total, 2005-2015 [Numbers percentage]

	Chris Hani	Eastern Cape	National Total	Chris Hani as % of province	Chris Hani as % of national
2005	807,000	6,440,000	47,200,000	12.5%	1.71%
2006	804,000	6,450,000	47,800,000	12.5%	1.68%
2007	802,000	6,470,000	48,400,000	12.4%	1.66%
2008	803,000	6,500,000	49,100,000	12.4%	1.64%
2009	806,000	6,540,000	49,800,000	12.3%	1.62%
2010	810,000	6,600,000	50,700,000	12.3%	1.60%
2011	813,000	6,650,000	51,500,000	12.2%	1.58%
2012	816,000	6,710,000	52,400,000	12.2%	1.56%
2013	821,000	6,780,000	53,200,000	12.1%	1.54%
2014	827,000	6,850,000	54,100,000	12.1%	1.53%
2015	834,000	6,930,000	54,900,000	12.0%	1.52%
2016	840,000	6,996,000	55,653,000	12.0%	1.50%

Average Annual growth

2005-2015	0.34%	0.74%	1.51%
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Source: IHS Global Insight Regional eXplorer version 1029

With 840 000 people, the Chris Hani District Municipality has 1.5% of South Africa's total population in 2016. Between 2011 and 2016 the population growth averaged 0.8% per

annum which is lower than the growth rate of South Africa as a whole (1.51%). When compared to other regions, Chris Hani District Municipality accounts for 12% of the total population in Eastern Cape Province.

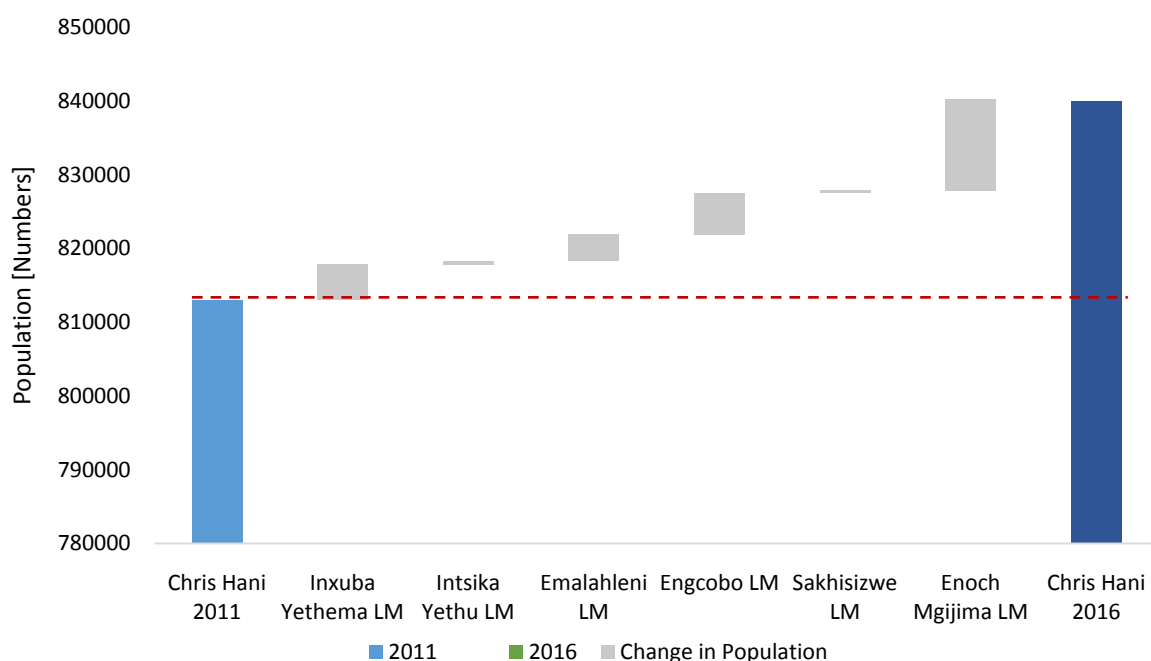
TABLE 2. Total population - local municipalities of Chris Hani District Municipality, 2005, 2010 and 2015 [Numbers]

	2005	2011	2016
InxubaYethemba	62,900	65,740	70,490
IntsikaYethu	155,000	151,700	152,160
Emalahleni	118,000	120,900	124,530
Engcobo	159,000	156,400	162,010
Sakhisizwe	66,600	63,500	63,840
Enoch Mgijima	245,000	254,600	267,000
Chris Hani	806,600	809,660	840,050

Source: IHS Global Insight Regional eXplorer version 1029

In terms of the absolute numbers, Enoch Mgijima had the largest population according to the Community Survey 2016 of 267,000 residents and represents 32% of the districts total population. The population of InxubaYethemba local municipality experienced the highest average annual growth rate of 0.9% while Enoch Mgijima had the second highest growth in terms of its population, with an average annual growth rate of 0.8%.

**CHART 1. POPULATION CHANGE BETWEEN 2011 AND 2016, BY MUNICIPALITY
[NUMBERS]**



Source: IHS Global Insight Regional eXplorer version 1029

Between 2011 and 2016, the largest contributions to population growth can be attributed to Enoch Mgijima while the net population growth of IntsikaYethu and Sakhisiwe contributed the least. Small population sizes and dispersion over vast areas are both a curse and a blessing.

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POPULATION BY GROUP, GENDER AND AGE

The total population of a region is the total number of people within that region measured in the middle of the year. Total population can be categorised according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people originating from Asia, India and China. The age subcategory divides the population into 5-year

cohorts, e.g. 0-4, 5-9, 10-14, etc.

TABLE 3. Population by gender - Chris Hani and the rest of Eastern Cape Province, 2015 [Number].

	Male	Female	Total
Chris Hani	400,000	434,000	834,000
Enoch Mgijima	128,000	138,000	266,000
InxubaYethemba	33,400	35,500	68,900
IntsikaYethu	73,600	78,800	152,000
Emalahleni	59,700	64,100	124,000
Engcobo	74,300	84,500	159,000
Sakhisizwe	31,300	32,800	64,100
Eastern Cape	3,300,000	3,630,000	6,930,000

Source: IHS Global Insight Regional eXplorer version 1029

Chris Hani District Municipality's male/female split in population was 92.3 males per 100 females in 2015. The Chris Hani District Municipality appears to be a fairly stable population with 52% of the population being female, which is higher compared to the national average of 51% female population. In total there were 434 000 (52.00%) females and 400 000 (48.00%) males.

TABLE 4. Population by population group, Gender and Age - Chris Hani District Municipality, 2015 [Number].

	African		White		Coloured		Asian	
	Female	Male	Female	Male	Female	Male	Female	Male
00-04	46,000	47,500	427	432	1,710	1,680	98	85
05-09	45,200	47,200	433	498	1,660	1,600	61	56
10-14	38,900	41,300	524	425	1,650	1,560	47	57
15-19	33,900	38,000	440	437	1,400	1,530	59	49
20-24	35,900	38,500	375	387	1,460	1,520	62	143
25-29	33,100	36,600	529	545	1,420	1,290	76	243

30-34	28,000	28,600	532	500	1,250	1,070	80	181
35-39	21,200	20,900	547	522	1,100	1,050	56	125
40-44	16,500	11,700	533	565	1,090	988	60	114
45-49	16,400	9,360	613	566	877	973	44	60
50-54	18,600	10,400	669	660	824	774	30	50
55-59	19,200	11,100	620	611	781	666	39	27
60-64	15,600	10,100	546	484	657	555	40	33
65-69	12,300	8,990	455	451	485	376	9	18
70-74	11,500	7,590	323	341	355	225	9	9
75+	15,500	7,440	520	369	362	187	22	16
Total	408,000	375,000	8,080	7,790	17,100	16,100	793	1,260

Source: IHS Global Insight Regional eXplorer version 1029

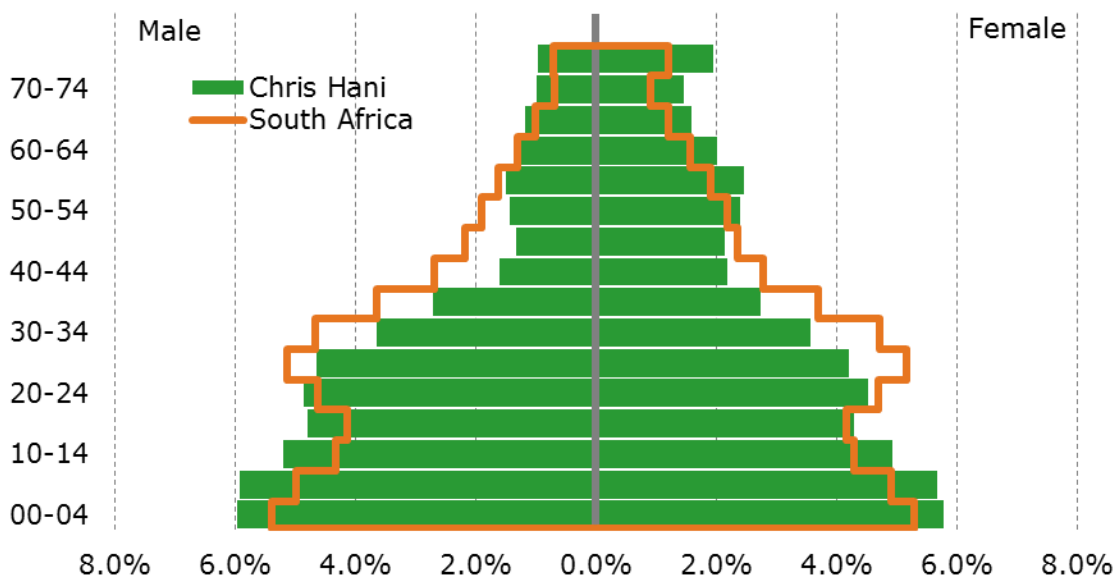
In 2015, the Chris Hani District Municipality's population consisted of 93.87% African (783 000), 1.90% White (15 900), 3.97% Coloured (33 200) and 0.25% Asian (2 060) people.

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POPULATION STRUCTURE

The chart below compares Chris Hani's population structure of 2015 to that of South Africa. The largest proportion of the population consists of babies and children younger than 14 years old, with a total number of 279 000 or 33.5% of the total population. The age category with the second largest number of people is the young working age (25-44 years) age category with a total share of 25.3%, followed by the teenagers and youth (15-24 years) age category with 154 000 people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 67 800 people, as reflected in the population pyramids below.

CHART 2. **POPULATION PYRAMID - CHRIS HANI DISTRICT MUNICIPALITY VS. SOUTH AFRICA, 2015 [PERCENTAGE]**



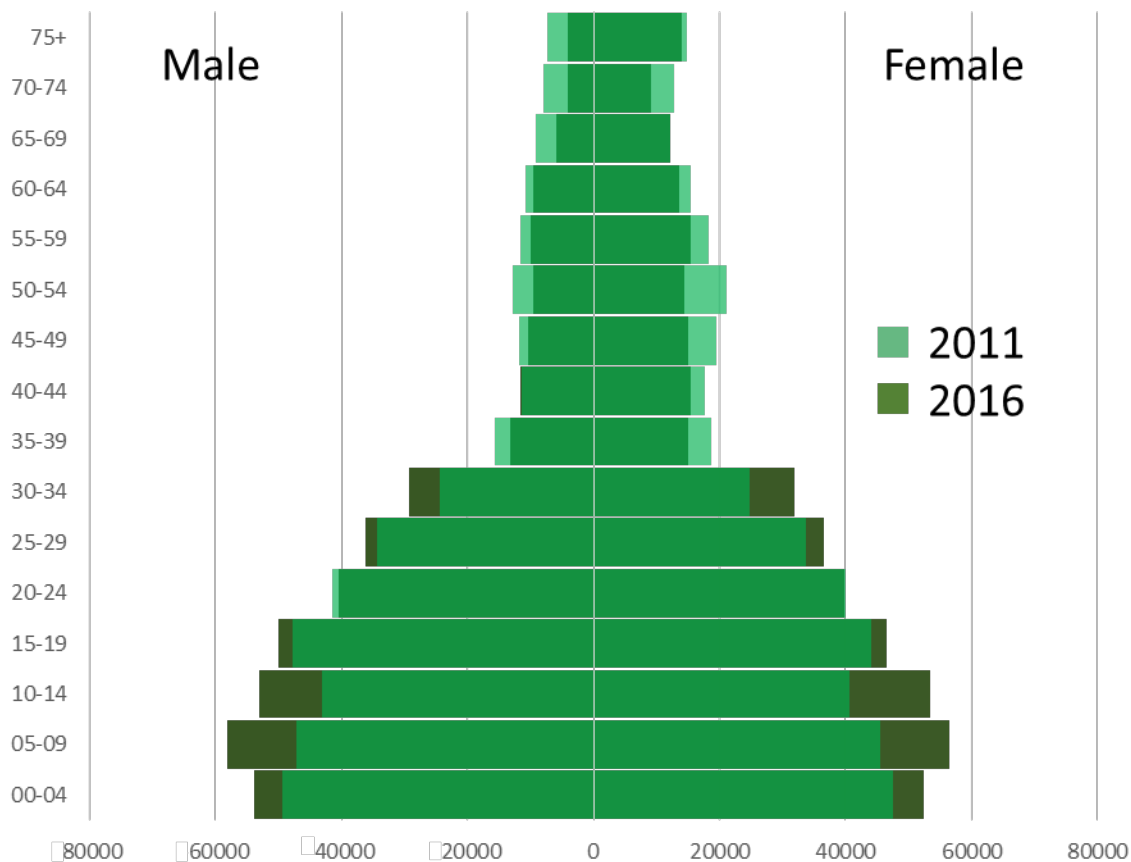
Source: IHS Global Insight Regional eXplorer version 1029

By comparing the population pyramid of the Chris Hani District Municipality with the national age structure, the most significant differences are:

- There is a significant smaller share of young working age people - aged 20 to 34 (25.4%) - in Chris Hani, compared to the national picture (29.0%).
- The area seems to be an out-migration area, with many people leaving the area to find work in the bigger cities.
- The fertility rate in Chris Hani is slightly higher compared to South Africa as a whole.
- The share of children between the ages of 0 to 14 years is significantly larger (33.5%) in Chris Hani compared to South Africa (29.2%). Demand for expenditure on schooling as percentage of total budget within Chris Hani District Municipality will therefore be higher than that of South Africa.

Definition: A population pyramid is a graphic representation of the population categorised by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5-year age categories.

**CHART 3. POPULATION PYRAMID - CHRIS HANI DISTRICT MUNICIPALITY, 2011
VS. 2016 [PERCENTAGE]**



Source:

IHS Global Insight Regional eXplorer version 1029 & Stats SA Community Survey 2016

Comparing the 2011 with the 2016 Community Survey results for Chris Hani District Municipality, interesting differences are visible:

- In 2011, there were a larger share of people aged 35 to 54 (15.8%) - compared to 2016 (12.4%).
- The share of children between the ages of 0 to 14 years is significantly larger in 2016 (38.9%) compared to 2011 (33.6%).

With much higher levels of youth in 2016 compared with 2011, the population structure of CHDM is indicating a youth bulge. The youth bulge is a common phenomenon in many developing municipalities. It is often due to a stage of development where a region achieves success in reducing infant mortality but mothers still have a high fertility rate. The

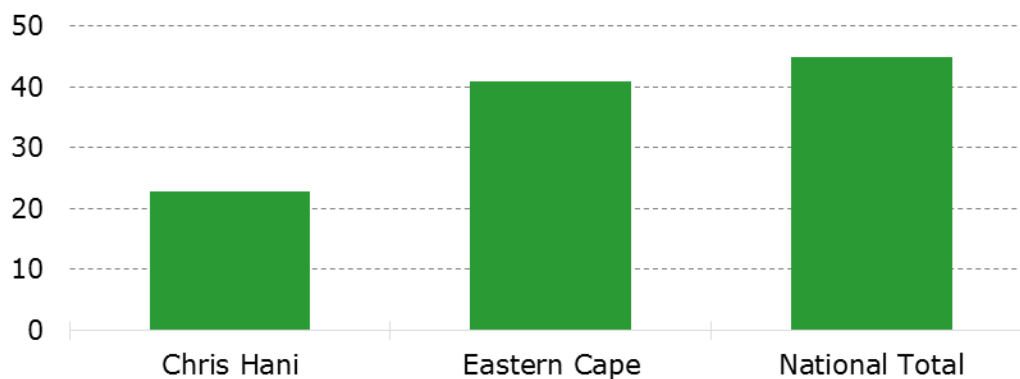
result is that a large share of the population is comprised of children and young adults. This trend will see a further increase in the labour force population of the district.

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POPULATION DENSITY

Definition: Population density measures the concentration of people in a region. To calculate this, the population of a region is divided by the area size of that region. The output is presented as the number of people per square kilometre.

CHART 4. POPULATION DENSITY - CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2015 [NUMBER OF PEOPLE PER KM]



Source: IHS Global Insight Regional eXplorer version 1029

In 2015, with an average of 22.9 people per square kilometre, Chris Hani District Municipality had a lower population density than Eastern Cape (41 people per square kilometre). Compared to South Africa (45 per square kilometre) it can be seen that there are less people living per square kilometre in Chris Hani District Municipality than in South Africa.

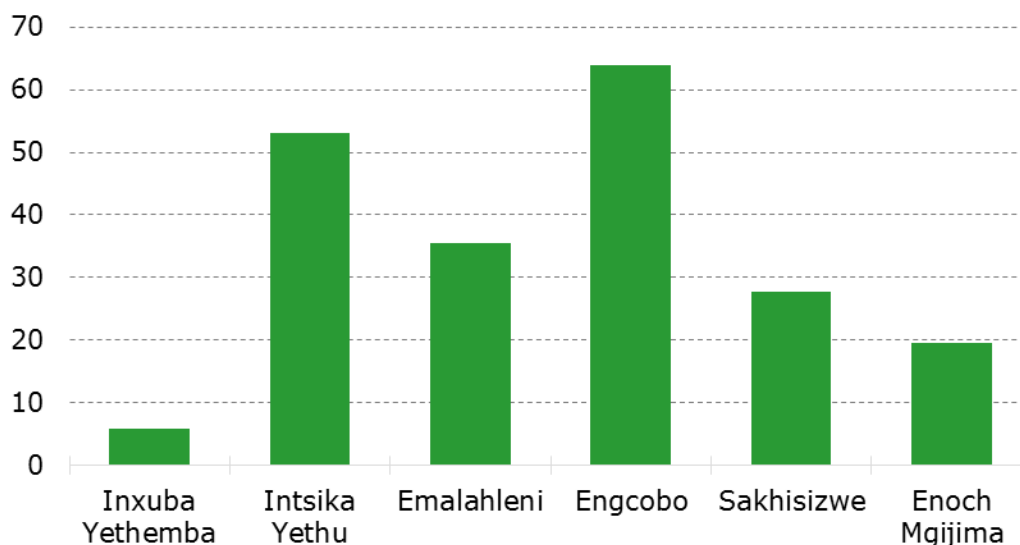
TABLE 5. Population density in the local Municipalities of Chris Hani, 2005-2015
[number of people per km]

	Enoch Mgijima	InxubaYethemba	IntsikaYethu	Emalahleni	Engcobo	Sakhisizwe
2005	18.02	5.40	54.06	33.79	64.10	28.73
2006	18.06	5.42	53.50	33.61	63.64	28.52
2007	18.12	5.45	53.14	33.67	63.25	28.20
2008	18.23	5.48	52.98	33.94	63.01	27.83
2009	18.39	5.52	52.95	34.29	62.94	27.56
2010	18.57	5.58	52.91	34.55	62.95	27.42
2011	18.75	5.64	52.82	34.71	62.99	27.38
2012	18.93	5.70	52.70	34.83	63.03	27.37
2013	19.13	5.77	52.72	35.02	63.22	27.43
2014	19.36	5.84	52.85	35.26	63.54	27.54
2015	19.59	5.91	53.05	35.53	63.93	27.68

Source: IHS Global Insight Regional eXplorer version 1029

In 2015, the region with the highest population density per square kilometre was Engcobo with a total population density of 63.9 per square kilometre.

CHART 5. **POPULATION DENSITY IN LOCAL MUNICIPALITIES, 2015 [PERCENTAGE]**



Source: IHS Global Insight Regional eXplorer version 1029

In terms of population density for each region within Chris Hani District Municipality, Engcobo local municipality had the highest density, with 63.9 people per square kilometre. The lowest population density can be observed in the InxubaYethemba local municipality with a total of 5.91 people per square kilometre.

T 1.2.2.4

HOUSEHOLDS

1.2.3.1 Number of Households by Population Group

If the number of households is growing at a faster rate than that of the population it means that the average household size is decreasing, and vice versa.

Definition: A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. An individual is considered part of a household if he/she spends at least four nights a week within the household.

In 2015, the Chris Hani District Municipality comprised of 218 000 households. This

equates to an average annual growth rate of 1.23% in the number of households from 2005 to 2015.

TABLE 6. Number of households - Chris Hani, Eastern Cape and National Total, 2005-2015 [Number percentage]

	Chris Hani	Eastern Cape	National Total	Chris Hani as % of province	Chris Hani as % of national
2005	193,000	1,560,000	12,800,000	12.4%	1.50%
2006	195,000	1,570,000	13,000,000	12.4%	1.50%
2007	197,000	1,590,000	13,100,000	12.4%	1.50%
2008	202,000	1,620,000	13,400,000	12.4%	1.51%
2009	208,000	1,670,000	13,700,000	12.5%	1.52%
2010	210,000	1,680,000	13,900,000	12.5%	1.51%
2011	211,000	1,700,000	14,200,000	12.4%	1.49%
2012	213,000	1,720,000	14,500,000	12.4%	1.47%
2013	215,000	1,730,000	14,700,000	12.4%	1.46%
2014	215,000	1,740,000	15,000,000	12.3%	1.43%
2015	218,000	1,770,000	15,400,000	12.3%	1.41%

Average Annual growth

2005-2015	1.23%	1.32%	1.86%
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Source: IHS Global Insight Regional eXplorer version 1029

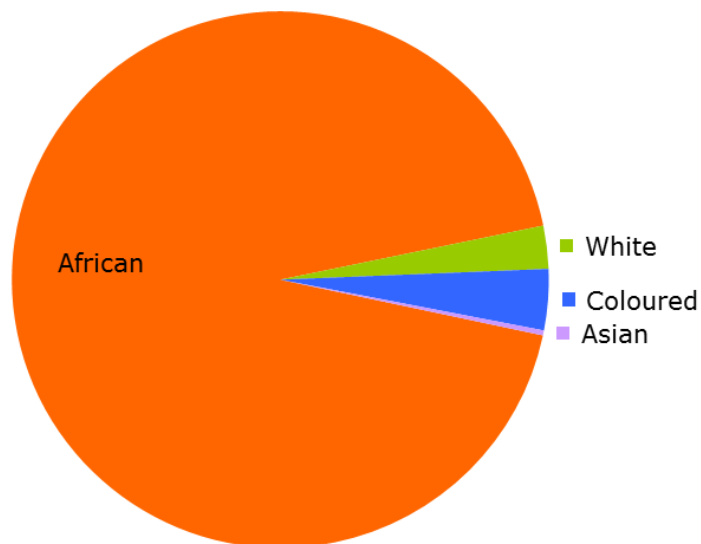
Relative to the province, the Chris Hani District Municipality had a lower average annual household growth rate of 1.23% from 2005 to 2015. In contrast, South Africa had a total of 15.4 million households, with a growth rate of 1.86%, thus growing at a rate higher than Chris Hani.

The composition of the households by population group consists of 93.4% which is ascribed to the African population group with the largest number of households. The Coloured population group had a total composition of 3.7% (ranking second). The White

population group had a total composition of 2.6% of the total households. The smallest population group by households is the Asian population group with only 0.3% in 2015.

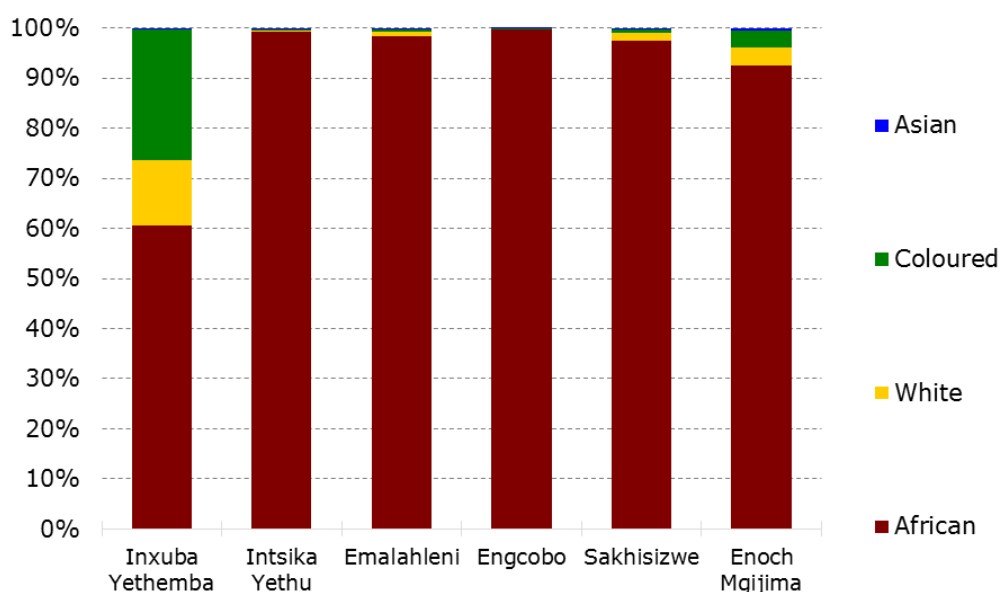
The growth in the number of African headed households was on average 1.31% per annum between 2005 and 2015, which translates in the number of households increasing by 24 800 in the period. The average annual growth rate in the number of households for all the other population groups has increased with 1.22%.

CHART 6. NUMBER OF HOUSEHOLDS BY POPULATION GROUP - CHRIS HANI DISTRICT MUNICIPALITY, 2015 [PERCENTAGE]



Source: IHS Global Insight Regional eXplorer version 1029

CHART 7. NUMBER OF HOUSEHOLDS BY POPULATION GROUP - LOCAL MUNICIPALITIES OF CHRIS HANI DISTRICT MUNICIPALITY, 2015 [PERCENTAGE]



Source: IHS Global Insight Regional Explorer version 1029

1.2.3.2 Number of Households by Income category

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

Income categories start at R0 - R2, 400 per annum and go up to R2, 400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own.

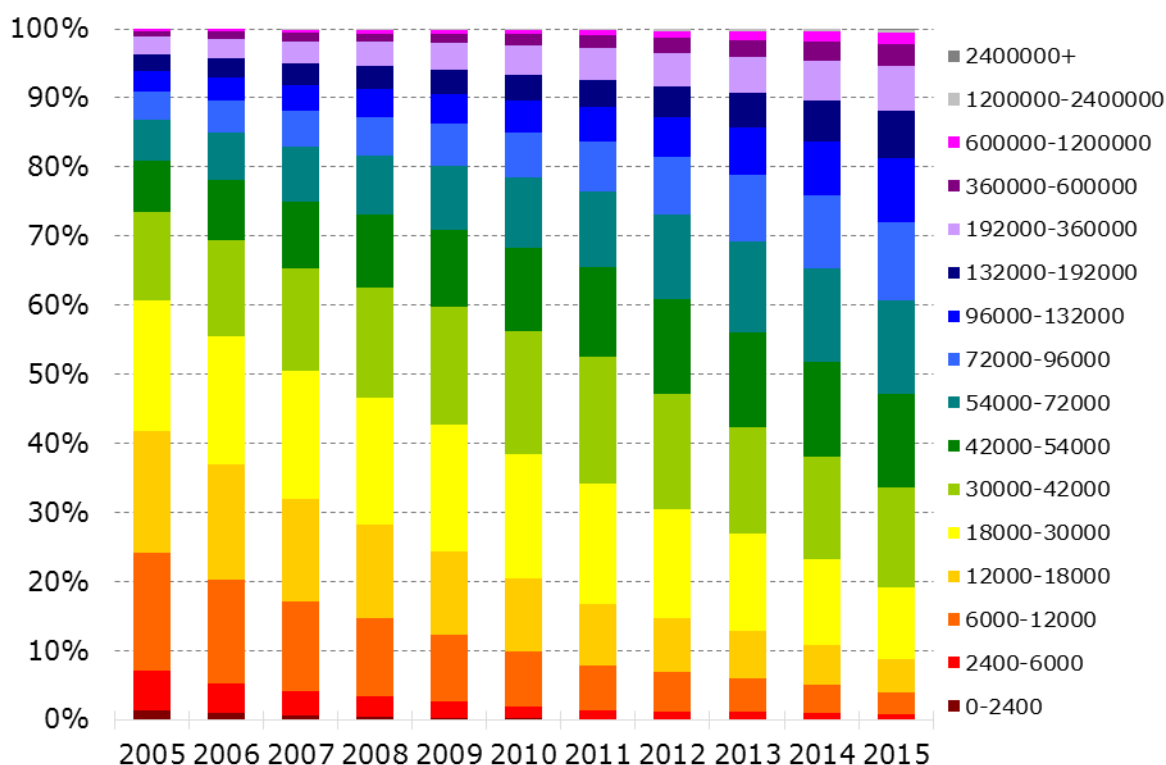
TABLE 7. Households by income category - Chris Hani, Eastern Cape and National Total, 2015 [Number Percentage]

	Chris Hani	Eastern Cape	National Total	Chris Hani as % of province	Chris Hani as % of national
0-2400	170	1,450	11,800	11.8%	1.44%
2400-6000	1,380	11,800	92,100	11.7%	1.50%
6000-12000	6,970	59,800	466,000	11.7%	1.50%
12000-18000	10,400	86,900	685,000	12.0%	1.52%
18000-30000	23,000	186,000	1,420,000	12.4%	1.63%
30000-42000	31,500	243,000	1,790,000	12.9%	1.75%
42000-54000	29,300	221,000	1,620,000	13.3%	1.81%
54000-72000	29,900	218,000	1,640,000	13.7%	1.82%
72000-96000	24,700	182,000	1,460,000	13.6%	1.69%
96000-132000	20,000	154,000	1,390,000	13.0%	1.45%
132000-192000	15,100	130,000	1,320,000	11.7%	1.15%
192000-360000	14,000	140,000	1,610,000	10.0%	0.87%
360000-600000	6,930	78,800	1,000,000	8.8%	0.69%
600000-1200000	3,560	45,700	667,000	7.8%	0.53%
1200000-2400000	965	12,500	207,000	7.7%	0.47%
2400000+	330	3,290	49,300	10.0%	0.67%
Total	218,000	1,770,000	15,400,000	12.3%	1.41%

Source: IHS Global Insight Regional eXplorer version 1029

It is estimated that in 2015, about 19.23% of all the households in the CHDM, were living on R30, 000 or less per annum. In comparison with 2005's 60.70%, the number is more than half. The R30, 000-R42, 000 income category has the highest number of households with a total number of 31 500, followed by the R54, 000-R72, 000 income category with 29 900 households. Only 170 households fall within the 0-2400 income category.

CHART 8. HOUSEHOLDS BY INCOME BRACKET - CHRIS HANI DISTRICT MUNICIPALITY, 2005-2015 [PERCENTAGE]



Source: IHS Global Insight Regional eXplorer version 1029

For the period 2005 to 2015 the number of households earning more than R30, 000 per annum has increased from 39.30% to 80.77%. It can be seen that the number of households with income equal to or lower than R6, 000 per year has decreased significantly.

T 1.2.3

SOCIO ECONOMIC STATUS

1.2.4.1 Income

Per capita income is often used as a measure of wealth particularly when comparing economies or population groups. Rising per capita income usually indicates a likely swell in demand for consumption.

Definition: Per capita income refers to the income per person. Thus, it takes the total personal income per annum and divides it equally among the population.

The per capita income in Chris Hani District Municipality is R 29,500 and is lower than both the National Total (R 50,700) and of the Eastern Cape Province (R 34,400) per capita income.

TABLE 8. PER CAPITA INCOME BY POPULATION GROUP - CHRIS HANI AND THE REST OF EASTERN CAPE PROVINCE, 2015 [RAND, CURRENT PRICES]

	African	White	Coloured	Asian
Chris Hani	25,500	209,000	35,400	93,500
Nelson Mandela Bay	26,100	207,000	38,100	113,000
Buffalo City	35,200	229,000	47,900	140,000
Sarah Baartman	26,100	197,000	29,000	86,500
Amatole	24,600	194,000	31,700	82,000
Joe Gqabi	25,900	202,000	33,800	N/A
O.R.Tambo	22,300	163,000	45,300	88,500
Alfred Nzo	19,600	150,000	37,200	74,800

Source: IHS Global Insight Regional eXplorer version 1029

In Chris Hani District Municipality, the White population group has the highest per capita income (R 209,000) relative to the other population groups. The population group with the second highest per capita income within Chris Hani District Municipality is the Asian population group (R 93,500). The Coloured and the African population groups had a per capita income of R 35,400 and R 25,500 respectively.

1.2.4.2 Housing

Using the StatsSA definition of a household and a dwelling unit, households can be grouped into the following type of dwelling categories:

- **Very formal dwellings** - structures built according to approved plans, e.g. houses on a separate stand, flats or apartments, townhouses, rooms in backyards that also have running water and flush toilets within the dwelling. .

- **Formal dwellings** - structures built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in backyard, rooms or flat-let elsewhere etc, but without running water or without a flush toilet within the dwelling.
- **Informal dwellings** - shacks or shanties in informal settlements, serviced stands, or proclaimed townships, as well as shacks in the backyards of other dwelling types.
- **Traditional dwellings** - structures made of clay, mud, reeds, or other locally available material.
- **Other dwelling units** - tents, ships, caravans, etc.

Chris Hani District Municipality had a total number of 41 200 (18.90% of total households) very formal dwelling units, a total of 91 400 (41.88% of total households) formal dwelling units and a total number of 4 310 (1.97% of total households) informal dwelling units.

TABLE 9. Households by dwelling unit type in Local Municipalities in CHDM in 2015 [Number]

	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
InxubaYethemba	13,100	5,980	441	59	87	19,700
IntsikaYethu	533	12,300	419	27,800	91	41,100
Emalahleni	1,340	15,900	181	14,400	39	31,900
Engcobo	350	11,200	692	25,500	171	37,900
Sakhisizwe	1,800	8,530	722	5,470	60	16,600
Enoch Mgijima	24,100	37,500	1,850	7,420	156	71,000
Total Chris Hani	41,243	91,382	4,307	80,677	604	218,212

Source: IHS Global Insight Regional eXplorer version 1029

The region within the Chris Hani District Municipality with the highest number of very formal dwelling units is Enoch Mgijima local municipality with 24 100 or a share of 58.51% of the total very formal dwelling units within the district. The region with the lowest number of very formal dwelling units is Engcobo local municipality with a total of 350 or a share of 0.85% of the total very formal dwelling units within Chris Hani District Municipality.

When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, the number of households not living in formal dwellings decreased from 93 200 in 2005 to about 85 500 in 2015. This indicates an average annual decrease of 0.85% over the past 10 years.

1.2.4.3 Unemployment

Definition: The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

TABLE 10. Unemployment (official definition) - Chris Hani, Eastern Cape and National Total, 2005-2015 [Number percentage]

	Chris Hani	Eastern Cape	National Total	Chris Hani as % of province	Chris Hani as % of national
2005	59,600	515,000	4,550,000	11.6%	1.31%
2006	59,800	512,000	4,510,000	11.7%	1.33%
2007	58,700	503,000	4,460,000	11.7%	1.32%
2008	55,800	488,000	4,350,000	11.4%	1.28%
2009	53,600	483,000	4,370,000	11.1%	1.23%
2010	51,700	480,000	4,490,000	10.8%	1.15%
2011	50,400	485,000	4,570,000	10.4%	1.10%
2012	54,300	508,000	4,690,000	10.7%	1.16%
2013	58,800	542,000	4,850,000	10.9%	1.21%
2014	61,800	569,000	5,060,000	10.9%	1.22%
2015	62,900	584,000	5,280,000	10.8%	1.19%

Average Annual growth

2005-2015	0.55%	1.27%	1.50%
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Source: IHS Global Insight Regional eXplorer version 1029

In 2015, there were a total number of 62 900 people unemployed in Chris Hani, which is an increase of 3 380 from 59 600 in 2005. The total number of unemployed people within Chris Hani constitutes 10.77% of the total number of unemployed people in Eastern Cape Province. The Chris Hani District Municipality experienced an average annual increase of 0.55% in the number of unemployed people, which is lower than that of the Eastern Cape Province which had an average annual increase in unemployment of 1.27%.

TABLE 11. Unemployment rate (official definition) - Chris Hani, Eastern Cape and National Total, 2005-2015 [Percentage]

	Chris Hani	Eastern Cape	National Total
2005	33.2%	28.6%	26.6%
2006	32.7%	27.8%	25.8%
2007	32.0%	27.2%	24.8%
2008	30.6%	26.6%	23.6%
2009	30.3%	26.9%	23.8%
2010	30.4%	27.7%	24.8%
2011	29.7%	27.9%	24.9%
2012	31.5%	28.7%	25.0%
2013	32.4%	29.4%	25.1%
2014	31.8%	29.4%	25.1%
2015	31.3%	29.4%	25.5%

Source: IHS Global Insight Regional eXplorer version 1029

In 2015, the unemployment rate in Chris Hani District Municipality (based on the official definition of unemployment) was 31.27%.

1.2.4.4 Literacy

Definition: For the purpose of this report, IHS defines functional literacy as the number of people in a region that are 20 years and older and have completed at least their primary education (i.e. grade 7).

Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace. This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

TABLE 12. Functional literacy: age 20+, completed grade 7 or higher - Chris Hani District Municipality, 2005-2015 [Number percentage]

	Illiterate	Literate	%
2005	218,371	298,943	57.8%
2006	210,065	309,329	59.6%
2007	202,810	320,573	61.3%
2008	195,498	332,121	62.9%
2009	189,534	342,900	64.4%
2010	184,615	352,086	65.6%
2011	179,329	360,410	66.8%
2012	175,752	365,951	67.6%
2013	173,321	371,603	68.2%
2014	171,640	377,375	68.7%
2015	170,274	383,388	69.2%
Average Annual growth			
2005-2015	-2.46%	2.52%	1.83%

Source: IHS Global Insight Regional eXplorer version 1029

A total of 383 000 individuals in Chris Hani District Municipality were considered functionally literate in 2015, while 170 000 people were considered to be illiterate. Expressed as a rate, this amounts to 69.25% of the population, which is an increase of 0.11 percentage points since 2005 (57.79%). The number of illiterate individuals decreased on average by 2.46% annually from 2005 to 2015, with the number of functional literate people increasing at 2.52% annually.

1.3 SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The delivery of basic services such as water, sanitation, and refuse still lag behind that of the Eastern Cape and the country whilst electricity is on par.

T 1.3.1

The proportion of households with access to basic services can be summarized as follows:

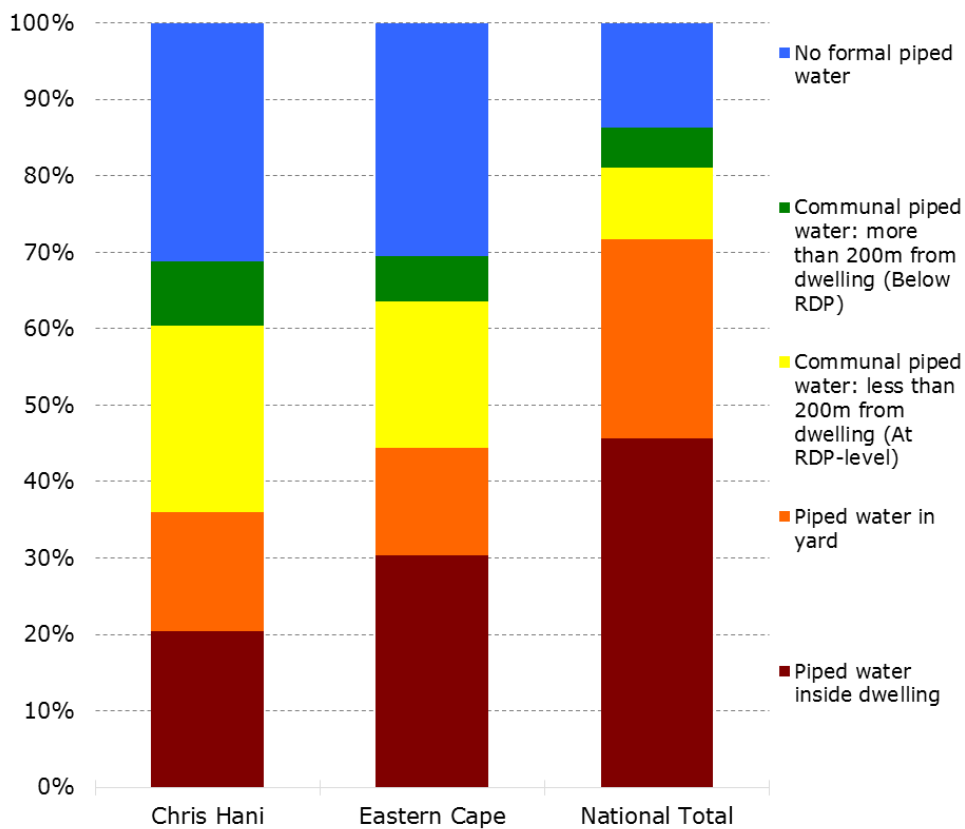
Proportion of Households with minimum level of Basic services				
	2013/2014	2014/2015	2015/2016	2016/2017
Electricity service connections				89%
Water - available within 200 m from dwelling				67%
Sanitation - Households with at least VIP service				69%
Waste collection - kerbside collection once a week				44%
				T 1.3.2

Basic service delivery in the Chris Hani District Municipality can further be described as follows:

PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

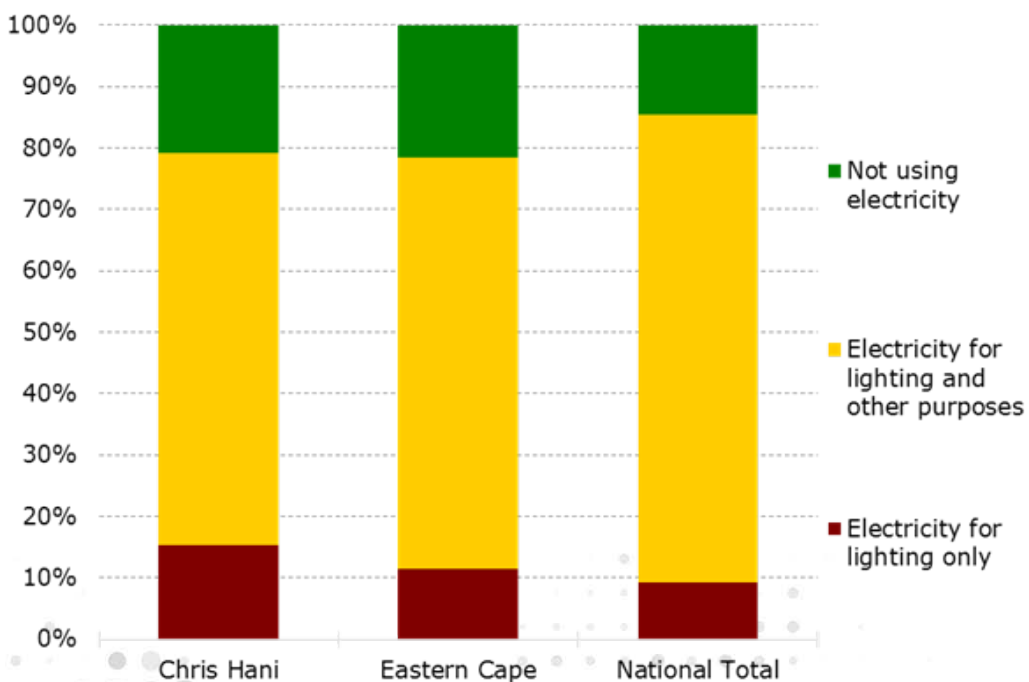
The proportion of households with access to basic services in Chris Hani District Municipalities are indicated in the following tables for water, sanitation, electricity and refuse services.

Water



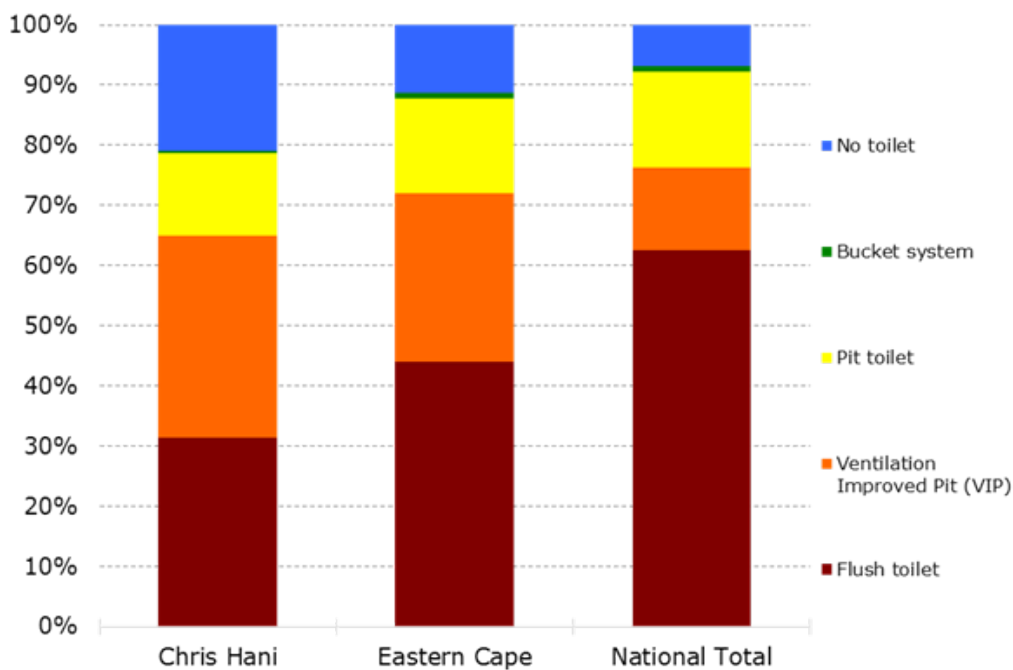
Source: IHS Global Insight Regional eXplorer version 1029

Electricity



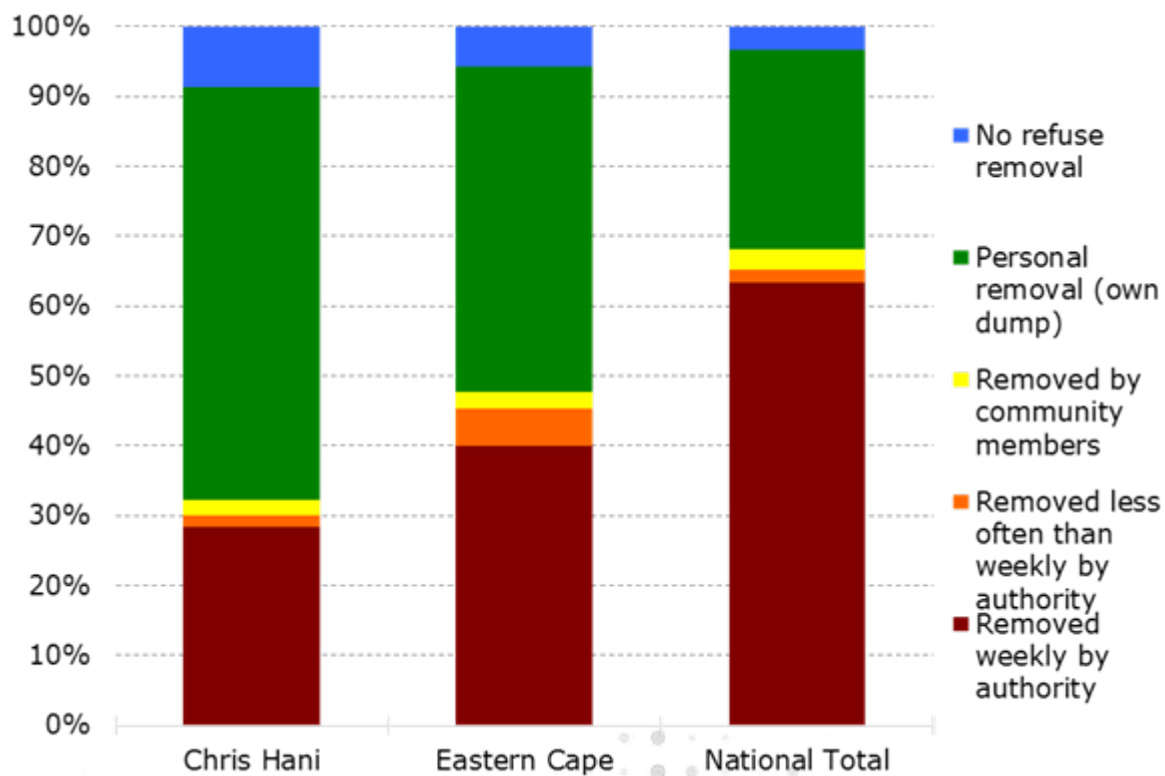
Source: IHS Global Insight Regional eXplorer version 1029

Sanitation



Source: IHS Global Insight Regional eXplorer version 1029

Refuse Removal



Source: IHS Global Insight Regional eXplorer version 1029

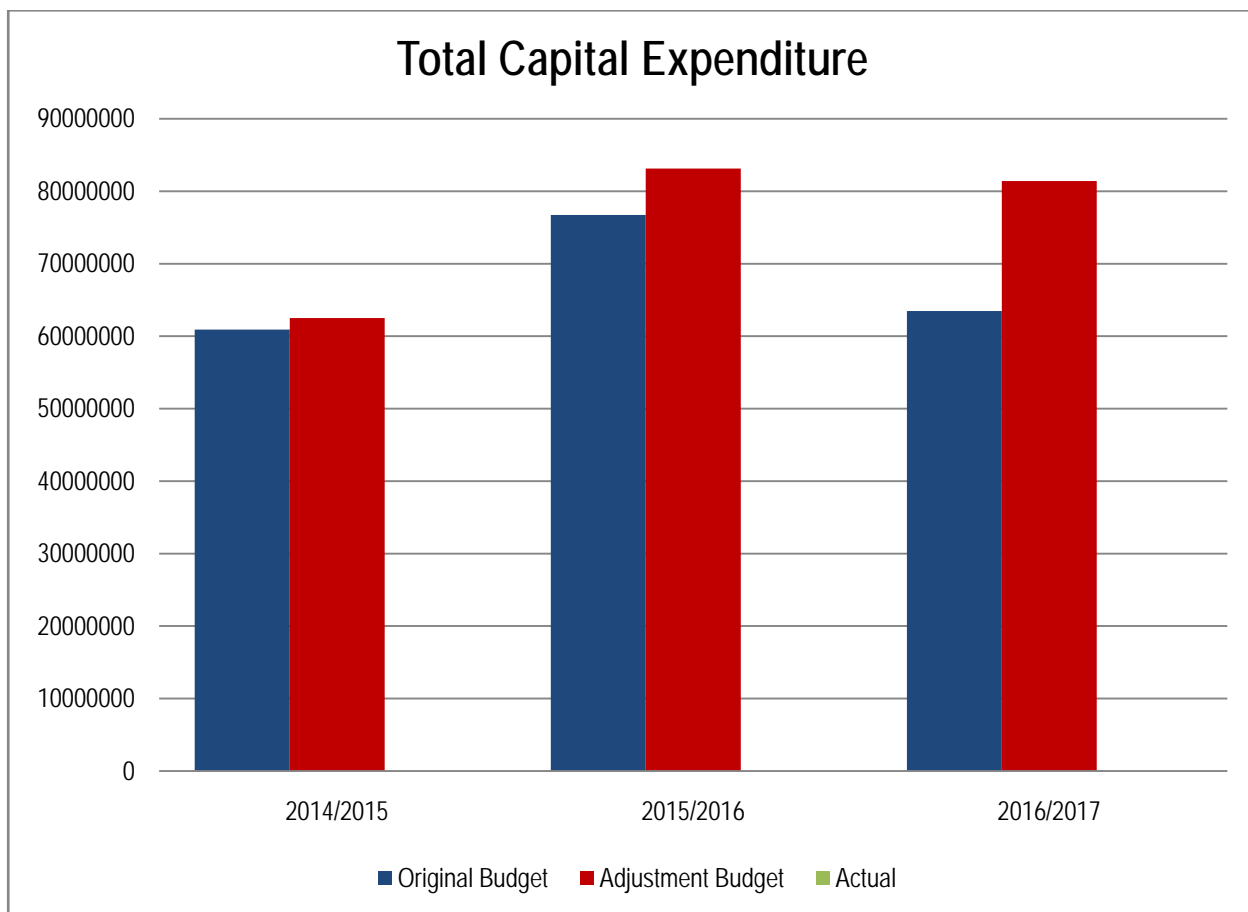
1.4 FINANCIAL HEALTH OVERVIEW

The financial sustainability of the Chris Hani District Municipality are described in the tables below

Financial Overview: 2016/2017			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	1112677000	1322140743	
Taxes, Levies and tariffs	0	0	
Other	286049440	289049440	
Sub Total	1398726440	1611190183	
Less: Expenditure	1848942648	2144034147	
Net Total*	-450216208.4	-532843963.7	
* Note: surplus/(defecit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	20%
Repairs & Maintenance	4%
Finance Charges & Impairment	13%
T 1.4.3	

Total Capital Expenditure: 2014/2015-2016/2017			
			R'000
Detail	2014/2015	2015/2016	2016/2017
Original Budget	609167501.9	767320342.4	634699790
Adjustment Budget	625002832.9	831291342.4	814170756
Actual	0	0	0
T 1.4.4			



T 1.4.5

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

Chapter 7 Section 51 of the Municipal Systems Act 32 of 2000, mandates the Municipality to establish and organise its administration in a manner that would enable the municipality to be responsive to the needs of the local community. Furthermore, Section 67(1) of the MSA compels the Municipality to develop and adopt appropriate systems and procedures to ensure a fair, efficient effective and transparent personnel administration.

The strategic objective of the department is to establish and maintain a skilled, healthy labour force guided by relevant policies, systems procedures that are geared towards realising the needs of communities. Municipal transformation and organisational development is key to service delivery, hence much emphasis is on the implementation of Batho Pele principles in all municipal structures, systems, procedures, policies and strategies.

During the year under review, the Chris Hani District Municipality completed the following to achieve the strategic objective:

1.5.1 The municipal organogram has been reviewed as informed by objectives of the municipality for the 2016/2017 financial year

1.5.2 The Municipality has, as a response to the call by the Municipal Council and the requirements of Chapter 6 of the Municipal Systems Act (2000), set in place a cascading Performance Management System to levels below Section 57 Managers. A draft Performance Management Policy was also developed. During the year under review, engagements with all affected stakeholders were undertaken and a draft policy to deal with performance management was developed. It is anticipated that early in the next financial year, the policy will be adopted by council and implemented accordingly. Therefore no performance bonuses were awarded for the year under review for lower level employees. With respect to Section 57 managers (including the municipal manager), once the final annual report has been approved by council, a formal process of assessing the performance of these managers will ensue after which panel recommendations on the awards will be submitted to council for consideration.

1.5.3 An institutional Workplace Skills Development Plan developed in terms of the Skills Development Act (1998), was completed and implemented during the financial year under

review.

Two hundred and thirty eight (238) employees have received training at a cost of R1020163.60 during the year under review. A total of fifteen (15) training interventions were implemented.

1.5.4 The municipality also implemented a number of skills development related programmes, including:

- An internship programme which resulted in the following:
 - Thirty two (32) unemployed graduates are continuing with a two year internship programme ending in September 2017. An advert was issued for the 2017/2018 intake
 - Twenty six (26) employees from Engineering has been started with a water and waste water learner-ship at NQF level 2 with the Water Academy for a period of one year
 - Ten (10) students received experiential training for a period of 3 months in the fields of water and waste water reticulation and environmental health
- A study assistance programme which resulted in the following:
 - Within the year under review a total of eighteen (18) employees have received assistance to further their studies in the following fields:
 - ✓ Environmental Health
 - ✓ Finance
 - ✓ Engineering
 - ✓ Human Resource Development
 - ✓ Health and Community Services
 - ✓ Agriculture
 - ✓ Public Management
- The Chris Hani District Municipality complies with the National Treasury Minimum Competency Regulations of National Treasury

With regards to the future, according to the Integrated Development Plan of Chris Hani District Municipality for the period 2017 to 2021, one of the key strategic objectives of CHDM is to “ establish and maintain a skilled labour force guided by policies to function optimally towards the provision of services to the community”

The strategies to implement these objectives are through Integrated Human Resources Management Programmes and Integrated Health, Wellness and Safety Programmes which will be implemented in the coming years.

The 2030 Strategic Plan, to be completed in the 2017/2018 financial year will also give further direction.

T 1.5.1

1.7 Statutory Annual Report Process

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

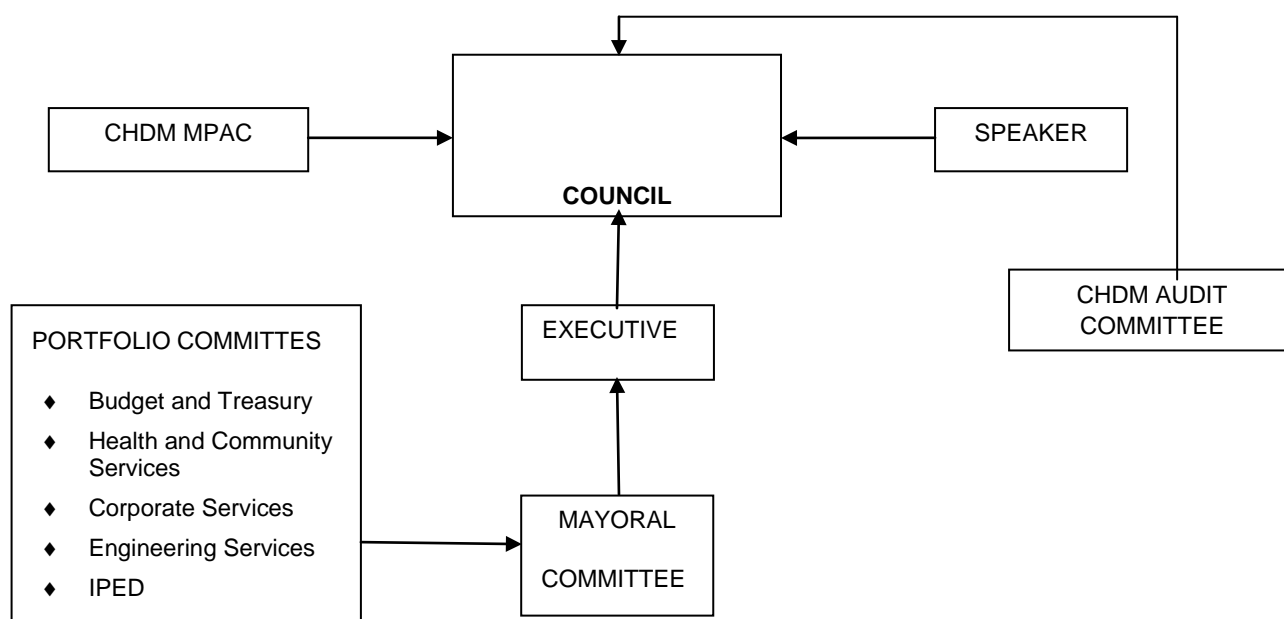
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CHAPTER 2 – GOVERNANCE

INTRODUCTION

The Chris Hani District Municipality is a category C2 municipality mandated to perform those powers and functions vested in District Municipalities as contemplated in schedules 4 and 5 of the Constitution of the Republic of South Africa, Act 108 of 1996.

The Chris Hani District Municipality utilises the Mayoral Executive System where the exercise of executive authority is through the executive mayor in whom the executive leadership of the municipality is vested and who is assisted by a mayoral committee. The Council of CHDM has various Section 79 committees (the portfolio committees as well as the Municipal Public Accounts Committee [MPAC]) each chaired by a Councillor elected from within Council and an audit committee established in terms of Section 166 of the Municipal Finance Management Act. The Speaker of Council is the chairperson of Council, convenes and presides over Council meetings. The diagram below illustrates the political structure of the CHDM.



In addition to these powers and functions as contemplated in the Act, the CHDM is mandated to perform such functions and powers as determined by the MEC responsible for Local Government and as gazetted by the province. In relation to this, therefore, the core mandate of the CHDM is the supply of bulk water and sanitation infrastructure, disaster management, municipal planning, municipal health services, tourism, local economic development and maintenance of provincial roads as per the agreement entered into between the CHDM and the Department of Roads and Public Works. The table below depicts those powers and functions vested in the district and those allocated to the various local municipalities within the district jurisdiction.

FUNCTION	CHRIS HANI DM	ENOCH MGIJIMA LM	INTSIKA YETHU LM	ENGCOBO LM	SAKHISIZWE LM	EMALAHLENI LM	INXUBA YETHU LM
Air pollution	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Building regulations	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Child Care facilities	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Electricity reticulation	N/A						
Fire Fighting	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Local Tourism	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Planning	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Health Services	Yes	No	No	No	No	No	No
Municipal Public Transport	Regulation	Yes	Yes	Yes	Yes	Yes	Yes
Storm water	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Trading regulations	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Water (potable)	Bulk supply	Yes	Yes	Yes	Yes	Yes	Yes
Sanitation	Bulk supply	Yes	Yes	Yes	Yes	Yes	Yes
Billboards and the display of adverts in public places	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Cemeteries, Crematoria	N/A	Yes	Yes	Yes	Yes	Yes	Yes

and funeral parlours							
Cleansing	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Control of public nuisances	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Control of undertakings that sell liquor to the public	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Fencing and fences	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Licensing and control of undertakings that sell food to the public	Yes	No	No	No	No	No	No
Local amenities	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Local sport facilities	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Markets	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Municipal abattoirs	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Municipal parks and recreational facilities	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Municipal roads	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Noise pollution	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Pounds	N/A	Yes	Yes	Yes	Yes	Yes	Yes

Public places	N/A	Yes	Yes		Yes	Yes	Yes
Refuse removal, refuse dumps and solid waste disposal	Management of solid waste sites	Yes	Yes	Yes	Yes	Yes	Yes
Street trading	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Street lighting	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Traffic and parking	N/A	Yes	Yes	yes	N/A	N/A	N/A
Licensing of vehicles	N/A	Yes	Yes	Yes	N/A	N/A	N/A
Road maintenance	Yes (Agent: DORT)	N/A	N/A	N/A	N/A	N/A	N/A
Libraries	N/A	Yes	Yes	Yes	Yes	Yes	Yes

T2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Political and administrative governance of Chris Hani District Municipality is provided in T 2.1.1 and T 2.2.2

T 2.1.0

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

As would be reflective in other spheres of government, the Council of the Chris Hani District Municipality is the legislative component of the municipal government. It is in this structure that local laws are promulgated, decisions around the direction of development for the region are taken, and is the body charged with overseeing the operations of the municipality such that they adhere to the democratic principles as enshrined in the South African Constitution. Membership to Council is through the electoral process of the country where there are Councillors directly elected and thence become full time Councillors of the Council, as well as Councillors that are elected to represent their local municipalities in the district Council. Currently, the Council of CHDM is made up of 42 Councillors, 17 of which are on Proportional Representation (PR) and 25 direct representatives from local municipalities within the District. Seven of the PR Councillors are members of the Mayoral Committee.

T 2.1.1

POLITICAL STRUCTURE



CLLR Mxolisi Koyo: Council Speaker



CLLR KholiswaVimbayo: Executive Mayor



CLLR Bongiwe Van Heerden: Council Chief Whip



CLLR Nonzukiso Matiwane: Special Programmes Unit



CLLR Mtetunzima Jack: Corporate Services



CLLR Noncedo September-Caba:
Health and Community Services



CLLR Nozibele Makanda: Budget & Treasury
Office



CLLR Sibongile Mbotshane: Integrated Planning &
Economic Development



CLLR Siyabulela Zangqa: Engineering

T 2.1.1

COUNCILLORS

The table below depicts the composition of Council in terms of party representation of the Proportional Representatives (PR) Councillors:

POLITICAL PARTY	NUMBER
ANC	12
DA	2
UDM	1
AIC	1
EFF	1

Table 18: Composition of Council

Additionally, the table below represents the composition of Council, inclusive of the 25 Councillors representing local municipalities:

COUNCIL COMPOSITION	NO OF COUNCILLORS	GENDER DISTRIBUTION	
		MALE	FEMALE
Councillors	42	20	22
Traditional leaders	7	6	1

Table 19: Party Demographic Distribution

Further information on Councillors are provided in Appendix A

T2.1.2

POLITICAL DECISION-TAKING

Chris Hani District Municipality is a Category C municipality with a Mayoral Executive system. In accordance with Section of 60 of Municipal Structures Act No. 117 of 1998, the

Executive Mayor appointed a Mayoral Committee.

Specific responsibilities including presiding over specific Portfolio Committees being assisted by Councillors deployed to each portfolio committees has been delegated to each Portfolio Head. For the meeting to quorate 50 + 1 Councillors must be present for the meeting to proceed.

Portfolio Committees recommend to the Mayoral Committee presided over by the Executive Mayor. The Executive Mayor has delegations to resolve on issues assisted by the Mayoral Committee members, however there are matters that the Mayor cannot resolve and only the Council can ratify/ approve etc. e.g. passing of Policies, By – Laws and Budget.

Council meetings are convened quarterly, up and above this, Special Council meetings are convened when need arises. The Mayoral Committee meetings are convened monthly.

The institution has developed a resolution register for the Mayoral and Council meetings with a view to monitoring implementation of Council resolutions as well as easy access to information when requests for access to information is submitted by citizens.

The accounting officer reports on progress on the implementation of resolutions taken by Council. The report also informs the Council of any reasons of non- implementation should there be any resolution not yet implemented and the action is accordingly provided to address the delays.

T 2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Head of the administration and Accounting Officer as defined in the Municipal Systems Act 32 of 2000. The responsibilities of the Municipal Manager include managing the administrative and financial affairs of the municipality and to ensure that municipal services are delivered in an efficient, effective and economical manner. With his complement of directors appointed in terms of Section 56 of the MSA, the Municipal Manager determines the pace of development within the municipal area as per Council directives. Each director is responsible for their area of expertise from time to time, an Executive Management meeting is held where the Municipal Manager engages the directors on various matters that affect service delivery. Figure 2 below illustrates the

high level administrative structure:



T 2.2.1

TOP ADMINISTRATIVE STRUCTURE



Mr M. Mene: Municipal Manager



Mrs Fetsha: Chief Financial Officer



Mr M. Dungu: Director: Engineering



**Dr Z. Shasha
Integrated Planning and Economic Development**



**Mr B.J. Mthembu
Strategic Manager**



**Ms Y. Sinyanya – Director:
Health and Community Services**



**Mrs Y. Dakuse – Director:
Corporate Services**

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS.

Co-Operative government represents the basic values of government as stipulated in Section 41(1) of the Constitution as well as the implementation of these values through the establishment of structures and institutions. It is a partnership among the spheres of government requiring each sphere of government to fulfil a specific role.

The three levels of government are National, Provincial and Local (Municipalities)

Chapter 3 of the Constitution (1996) describes the three spheres as being 'distinctive, interdependent and interrelated' and enjoins them to 'cooperate with one another in mutual trust and good faith'. An important element of this cooperative relationship is that there needs to be a clear understanding of each sphere of government's powers and functions to ensure that a sphere of government or organ of state 'does not encroach on the geographical, functional or institutional integrity of government in another sphere'. In addition to the Constitution, various pieces of legislation governs or organises the system of intergovernmental relations. Among other things, the legislation formalises the different spheres' roles and responsibilities with regard to various functions and provides for a range of consultative structures .The South African system of intergovernmental relations is complex and continues to evolve as better modes of cooperation and coordination emerge and as functions are shifted between the spheres. The following key elements and principles underpin the intergovernmental system:

- *Accountability:* Each sphere has specific constitutionally defined powers and responsibilities, is accountable to its legislature or council, and is empowered to set its own priorities. The power of national government to intervene in provincial and local government matters, and provincial governments to intervene in local government matters, depends on whether the relevant sphere fails to carry out an executive obligation.
- *Transparency and good governance:* Accountability of political representatives to the electorate and transparent reporting arrangements within and between spheres is at the heart of the intergovernmental system. While political executives are responsible for policy and outcomes, the accounting officers are responsible for implementation and outputs.
- *Mutual support:* National and provincial governments have a duty to strengthen the capacity of municipalities. Spheres of government must also act cooperatively.

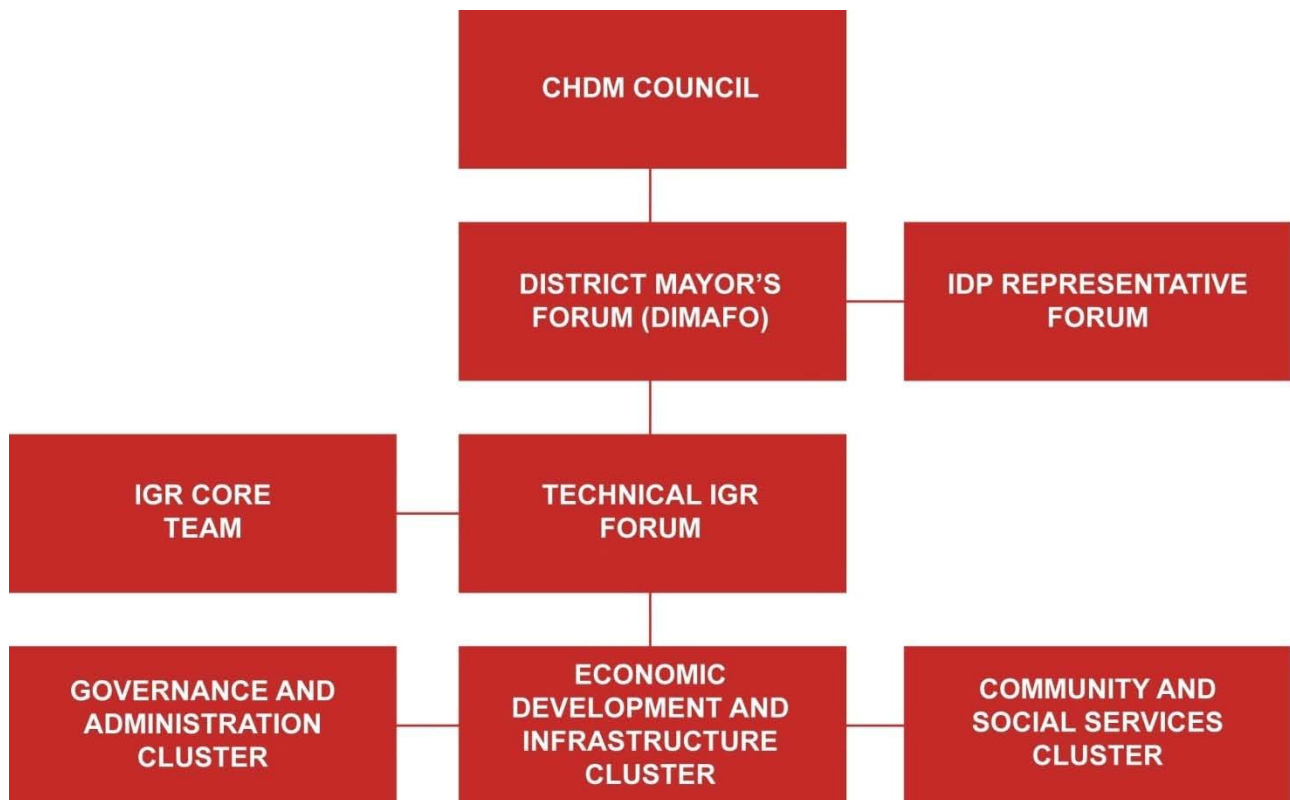
towards each other, for instance through avoiding legal action until all other mechanisms have been exhausted.

- *Redistribution*: The three spheres all have important roles to play in redistribution, but because inequalities exist across the country, the redistribution of resources is primarily a national function. Where provinces and municipalities undertake redistribution, the challenge is to do this in line with their fiscal capacity and not to undermine economic activity and their financial viability. Redistribution among the three spheres is achieved through the vertical division of revenue. Redistribution among provinces and municipalities is effected through their respective equitable share formulae.
- *Vertical division*: Determining the allocation to each sphere of government inevitably involves trade-offs that are made in the course of a comprehensive budget process driven by political priorities, and which covers all aspects of governance and service delivery. Separate and ad hoc requests for funds fragment the coherence of the budget and undermine the political process of prioritisation.
- *Revenue-sharing*: The fiscal system takes into account the fiscal capacity and functions assigned to each sphere. Provinces and municipalities are funded from own revenues, equitable share allocations, and conditional and unconditional grants. The grant system must be simple and comprehensive and not compensate provinces and municipalities that fail to collect own revenues.
- *Broadened access to services*: The Constitution and current government policy prioritises broadening access to services. The responsible spheres are expected to design appropriate levels of service to meet customer needs in an affordable manner, explore innovative and efficient modes of delivery, and leverage public and private resources to fund infrastructure.
- *Responsibility over budgets*: Each sphere of government has the right to determine its own budget and the responsibility to comply with it. To reduce moral hazard and ensure fairness, national government will not bail out provinces or municipalities that mismanage their funds, nor provide guarantees for loans.

As such, understanding that the delivery of services cannot be the sole mandate of any one sphere of government, the continued cooperation between the spheres of government within the Chris Hani Region have contributed enormously to the question of development in areas such as education, social development, housing and water provisioning.

To effectively engage in intergovernmental matters, the Chris Hani District Municipality

established IGR structures that would amongst other things ensure that there is continued engagement, sharing of information and effective decision making. These structures are informed partly by the current arrangements both national and provincial, but also take into account the contextual realities within the CHDM. Figure 3 below illustrates the structures currently existing in CHDM and their levels in terms of decision making:



In terms of the Municipal Structures and Municipal Systems Act there are three spheres of government on the local level:

- The legislative sphere (elected Council)
- The executive sphere (the municipal management structure to execute the decision of Council)
- The local Community who can participate in all aspects of the Municipality

According to Section 16(1) of the Municipal Systems Act, a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance.

According to the Systems Act the local community consist of residents, ratepayers, civic

organizations, non-governmental organizations, the private sector (business) , labour etc

The Chris Hani District Municipality has systems to engage with the local community, especially during the compilation of the Integrated Development Plan through the External Representative Forum. All Policies, By-Laws etc. are also advertised for input and comment before it is submitted to Council.

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Executive Mayor and the Municipal Manager represent the District Municipality at all national intergovernmental structures, in their capacities as the political and executive head as well as the administrative head. Other political office bearers and officials may also represent the District based on specific delegations accorded to them by the Executive Mayor or Municipal Manager respectively.

The National Intergovernmental structures are as follows:

MuniMEC (National Ministers Provincial MECs)

MuniMEC are committees of Ministers and members of the Provincial Executive Councils, Municipal Councils and the South African Local Government Association (SALGA).

The aim of MuniMEC is to improve co-ordination of their activities across all spheres of government.

MuniMEC gives provinces and councils an opportunity to interact with relevant Ministers. Each MuniMEC focusses on specific sector areas such health, agriculture, education and housing.

The Municipal Manager or a delegated representative of the Council attends the MuniMEC meetings.

T 2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The District Municipality participates in provincial intergovernmental structures coordinated by the Office of the Premier, the Eastern Cape Department of Local Government and Traditional Affairs and any other provincial department that may convene from time to time. In addition to this, the municipality actively participated in the provincially established clusters such as the Governance and Administration Cluster, the Economic Development and Infrastructure Cluster as well as the Community and Social Services Cluster.

The Provincial Intergovernmental Structures are as follows:

The Premier's Coordinating Forum (PCF)

The Premier's Coordinating Forum discusses issues of national, provincial and local interest. It also discusses issues raised by the President's Coordinating Council (PCC) and

broader areas of policy, legislation, implementation, coordination, and alignment.

MuniMEC

The MuniMEC meeting is a quarterly session attended by Executive Mayors, Mayors, Speakers of the affected municipalities, traditional leaders, the South African Local Government Association (SALGA), Municipal Managers, representatives of sector departments and state-owned enterprises in order to thrash out issues of service delivery and learn best practices.

T 2.3.2

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The Chris Hani District Municipality has ownership control of the Chris Hani Development Agency(CHDA), an entity established in terms of the Municipal Systems Act (200) and Municipal Financial Management Act (2003). The Chris Hani Development Agency is governed by a Board of Directors appointed by the Chris Hani District Municipality:

- Mr M Sigabi
- Mr S Dzengwa
- Mr M Manjezi (Chairperson)
- Ms N Ntsubane
- Dr C Beck-Reinhardt
- Ms N Sikeyi
- Mr S Ngqwala

The Chief Executive Officer of the Agency is Mr T Mashologu

T 2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Chris Hani District Municipality has a functional District Mayor's Forum (DIMAFO) established in terms of the Intergovernmental Relations Framework Act (2005).

Mayors, Municipal Managers of Municipalities in CHDM as well as Senior Managers of Government Departments within the District meet on a quarterly basis to ensure co-ordination and alignment between the local municipalities and the district municipality. Government Department representatives form part of the DIMAFO meetings to ensure that the District is aligned with Government Policies and Budgets.

During the year under review, the municipality continued to host the DIMAFO which is a forum of engagement between the district mayor and mayors of the local municipalities within the Chris Hani District jurisdictional area. In terms of the structure presented above it must be noted that clusters mirroring the provincial and national structures were established for the district. These include the Governance and Administration Cluster, the Economic Development and Infrastructure Cluster as well as the Community and Social Services Cluster. These clusters include representatives from sector departments operating within the district area as well as representatives from the local municipalities within the Chris Hani District area. Importantly and as a matter of process, the IGR Core Team was established as a structure for synthesis and dissemination of information from national and provincial government through to the various clusters for interpretation and decision making. This structure is primarily made of representatives from the provincial government as well as representatives from the district and local municipalities.

T 2.3.4

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Community participation, through appropriate structures, is a fundamental requirement of the Constitution (1996), the Municipal Systems Act (2006), the Municipal Finance Management Act (2003) and all other legislation that is applicable to Local Government in South Africa. Broadly understood, municipal councils must institutionalise community participation mechanisms in their affairs this to allow communities an opportunity to participate in the decision making processes of council. Section 16 of the MSA requires municipalities to complement formal representative government with a system of participatory governance, and must for this purpose, *inter alia*, encourage, and create conditions for the local community to participate in the affairs of the municipality, including in the preparation, implementation and review of its integrated development plan, the establishment, implementation and review of its performance management, the monitoring and review of its performance, including the outcomes and impact of such performance and the preparation of its budget. Therefore, in line with this requirement, the centre piece of the public participation ethos of the Chris Hani District Municipality is anchored on the processes related to the preparation and reporting on the implementation of the municipality's Integrated Development Plan (IDP) and Budget each year.

The Annual Report is also published each year for public comment before it is adopted by Council.

It is therefore evident that public participation should be promoted in order to achieve, *inter alia*, the following objectives:

- Consult with the community on their developmental challenges;
- Form the basis for people-centred governance and bottom-up planning process;
- Improve the relationship between council and the communities and thereby improve political accountability and transparency;
- Empower communities through information dissemination/assimilation;
- Establish a community feedback programme, which allows local leaders the opportunity to interact with communities on issues of service delivery;
- Provide communities with a platform to influence the developmental trajectory of municipalities and government in general; and
- Provides the municipality with a project/programme evaluation and implementation

monitoring feedback mechanism.

Whilst public participation is the process through which peoples and communities highlight their needs and aspirations, accountability is the end toward which the municipal Council strives. This is to ensure that the authority delegated by communities to the Council is utilised in a manner consistent with the provisions of law and the attainment of the needs of the communities. The Council must account to the communities on the use of authority in relation to the management of financial affairs within the municipality, commitments made by the municipality regarding the service delivery needs of communities (ranging from basic services such as water and sanitation, roads, municipal health services as well as the development of the local economy) and the progress in achieving those, and finally, on matters of good governance.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Chris Hani District Municipality undertakes IDP and Budget road shows on an annual basis in all municipalities. In addition it hosts several public knowledge sharing days on health issues, hygiene, water and sanitation usage, supply chain management, disaster and fire prevention strategies and fire, occupational health and safety, LED, GIS and Planning. To strengthen the relations with Traditional Leadership the House of Traditional Leadership of the region is a stakeholder that sits on the IDP Representatives Forum. In accordance with the Local Government Municipal Systems Act, the CHDM holds regular Integrated Development Plan (IDP) Representative Forum meetings in drafting its IDP. At the beginning of the planning cycle, advertisements are placed in the local newspapers calling for interested parties to contact the CHDM for registration to become part of the process.

Once the IDP and budget have been drafted and tabled at Council, the CHDM places another advertisement calling for public comments. Copies of the document are lodged at all the Libraries within the district and at Local Municipalities. After this process, the CHDM embarks upon IDP and Budget roadshows to the communities' at all local municipalities. This is done in conjunction with the support and assistance of the local

municipalities who assist the CHDM's officials, through their Ward Councillors, to mobilize the ward community members to attend the roadshow events. The Draft IDP is summarized and presented to communities in English and isiXhosa for comment and discussion. Records of these meetings are kept and a document is drafted to keep track of the responses and to disseminate to other government departments for follow up and actioning, where necessary, through intergovernmental forum meetings and the IDP Representative Forum.

Once all the comments and discussions have been taken into consideration towards an amended IDP and Budget, the above process is followed up by a Council Open Day, where members of the local community can attend a Council meeting where they are allowed to participate in proceedings. All comments received from the local community are collated into a document to be considered by council when adopting the IDP.

IDP/Budget Road-shows were conducted in all Local Municipalities within the district in the 2016/2017 financial year.

T 2.4.1

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
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

* Section 26 Municipal Systems Act 2000

TABLE 24: IDP alignment criteria

T 2.5.1

2017/2022 CHDM IDP-BUDGET-PM PROCESS PLAN

Activities		Timeframe	Responsible Department
A	Preparation phase / Pre-planning		
1	Advertise invitation of IDP Stakeholders to Register	15 July 2016	IPED
	Planners Coordinating Forum- IDP/PMS Managers Session for Alignment of IDP Process Plans	27 July 2016	IPED
2	Technical IGR Meeting	23 August 2016	MM
	Management Meeting looking into the IDP Framework & IDP/Budget Process Plan	12 August 2016	MM
	IDP/PMS/Budget Steering Committee meeting to review Implementation progress and prepare for the 2017/2022 IDP Process	18 August 2016	IPED
3	Council Approval of Framework Plan & Process Plans (IDP & Budget)	23 August 2016	IPED/BTO
	Signing of Performance Agreements by HOD's		MM
	Submission of APR to AG & Treasury	31 August 2016	MM
4	Advertise Adopted IDP/Budget Process Plan	29 August 2016	IPED
	Presentation of PMS Process Flow to Management		MM
	15/16 Annual Performance Assessment	03– 07 Sept 2015	MM
B+C	Analysis Phase / Monitoring and evaluation		
2	Assess implementation progress (HODs to present action plans for existing projects and planned completion dates for projects, aligning expenditure with progress), impact of new information/unexpected events, evaluation of achievement with regard to objectives, strategies and projects (per programme), overview of funding available per cluster (both from savings as well as new funding from operating budget and from external funds), possible implications on programmes of additional sector information.	July - October 2016	All Departments Championed by HOD's

	Council Induction Workshop	13-14 September 2016	MMs Office
	IDP/Budget/PMS Rep Forum	29 September 2016	IPED
	Quarter 1 Performance reporting (July - Sept)	12 October 2016	HOD's/MM
	Standing Committees	11-13 October 2016	
	1 ST Quarter Institutional Performance Report to Mayor	14 October 2016	MM
	Budget Steering Committee	18 October 2016	BTO
	Performance Audit Committee on 1 st Quarter Report	14 October 2016	MM
	MPAC: Audit Committee & Performance Audit Reports	21 October 2016	MM
	Mayoral Committee Meeting	26 October 2016	MM.
	Council Meeting (Draft Annual Report)	09 November 2016	MM.
	IDP/PMS/Budget Steering Committee meeting to review Implementation progress and report on gaps identified during the analysis phase	10 November 2016	IPED
	Technical IGR Meeting	16 November 2016	MM
	IDP/PMS Managers Session	22 November 2016	IPED
	District Mayors Forum	23 November 2016	MM
	IDP/PMS/Budget Rep Forum meeting - discuss district priorities	24 November 2016	IPED
	Mayoral Committee Meeting	30 November 2016	MM.
	Annual Report Roadshows	08 December 2016	MM
	Council Meeting	15 December 2016	MM.
	Quarter 2 Performance reporting HOD's to MM (Oct - Dec)	10 January 2017	HODs & MM
D	Strategies Phase / Refined objectives, strategies, programmes and projects phase		
	Performance Audit (Draft Annual Report)		MM.
	Budget Steering Chaired by Port Cllr to consider Adjustment Budget	13 January 2017	BTO

	Mid- Year Performance Report to Mayor	17 January 2017	MM
	IDP/Budget Steering Committee to approve draft budget allocations (IDP/ Budget link)	16 January 2017	IPED/BTO
	Mid- Year Performance Assessments of HOD's	23 – 26 Jan 2017	MM
	Mayoral Committee Meeting	18 January 2017	MM
	Council Meeting (Final 2015/16 Annual Report & Mid -Year Report)	31 January 2017	MM
	Institutional Strategic planning session. Adopt proposed overall direction of the 2017-2022IDP - agree on main themes and key strategic objectives and key financial issues. Refine objectives, strategies, programmes and draft projects as necessary for MTEF period	01-03February 2017	IPED/MM
	Budget Steering Committee =Adjustment Budget	02 February 2017	BTO
	Mayoral Committee	08 February 2017	MM
	Technical IGR	15 February 2017	MM
	IDP/Budget/PMS Steering committee	16 February 2017	IPED
	DIMAFO	21 February 2017	MM
	Council Meeting Adopting Adjusted Budget	22 February 2017	
	Identify operating impacts (including staff issues) of proposed projects and ensure that these are included in the operating budget submissions	01-30-March-2017	IPED /BTO / Corporate Services
	Budget Steering Committee (Chaired by Portfolio Cllr)	02 March 2017	MM
	Mayoral Committee Meeting	08 March 2017	MM
	IDP Rep Forum	14 March 2017	IPED
7	CHDM Council approval of the 2017-2022Draft IDP & Budget& Submission of Recommendations from Performance Evaluation Panel	22 March 2017	MM
8	Draft IDP and Draft Budget published. Advertise for public comment (21days)	27 March 2017	IPED
	IDP/Budget roadshows - public hearings	04April 2017	MM/IPED/BTO
	Quarter 3 Performance reporting by HOD's (Jan - March))	10 April 2017	HOD's & MM
	Standing Committee	11-13 April 2017	MM

	3 rd Quarter Institutional Report to Mayor	14 April 2017	MM
	Departmental SDBIP Engagements	20-28 April 2017	MM
	MPAC /Audit Committee	21 April 2017	
E	Reviewed IDP document (Integration/programme implementation and operational plan)		
	Incorporate relevant comments to the Draft final reviewed IDP	April - May 2017	IPED
	IDP/Budget Steering Committee meeting (implementation and operational plan)	04 May 2017	IPED
1	IDP/PMS Managers Session	03 May 2017	IPED
	Mayoral Committee	10 May 2017	MM
	IDP Rep Forum	11 May 2017	IPED
	Municipal Wide SDBIP Engagement	15 May 2017	MM
	Submit draft SDBIP within 14 days after approval of the budget	May 2017	MM
	Budget Steering Meeting Chaired by Portfolio Cllr	08 May 2017	BTO
	Technical IGR	17 May 2017	MM
F	Approval phase		
4	CHDM Council Open Day & Approval of Final 2017-2022 IDP & Budget	24 May 2017	MM
	DIMAFO	31 May 2017	MM
	Submission of SDBIP to Exec Mayor for Approval	08 June 2017	MM
	Mayoral	07 June 2017	MM
	Approval of SDBIP within 28 days after budget	08 June 2017	Mayor
	Audit Committee	14 June 2017	MM
	Stakeholders Engagement on IDP & Budget	June 2017	MM
	Signing of MM and Section 57 Managers Performance Agreements	19 June 2017	MM



	SDBIP Approved and Performance Agreements signed	19 June 2017	MM
	MPAC (3 rd Quarterly report & Sec 52 d)	09 June 2017	MM
	Council Meeting	28 June 2017	MM
	Signing of Accountability Agreements by Middle Management	30 June 2017	MM
4	Quarter 4 Performance reporting (April - June))	10 July 2017	HOD"s & MM
G	Performance Management System		
2	Drafting of Service Delivery and Budget Implementation Plan (SDBIP) 2017-2018	03-04 July 2017	MM
6	Publicize SDBIP and Performance Agreements no later than 14 days after approval	28 July 2017	MM

COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

RISK MANAGEMENT

2.6.0 Overview

The realisation of the institutional strategic plans depends on the ability to take calculated risks in a way that does not jeopardise the direct interests of stakeholders. Sound management of risk will enable the institution to anticipate and respond to changes in the service delivery environment, as well as to take informed decisions under conditions of uncertainty.

The Chris Hani District Municipality subscribes to the fundamental principles that all resources will be applied economically to ensure:

- The highest standards of service delivery;
- A management system containing the appropriate elements aimed at minimising risks and costs in the interest of all stakeholders;
- Education and training of all staff to ensure continuous improvement in knowledge, skills and capabilities which facilitate consistent conformance to the stakeholders expectations; and
- Maintaining an environment which promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction.

An Enterprise Risk Management (ERM) approach to risk management is adopted by the Chris Hani District Municipality, which means that every key risk in each part of the municipality is included in a structured and systematic process of risk management. It is expected that the risk management processes becomes embedded into the municipality's systems and processes, ensuring that the responses to risks remain current and dynamic. All risk management efforts are focusing on supporting the municipal objectives. Equally, they must ensure compliance with relevant legislation, and fulfil the expectations of employees, communities and other stakeholders in terms of corporate governance.

2.6.1 Risk Management Department's role

The role of the Risk Management Department is:

- To ensure an effective and efficient risk management system in the district municipality;
- To advise the council and municipal manager on the strategic risks and operational risks of the district municipality that may impact on the achievement of the strategic objectives;
- Advise the municipal manager and management on alignment of the strategic objectives with the strategic risks and operational risks;
- To coordinate the governance structures through the implementation of the combined assurance model;
- To develop and implement the risk management policy, strategy, and the risk management implementation plan; and
- To provide guidance to the local municipalities on risk management, anti-fraud and corruption;

2.6.2 Compliance

The risk management function has the following compliance objectives:

- To render effective and efficient internal controls in the district municipality.
- To provide compliance framework to the district municipality and also provide guidance to the local municipality.
- To enforce compliance on MFMA and other related prescripts.
- To ensure compliance with MFMA, SCM policies, and other National Treasury practice notes on finance and supply chain.

2.6.4 Top five (5) risks

The following top five risks were identified in the risk register for Chris Hani District Municipality:

- Inability to deliver water and provide proper sanitation to our communities.
- Theft, Fraud and corruption
- Non-compliance with laws and regulations

- Ineffective management of performance information
- Low revenue collection

T 2.6.1

2.7 Anti-Corruption and Fraud

The risk management function has the following anti-fraud and corruption objectives:

- To implement the fraud prevention plan which includes a fraud prevention policy in the district municipality.
- To develop and implement an investigation policy.
- To develop a case management system that will ensure effective and efficient management of cases.
- To establish a whistle blowing mechanism.
- To develop a whistle blowing policy that will support the whistle blowing mechanism in the district municipality.
- To provide assurance to the council and the municipal manager on the management of fraud risks.
- Promote professional ethics in the district municipality.

2.8 Supply Chain Management

All Supply Chain Management officials comply with the prescribed levels required for their positions in terms of the MFMA Competency Regulation Guidelines.

There were no adverse remarks in the Auditor General's Report for the previous financial year regarding the quality of the Supply Chain Management of Chris Hani District Municipality.

The Chris Hani District Municipality have developed and implemented the following policies and practices relating to Supply Chain Management:

- Supply Chain Management Policy
- Irregular, Wasteful and Fruitless Expenditure Policy
- Infrastructure Provision Policy

2.9 BY-LAWS

By-laws Introduced during Year 0					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
Water and Sanitation By-law	No	YES	N/A	YES	2006
Municipal Health Services By-law	No	YES	May 2017	NO	N/A
*Note: See MSA section 13.				T 2.7.1	

COMMENT ON BY-LAWS

The only By-law currently in existence is the Water and Sanitation By-law which was promulgated in 2006 and which required to be revised.

A draft Municipal Health Services By-law was completed. Public participation commenced in May 2017. This By-law has not been promulgated as yet.

T 2.7.1.1

2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	YES	
All current budget-related policies	YES	
The previous annual report	YES	
The annual report 2016/2017 published/to be published	In Progress	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards		
All service delivery agreements 2016/2017	YES	
All long-term borrowing contracts 2016/2017	YES	
All supply chain management contracts above a prescribed value (give value) 2016/2017	YES	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2016/2017		
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
Public-private partnership agreements referred to in section 120 made in 2016/2017	NA	
All quarterly reports tabled in the council in terms of section 52 (d) during 2016/2017	YES	
Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.		T 2.8.1

The Chris Hani District Municipality has an established and functional website which can be accessed at <http://www.chrishanidm.gov.za>. The website complies with section 75 of the Municipal Finance Management Act (2003) and 21 A of the Municipal Systems Act (2000). On the website, users can inter alia access the Districts previous Annual Reports, IDP's, SDBIP's, Performance Agreements, Supply Chain Management info etc.

T 2.8.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

A public satisfaction survey was last undertaken in 2015. This survey is conducted every two years. The municipality put out a tender in August 2017 for the completion of a Public Satisfaction Survey for a period of 3 years. The tender closed on 29 August 2017. The first of 3 surveys will commence as soon as an appointment is made and will be completed within 4 months of the date of appointment of a consultant.

T 2.9

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART 1)

INTRODUCTION

During the 2016/2017 Financial Year the overall CHDM performance results reflect a success rate caused by mixed performance results of departments in implementing the Integrated Development Plan, Budget and Service Delivery and Budget Implementation Plan of the Municipality. The comparison of performance between the current and the previous year's reflects the healthy state of affairs wherein there are room for improvements. The comparative analysis depicted in the tables below indicates that the performance results have improved in most KPAs.

An electronic performance management system will be implemented in the 2018/2019 financial year, which will result in the enhancement of document management for evidence purpose.

In terms of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA) a municipality must develop a Service Delivery and Budget Implementation Plan (SDBIP) on an annual basis, which is to give effect to the Integrated Development Plan (IDP) and budget of the municipality.

The district municipality, at the beginning of 2016/17 Financial Year, adopted a “pro-poor” budget which gives effect to the strategic priorities of the municipality. The SDBIP therefore serves as a “contract” between the administration, Council and community expressing the goals and objectives set by the Council as quantifiable outcomes that can be implemented by the administration over a twelve month period.

This provides the basis for measuring performance in service delivery against end-of-year targets and implementing the budget. Once approved, the SDBIP forms the basis of the performance plan of the Municipal Manager and cascaded down to inform the performance plans of the Section 56 managers. This ultimately forms the basis for measuring the performance of the municipality as well as the individual performances of the municipal manager and his senior management team.

In line with this requirement, the Executive Mayor of the Chris Hani District Municipality approved the SDBIP for the 2016/2017 financial year in June 2016. Furthermore, the

Performance Agreements of the Senior Managers were concluded in July 2016. During the development of the SDBIP, a balanced scorecard model was utilised.

This means that all aspects of the operation of the municipality is included in the SDBIP (internal business processes, financial perspectives, and service delivery perspective) with a view of ensuring that all operational aspects are monitored and evaluated against the impact they have on the operation of the municipality and the delivery of services.

For purposes of consolidation, the SDBIP for 2016/17 was divided in terms of the five key performance areas applicable to local government viz.;

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

In terms of KPA 1, the main focus is that of tangible service delivery matters such as water and sanitation, roads maintenance, housing and town planning services. KPA 2 focuses on those indicators seeking to ensure that conducive conditions are created for broader economic growth and ultimately to boost the district economy. Typically these indicators would focus on amongst other, issues such as tourism promotion and development, forestry programmes, heritage development, the Expanded Public Works Programme (EPWP), and agriculture. KPA 3 focuses mainly on the support services internally. These would speak chiefly to matters of human resource provisioning and development, employee wellness, information communication technologies, fleet management services and legal services. KPA 4 focuses on the internal financial management processes. As such, this would focus on matters relating to budget development, supply chain management issues, asset management as well as income and expenditure management. Lastly KPA 5 focuses on good governance matters such as public participation, performance management, the effectiveness of oversight structures, internal audit matters, risk management and communications.

The following table provides a general overview of the performance of the institution in percentage terms for each KPA and finally for the institution as a whole. The

assessment is based on Performance Management reviews undertaken.

Key Performance Areas	Overall Performance 2015/2016 FY	Overall Performance 2016/2017 FY	Variance
Basic Service Delivery and Infrastructure Development	78%	68%	-13%
Local Economic Development	57%	45%	-21%
Municipal Transformation and Organizational Development	73%	75%	+3%
Financial Management and Viability	75%	58%	-23%
Good Governance and Public Participation	75%	74%	-13%
OVERALL INSTITUTIONAL PERFORMANCE	71.6%	64 %	-11%

**NB The Assessment by Internal Audit will be incorporated as the report progresses.*

Although this cannot be assessed strictly on the same indicators, this suggests that more work needs to be done particularly in the area of local economic development. The performance in the area of financial management and viability as well as in service delivery and infrastructure investment have recorded improvements. These must be followed through in the proceeding financial years to ensure that the momentum is maintained.

Following hereon below, therefore, is the complete 2016/2017 SDBIP which formed part of the annual performance report that municipalities must develop in terms of Section 46 of the MSA. This details the performance of CHDM over the year under review. Variance reasons are provided where necessary with the measures taken and/ or to be taken to correct the variance.

The attained annual achievements represent an aggregated achievement as per the fourth quarter SDBIP report. This performance is compared to the performance of the municipality on the same indicators for the previous financial year, where applicable. This means that in some cases, the indicators may have changes and as such, comparisons cannot be undertaken. This provides a comprehensive picture of those areas where the municipality has made commitments and progress that has been made on each.

T 3.0.1

COMPONENT A: BASIC SERVICES

This component includes water, waste water (sanitation), housing services; and a summary of free basic services.

3.1 WATER PROVISION

INTRODUCTION TO WATER PROVISION

Chris Hani District Municipality is a Water Services Authority (WSA) and Water Services Provider (WSP). With regards to water schemes and the provision of water infrastructure, the low population levels in the district make the provision of sufficient access to water and sanitation challenging. The vast distances and small catchment areas are major obstacles to the achievement of economies of scale.

In terms of the current state of water treatment plants in the CHDM, the assessment carried out in the district revealed that:

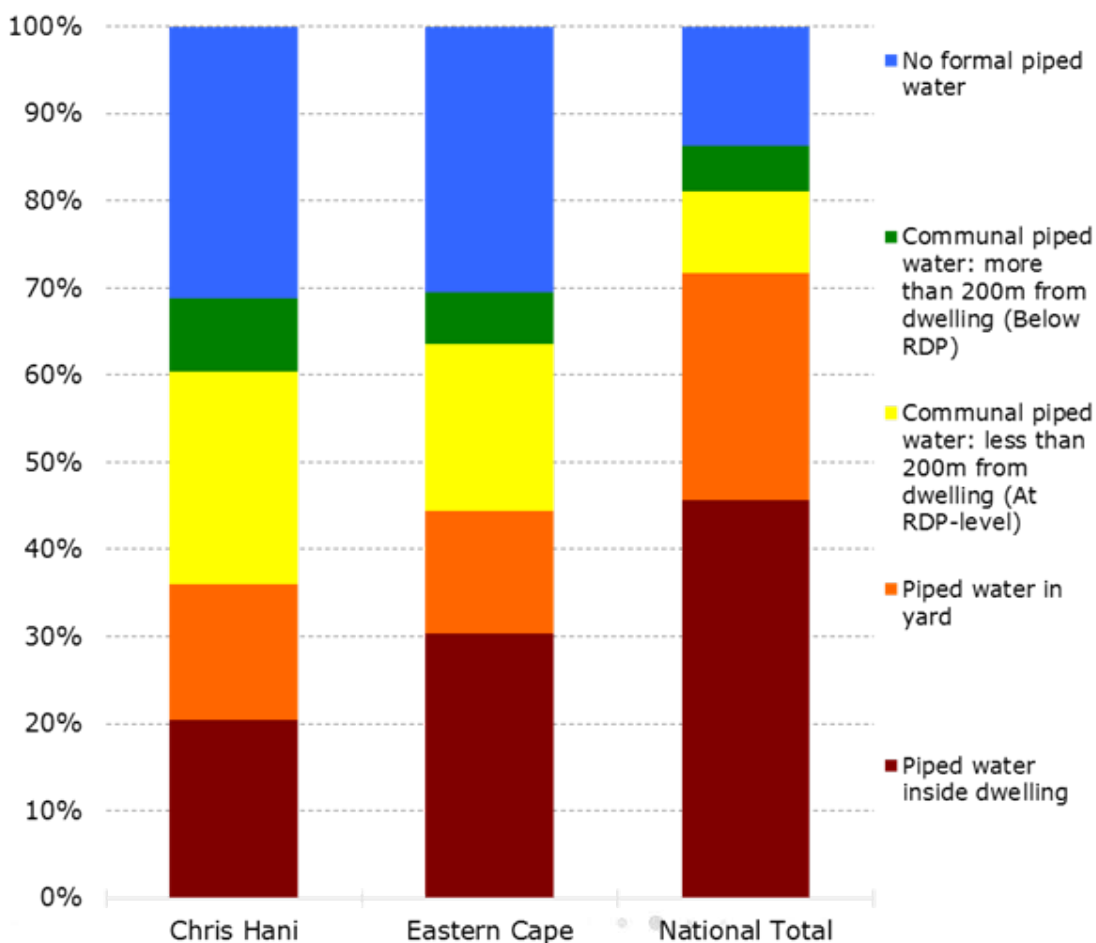
- CHDM currently has 14 water treatment plants across the district with at least one within each local municipality, except for Enoch Mgijima and Emalahleni which have seven and three respectively.
- The western half of the district is characterised with vast distances between towns and only a few settlements which are mostly provided with services on or above RDP level.
- The majority of the eastern sections show that they are mostly on or below RDP level.
- A number of settlements within IntsikaYethu and Engcobo remain unserved.



T 3.1.1

Households				
Description	2013/2014	2014/2015	2015/2016	2016/2017
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Water: (above min level)				
Piped water inside dwelling	857	45	45	45
Piped water inside yard (but not in dwelling)	647	34	34	34
Using public tap (within 200m from dwelling)	486	53	53	53
Other water supply (within 200m)				
<i>Minimum Service Level and Above sub-total</i>	1 990	132	132	132
<i>Minimum Service Level and Above Percentage</i>	80%	60%	60%	60%
Water: (below min level)				
Using public tap (more than 200m from dwelling)		18	18	18
Other water supply (more than 200m from dwelling)	486	68	68	68
No water supply				
<i>Below Minimum Service Level sub-total</i>	486	86	86	86
<i>Below Minimum Service Level Percentage</i>	20%	40%	40%	40%
Total number of households*	2 476	218	218	218
<i>Source: HIS Global Insight Regional Explorer version 1029</i>			<i>T 3.1.3</i>	

ACCESS TO WATER



Source: IHS Global Insight Regional eXplorer version 1029

T 3.1.5

*The financial information will be included once the Annual Financial Statements have been generated.

WaterService Policy Objectives Taken From IDP									
Service Objectives <									

EMPLOYEES WATER SERVICES					
2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3	57	89	62	27	30
4-6	30	83	63	20	24
7-9	4	4	4	0	0
10-12		33	15	18	54
13-15	10	10	10	0	0

16-18		2		2	100
19-20					
TOTALS	101	221	154	67	30
					<i>T 3.1.7</i>

Financial Performance 2016/2017: Water Services					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	142846000	142846000	95	-150364111%
Expenditure:					
Employees	125	137759924	139917924	248	-55548256%
Repairs and Maintenance	25	39630000	37783210	248	-15979739%
Other	45	161050597	143156383	248	-64939657%
Total Operational Expenditure	195	338440521	320857517	744	-45489217%
Net Operational Expenditure	75	195594521	178011517	649	-30137731%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
<i>T 3.1.8</i>					

Capital Expenditure 2016/2017 Water Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total			37 672 050	37 672 050	232 138 842
Ezantsi C/Jerusalem Water Supply	12 697 000	7 697 000	813 073	5 000 000	1 718 832
Ngqwaru Water Supply	12 697 000	7 697 000	2 122 146	5 000 000	4 045 101
Hewu 460 Regional Bulk Supply	5 000 000	3 900 000	3 296 733	1 100 000	4 359 756
Mdeni Water Supply	12 697 000	7 697 000	2 444 563	5 000 000	2 571 956
Xonxa Dam Pumping Main	0	0	0	0	128 407 241
Xonxa Dam Gravity Bulk	58 012 000	58 012 000	26 269 839	0	88 310 259
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
<i>T 3.1.9</i>					

COMMENT ON WATER SERVICES PERFORMANCE OVERALL

The following capital projects were completed during 2016/2017:

Bulk Projects:

- Xonxa gravity main water supply
- Xonxa pumping main water supply

Water services to households during the 2016/2017 financial year:

Polar Park Phase 3: 345 households

Cluster 4 Ezantsi/Jerusalem : 40 households

- RA 60 Hewu Phase 6: 650 households
- Cluster 4: Medeni: 33 households

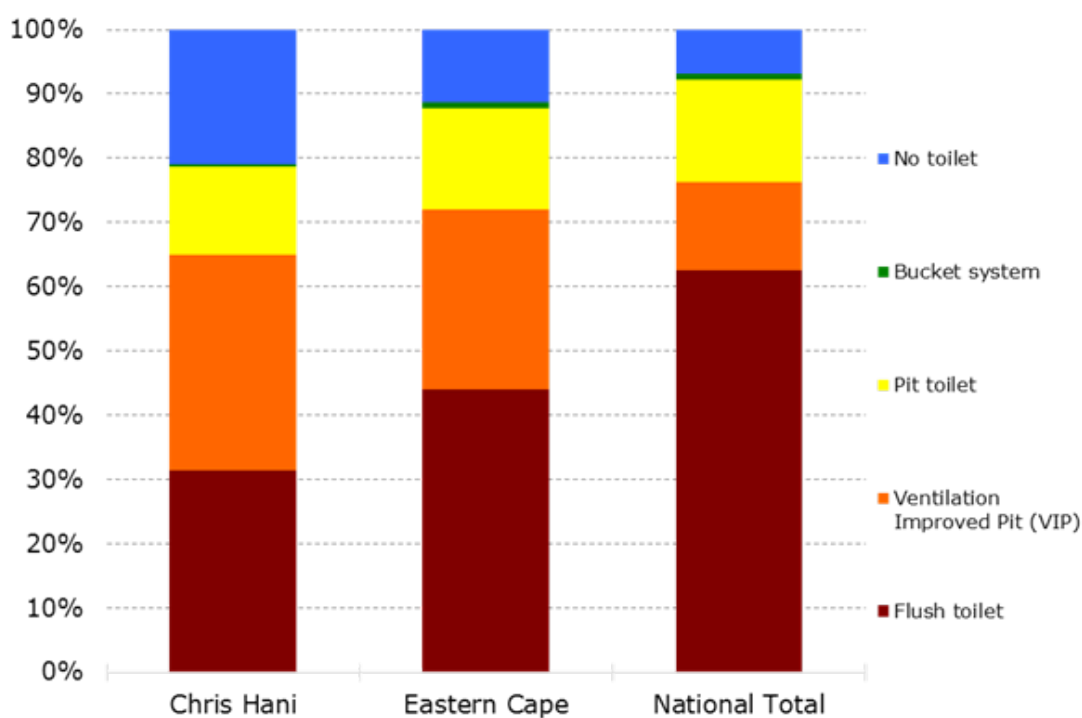
Therefore, a total of 1238 households were supplied with water during 2016/2017.

T 3.1.10

3.2 SANITATION PROVISION

Sanitation Service Delivery Levels				
*Households				
Description	2013/2014	2014/2015	2015/2016	2016/2017
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
<u>Sanitation/sewerage:</u> (above minimum level)				
Flush toilet (connected to sewerage)				68387
Flush toilet (with septic tank)				
Chemical toilet				
Pit toilet (ventilated)				73237
Other toilet provisions (above min.service level)				
Minimum Service Level and Above sub-total				141628
Minimum Service Level and Above Percentage				65%
<u>Sanitation/sewerage:</u> (below minimum level)				
Bucket toilet				976
Other toilet provisions (below min.service level)				30025
No toilet provisions				45588
Below Minimum Service Level sub-total				76589
Below Minimum Service Level Percentage				35%
Total households				218214
Source: IHS Global Insight Regional Explorer version 1029				T 3.2.3

ACCESS TO SANITATION



Source: IHS Global Insight Regional eXplorer version 1029

T 3.2.5

*The financial information will be included once the Annual Financial Statements have been generated.

SanitationService Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Safe Sanitation	No of households with safe sanitation		6056			4589	1766	3498	
	No of water treatment works maintained		1			1	1	2	
	Effluent compliant with R991		41%			75%	75%	75%	
	No of waste water projects completed		0			3	1	4	

T 3.2.

T 3.2.6

EMPLOYEES SANITATION SERVICES 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3	110	106	106	0	0
4-6	10	10	10	0	0
7-9	22	22	22	0	0
10-12	37	37	37	0	0
13-15					
16-18					
19-20					
TOTALS	179	175	175	0	0
					<i>T 3.2.7</i>

Financial Performance 2016/2017: Sanitation Services					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	33557700	33557700	95	-35323795%
Expenditure:					
Employees	125	0	0	248	100%
Repairs and Maintenance	25	5545000	7391790	248	-2235787%
Other	45	2352000	2252000	248	-948287%
Total Operational Expenditure	195	7897000	9643790	744	-1061325%
Net Operational Expenditure	75	-25660700	-23913910	649	3953983%
<i>T 3.2.8</i>					

Capital Expenditure 2016/2017: Sanitation Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total			79 283 351	79 283 351	681 802 393
Regional 1 Sanitation Backlog MIG	9 000 000	16 890 000	14 574 213	7 890 000	178 469 622
Regional 1 Sanitation Backlog WSI	4 000 000	4 500 000	4 500 000	500 000	4 500 000
Regional 2 Sanitation Backlog MIG	15 000 000	19 415 081	19 264 321	4 415 081	187 266 204
Regional 3 Sanitation Backlog MIG	2 520 741	6 140 741	5 558 075	3 620 000	171 109 029
Regional 4 Sanitation Backlog MIG	19 070 369	25 340 369	27 164 797	6 270 000	129 957 537
Cofimvaba EU Sanitation	12 000 000	8 231 800	8 221 942	3 768 200	10 500 000
<i>T 3.2.9</i>					

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL

The following capital projects were completed during the 2016/2017 financial year:

- Region 1 Sanitation Backlog(MIG) : 1215 households provided with sanitation
- Region 1 Sanitation Backlog (WSIG): 381 households provided with sanitation
- Region 2 Sanitation Backlog: 1848 households provided with sanitation
- Region 3 Sanitation Backlog: 894 households provided with sanitation
- Region 4 Sanitation Backlog: 1741 households provided with sanitation
- Cofimvaba EU Sanitation: 822 households provided with sanitation

Therefore, a total of 6881 households received sanitation during the 2016/2017 financial year.

T 3.2.10

3.3 HOUSING

INTRODUCTION TO HOUSING

Although human settlements is not a core mandate of Chris Hani District Municipality the Housing Unit provide support and guidance to Local Municipalities that are faced with capacity challenges and financial constraints in housing delivery; to co-ordinate infrastructure projects that are directly affecting housing (sanitation and water) etc., to eliminate duplications; to assist in the monitoring of housing projects etc.

In trying to address those local challenges that are facing the District in terms of housing development, CHDM ensures that housing forums are coordinated every quarter and it is chaired by the portfolio Councillor responsible for housing/human settlement in the district.

The forum is comprised of portfolio heads and officials that deals with housing; infrastructure and town planning in the district and all its 6 Local Municipalities; the Department of Human Settlement in the Province and the Region; Sector departments are also invited to form part of the forum.

Chris Hani District Municipality was granted a Developer Status for the construction of permanent emergency houses in the entire district by the Department of Human Settlement. There is currently a backlog of 1300 disaster houses to be developed in the

district, of that 427 have been approved thus far as follows:-

- IntsikaYethu LM = 67
- Enoch Mgijima LM = 143
- Emalahleni LM = 49
- Sakhisizwe LM = 65
- Engcobo LM = 73
- InxubaYethemba LM = 30

SUPPORT ON HOUSING DEVELOPMENT PLAN:

The Chris Hani District Municipality provide capacity and support to LMs and other stakeholders with regard to housing delivery in line with Housing Act; guide LMs on how to develop their Housing Sector Plans; assist in the monitoring of housing projects; give support on planning and the implementation of subsidy projects towards integrated settlements; coordinating the formulation and review of a housing policy and legislation. The Chris Hani District Municipality will develop a Housing Sector Plan for the District during the 2017/2018 financial year. The Housing Sector Plan will address the following issues: ensure that housing projects benefit the local economy; ensure that local people are the first preference in terms of employment in housing projects; and that building material for the projects is purchased on the local suppliers of the district.

Housing programmes are driven by an existing Housing Steering Forum which involves all Local municipalities in the district, and which includes Housing Portfolio Heads; Municipal Housing Managers/officials; Department of Human Settlements in the district and other stakeholders.

The main functions of the Housing Steering Forum are:

- To discuss housing challenges and housing demands as to get solutions
- To discuss progress reports submitted by the LMs on their housing projects.
- Identify ways of providing capacity to those LMs that are lacking and also discuss other related housing issues.

Success achieved during the 2016/2017 financial year:

The Destitute Housing Programme: This is the initiative of CHDM Council with a budget from equitable share. The programme seeks to assist families who live in dire housing

conditions throughout the district targeting Child headed families, Old Age beneficiaries, Disabled beneficiaries and Victims of Violence. In 2016/17 8 houses have been constructed in all 6 LMs for the destitute beneficiaries. The aim of this programme is to handover all the constructed houses every year on Mandela Day.

Emergency Housing Programme: Contractors have been appointed for all the Local Municipalities for the replacement of temporary shelters with permanent structures. A Health and Safety Agent has been appointed for the programme and is busy assisting contractors to complete their health and safety files for compliance. A Social Facilitator has been appointed for the programme, who have started with beneficiary registration of outstanding approved beneficiaries at Ngcobo; Emalahleni; Sakhizwe and IntsikaYethu LM. A Project Steering Committee has been established in some local municipalities and Community Liaison Officers have been appointed in some LMs. Wards have been clustered in some LMs according to the number of the appointed contractors per LM. Site verification in some LMs has been conducted. Where the appointment of the civil engineer that is still outstanding, the contractors will start with construction in LMs where a civil engineer have been appointed.

Development of Integrated Human Settlements Sector Plan: In terms of section 9(1) of the National Housing Act 107 of 1997, every municipality must as part of the municipality's process of integrated development planning take all reasonable and necessary steps to ensure that the inhabitants within its area of jurisdiction have access to adequate housing on a progressive basis by setting housing delivery goals, identifying suitable land for housing development and planning, facilitating, initiating and co-ordinating housing development in its area of jurisdiction.

With the acceptance of Developmental Local Government as defined in the White Paper on Local Government (1998), Integrated Development Planning was institutionalised through all municipalities in furthering their responsibilities of service delivery to communities. There are several sector plans that constitute the Integrated Development Plan. Human Settlements Sector Plan is therefore a component part of the IDP whose main focus is to ensure that housing delivery and management is undertaken in an orderly and coherent fashion with due consideration of other municipal programmes such as infrastructure plan, transport plan, spatial development framework, etc.

There are local challenges that are facing Chris Hani District Municipality in terms of Human Settlements development such as fiscal constraints to address backlog of bulk

infrastructure and the availability of land and other factors, which the CHDM Housing Section are assisting Local Municipalities to resolve.

The Integrated Human Settlements Sector Plan for CHDM which was developed in the 2016/2017 financial year was deemed to be not credible. The CHDM will therefore advertise for a new tender to appoint a credible service provider to complete the Plan within the 2017/2018 financial year

T 3.5.1

HousingService Policy Objectives Taken From IDP									
Service Objectives 									

EMPLOYEES HOUSING 2016/2016					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6					
7-9		2		2	100
10-12					
13-15					
16-18	1	1	1	0	0
19-20					
TOTALS	1	3	1	2	66
T 3.5.4					

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

INTRODUCTION TO ROADS

The road network in the Chris Hani District consists of a hierarchy of national, provincial and municipal roads. Two national routes pass through the Chris Hani District in a north-south direction i.e. the N10 and N6. The local Trunk and Main roads link the larger towns and villages and mostly run in an east-west direction. The best example is the R61, which runs from Cradock in the west through Queenstown to Mthatha in the east. The total length of the provincial road network amounts to approximately 43 465 km. This is made up of approximately 5 102 km (12%) of surfaced roads and 38 363 km (88%) of gravel roads. Only 707 km of the total network of nearly 8 900 km in Chris Hani is surfaced.

The overall condition of the road network in the Province and in the Chris Hani District has not improved, mainly due to insufficient funds for maintenance and inherited backlogs. Gravel roads require regular maintenance especially with heavy rains and high traffic volumes. From an economic point of view, gravel roads suppress economic development since they lead to high vehicle operating costs and often lead to the damage of crops transported.

The District is responsible for maintaining identified roads in the Inxuba Yethemba area on an agency basis if the Department of Roads and Transport. As the custodian of the secondary roads in the North Western side of the district. It has met this responsibility in a stalwart manner with the Department of Roads & Public Works and is firmly recognized in the Office of the Premier as one of the trendsetters in Road Construction and Maintenance.

The District Municipality's Roads Section team managed to secure a 3 year Service Level Agreement (Road Maintenance Contract) with the Department of Roads & Public Works in April 2013, which ended in April 2016. The Contract was limited to Provincial Proclaimed Roads within the Inxuba Yethemba Area. The budget allocation was R25m per annum for the 3 financial years

The Unit responsible for Roads at CHDM has been commended by DRPW, the Agricultural Union and the Roads Forum for their professional implementation of the programme as their roads are of a high quality and are maintained on par with the private sector. The

program that forms part of the Service Level Agreements entered into with DRPW is aimed at all road users particularly the local communities, tourists/visitors, farmers, etc. Municipalities that are not part of the Service Level Agreement are serviced by the Department of Roads & Public Works.



T 3.7.1

Roads Service Policy Objectives Taken From IDP									
Service Objectives 									

EMPLOYEES ROADS						
2016/2017						
Job Level	Employees	Post	Employees	Vacancies	Vacancy %	
0-3	19	36	12	24	66	
4-6	11	11	11	0	0	
7-9	3	3	3	0	0	
10-12	2	2	2	0	0	

13-15		1		1	100
16-18					
19-20					
TOTALS	35	53	28	24	45
					T 3.7.7

3.8 TRANSPORT

INTRODUCTION TO TRANSPORT

Although not a competency, the Chris Hani District Municipality endeavour to provide guidance to Local Municipalities.

When considered from a transport perspective, the Chris Hani District is of importance not only to the local socio-economic climate, but also to the country as a whole. There are two national roads passing through the district in a north-south direction i.e. the N10 and N6 as well as two rail lines. The two rail routes links Port Elizabeth and East London to the interior. The main east-west road corridors are along the R61 from Cradock, through Queenstown and beyond, the R359 from Queenstown through Lady Frere and Cala to Elliot and the R56 from Queenstown through Sterkstroom, Molteno and Steynsburg to Middelburg.

The CHDM Transport Master plan has been carried out to prepare the District to meet the demand for safe transport services and facilities. The Master plan positions the District to offer maximum accessibility to the amenities offered in cities and towns throughout the District and the many tourist facilities in the neighbourhood. The Master plan intends to provide guidance on the infrastructure requirements to improve major roads and key facilities in towns, signage to guide visitors as well as public transport services and facilities.

The district is currently committed to the implementation of the Transport Master plan. Therefore the intention will be a joint effort with local Municipalities contributing to implementation in their areas.

T 3.8.1

COMPONENT C: PLANNING AND DEVELOPMENT

INTRODUCTION TO PLANNING AND DEVELOPMENT

Part B of Schedules 4 and 5 of the Constitution of the Republic of South Africa, Act 108 of 1996, places the function of town planning on Local Municipalities. However, in line with the position as taken by the Council, the CHDM will take responsibility for District Planning by providing hands on support to all its Local Municipalities. In adherence to the prescripts of the Local Government: Municipal Structures Act, 117 of 1998, the CHDM has, through its Development Planning Unit in the Integrated Planning and Economic Development Directorate (IPED), established the position of a Town Planner with the task of assisting Local Municipalities in the following aspects:

- Determine the efficiency and consistency of municipal spatial tools, i.e.; SDFs, GIS and LUMS in addressing spatial matters;
- Identifying and prioritizing municipalities requiring urgent assistance particularly those without the services of a Town Planner;
- Ensure alignment of SDFs in terms of development, review and implementation;
- Provide technical support to Local Municipalities in terms of developing credible SDFs; LSDF's, formalising townships and
- To keep abreast of legislation and trends as this relates to Town Planning.

With the introduction of the Spatial Land Use Management Act (SPLUMA), CHDM with Five Local municipalities excluding Enoch Mgijima, who have decided to establish its own Tribunal, has establish a District Municipal Planning Tribunal for the other 5 Local Municipalities, All five councils has resolved as such and that the District Tribunal will site each quarter to process applications.

Furthermore, the Development Planning Unit has established a District Town Planner's Forum whose main objectives is to look at specific town planning/ spatial planning issues affecting the function throughout the district. This forum is comprised of town planners/land use administrators/ environmental officials and/or spatial planning officials from the CHDM Departments i.e Housing, DEDEAT, Public Works, SANRAL and all its local Municipalities

SPATIAL PLANNING

a. Preparation and approval process of a District Spatial Development

Framework:

In terms of chapter 5 section 20(1) (2) of the enacted Spatial Planning and Land Use Management Act 16 of 2013, a Municipal Spatial Development Framework (SDF) must be prepared as part of a Municipality's IDP in accordance with the provisions of the Municipal Systems Act. CHDM is currently preparation to review its SDF for the next 5 years.

The current SDF of Chris Hani District Municipality was reviewed in the 2014/15 financial year. In order to ensure that development will take place in an integrated and sustainable manner, the IDPs and SDFs of local and district authorities have to be updated and aligned with the goals and directives provided by various existing and new guiding documents, such as the NSDP and PSDP. Therefore IDPs and SDFs need to be reviewed on a continuous basis to ensure synergy between the three spheres of government. What happens on local level needs to “fit-in” and “contribute” to both Provincial and National Development Goals. The review of the CHDM SDF will be completed during the 2017/2018 financial year. This review of the SDF will consider, inter alia, changes in local municipality boundaries as well as the boundary of the newly amalgamated municipality of Enoch Mgijima.

.The objectives of this review will ensure:

- The alignment between the strategic approach to managing development investment in the district embodied in the original SDF and current government policy as embodied by –
 - The National Spatial Development Perspective;
 - The Eastern Cape Provincial Growth and Development Plan; and
 - Other relevant legislation governing development planning
- The incorporation of the latest available data on social (demographic), economic and infrastructural development indicators; and
- The building into the SDF latest information derived from new and/or revised sector plans data-sets and spatial proposals.

The review of the SDF will be completed with public participation and with the input of Provincial Government Departments as well as aligned with the National Development Plan.

b. Land use management:

Whilst the CHDM does not have an express role to play in terms of land use management, Chapter 6 subsection 34(1) & (2) of SPLUMA Act influence the role that the district will have to play regarding Land use management since the Act requires the Formation of Planning Tribunals to process Land Use applications either through a joint municipal planning tribunal or single district tribunal. It has been resolved by all local councils, except for Enoch Mgijima that a District Tribunal will be implemented.

Chapter 5 subsection 23(2) of the Act requires the District Municipality to allow for the participation of traditional councils in the performance of its LUMS duties.

With regards to using land for development purposes in the former Transkei areas in the District, it must be noted that the CHDM has been actively involved to ensure that it influences government processes to ensure that individual rights to land through title deeds is ensured so as to ensure security of tenure and development progress.

Furthermore, in its endeavours' to define the district's spatial rationale and the Districts developmental agenda, the CHDM Spatial Development Framework focuses on the strengthening of linkages between the different centres within the CHDM region and their relationship with centres outside the boundaries of CHDM. This led the CHDM to adopting the Small Town Development approach that is aimed at accelerating development through the alignment of economic activities to ensure value chain addition. The Small Towns Development approach looks at the redesigning of town layouts, reviving urban planning and environmental planning with the aim of ensuring the potential of the space in and around small towns is fully realised.

The Chris Hani Regional Economic Development Strategy highlights the need to identify and prioritise small towns along identified economic corridors that have the potential to participate actively in the value chain of identified economic sectors, and to implement small town development initiatives. Cofimvaba and Engcobo were identified as the towns that have the potential to grow as it is one of the main service centres on the R61 east corridor. This culminated in CHDM and the IntsikaYethuLocal Municipality, with the assistance of the Department of Cooperative Governance and Traditional Affairs, embarking on the Small Town Development Plan for Cofimvaba and Tsomo. Also, Engcobo and CHDM entered into a Service Level Agreement to revitalise the town with the

assistance of SANRAL.

The Small Town Regeneration concept is aimed at creating a development plan with a 30 year future outlook of its growth potential, as well as creating a plan that seeks to realise that potential. The plan does not place the district or the IntsikaYethu LM nor Engcobo LM as the sole role players in realising developmental objectives of Engcobo, Cofimvaba and Tsomo towns, but rather look at creating plans to be used as a spatial guiding foundation that will assist stakeholders/investors in defining their roles in the overall growth/development of these towns.

The following reflect the aims behind Small Town Development:

- Strengthen the retail, business, industrial and employment role of the town centres;
- To develop the community, civic and educational roles of the two centres as key attributes of vibrant town centres;
- Build on the unique function of each of the sub-centres serviced by these major centres as a defining characteristic of these areas and a contribution to the Corridor Development Initiative in the district;
- Improve connections between the sub-centres and encourage activities adjoining access routes between the major centres and the sub-centres to create a more physically contiguous and integrated town centre service area;
- Consolidate the individual roles of the centres so that they can better serve the sub-centres, and act as destinations for sub-centre communities by providing an extensive and unique range of retail, community and leisure opportunities;
- Encourage new housing in and around the town centres that increases the range of housing choices;
- Create an attractive and distinctive built environment that supports the range of activities of the town centres; and
- Create a positive urban image for each part of the town centres through the design of buildings and spaces.

Outcomes

The following outcomes in the town of Engcobo is hereby highlighted:

- The signing of the Service Level Agreement as well acquiring commitment from stakeholders, i.e. SANRAL has committed R14 Million
- R350 000 funding from COGTA which was utilised towards Hawkers training and development of Hawkers Strategy

- Engcobo LM has set aside R4 Million and CHDM R10 million for the 2015-2016, 2016 -2017 financial years.
- The Finalisation of the implementation plan as well as the Health and Safety Plan is completed and has been approved by relevant authorities.
- The Building Designs and cost estimations are completed and approved
- A Traffic Impact Assessment was completed.
- A rezoning application was referred to the COGTA-EC for final approval and has since been approved.
- Engcobo Taxi Rank: A Contractor completed Phase 1 which is the Main Taxi Rank, Offices for Taxi Operators, Ablution Facilities, High Mast Lighting, Hawker Stall and Paving.

The following outcomes in the paving programme in small towns are also highlighted:

CHDM has implemented paving programmes as part of small town revitalisation in the following areas:

- Middelburg in InxubaYethemba Local Municipality
- Cradock in InxubaYethemba Local Municipality
- Dordrecht in EmalahleniMunicipality
- Tarkastad in Enoch Mgijima Local Municipality

Development Planning

In the 2016/17 financial year the Development Planning Unit has undertaken the process of developing a five year IDP for the period 2017-2022 with consultation with all relevant stakeholders and communities within the District jurisdiction inclusive of meetings of the IDP Representative Forum on a quarterly basis. The Planning Unit supported the amalgamation process of Enoch Mgijima by assisting with the completion of its 2016/17 IDP. The Unit also supported Sakhisizwe and InxubaYethemba Local Municipalities.

T 3.10

3.10 PLANNING

Planning Service Policy Objectives Taken From IDP									
Service Objectives 									

EMPLOYEES PLANNING SERVICES 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6					
7-9					
10-12					
13-15					
16-18	3	3	3		0
19-20					
TOTALS	3	3	3		0
					T 3.10.4

Financial Performance 2016/2017: Planning Services					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	1008100	1008100	95	-1061058%
Expenditure:					
Employees	125	6653169	6755069	248	-2682629%
Repairs and Maintenance	25	0	0	248	100%
Other	45	57144203	57144203	248	-23041917%
Total Operational Expenditure	195	1691488	1694488	744	-227251%
Net Operational Expenditure	75	683388	686388	649	-105199%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.10.5

Capital Expenditure 2016/2017: Planning Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	56269586	54019205	378	-14886034%	
Project A	55261406	53011000	128	-43172873%	280
Project B	1008100	1008100	90	-1120011%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

T 3.10.6

3.11 LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO ECONOMIC DEVELOPMENT

In the 2014/15 Financial Year, the Chris Hani District Municipality (CHDM) Regional Economic Development Strategy (REDS), was reviewed.

The review of the Chris Hani Local and Regional Economic Development Strategy builds upon the success of previous work, adding new insights and understanding that has resulted from discussions with key stakeholders, business representatives and partners through structures organised by the IPED Directorate of Chris Hani District Municipality.

The strategy has been revised significantly and has gone through a number of different versions, each of which has taken into consideration the detailed inputs made by key stakeholders, and specifically those of the CHDM councillors and officials.

The CHDM REDS Strategy is necessary to reflect the changed economic conditions, and development priorities of the Chris Hani District Municipality, as identified in broad terms within the CHDM IDP 2014-2015.

Economic growth was evident in the 1990s but the context has changed considerably through a series of crises hitting the world's financial systems, deeply affecting global, national and local economies, including the 2008 global recession.

Whilst the causes of the crisis were beyond the direct control of the municipality, the REDS

Strategy needs to be reviewed in order to ensure that resources are adjusted to provide a timely, flexible and effective response to minimize the impact upon people and businesses within the CHDM.

Against a volatile economic background, the REDS Strategy and effective partnerships will have an important role to play, ensuring that resources are co-ordinated and that priorities can be agreed towards achieving the municipality's vision.

Comparative vs Competitive Advantage

Sectors with a relative comparative advantage for Chris Hani include Manufacturing; Mining; Business tourism; Leisure tourism; and Retail and business services.

The broadly defined agriculture sector inclusive of timber production and its related value-adding activities were clearly identified as the sectors which have the most economic development potential in the district.

Vision, Strategic Intent and Strategic Differentiation

Based on the above, the vision, strategic intent and strategic differentiation the CHDM REDS have been determined as follows:

Economic Development Vision: “The District grows and develops through social partnerships so that all people benefit from the economy and have equitable access to social services.”

This is a shared ‘vision’ supporting and developing the broad themes outlined in the Chris Hani District Development Agenda, setting out the direction that has to be taken to ensure that the economy and society of the District is prosperous and resilient, for the benefit of all who live and work in it. To be successful, it must integrate all activities and key municipal strategies, such as the Tourism Sector Plan, the SMME Strategy, the Agricultural Development Plan, in order to maximise its impact.

Ultimately, it should support Chris Hani District to prepare to adapt to future economic, environmental and social challenges, and to maximise opportunities.

Regional Economic Strategic Intent: To maximise the economic value and job creation potential of the District through a focus on the strengthening of the comparative advantages of priority sectors and by creating a distinctive competitive advantage in the timber and livestock production and processing sectors

Strategic Differentiation: Prioritisation of timber and livestock sectors and the allocation of dedicated funds and resources to create a distinctive competitive advantage or strategic differentiation for the District

Legislative Requirements

Whilst there are a number of National and Provincial policies and related legislative requirements that have been taken into account in the formulation of the regional economic development strategy, of key importance to the CHDM REDS is that of the 2006 Growth and Development Summit (GDS) Agreement.

The GDS agreement sets out 9 key interventions in relation to “creating decent jobs, livelihoods opportunities and to stimulate the local economy” :

- Public investment initiatives
- Accelerate investment in social infrastructure
- Private investment in priority sectors
- Expanded Public Works Programme
- Local procurement
- Small enterprises promotion
- Cooperative development
- Economic empowerment
- Accelerated access to information and communication technology.

The GDS Agreement further sets out the following district priority sectors: Agriculture and agro-processing; Forestry and wood processing; Tourism; Construction; Manufacturing; Trade and business services.

Corridor Development

The REDS Strategy deals with economic development as a theme that cuts across all that happens in Chris Hani District. Whilst administrative boundaries may be tightly drawn in terms of local municipalities that fall under the district, partnerships and trade across boundaries are supported.

The REDS Strategy is focused more on creating an enabling environment by developing programmes and making available resources to support projects that will in turn be identified by local municipalities, private sector and entrepreneurs.

Chris Hani District Municipality is in a competitive position in a geographic sense. Its

economic capital, Komani lies at the geographical heart of region, and is a gateway between the various powerhouses such as East London, Port Elizabeth, Bloemfontein, Johannesburg, Cape Town and Pretoria, and in an excellent position for business.

The four economic corridors, as defined by stakeholders, cut across different local municipalities and are as follows:

- Corridor 1: Queenstown → Cofimvaba → Tsomo → Ngcobo
- Corridor 2: Queenstown → Lady Frere → Cala → Elliot → Indwe → Dordrecht
- Corridor 3: Middelburg → Queenstown → Hofmeyr → Takastad → Cradock
- Corridor 4: Queenstown → Molteno → Sterkstroom → Middelburg

CHDM REGIONAL ECONOMIC DEVELOPMENT AGENCY

The Chris Hani Development Agency's (CHDA) strategic framework is premised on the understanding that its role is to promote, support and facilitate economic development in the Chris Hani District Municipality. This will be achieved by improving factors of production that will lead to value adding activities with spin - offs for small and medium enterprises.

The focus areas of the CHDA are:

- The development of irrigation schemes
- The development of the fruit industry (stone fruit and citrus)
- Livestock production
- Value addition and marketing

The Chris Hani Development Agency's (CHDA's) Strategic Framework maps out specific and general strategic goals, objectives and issues relating to its establishment and effective operationalization. The strategic goals are:

- Proficient and Viable Institution;
- Viable and Sustainable Clusters and
- Partnership building and stakeholder relations.

The core business of the Agency in the next five years is the delivery of projects that will contribute to the economic transformation of the District. This will be achieved through leveraging funding from the parent municipality, provincial and national departments and other institutions in development finance space.

CHDA has identified strategic focus areas such as agriculture and agro processing linked to infrastructure and mechanisation support, skills development, Investment and Enterprise development. To maximize the economic benefit to rural communities in the Chris Hani District, programmes will have to be financially viable and address both the economic and development needs of the District.

In the next five years the main focus area is facilitation and implementation of programmes that will ensure the operationalization of the four main Irrigation Schemes, increased production of high value crops, fruit, vegetables and new forest plantations. Linked to this will be a dedicated focus towards the development of support infrastructure that includes storage facilities, roads, fencing, infield irrigation and facilities to support value addition. Apart from the above, the Agency will operate mechanisation centres whose intention will be to reduce costs of mechanisation and provision of excellent mechanisation services to the farming community.

Future sustainability of the Agency will depend on its ability to position itself as an economic development catalyst and coordinator for the realisation of the economic growth of the District municipality. In pursuit of this the Agency will have to adopt the following key considerations in its planning and operation framework:

- innovative fundraising and co-funding initiatives;
- continuous development of project pipeline by identifying new project; and
- own revenue generation initiatives (Agency Function)

PROGRESS TOWARDS ACHIEVING THE LED KEY OBJECTIVES

Tourism Development

Through the facilitation and coordination of the Tourism Development Programmes, the following was achieved:

- CHDM assisted six Bed and Breakfasts (B&B's) in Engcobo Municipality with furniture and equipment. The support will enable the following accommodation establishments to be graded by the Tourism Grading Council of South Africa
 - Luna Bella. Kokwenu, Dalisizwe and Valentines
- A Bed and Breakfast in Cala was also assisted with furniture and equipment. The

support will enable the establishment to operate and to date the establishment is currently sitting on 40% occupancy rate

- 17 designers and 5 crafters were assisted with material and equipment. They showcased their products at a recently-held, very successful Fashion and Exhibition Show. Three crafters that were assisted received an invite to exhibit in Houston, Texas at the 360 Vanishing Art Exhibition:
 - The designers are: Sandisiwe Tiso, Cebisa Kohli, Mbulelo Dayimani, Luyolo Dlikilili, Yonela Matayo, Siphesande Kolobile, Mzikazi Pemba, Anda Mahlombe, Andiswa Ntontsoyi, Sisonke Maqhashu, Zukiswa Kanzi, Bongwiwe Mjecu, Mirriam Klass, Yolanda Nxoyi, Phakama Mnyani, Nomalizo Ntsimbi, Gcinikhaya Nyathi
 - The crafters are: Haynes Matshoba, Mvuzo Ntlantsana, Nomaphelo Hloyi and Sandiswa Kala
- A new Board for the Chris Hani Area Regional Tourism Organisation (CHARTO) was elected during an Annual General Meeting that was held at Queens Casino. A Marketing and Human Resource Plan with a clear Action Plan has been developed by the organization
- Six (6) out of eight (8) Local Tourism Organisations have been established. They have been funded through CHARTO
- Marketing and Branding Tools have been reviewed with a new look and feel having been developed. A new exhibition stand has been designed. Chris Hani District Municipality show-cased the tourism destination brand “Eastern Cape Midlands” at the Beeld Show, The Gateway show and the Tourism Indaba

The delegation for the Getaway show was Mr. D. Ngqesha and Ms. S. Noah, for the Beeld Show was Mr. D. Ngqesha, Ms. S. Noah, for Tourism Indaba was Mr. D. Ngqesha (CHDM), Ms. S. Noah (CHDM), Mr. T. Moerane (CHARTO), Mr. N. Madlebe (CHARTO), Ms. B. Mcitheka (Emalahleni LM), Cllr. N. Mtyobile (Emalahleni LM), Ms. A. September (Emalahleni LM), Ms. B. Xhashimba (Intsika Yethu LM), Mr. T. Zilwa (Intsika Yethu LM)

Heritage Development programmes:

As part of the Liberation Heritage Route (LHR) Programme, the following was achieved to realize the preservation of heritage in Chris Hani:

- The refurbishment of the graves of QondaHoho and Luvuyo Lerumo at Emalahleni Local Municipality
- Repairs to the damaged graves of Cradock Four at InxubaYethemba Local Municipality
- Reburial of two Liberation Struggle Icons namely Ntomentome Gigi and MthingwevuMcholwa at Engcobo Local Municipality
- The construction of a monument of the Elliot Four at Sakhisizwe Local Municipality
- The reburial of the Liberation Struggle Icon MphakamisiNgxito at IntsikaYethu Local Municipality
- A Heritage Development Strategy has been completed and is ready for implementation
- Two successful Choral Music competitions during Heritage and Chris Hani Month respectively were held
- Heritage and Tourism Month programmes were successfully implemented
- The Chris Hani Month 2017 programme was successfully implemented. The programme ranged from the launch of projects, projects hand over to communities, music, sports and cultural events, and most importantly service delivery projects.

Wood Cluster (Forestry) Programmes:

The VusisizweTree Nursery Project:

- It does business locally and in the province, aiming to grow the enterprise further.
- It has four beneficiaries- one from Sakhisizwe, Two from IntsikaYethu and One from Engcobo
- Four temporarily labourers were assisting for four months.
- The status of Water use authority has been granted to the Nursery by the Department of Water and Sanitation.
- Construction of tables for the structure that has been developed through NDA funding.

- The Nursery is in process of installing a new irrigation system.
- Hans Merensky (Singisi Forest Products Propriety Limited) and Vusisizwe Tree Nursery have an off take agreement of 100 000 eucalyptus seedlings which seedlings were sowed, nurtured and collected.
- Over 6000 indigenous species are ready for sale.
- Office management training has been conducted for the beneficiaries.
- General work that have been taking place is the painting of buildings, grass cutting, irrigation, transplanting of seedlings from planting trays to the planting plastic bags (different sizes).

Charcoal Projects

- An authority to continue with the operations has been granted by the Department of Environmental Affairs.
- Maqwatini Sawmill cc have showed interest in partnering with both charcoal projects. They have presented their proposal to the Acting Director of the Department and to the Head of Department. They have been requested to re-work their proposal and they will invited again to present the refined proposal.
- Engcobo LM is on board in terms of operational costs, they have already issued a tender for the construction of toilets for the Egoso Charcoal project (Bid no:ELM/72/2016/17) which closed on Friday 28th of October 2016.
- In collaboration with our Engineering Department Egoso charcoal will be fitted with a borehole that will pump water straight to the two 5000L tanks fitted by Engcobo Local municipality on site.
- Office management training has been conducted.
- The Sakhisizwe project situated at Cala Pass is not operational as no assistance were received from the local municipality. Politicians and principals will have to intervene to allow for the progress of this project

Afforestation/Rehabilitation Programme

- Engcobo LM (Zadungeni incorporating Gqutyini 822ha) has partnered with Hans Merensky on the development of new plantations with the funding that will be provided by the Industrial Development Corporation (IDC). The selection of species will be done when the project is ready to start depending on market needs and soil

suitability. The project is experiencing delays due to the shortage of funding from the IDC.

- Liqhawe Sawmill is working on a rehabilitation programme at Nomadamba Plantation focusing on fire protection preparedness operations. CHDM has supported the communities that have availed themselves for the programme with protective clothing and safety boots.
- Agro-forestry programme that is focusing on school greening and nutrition has already benefitted three local municipalities named as follows:
 - ✓ IntsikaYethu - Hala High school
 - ✓ Emalahleni - Nonkqubela High School
 - ✓ Enoch Mgijima - Khanya High School and Ikhwezi High School
- Sakhisizwe community development workers have requested assistance on the provision of 100 trees to benefit two wards on their arbor week event, the request was granted to benefit the following wards:
 - ✓ Ward 2 Elliot - Masikhuthale High School; Masakhe Pre-school and Ncedolwethu clinic Ward 3 Cala - Household

Sawmilling:

- Saw millers are supported with protective clothing, machinery and equipment in order for them to comply with forest management and harvesting criteria, indicators and standards.
- So far there are two sawmillers that have been assisted from IntsikaYethu LM, those are Igwele and Laphumilanga sawmill.
- Assistance for the Maqwatini and Tera sawmills were delayed by Supply Chain Management for the procurement of goods

AGRICULTURAL DEVELOPMENT PROGRAMMES:

Irrigation Schemes

- CHDM in collaboration with the DRDAR continued their effort to resuscitate the Irrigation Schemes in Chris Hani District Municipality.
- The District Municipality and the DRDAR assisted the farmers with production inputs and remuneration of core staff.
- In order to ensure the sustainability of the Irrigation Schemes the District Municipality through CHDA facilitated partnership arrangements for the schemes

- Shiloh and Qamata Irrigation Schemes benefited from this arrangement in addition to Ncorha Irrigation that benefited the previous year.
- The partnership with Potato SA was established in 2016 for Qamata Irrigation Scheme and is still in place. The vineyard production partnership for Shiloh was established in 2017.
- Chris Hani Development Agency has been assigned with further development of the Schemes and investment promotion.
- At Qamata Irrigation scheme, the crop production varied from section to section. In Section 1 a Lucerne partnership has been concluded with the Humansdorp Cooperative. The harvesting of the previous season's crop is complete.

Dryland Crop Production

- The District Municipality transferred funds to four Secondary Cooperatives for the production of crops i.e. Ncedisizwe, Inkwenkwezi and Masimanyane (Engcobo LM), and IntsikaYethu Grain Producers

Qamata Mechanisation Centre

- The District Municipality has assisted the Qamata Mechanization centre with funds to purchase additional equipment.

Livestock Development Programmes

- The contract with Mngcunube has been extended to the end of September 2017 until a new tender has been finalised.
- CHDM will be advertising for a new Service Provider for the continued implementation of the programme.
- In summary, the following has been covered during the previous phase of the programme: 214 villages and 3357 farmers have been serviced.
- Employment realized included eight Livestock field workers, 12 VLPS(Village Linked Persons) 10 Livestock Enumerator and 6 Mentors.

Report on Feedlot Construction and Cala Abattoir:

- The Department of Rural Development and Agrarian Reform (DRDAR) and the Chris Hani District Municipality (CHDM) are spearheading Livestock production in

partnership with NAMC. Through the programme one Municipality has been identified for the implementation, namely, Emalahleni LM and funds have been transferred to the LM for the construction of the feedlot.

- The Cala Abattoir has not yet been finalised. A Service Provider was employed to conduct a due diligent exercise and the report has been produced for further auctioning. The report indicates that an additional amount of approximately R9m is required to complete the facility.

ENTERPRISE DEVELOPMENT

- Training in financial Management in partnership with the Eastern Cape Development Corporation (ECDC) was conducted in November 2016. 10 SMME's were trained and will be mentored for a period of at least 6 months.
- One entrepreneur (KhanyisaNyeka) was assisted with Computer Assisted Design Training
- 22 Enterprises including informal and individual traders were assisted with various goods amounting to R2, 4 million. The SMME's will receive the goods in the first quarter of 2017 due to delays in procurement processes
- Another Entrepreneur, Mr. Ntsika Gadlela of NGI Enterprises will be supported through the Chemical industry incubator (Chemin) to the amount of R100 000.00. A Service Level Agreement has been signed with Cheminto to this effect.
- Two enterprises, Nomandla School Uniforms and Lawlaretta Mobile Fast Foods were supported under the Small Industries Support programme. Goods were handed over in April 2017
- An additional four enterprises were funded in the last quarter of 2017. The Enterprises are
 - Mcebisi Godlo and Sons (Emalahleni LM)
 - IOZ Suppliers (InxubaYethemba LM)
 - Bulelani Nozuko Enterprises (Enoch Mgjima LM)
 - East Cape Tissue Specialists (Enoch Mgjima LM)
- The District will support the Border Kei Chamber of Business in terms of Salary support for its Municipal Liaison Officer who will be based in the District. The Service Level Agreement to this effect was signed in June 2017
- The District continues to support the Chris Hani District Business Forum through payment of office rentals, telephone and other critical requirement. Funds are paid directly to service providers on behalf of the forum.

LIBERATION HERITAGE ACHIEVEMENTS – 2016-2017 FINANCIAL YEAR

The following achievements are highlighted:

- The unveiling of the tombstone of Chief Gecelo, one of the Chiefs who was killed during the wars of land dispossessions at Sakhisizwe. The event took place in September 2016.
- The hosting of the annual Chris Hani Horse Racing event during the 2016 Heritage and Tourism Month as well as transporting the race winners to the November Berlin Race.
- The hosting of the inaugural Jazz Summit for Chris Hani Jazz Artists during 2017 Chris Hani Month programme.
- The hosting of the annual Chris Hani Month Marathon during 2017 Chris Hani Month Marathon.

Support was also rendered to the Chris Hani Choral Music Association throughout the term to the tune of R560 000. Jazz Artists within district were supported totalling R700 000.

T 3.11.1

Service Objectives	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020		
		Target	Actual	Target		Actual	Target			
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year	
		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Service Objective xxx										
Improve economic growth	No of agricultural programmes implemented		5	5			5	5		
	No of SMME support programmes implemented		4	3			3	3		
	No of tourism programmes implemented		3	3			3	3		
	No of forestry programmes implemented		2	2			2	2		
	% budget spent on Pref Procurement		30%	30%			30%	30%		
T 3.11.7										

EMPLOYEES LOCAL ECONOMIC DEVELOPMENT 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3	5				
4-6		1	1	0	0
7-9		2	1	2	0
10-12	4	6	6	0	0
13-15					
16-18	1	2	1	1	50
19-20					
TOTALS	5	11	9	2	18
					T 3.11.8

R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	3000000	3000000	95	-3157795%
Expenditure:					
Employees	125	6479270	6559270	248	-2612509%
Repairs and Maintenance	25	0	0	248	100%
Other	45	521382	531382	248	-210135%
Total Operational Expenditure	195	7000652	7090652	744	-940848%
Net Operational Expenditure	75	4000652	4090652	649	-616333%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.11.9					

Capital Expenditure 2016/2017: Economic Development Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	3000000	3000000	100%	
Project A	100	3000000	3000000	100%	280
Project B	80	0	0		150
Project C	45	0	0		320
Project D	35	0	0		90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
T 3.11.10					

COMPONENT D: COMMUNITY SERVICES

3.12 CHILDCARE, AGED CARE, SOCIAL PROGRAMMES

INTRODUCION TO CHILDCARE, AGED CARE, SOCIAL PROGRAMMES

The Special Programme Unit is mandated to facilitate, coordinate and monitor programmes that target designated/ vulnerable groups focusing on mainstreaming these programmes. These programmes include the development of the SPU mainstreaming strategy, youth development strategy, integrated disability strategy and other policies that guide vulnerable groups. Creating platforms for engagement of these groups is also a priority.

The Special Programmes Unit has managed to conduct programmes that targeted youth in the last two quarters of the financial year. The SPU Planning meeting that was held on the 2nd February 2017 resolved to conduct young women empowerment camp for March in recognition of the International women's month. The young women empowerment camp was held on the 24th to 26th March 2017 in partnership with Soul City, KhubuzweAfrika and departmental stakeholders. The camp reached 80 in and out of school girls who are members of the Rise Young Women's clubs from schools around the district ,ages 15-24, also including the participants from the Six (6) best academic performing schools in 2016 matric results, as adopted by CHDM. The young women were empowered in various area if their lives.

Youth month programme was also conducted over two days, 29th and 30th June 2017. The first day was a youth in business seminar which exposed youth to prospective funders through their presentation of businesses. Youth commemoration was held on the 30th June 2017 where a platform was created for young people to explore exhibited opportunities for their growth. Various exhibition stalls presented different careers and options for youth to engage. The programme also included a motivational speaker for working on the mind-set of young people towards a brighter future.

T 3.14.1

COMPONENT E: ENVIRONMENTAL PROTECTION

3.13 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The Chris Hani District Municipality (CHDM) is responsible for ensuring that the water provided to communities is safe for human consumption and adequate for domestic use as well as for recreational, industrial, food production and all other human and animal use. This is facilitated through water sampling and analysis in compliance with South African National Standards (SANS): 241.

- In the year under review, 2 320 drinking water samples were tested for compliance, and of these 80 failed to meet the standards due to drought that affected some of our purification systems, and this impacted on the water quality. Our Environmental Health Practitioners EHP's worked around the clock in monitoring and controlling the situation, and this ensured that no communicable diseases or other water related health outbreaks occurred.
- In relation to waste water monitoring, 254 waste water samples were tested during the period under review. Of these, only 20 failed compliance with General and Special Standards Regulation 991 due to infrastructural problems in our waste water treatment works. However, there is an improvement compared to the previous financial year. This is a result of the interventions that were put in place by the Department together with Technical Services Department. Both these department are working very hard to improve the situation.

T 3.15.1

3.16 BIO-DIVERSITY

INTRODUCTION TO BIO-DIVERSITY

The Chris Hani District Municipality is implementing the following programmes under bio-diversity:

1. Greening and Land Care Programmes

In relation to greening, CHDM has resolved to 'green' its events by planting trees as a means of striving to counteract the carbon footprint. Trees are planted for the purpose of

greening especially in towns, villages and schools. As part of greening and land care, CHDM is implementing job creation projects for correcting environmental degradation by means of eradicating invasive alien plants and encroaching species like *Euryops* (Lapesi), Black and Silver Wattle. The Wattle Eradication Programme and or Land Care Management Programme are implemented in certain areas of Ngcobo, Enoch Mgijima, Sakhisizwe, Emalahleni and IntsikaYethu municipalities. The greening and environmental rehabilitation programs have also been expanded to include research and a management programmes for Satansbos at InxubaYethemba Local Municipality. The main objectives for land care and greening programmes are as follows:

- Alleviate poverty through responsible environmental management
- Create employment for the communities
- Promote behavioural change with respect to environmental management
- Protect the environment and ensure the safe use of land

2. Environmental Education and Awareness Programmes

Awareness programs are conducted on environmental quality management, land care and sustainable development in relation to climate change. Observation of environmental days like Arbor Day, World Environment Day and Water Week helps in raising the awareness in terms of identified themes for those programs on an annual basis. Environmental education programmes are also conducted in schools. The impact of these capacity building sessions cannot be overemphasized as we can see that CHDM is now ready to address the scourge of climate change and make it beneficial to the citizens of this region through greening, recycling, and renewable energy initiatives. Environmental education programmes are also conducted in schools.

3. Environmental Planning and Management

Chris Hani DM is in the process of developing a Climate Change Adaptation and Mitigation Strategy as well as the Air Quality Management Plan.

The process for the Climate Change Adaption and Mitigation Strategy are as follows:

Phase 1: Analysis:

- Undertake a strategic review of existing Climate Change strategies and rewrite, through a participatory process with key stakeholders;
- Identify key resources and conduct problem assessment looking at climate

- projections and GHG emissions issues;
- Compile an Analysis Report on climate change in preparation for determining municipal strategic priorities;
- Prepare presentation of Analysis Report information for stakeholder workshops;

Phase 2: Strategy

- Prepare and hold Stakeholder Climate Change Response Vision and Objectives workshop:

Phase 3: Stakeholder Engagement

- Identify all stakeholders and any relevant experts for inputs;
- Stakeholder Engagement:
 - Develop a stakeholder communications plan for the strategic planning exercise;
- Engage stakeholders appropriately at the following stages of the process:
 - Clarification of the vision for the strategy;
 - Formulation of solutions;
 - Drafting of the strategy.
 - Formulate Solutions;
 - Finalization of the strategy;

Phase 4: Define indicators to measure the strategic goals with baselines and targets

- Define initiatives to resolve recurring issues and problems as well as quick-wins, medium and long-term solution for the mitigations of risks due to climate change and for the sustainable development of the District Municipality.
- Finalize the strategy

Phase 5: Approval Process

- Presentation of the Draft Strategy in various platforms for noting and inputs – Environment and Climate Change Forum, Standing Committee;
- Municipal Council to adopt.

The Integrated Waste Management Plan are under review. The environmental planning tools currently used are the Environmental Management Plan and the Spatial Development Framework. Several capital projects which require Environmental Impact Assessment are included in the list of CHDM's capital projects in this document.

4. District Wide Environment and Climate Change Forum

Climate Change is one of the key priority considerations of the CHDM as depicted in the IDP (2012-17). There is a functional District Environment and Climate Change Forum.

The structure of the Environment and Climate Change Forum are as follows:

Key drivers:

- Chris Hani District Municipality
- Department of Environmental Affairs (DEA)
- Department of Economic Development Environmental Affairs and Tourism (DEDEAT)
- Chairperson : Chris Hani DM Portfolio Head (Health & Community Services)
- Co-secretariat : DEA & DEDEAT

Membership:

- Local Government. All 6 Local Municipalities within the District (Portfolio Heads and Officials);
- Government institutions (DEA, DEDEAT, DRDLR, DLGTA, DAFF, DWA, DOE, DMR, DOH, DRPW, other.
 - To provide policy and legislative guidance in terms of respective mandates.
 - Strategic planning.
 - Provide support in filling gaps identified in terms of capacity on environmental management
- Non Governmental Organizations/CBOs
 - Represent communities, local development needs and monitoring government.
 - Inform communities on their rights
- House Of Traditional Leaders
 - Represent communities and provide guidance in terms of traditional affairs.
 - Stakeholder on land management.
 - Roles in IDPs and local development
- Business/ Private Sectors
 - Local business: economic development needs

- Environmental consulting firms
- Assisting locals with project initiatives
- Public Entities
 - ECPTA
 - SANParks
 - SANBI
 - WESSA
 - Other

The forum focuses on a wide scope of environment and climate change aspects affecting the district including local municipalities pertaining to:

- Education, awareness and capacity building;
- Compliance, Legislation and policy (requirement and formulation);
- Biodiversity; and
- Waste Management and Air Quality

The climate change aspects that the Forum is discussing

- Climate Change Initiatives within the District:
 - Lessons learnt;
 - Challenges;
 - Solutions
 - Desired Interventions;
- Environmental Quality Management (Projects & EIAs, Waste management & Air Quality Management)
- Biodiversity & Sustainability
- Environmental Health
- Disaster Management (Risk assessment)
- Agriculture and Rural Livelihoods
- Renewable Resource Options
- Cooperative governance
- Capacity building within the Forum (Climate Change)
- Awareness and Educational Campaigns

GREENING AND BEAUTIFICATION PROGRAMMES

The CHDM has a Greening Plan which focuses on the planting of trees in the District and the plan recommended that each CHDM event must have a greening component whereby trees be planted as means of striving to counteract the carbon footprint created during the event. Planting trees is one of the easiest and most sustainable ways to positively affect the environment, hence trees contribute to the environment by providing oxygen, improving air quality, climate amelioration, conserving water, preserving soil, and supporting wildlife. The CHDM and the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) hosted a Wetlands Day event on the 09th February 2017 at Masibambane Community Hall in Elliott (Sakhisizwe Local Municipality) and 500 indigenous trees were procured for donation to some households and learners.

During the back-to-school campaign in January 2017, 200 trees were donated for planting in Enoch Mgijima, Emalahleni and IntsikaYethu local municipalities. The District also hosted the Water week event at Phakamisa Public School at Engcobo Local Municipality on the 30th of March 2017 and 300 trees were donated to school and households. During the Environmental Awareness Campaign at Tarkastad under Enoch Mgijima LM on 25 April 2017, 115 trees were donated at Nkosiyakhe primary school. The CHDM hosted the World Environment Day on the 27th of June 2017 at Sterkstroom under Enoch Mgijima and distributed 550 trees to participants, including government facilities (i.e schools, pre-schools, local municipality etc).

The CHDM in partnership with DEDEAT are implementing a Land Care Management Programme that seeks to eradicate invasive alien plants (Lapesi) at Emalahleni and Enoch Mgijima Local Municipalities. This programme commenced on 01 February 2017 and 100 people were appointed in each municipality for a period of 3 months. This project is also intended to alleviate poverty through job creation, hence the Budget for the project was R1,975 million



T 3.16.1



**WORLD ENVIRONMENT DAY 2017
CELEBRATION**

DATE: 27 JUNE 2017

VENUE: STERKSTROOM COMMUNITY HALL

TIME: 10H00

***"Connecting People to
Nature"***

COMPONENT F: ENVIRONMENTAL HEALTH

3.19 HEALTH AND FOOD INSPECTION

INTRODUCTION TO HEALTH AND FOOD INSPECTION

Environmental Health Practitioners are responsible for ensuring food safety in respect of acceptable microbiological and chemical Standards. This is implemented by taking food samples for testing on a month-to-month basis to ensure quality of all food for human consumption and optimal hygiene control throughout the food supply chain.

- During period under review, 638 food samples were collected for analysis. Of these, 93 failed to meet the acceptable Standards Regulation 692 and Regulation 1555 respectively due to poor hygiene practices by Food Handlers. Health and hygiene awareness campaigns and training programmes were conducted in the affected food premises in an attempt to deal with this health problem by raising levels of awareness and also promote good health and hygiene practices. These campaigns are on-going and the positive impact of these efforts is yielding results as there are no incidents of food poisoning cases that have been reported.

HEALTH SURVEILLANCE OF PREMISES

This function is performed to ensure urban and rural land use, planning and practices that are conducive with sustainable development. This is done through environmental health impact and other assessments in a manner that ensures the prevention and abatement of any condition on any premises, which is likely to constitute a health hazard. The following premises were evaluated during this financial year in line with the standards as set out in prescripts of law:

CATEGORY OF PREMISES	NUMBER EVALUATED	NUMBER COMPLIED	NUMBER FAILED	COMMENTS
Food Premises	2258	1717	541	These food premises are both formal and informal. Their business set up is therefore distinct due to their different economic status. The council is paying particular attention to develop the informal sector so that it can contribute meaningfully to the economy of the district.
Funeral Parlours	271	186	85	The parlours are evaluated in terms of Regulation 363 of 2013 relating to the Management of Human Remains. Most of these parlours are not meeting the requirements. Compliance letters were written to all the affected premises. Follow up inspections are conducted on a regular basis.
Sanitation Structures	163	159	17	The Sanitation structures are evaluated in terms of White Paper on Basic Household Sanitation of 2001.

T 3.19.1

HealthService Policy Objectives Taken From IDP									
Service Objectives <									

EMPLOYEES HEALTH INSPECTION 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6					
7-9	5	5	5	0	0
10-12	30	29	25	4	14
13-15	2	4	3	1	25
16-18		2	2	0	0
19-20					
TOTALS	37	40	35	5	13
T 3.19.4					

Financial Performance 2016/2017: Health Inspection and Etc					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	3475000	3475000	95	-3657795%
Expenditure:					
Employees	125	30403528	30115428	248	-12259387%
Repairs and Maintenance	25	30000	30000	248	-11997%
Other	45	660334	666334	248	-266164%
Total Operational Expenditure	195	31093862	30811762	744	-4179183%
Net Operational Expenditure	75	27618862	27336762	649	-4255503%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.19.5					

Capital Expenditure 2016/2017: Health Inspection and Etc					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4330160	4330196	378	-1145445%	
Project A	4330000	4330000	128	-3382713%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.19.6					

COMPONENT G: DISASTER MANAGEMENT

3.21 FIRESERVICES

INTRODUCTION TO FIRE SERVICES

The priorities of the Chris Hani District Municipality Fire Services are:

- Fire prevention and fire safety campaigns: A total of 20 inspections were completed during 2016/2017
- Fire awareness programmes: a total of 24 awareness campaigns were conducted during 2016/2017
- Responding to veld fires

Due to the fire prevention and awareness programmes of the Fire Department, fire incidents have reduced drastically since the previous financial year. Communities are also constantly being trained in basic fire fighting skills. A total of 13 training sessions with communities were completed in 2016/2017



T 3.21.1

Chris Hani District Municipality Fire Service Data					
	Details	2015/2016	2016/2017		2018/2019
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	44	60	13	20
2	Total of other incidents attended in the year	10	20	5	10
3	Average turnout time - urban areas	10	10	10	10
4	Average turnout time - rural areas	1,5 hour	1,5 hour	1,5 hour	1,5 hour
5	Fire fighters in post at year end	8	7	7	9
6	Total fire appliances at year end	1	2	2	2
7	Average number of appliance off the road during the year	0	0	0	0
					T 3.21.2

FireService Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	
		Target	Actual	Target	Actual		Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Ensure fires are minimized	No of fire services programmes implemented		1			3	3	3	
	% response to emergencies		100%			100%	100%	100%	
T 3.21.3									

EMPLOYEES FIRE SERVICES 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6					
7-9	8	8	7	1	12
10-12		1		1	100
13-15					
16-18	1	1	1	0	0
19-20					
TOTALS	9	10	8	2	20
					T 3.21.4

Financial Performance 2016/2017: Fire Services					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	0	0	95	100%
Expenditure:					
Fire fighters					
Other employees	125	3902681	3962681	248	-1573562%
Repairs and Maintenance	25	0	0	248	100%
Other	45	244451	310451	248	-98469%
Total Operational Expenditure	195	4147132	4273132	744	-557310%
Net Operational Expenditure	75	4147132	4273132	649	-638903%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.21.5					

Capital Expenditure 2016/2017: Fire Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	550160	550000	0		
Project A	550000	550000	0		280
Project B	80	0	0		150
Project C	45	0	0		320
Project D	35	0	0		90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
T 3.21.6					

COMMENT ON THE FIRE SERVICES OVERALL

- A fire station was completed for Sakhisizwe Local Municipality. It was commissioned in 2017. The total cost of the project was R 7.9 m. The Fire Station is not fully operational as a Station Commander has to be appointed. That will occur in the 2017/2018 financial year.
- A water tanker with a capacity of 14 000l was purchased at a cost of R1.3m. The water tanker will assist in areas where there are no water to combat fires
- Three (4X4) vehicles were purchased to combat veld fires as currently there are not sufficient vehicles to combat bush fires. However, the vehicles are not operational as it is not fully equipped. They will be equipped in the 2017/2018

financial year.

- In future the Fire Department will continue with awareness, training and inspections in order to reduce fires as well as to deploy more staff to local municipalities in order to reduce response time to react to a fire alert.

T 3.21.7

3.22 DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT

In terms of Section 51 of the Disaster Management Act, 57 of 2002 a District Municipality may establish a Disaster Management Advisory Forum which is representative of all Stakeholders relevant to Disaster Management to consult one another and co-ordinate their actions on matters relating to disaster management in the municipality. It is further explained in Section 1.3.1.3 of the National Disaster Management Policy framework, GN 654 of 2005, and Section 5.3 of the Chris Hani Disaster Management Policy Framework GN 3162 of 2014. As Chris Hani Disaster Management Centre we have such forum and it sits on a quarterly bases.

The top three service delivery priorities of the Disaster Management function of the Chris Hani District Municipality are:

- Quarterly Advisory Forum Meetings with all stakeholders
- Disaster Relief
- Awareness Programs



T 3.22.1

SERVICE STATISTICS FOR DISASTER MANAGEMENT

Incidents

The only major incident occurred on 24 January 2017 in Emalahleni Municipality where a severe storm and strong winds resulted in 61 victims

Disaster Relief

Apart from the 61 victims of the Emalahleni Disaster, outstanding disaster relief was handed over to 31 victims in Emalahleni, 48 in Tsolwana, 32 in IntsikaYethu Local Municipalities

Disaster Advisory Forum Meetings

Four meetings were held during the year

Awareness Programs

A total of 99 awareness sessions were held reaching a total of 8 276 people

T 3.22.2

Disaster Management Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	
Service Indicators		Target	Actual	Target	Actual		Target	Actual	
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Ensure effects of disasters are minimized	No of scientific risk assessments developed		Risk Management Plan			Risk Assessment adopted	Implement	Implement	
T 3.22.3									

EMPLOYEES DISASTER MANAGEMENT 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6	1	6	6	0	0
7-9					
10-12	3	5	5	0	0
13-15					
16-18	1	1	1	0	0
19-20					
TOTALS	14	12	12	0	0
T 3.22.4					

Financial Performance 2016/2017: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	0	0	95	100%
Expenditure:					
Employees	125	6497368	6497368	248	-2619806%
Repairs and Maintenance	25	0	0	248	100%
Other	45	527599	537609	248	-212642%
Total Operational Expenditure	195	7024967	7034977	744	-944116%
Net Operational Expenditure	75	7024967	7034977	649	-1082329%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.22.5					

Capital Expenditure Year 0: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3130000	3130000	378	-827942%	
Project A	3130000	3130000	128	-2445213%	280
Project B	0	0	90	100%	150
Project C	0	0	80	100%	320
Project D	0	0	80	100%	90
T 3.22.6					

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.24 EXECUTIVE AND COUNCIL

Financial Performance 2016/2017: The Executive and Council					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	0	0	95	100%
Expenditure:					
Employees	125	17090297	17570297	248	-6891149%
Repairs and Maintenance	25	0	0	248	100%
Other	45	10723396	10388720	248	-4323850%
Total Operational Expenditure	195	27813693	27959017	744	-3738300%
Net Operational Expenditure	75	27813693	27959017	649	-4285523%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.24.5					

Capital Expenditure 2016/2017: The Executive and Council					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	378	100%	
Project A	0	0	128	100%	280
Project B	0	0	90	100%	150
Project C	0	0	80	100%	320
Project D	0	0	80	100%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.24.6					

3.25 FINANCIAL SERVICES

Financial Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	
		Target	Actual	Target	Actual		Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Ensure sound financial system	No of credible budgets		4	4			4	4	
	No of revenue enhancement programmes		0	5			5	5	
	No of SCM and Expenditure Programmes		6	6			6	6	
	% suppliers paid within 30 days		50%	100%			100%	100%	
	No of Grap compliance asset registers		Assett Register Completed	2			2	2	
	% of financial systems integrated		50%	100%			100%	100%	
<p>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.</p>									

T 3.25.3

EMPLOYEES FINANCIAL SERVICES 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6	60	66	62	4	6
7-9	5	12	11	1	8
10-12	20	30	20	10	33
13-15	10	12	10	2	16
16-18	7	8	6	2	25
19-20					
TOTALS	102	128	109	19	15
					T 3.25.4

Financial Performance 2016/2017: Financial Services					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	596203740	598903740	95	-627582784%
Expenditure:					
Employees	125	34082923	29168923	248	-13743014%
Repairs and Maintenance	25	0	0	248	100%
Other	45	37071897	72688056	248	-14948246%
Total Operational Expenditure	195	71154820	101856979	744	-9563720%
Net Operational Expenditure	75	-525048920	-497046761	649	80901320%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.25.5					

Capital Expenditure 2016/2017: Financial Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	78727085	78727105	378	-20827171%	
Project A	75227050	75227050	128	-58771033%	280
Project B	1500000	1500000	90	-1666567%	150
Project C	2000000	2000000	80	-2499900%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.25.6					

3.26 HUMAN RESOURCE SERVICES

Human Resources Service Policy Objectives Taken From IDP									
Service Objectives <									

EMPLOYEES HUMAN RESOURCES 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6	4	2	1	1	50
7-9					
10-12	5	15	13	2	13
13-15					
16-18	1	4	3	1	25
19-20					
TOTALS	10	21	17	4	19
T 3.26.4					

Financial Performance 2016/2017: Human Resource Services					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	2280000	2580000	95	-2399900%
Expenditure:					
Employees	125	14300390	17576390	248	-5766186%
Repairs and Maintenance	25	0	0	248	100%
Other	45	7193765	6593765	248	-2900612%
Total Operational Expenditure	195	21494155	24170155	744	-2888899%
Net Operational Expenditure	75	19214155	21590155	649	-2960479%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.26.5					

Capital Expenditure 2016/2017: Human Resource Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4430000	4430000	378	-1171858%	
Project A	2280000	2280000	128	-1781150%	280
Project B	2150000	2150000	90	-2388789%	150
Project C	0	0	80	100%	320
Project D	0	0	80	100%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.26.6					

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The mandate of the Information Communication Technology (ICT) unit is to Provide ICT services and support to the District Municipality and to provide secure, reliable and consistent platform for information accessibility.

T 3.27.1

SERVICE STATISTICS FOR ICT SERVICES

Information Communication Technology Governance

The King 3 report on IT governance states the importance of establishment of IT Governance Framework. The IT governance framework supports effective and efficient management and decision making around the utilisation of IT resources to facilitate the achievement of the municipal objectives and the management of IT-related risk. It includes a charter, decision-making structures, accountability framework, IT reporting and an IT internal control framework.

CHDM has an approved ICT Governance framework which is based on the principles of Cobit 5. Council established ICT Governance committees as per the adopted ICT Governance Framework. There are three ICT governance structures in existence, the ICT Steering committee, ICT architecture forum and the Information Systems Security forum. The latter two were combined into one forum, which is called the ICT architecture and

Information security forum.

CHDM has an approved ICT strategic plan, which states the importance of integration of systems. A service provider was appointed to conduct the work-study on integration of systems. The role of the service provider is to assist in improving business integration, and enhancing ICT technology, to provide an organized, sensible, accountable and workable ICT systems environment thus eliminating redundant information and dormant ICT systems. The main objective of the engagement is to draft a roadmap to attain an ideal ICT operating model, which the municipality can use to plan and operate its ICT systems and infrastructure going forward.

The project had seven phases namely:

- 0 Initiation and Planning – definition and approval of project schedule, project charter and project plan and establishment of the overall project protocols and communication channels.
- 1 Blueprinting-: “As-Is” Municipal situation (assessing business process). Engaging internal stakeholders to gain understanding of municipal environment and to get the understanding of key personnel on their expectations of the project.
- 2 Blueprinting- “As-Is” ICT Situation (assessing ICT infrastructure). Understanding the purpose of existing ICT applications, current ICT infrastructure (hardware, network, databases etc). assess ICT policies, procedures and practices, IT spend, resources, skills.
- 3 Business - IT Alignment Assessment (identification of current infrastructure, ICT function and integration gaps). Identifying gaps between the municipal requirements and the current ICT capabilities and reconciling municipal objectives and requirements.
- 4 Determine “To – Be” municipal needs. Reviewing and understanding of the municipal IDP and understanding the role that ICT should play in enabling and supporting the municipality’s plans.
- 5 Perform a Technical Gap Analysis. Analysis of output of the municipal ICT analysis to determine gaps in enterprise and identify major ICT risks.
- 6 Develop Work – Study for business integration and technology enablement (solution to integration gaps). Drafting and proposing the ideal service delivery model for the ICT unit to support the municipality and the following:

- the ideal ICT organogram for the ICT unit.
- ideal governance model for the ICT unit to support the municipality.
- the ideal application landscape for the ICT unit to support the municipality
- the ideal budgeting framework for the ICT unit to support the municipality
- the ideal performance measurement framework for the ICT unit to support the municipality.
- ICT infrastructure model (limited to recommendations only)
- Draft / finalize business integration / technology enablement roadmap.

7. Project Closure. Finalize, quality check and sign-off all deliverables from previous phases. Capture lessons learnt and future steps coming from these deliverables. Close-out meeting with all key stakeholders to handover all deliverables.

All seven phases of the project were completed and the document is a living document that the municipality is using to plan a way forward for the ICT unit. The document has a clear road map which is a guide regarding what is to be undertaken to ensure that ICT unit of CHDM reaches at least a level 4 in terms of ICT governance maturity, and to assist in the planning of ICT projects.

Network Infrastructure Upgrade

The growth of the institution partly emanating from the take-over of water services has resulted in a need for additional remote offices to be connected to the network. ICT infrastructure is taking strain and becoming slow or consistently losing connection. Network infrastructure needed to be upgraded.

A core switch was purchased as part of LAN upgrade to improve speed of internetwork connection and to reduce downtime and latency. The project of the installation of the core switch included:

1. Assessing all existing switch and router configurations.
2. Establish all connections between network equipment, e.g.:
 - a. Switch-to-switch connections.
 - b. Server-to-Switch connections.
 - c. Internal Wireless Access Point connections.
 - d. External Wireless connections.
3. Existing VLAN configuration and information.

4. Existing Subnet configuration and information.

The project was also undertaken to ensure easy trouble shooting of the network which is also key in reducing network downtime. The configuration of the core switch has visibly improved network reliability and availability.

The unit has a responsibility to provide connectivity to all CHDM remote sites. In addition to the local sites in Queenstown, there are remote sites in various local municipal towns with Water services offices including WSP and billing offices. CHDM has an SLA with Telkom. Some of the main sites in Queenstown are connected with Telkom VPN. Five remote sites in local municipality towns have been moved to the Telkom VPN namely, IntsikaYethu, Emalahleni, Elliot, Indwe and Dordrecht. An application has been submitted to Telkom to connect Cradock.

The fibre line at 44 Cathcart Road has been upgraded from 8MB to 12MB as it was over utilised and Bells road fibre line was downgraded from 12MB to 8MB because it was underutilised.

A Storage Area Network (SAN) was procured as part of the ICT infrastructure upgrade to ensure data management and avoid loss of data in case of computer loss or crash. The project includes replacement of SAN, upgrading of servers and procuring backup software. Finalisation of the project will occur in the next financial year.

Internet line Internet line was also upgraded from 20MB to 50MB.

T 3.27.2

EMPLOYEES ICT SERVICES 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6	1	1	1		0
7-9					
10-12	3	7	3	4	60
13-15	1	1	1		0
16-18					
19-20					
TOTALS	5	9	5	4	44
					<i>T 3.27.4</i>

Financial Performance 2016/2017: ICT Services					
R'000					
Details	2015/2016	2016/2017			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-32%
Expenditure:					
Employees	125	2807739	2886739	248	-1132053%
Repairs and Maintenance	25	0	0	248	100%
Other	45	6081239	5581239	248	-2452013%
Total Operational Expenditure	195	8888978	8467978	744	-1194655%
Net Operational Expenditure	75	8888853	8467878	649	-1369523%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.27.5					

Capital Expenditure 2016/2017: ICT Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	5200000	5200000	378	-1375561%	
Project A	5200000	5200000	128	-4062400%	280
Project B	0	0	90	100%	150
Project C	0	0	80	100%	320
Project D	0	0	80	100%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.27.6					

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The mandate of this unit is to provide sound legal advice to the institution and also manage the administration. Legal support is provided to senior management, directorates and Council on the exercise of powers, functions and decision making. An analysis and evaluation of the attitudes of the municipality enables this unit to provide advice on how to manage legal risk.

In its quest to ensure that the Council is properly advised on issues relating to the rule of law, information management, safeguarding of municipal assets and the creation of an

environment to enable the Council to perform its oversight function, the Legal Services and Administration Unit had six measurable objectives for the 2016/2017 financial year, which were as follows:

- To ensure that Council performs its oversight function;
- To ensure that the municipality has sound legal advice so as to execute its mandate and responsibilities
- Safeguarding and maintenance of municipal buildings
- Provision of adequate security for employees and councillors
- Safeguarding and maintenance of municipal fleet
- Automation and centralization of records and improved record management processes and procedures

The performance of the unit in each of the above pre-determined objectives shall be discussed below.

To Ensure that Council Performs Its Oversight Function

Under this objective there were three key performance indicators that would indicate as to whether the municipality has achieved its objective or not. These indicators entailed the reporting to the Standing Committee on the activities that were in compliance with the Rules of Order of Council, which were as follows:

- The sitting of Section 79 and 80 Committee Meetings
- The number of Council Rules of Order reviewed
- Number of reports submitted on implementation of Council Resolutions

This pre-determined objective was achieved as matters of Council were fairly attended to, with all the above reports submitted to the Standing Committee. Although the Rules of Order were not reviewed in the 2016/2017 financial year there were no apparent identified gaps in the rules. However, plans are in place to review the rules of Order in preparation for the emerging risk of disruption of council proceedings in the upcoming new council to be sworn in in the 2016/ 2017 financial year.

Most of the Section 80 meetings were held as scheduled in terms of the Council Calendar, and there was substantial compliance with the rules whenever the need to reschedule arose. The Council's resolution register has been continuously updated, and reports on the implementation of Council Resolutions were regularly submitted to Council for noting.

To Ensure That The Municipality Has Sound Legal Advice So As To Execute Its Mandate And Responsibilities

There were three Key Performance Indicators that would enable the directorate to come to a conclusion that this pre-determined objective has been achieved or not, and were also about the reporting to the Standing Committee about the following:

- Officials and councillors trained on litigation
- Updating and monitoring of the Legal Claims Register
- Performance of external attorneys

Though the unit did not have a dedicated manager for more than half of the financial year, a legal claims register was regularly updated and monitored for the purposes of ensuring that there is no continued wasteful and fruitless expenditure. Upon the employment of an incumbent in the position, more than a half of the matters that were in the legal claims register were closed. This ensured that there is a significant shift from having a bloated legal claims register into a more user-friendly register that reflected matters that were really work in progress.

Though there were no training arranged for the councillors, managers were trained on the emerging risk of litigation arising from the new Labour Relations Act amendments. However, as part of the plan for the 2016/2017 financial year, training are planned for the councillors and officials relating to the risk of litigation caused by the late submission of items by the officials in preparation for the Council meetings, the importance of the right of access to information and the balance between the right to constitutional right of freedom of expression and the right to dignity.

As part of its mandate to ensure that the institution is provided with sound legal advice that will ensure reduction of litigation. After the employment of the Manager: Legal Services and Administration, the unit assisted in reviewing the institution's policies, draft by-laws, contracts and other legal documents. Contracts such as service level agreements, memoranda of understanding, way-leaves, cessions and others were certified for legality before they were signed by the Municipal Manager

Safeguarding And Maintenance Of Municipal Buildings

The municipality treats its buildings as one of its most valuable assets. It is for this reason that this pre-determined objective is considered important to ensure that the municipality's investment to its buildings is safeguarded. Though there was no approved Maintenance Plan in place the Key Performance Indicator towards the realisation of the predetermined objective, of ensuring the buildings and are safe guarded and maintained, was the number of buildings identified for maintenance (and actually maintained) in the 2016/2017 financial year.

There were four buildings identified for maintenance and also for construction in the past year, and these were the Finance Building at 42 Cathcart Road, the Head Office at Bells Road, the cottages at IPED building at Tylden Road and the building of the State House at a location that depended on the availability of land. In addition, renovations to the server room at 15 Bells Road started on 29 January 2015 and were completed before the end of the 2016/2017 financial year. This ensured that there is business continuity.

Furthermore, more renovations that were part of the work of the 2015/2016 financial year were attended to in the 2016/2017 financial year.

However, some of the projects within the programme, though budgeted for could not be commenced with due to various reasons ranging from the slow supply chain management processes, the tardiness of the service provider to the non-availability of suitable land. For example, the programme for the renovation of Chris Hani's main offices at Bells Road was due to begin in the 2016/2017 financial year although it was planned for the previous financial year.

The conversion of cottages into office for IPED is finally proceeding after it had stalled due to delays caused by the misunderstanding between the municipality's officials and the service provider.

The building of the state house, one of the priorities for the 2016/2017 financial year, shall, due to the difficulties in identifying suitable land, be continued with in the 2017/2018 financial year. All the above projects continue to be part of the programme for the new financial year, and have been budgeted for.

Provision Of Adequate Security To Employees And Councillors

The Chris Hani District Municipality values its human resources. Strides are continuously being taken to ensure that its employees and councillors are safeguarded. Although there is no approved Security Plan, there was no abundance of security breaches to the municipality's offices that endangered the lives of the employees and councillors in the past financial year.

The Key Performance indicator that has been designed to determine the progress towards the achievement of a pre-determined objective is "**number of buildings identified for the implementation of the security plan**". As already mentioned, although there is no improved Security Plan, an assessment was done on the security risks to the employees at Finance Building, 42 Cathcart Road, and Komani. As at the end of the financial year, the security upgrade at the above office was completed with the new security features such dead-man's booth door, the partitioning of the cashier's desks and the substantial changes to the access system had been installed.

With the taking over of the Water Services Provision function there has been a growing security risk to municipality's property plant and equipment. There has been reported incidents of stolen diesel from the water pumps. With the above in mind, the unit has plans to roll out the security assessments to include the protection of the Water Services infrastructure. A district-wide security plan focusing on the main and satellite offices shall be submitted to council for approval before the end of the 2017/2018 financial year.

Safeguarding And Maintenance Of Municipal Fleet

The Fleet Management unit has thirty two (32) vehicles allocated to the District Municipality for all official duties with the exception of Water Service Provisions. Vehicles are allocated as follows:

- Eight vehicles - to Disaster Management Centre
- Eleven vehicles - to pool for general day to day duties
- Four allocated - to Councillors
- Nine Vehicles (specialised for water) - Environmental Health Services with

The pool vehicles are booked by all directorates: Finance, Engineering, IPED, and Supply Chain for all municipal duties. The Fleet Management Officers are on a quarterly basis compiling reports on the Fleet Composition, Distribution, Power track Vehicle Management System and Fuel Expenditure.

All council vehicles are covered by insurance. An excess payment of R2500-00 is payable for damages to vehicles exceeding R2500-00. When the damage is less than R2500-00 the amount is paid by council. There is a Fleet Management Policy in place, which makes it possible for the Fleet Management Officers to manage the municipality's fleet very smoothly.

There has been a substantial increase in costs of repairing vehicles compared to the previous years, which was due to the take-over of the water services provisioning function and the ageing fleet. Besides the main challenge of the space constraints that led to difficulties in populating the approved 2016/2017 organogram, the Fleet Management sub-unit has been substantially implementing the existing Fleet Management Policy. Reports were regularly submitted to the Standing Committee meetings on the implementation of the policy

Automation And Centralization Of Records And Improved Record Management Processes And Procedures

The municipality's Records Section is entrusted with the responsibility of ensuring that the institutional information and heritage is properly managed. Although the management of records in the municipality is still decentralized, great strides have been made to ensure that the Records management Policy is implemented. The two Key Performance Indicators that were used as a yardstick towards the achievement of the predetermined objective of ensuring that there is an automated, centralized and improved records management system were designed to monitor the implementation of the policy and the progress made towards automation, which required the sub-unit to report to the Standing Committee meetings on the:

- Stages on the procurement and the implementation of the Electronic Document Management System; and
- Records disposed.

Although records management is not centralized and automated yet, strides have been

taken forward towards ensuring that an electronic system is procured. The Standing Committee has been informed of the progress made in the procurement of the electronic system. As at the end of the financial year, the matter was before the Bid Evaluation Committee, and of late, an award has subsequently been made. This means that a system shall be up and running by the end of the 2017/2018 financial year.

Although there has not been any litigation relating to lack of access to information, the impact of poor record keeping is likely to be really felt when the Auditor General express its opinion about the state of the municipality. The lack of a structured records management model remain an issue as at the end of the financial year. It is for that reason that change management programmes, in conjunction with the Provincial Archivist, have been devised to mitigate the risk of resistance to change, and such programmes shall be completed at end of the first quarter of the 2017/2018 financial year.

In regard to the disposal of records, upon application for the disposal of its ephemeral records, the Provincial Archivist gave CHDM a disposal authority number and instructed CHDM to dispose as soon as possible.

The disposal of records from the Finance storage was undertaken in the past financial year, and it is still to be carried on to include documents from the other departments in compliance with Records Management Policy in the 2017/2018 financial year. The Standing Committee has been informed of the state of records management system in the institution.

PROPERTY MANAGEMENT

Property Management: The Human Settlements Unit is assisting Corporate Services Directorate on property management of CHDM municipal building in terms of maintenance; renovations and construction of new offices. Chris Hani District Municipality is in a process of refurbishing; constructing and maintaining municipal building offices as part of value driven maintenance plan which seeks to contribute to developing its buildings in a lifelong perspective. The intention is also to apply sustainable technology when upgrading all existing municipal buildings i.e. environmental friendly in water and waste, energy efficiency and smart technology that give low operating cost and efficient building operation.

Premises including the Bells Offices which is currently occupied by the executive council and the executive management are to a large extent inadequate and need urgent intervention in order to improve the structural integrity of the building, the working conditions of the employees which will subsequently lead to an improvement of the quality of services provided. A Consultant has been appointed for designs and a contractor has been appointed for the upgrading works. The Contractor is expected to commence with work during the month of August 2017. The duration of the project is 15 months. Renovations of the water service department offices in Cradock are completed and functional in INxubaYethemba Local Municipality. Renovations of SCM offices and Billing Offices are completed and functional. Renovations of 4 cottages at disaster management center are completed and functional. The Elliot Fire Station and 10 additional offices for the water services unit in Sakhisizwe Local Municipality are at the practical completion stage, final completion will be in October 2017. The construction of the new CHDM office village Park is underway still at the procurement stage.

T 3.28.1



Property legalrisk Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	
		Target	Actual	Target	Actual		Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Effective administration and legal services	Implement litigation management strategy		Litigation Strategy			4	4	4	
	Effective administrative supported		4			4	4	4	
Ensure proper document management	Implement EDMS		0			30%	60%	80%	
Risk based Operational Plan	% reduction in recurring finds		1			4	4	4	
Implement Risk Management Framework	No of risk management programmes implemented		Framework			4	4	4	






T 3.28.3

EMPLOYEES PROPERTY LEGAL AND RISK 2016/2017					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3					
4-6					
7-9		1		1	100
10-12					
13-15	2	2	2		0
16-18					
19-20					33
TOTALS	2	3	2	1	
					<i>T 3.28.4</i>





COMPONENT K: ORGANISATION PERFORMANCE SCORECARD




This component includes: Annual Performance Scorecard Report for the current year.





KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT (WEIGHTING)																	
Section	Strategic Objective	Measurable Objective	Priority Area	Indicator Code	Indicator	Indicator Definition	Indicator Type	Programme Budget Allocation	Baseline	Annual Target	Annual Target Date	2015/2016 Annual Performance		Reasons for Variance	Mitigating Measures	Portfolio of Evidence Required	Custodian
												Actual Annual Performance	Snapshot				
TECHNICAL SERVICES	Ensuring provision of Basic Services in a well structured, efficient and integrated manner	To ensure universal coverage with respect to water services	Provision of basic water and sanitation services infrastructure	SDI - 1	Number of water projects completed	National KPI for basic service delivery. Measures the number of households served with basic level of water. This is a proxy indicator for NKPI	NKPI	MIG, MWIG, RBIG 190,464,000	31,00	14,00	30-Jun-17	7		The project that was planned is not complete (88%). Delays by the subcontractors and strike by the community. However two projects which were planned to be completed in the previous quarters were completed in the quarter. The annual target of 14 projects to be completed is not met, only 7 projects completed.	Community issues were resolved and the contractor was to provide a revised programme. Penalties against the contractor will be effected	Design report and completion certificate	Director: Engineering
				SDI - 2	The number of households with access to basic level of water	National KPI for basic service delivery. Measures the number of households served with basic level of water. This is a proxy indicator for NKPI	NKPI		10399	2920	30-Jun-17	No households were served therefore target not met. 1238 were achieved against 2920 (42% achieved)		Contractor delays and community unrest.	Community issues were resolved and the contractor was to provide a revised programme. Penalties against the contractor will be effected	Design report and completion certificate	Director: Engineering









				SDI - 3	Number of water treatment works under construction (multi-year projects)	Measures the number of bulk water services treatment works fully completed	KPI	30,000,000+ 58303,000 63,262,000 0+ 15000,000 6,390,000 + MIG and RBIG	1	4	30-Jun-17	4	 <input type="checkbox"/>	N/A	N/A	Site meeting minutes	Director: Engineering
		To ensure safe and acceptable sanitation service		SDI - 4	4456 households served with basic sanitation.	National KPI for basic service delivery. Measures the number of new households served with basic sanitation. This is a proxy indicator for NKPI.	NKPI	64,091,109	7599	6056	30-Jun-17	3438 achieved against 3638(94%) for the quarter. Annual target has been exceeded from 6056 to 6711.		N/A	N/A	Happy letters	Director: Engineering
				SDI - 5	Number of waste Water Treatment works under construction	Measures the number of constructed waste water treatment works	KPI		1 - Cala Bulk Sanitation Service	1 - Cala Bulk Sanitation Service	30-Jun-17	1 Cala bulk sanitation service done.		N/A	N/A	Site Meeting minutes	Director: Engineering
		To ensure sustainable water services provision	Water Services provision	SDI - 6	% compliance with drinking water quality standards (Blue Drop)	Measures compliance in achieving the Department of Water Affairs Blue Drop status	KPI			80%	30-Jun-17	99%		N/A	N/A	BDS Report	Director: Engineering
				SDI - 7	% compliance with waste water quality standards (Green Drop)	Measures compliance in achieving the Department of Water Affairs Green Drop status	KPI		30%	30%	30-Jun-17	40%		GDS from Department of Water and Sanitation is frequently down and unreliable hence the results could not be attainable. Results from MHS have therefore used	Submission of results on time into the GDS. Appropriate monitoring of effluent quality. Upgrade/refurbish WWTW.	GDS Report	Director: Engineering






[illegible]



ROADS MAINTENANCE	Ensure compliance with Department of Roads and Transport Service Level Agreement on roads maintenance.	Implementation of SLA between CHDM and DRPW	Roads	SDI - 12	2148 kms of roads bladed in the defined areas	Measures the number of kilometres of roads bladed in the defined areas	KPI		2148	2148	30-Jun-17	680.92km		N/A	N/A	Report	Director: Engineering
				SDI - 13	30kms of roads Gravelled in the defined areas.	Measures the number of kilometres of roads gravelled in the defined areas.	KPI		30	30	30-Jun-17	65,24		N/A	N/A	Report	Director: Engineering
MUNICIPAL HEALTH SERVICES (MHS)	Ensuring provision of Basic Services in a well-structured, efficient and integrated manner	To provide quality municipal health services in accordance with relevant legislations	MUNICIPAL HEALTH SERVICES (MHS)	SDI - 13	Number of waste water samples taken	Measures the number of water related incidents. Calculated by dividing the total number of water related incidents reported to technical services by the total number of incidents as per incident report	KPI		276	276	30-Jun-17	254		Negative variance of 22 due to unavailability of effluent which is caused by the low levels of ponds that are below the outlet flow	Notice letters with recommendations were sent to the engineering department for rectification	Sampling results	Director: Health and Community Services
				SDI - 14	Number of drinking water samples taken	Measures the number of water related incidents. Calculated by dividing the total number of water related incidents reported to technical services by the total number of incidents as per incident	KPI		2340	2340	30-Jun-17	2320		Negative variance of 20 due to non-availability of water from the sampling points as a result of drought	the drought is beyond human control	Sampling results	Director: Health and Community Services





		report											
SDI - 15	Number of food premises issued with or renewed their Certificate of Acceptability	Measures the number of food premises in possession of a certificate of acceptability. Calculated by dividing the total number of food premises in possession of a certificate of acceptability by the total number food premises	KPI		2240	2240	30-Jun-17	2240		N/A	N/A	List of premises issued with certificates	Director: Health and Community Services
SDI - 16	Number of food samples taken	Measures the number of food samples taken	KPI		624	624	30-Jun-17	638		N/A	N/A	Sampling results	Director: Health and Community Services
SDI - 17	Number of inspections conducted in food premises	Measures the number of inspections conducted in food premises	KPI		2240	2240	30-Jun-17	2258		N/A	N/A	Inspection report	Director: Health and Community Services





SDI - 18	Number of funeral parlours issued with or renewed their certificate of competence	Measures the number of funeral parlours in possession of a certificate of competence. Calculated by dividing the total number of funeral parlours in possession of a certificate of competence by the total number of funeral parlours	KPI		68	68	30-Jun-17	68		N/A	N/A	List of parlours issued with certificates	Director: Health and Community Services
SDI - 19	Number of funeral parlours inspected	Measures the number of waste sites inspected	KPI		272	272	30-Jun-17	271		Negative variance of 1 due to the closure of Abomelezi and Yeyethu funeral parlours in Elliot and Dordrecht. Opening of Avbob funeral parlour in Engcobo	the indicator will be changed to % in the next financial year	Inspection report	Director: Health and Community Services
SDI - 20	Number of waste sites inspected	Measures the number of funeral parlours inspected	KPI		14	56	30-Jun-17	56		N/A	N/A	Inspection report	Director: Health and Community Services
SDI - 21	Number of waste awareness campaigns conducted	Measures the number of waste awareness campaigns conducted	KPI		8	8	30-Jun-17	8		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services


				SDI - 22	% of requests for pauper burials attended to	Measures % of pauper burials attended to	KPI		100%	100%	30-Jun-17	100%		N/A	N/A	Reports on burials conducted	Director: Health and Community Services
				SDI - 23	Number of sampled sanitation structures inspected	Measures the number of sanitation structures	KPI		120	120	30-Jun-17	163		N/A	N/A	Inspection report	Director: Health and Community Services
CLIMATE CHANGE AND ENVIRONMENTAL MANAGEMENT		To provide quality environmental management and climate change services in accordance with environmental management legislative framework		SDI - 24	Number of hectares of alien vegetation eradicated	Measures the number of alien vegetation eradicated	KPI		150 ha	70 ha	30-Jun-17	124ha		N/A	N/A	Reports; Photos	Director: Health and Community Services
				SDI - 25	Number of Waste-to-Energy Feasibility Studies conducted	Measures the number waste to energy feasibility studies conducted	KPI		1	1	30-Jun-17	1 Feasibility study completed		N/A	N/A	Feasibility study	Director: Health and Community Services
				SDI - 26	Number of trees planted	Measures the number of trees planted	KPI		6000 trees	6000 trees	30-Jun-17	6207		N/A	N/A	Reports; Photos	Director: Health and Community Services
				SDI - 27	Number of Invasive Alien Plant Management Strategy programmes implemented	Measures the number of invasive plant management strategy programmes implemented	KPI		1 Programme	1 Programme	30-Jun-17	1 Programme implemented		N/A	N/A	Reports; Photos	Director: Health and Community Services
DISASTER MANAGEMENT		To prevent, mitigate and respond to the effects of disasters, fire incidents and occurrences in line with the Disaster Management Act 57 of 2002 and other relevant pieces of legislation		SDI - 28	Percentage of disaster related incidents referred to CHDM call centre responded to	Measures the percentage of disaster related incident referred to CHDM	KPI		100%	100%	30-Jun-17	100%		N/A	N/A	List of calls logged	Director: Health and Community Services
				SDI - 29	% of disaster stricken households assisted with relief and recovery material	Measures the percentage of disaster stricken households assisted with relief and recovery material	KPI	R 2 000 000,00	100%	100%	30-Jun-17	100%		N/A	N/A	Incident report	Director: Health and Community Services




FIRE SERVICES		Ensure compliance with the Fire Brigade Act 99 of 1987, SANS 10090 and other relevant legislations	SDI - 30	Percentage of veld fires and hazmat incidents responded to.	Measures the percentage of veld fires and hazmat incidents responded to	KPI		100%	100%	30-Jun-17	100%		13 veld fires responded to		Fire reports	Director: Health and Community Services
			SDI - 31	Number of fire inspections conducted	Measures the percentage of veld fire inspections conducted	KPI		20	20	30-Jun-17	25		Over achieved by 5 inspections due to the requests that were beyond our control and we had to provide the service		Inspection reports	Director: Health and Community Services
HUMAN SETTLEMENTS		To facilitate development of sustainable human settlements	SDI - 32	Construction of destitute houses	Measures the number of constructed destitute houses	KPI		8	8 houses by June 2017	30-Jun-17	Achieved: Eight Destitute houses constructed.		N/A	N/A	Happy letters	Director: IPED
			SDI - 33	Construction of disaster houses	Number of disaster houses constructed	KPI		None	200 houses by June 2017	30-Jun-17	Target not Achieved However the following have been achieved a1.appointment of 2 contractors 2.establishment of PSC atSakhisizwe 3. Advertisement of CLO for Sakhisizwe has been done		N/A	N/A	Happy letters	Director: IPED
			SDI - 34	% response to requests for technical support by the internal property management programme	Measures % to response to requests for technical support by the internal property management programme	KPI		100%	100% per quarter	30-Jun-17	Target Achieved : all submitted request attended to		N/A	N/A	Internal Memorandum; Work schedule	Director: IPED



PLANNING		To ensure forward planning for the district in compliance with legislation		SDI - 35	% attendance of applications submitted	Measures % attendance of applications submitted	KPI		Establish ed District Tribunal	100% per quarter	30-Jun-17	Register of submitted requests; Attendance register and minutes of sitting of tribunal		N/A	N/A	Director: IPED	
		To promote revitalisation of urban areas and townships for economic development		SDI - 36	Implementation of the paving project in identified municipalities	Measures the number of towns supported with paving	KPI	R 5 000 000,00	Approved Strategy	Paving in 5 towns by June 2017	30-Jun-17	Achieved: Project implemented as per the Business Plans submitted in the following towns 1.Middleburg (Lusaka) 2. Craddock (michausdal 3. Lingelihle) 4. Dordrecht(new location) 5 Komani(Pellem road) .		N/A	N/A	Signed SLAs; Appointment letters of contractors Quarterly progress reports	Director: IPED



				SDI - 37	% implementation of the Tarkastad Small Town Revitalisation Strategy	Measures % of implementation of the Tarkastad Small Town revitalisation strategy	KPI	R 4 000 000,00	Approved Strategy	30% of the strategy implemented (paving; beautification; landscaping and installation of street furniture)	30-Jun-17	Partially Achieved: Money transferred as per MoU signed by CHDM and Enoch Mgijima. Service provider not yet appointed by LM		Delays on appointing Service provider to implement the project by the Local Municipality	Target has since been moved to the 2017-2018 financial year	Appointment letter of service provider; Quarterly progress reports	Director: IPED
HIV/AIDS COORDINATION	To facilitate reduction of the spread and mitigate the impact of HIV, STI and TB in line with relevant legislation			SDI - 38	Number of HIV, STIs and T.B mainstreaming programmes implemented	Measures the number of programmes implemented	KPI		8	8 (4 internal and 4 external)	30-Jun-17	8 (4 internal and 4 external)		N/A	N/A	Quarterly report; Attendance register	Director: Health and Community Services
				SDI - 39	Number of Early Childhood Development Centres supported	Measures the number of early childhood development centres supported	KPI		4	4	30-Jun-17	4		N/A	N/A	Quarterly report	Director: Health and Community Services
	To facilitate reduction of the spread and mitigate the impact of HIV, STI and TB in line with relevant legislation			SDI - 40	Number of capacity building programmes on HIV, STIs and TB related aspects conducted (Community level)	Measures the number of capacity building programmes on HIV, STIs and TB related aspects conducted	KPI		4	4	30-Jun-17	4		N/A	N/A	Quarterly report; Attendance register	Director: Health and Community Services




ANTI-POVERTY PROGRAMME			SDI - 41	Number of households assisted with poverty reduction interventions	Measures the number of households assisted with poverty reduction interventions	KPI		20	20	30-Jun-17	521		N/A	N/A	Quarterly report	Director: Health and Community Services
	To facilitate and co-ordinate integrated poverty reduction programmes in line with relevant legislation		SDI - 42	Number of antipoverty war rooms capacitated	Measures the number of antipoverty war rooms capacitated	KPI		24	24	30-Jun-17	87		N/A	N/A	Quarterly reports; Attendance registers	Director: Health and Community Services
			SDI - 43	Number of integrated Antipoverty Strategy programmes implemented	Measures the number of integrated antipoverty strategy programmes implemented	KPI		4	4	30-Jun-17	4		N/A	N/A	Quarterly reports; Attendance registers	Director: Health and Community Services
			SDI - 44	Number of integrated HIV, STIs and T.B programmes implemented (internal and external)	Measures the number of integrated HIV, STIs and TB programmes implemented	KPI		8	(8) 4 (internal) and 4 (external)	30-Jun-17	(8) 4 (internal) and 4 (external)		N/A	N/A	Quarterly reports; Attendance registers	Director: Health and Community Services



KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (WEIGHTING)																	
Section	Strategic Objective	Measurable Objective	Priority Area	Indicator Code	Indicator	Indicator Definition	Indicator Type	Programme Budget Allocation	Baseline	Annual Target	Annual Target Date	2015/2016 Annual Performance		Reasons for Variance	Mitigating Measures	Portfolio of Evidence Required	Custodian
												Actual Annual Performance	Snapshot				
ANTI-POVERTY	To consistently create an enabling environment for Economic Growth Rural Development and Employment opportunities	To sustain at least 100 jobs through the EPWP programme within a two year cycle	EPWP	LED - 1	Number of job opportunities created and sustained through EPWP	Measures the total number of previous job opportunities sustained for a new financial year in terms of the anti-poverty programme through the Expanded Public Works Programme. Job	KPI		100	100	30 June 2017	204		N/A	N/A	List of appointed beneficiaries; Proof of payment of stipend	Director: Health and Community Services




					opportunities refer to people employed on a contractor basis								N/A	N/A		
SMME DEVELOPMENT	To create a conducive environment for SMME & Cooperative development	Anti-poverty programmes (War Rooms)	LED - 2	Number of job opportunities created and sustained through EPWP	Measures the total number of job opportunities created and sustained through EPWP	KPI			100	30 June 2017	100		N/A	N/A		
			LED - 3	Provide support to small and medium enterprises and cooperatives	Measures the total number of SMMEs, Cooperatives supported	KPI	R 3 500 000,00		20 Enterprise & 10 Cooperatives supported by June 2017	30 June 2017	Monitoring of support provided to 20 enterprises and 10 cooperatives		Delays on Supply Chain Management processes as support could not be delivered to beneficiaries	Engagements with supply chain to ensure the procurement is done as per the approved departmental procurement Plan.	Approved funding criteria; Publication of applications; List of approved applications; Monitoring reports	Director: IPED
			LED - 4	Number of incubation programmes implemented		KPI	1 500 000,00		R 1 500 000,00	30 June 2017	Monitoring of support provided		One incubation programme completed and equipment & material support procured but delays in SCM processes	New funding model developed and approved by Council in June 2017. In the new financial year, the New model will be fully utilised accordingly to ensure all targets are achieved.	Approved funding criteria; List of approved applications; Training programme outlines Monitoring reports	Director: IPED





				LED - 5	Number of small industries supported	Measures the number of small industries supported	KPI	1 000 000,00		5 industries supported	30 June 2017	Monitoring of support provided to 5 industries		Two industries fully supported. Equipment & material support procured but delays in SCM processes	New funding model developed and approved by Council in June 2017. In the new financial year, the New model will be fully utilised accordingly to ensure all targets are achieved.	Approved funding criteria; Publication of applications; List of approved applications; Monitoring reports	Director: IPED
FORESTRY PROGRAMME				LED - 6	provision of technical and financial support to the Nursery projects by June 2017	Measures the number of small industries supported	KPI	1 000 000,00	1 Project	1 Tree Nursery project supported through security bill, project management, operational costs, training, project extension and production inputs.	30 June 2017	fully Achieved (security bills paid 2. project manager appointed 3. one training conducted. 4 new irrigation system and production inputs provided, additional offtake agreements were renewed)		N/A	N/A	Reports and orders	Director: IPED



				LED - 7	provision of technical, project management and financial support to the charcoal projects by June 2017		KPI	1 500 000,00	2 Projects	Providing Technical support in the form of administration, training and operation inputs.	30 June 2017	Achieved (project coordinator appointed to provide administration 2. office management training was conducted 3. inputs in the form of equipment were provided additional we have started engagement with potential partners		N/A	N/A	Reports, orders and copy of modules	Director: IPED
				LED - 8	provision of technical and financial support to the Sawmillers programme by June 2017		KPI	500 000,00	NONE	Providing Technical support in the form of administration, training and operation inputs.	30 June 2017	Achieved (1. stakeholder engagement as part administration support 2. inputs in the form of equipment like chain saw and protective clothing		N/A	N/A	Reports, minutes and orders	Director: IPED




				LED - 9	provision of technical and financial support to the Afforestation programmes by June 2017		KPI	1 000 000,00	NONE	Providing Technical support in the form of administration, training, project management and operation inputs.	30 June 2017	not Achieved however communities and disaster management programmes were supported		Request for afforestation programme was submitted to SCM 2. appointment of relevant service providers	Procurement plan developed and approved by the Head of department, will adhere to these procurement guideline for the new financial year.	Reports, minutes and orders	Director: IPED
TOURISM SUPPORT				LED - 10	Number of destination marketing tours attended by June 2017		KPI		4	4	30 June 2017	Partially Achieved, Attended, Tourism Indaba in Durban from 16-18 May 2017, attended Beeld Show 24-26 and gate away show in September 2016		fourth show(world trade) is the duplication of tourism Indaba	Target has been amended to include the attendance register on sites where the district is marketed such as the Beeld show.	Report to standing committee	Director: IPED
				LED - 11	Number of LTOs supported through CHARTO by June 2017		KPI		6	6	30 June 2017	Partially Achieved : However funds have been only transferred to CHARTO		Local Tourism Organisations did not submit business plans to CHARTO for consolidation	CHDM will only transfer the funds to the LTO upon receipt of the business plans. CHARTO has been tasked to ensure all LTO in the new financial year.	Approved business plans Proof of fund transfers Reports	Director: IPED





				LED - 12	Number of Tourism businesses supported by June 2017		KPI		4	4	30 June 2017	Achieved, However five Bed and Breakfasts were supported in form of fridge and a Water Tank		N/A	N/A	Progress Reports and standing committee reports	Director: IPED
Tourism & Heritage Month Events				LED - 13	Number of heritage and tourism concept documents developed and implemented for 2016/17		KPI		3	3	30 June 2017	Achieved: Concept document for 1. Chris Hani Month 2. Tourism concept document and 3. Heritage concept document. All three concept documents have been developed.		N/A	N/A	Approved Tourism and heritage month concept document Approved summer season concept document Approved freedom marathon concept document Reports on events submitted to Standing Committee	Director: IPED






Liberation Heritage				LED - 14	Percentage of liberation heritage route projects implemented (including review of the Liberation Heritage Route Icon Guide)		KPI	2 400 000,00			30 June 2017	Partially Achieved 1. Data collection has been done towards reviewing the Icon guide. 2. All planned liberation heritage route projects were implemented, additionally four reburials were done.		Partially Achieved 1. Data collection has been done towards reviewing the Icon guide. 2. All planned liberation heritage route projects were implemented, additionally four reburials were done.	Target has been moved to the new financial year.	Council resolution, adopted booklet, minutes of consultation meetings	Director: IPED
Animal Health				LED - 15	Number of local municipalities supported through the livestock improvement programme implemented through partnership with Mngcunube Development by June 2017		KPI	33 000 000,00		6 local municipalities supported	30 June 2017	Achieved: Six local municipalities were supported.		N/A	N/A	Quarterly progress report submitted to the Standing Committee	Director: IPED
				LED - 16	Number of custom feeding lots constructed		KPI	800 000,00		3	30 June 2017	Partially Achieved: Funds have been transferred to Emalahleni LM for the construction of the Custom Feedlot.		Upon the request from Emalahleni to construct the custom feedlot, CHDM decided to transfer the funds to the local municipality.	n/a	Progress report	Director: IPED







Dry land cropping				LED - 17	Number of crop production projects supported per local municipality by June 2017		KPI	300 000,00		In all local municipalities	30 June 2017	Achieved: 1. Funds were transferred to cooperatives. 2. The programme implemented as planned. 3. reports submitted		n/a	nil	Production plans Quarterly progress and Monitoring reports	Director: IPED
Big Irrigation schemes				LED - 18	Number of irrigation schemes supported by June 2017					4 Big Irrigation schemes supported , viz. Ncorha/Ohumanco; Qamata; Shiloh and Bilatye	30 June 2017	Achieved : the programme implemented as planned, reports submitted		n/a	nil	Quarterly progress and monitoring reports submitted to the Council structures	Director: IPED
Small Irrigation Schemes				LED - 19	Number of small irrigation schemes supported by June 2017		KPI	500 000,00		4 Small Irrigation Schemes supported vizXonxa/Tshatshu@30 OK; McBride@100K;Mitford @100K; Tentergate @R 100K	30 June 2017	Not Achieved		Target was withdrawn by CHDM. The money was used for big irrigation schemes.	nil	Production plans, Quarterly progress and monitoring reports	Director: IPED
Mechanisation programme				LED - 20	Support to mechanisation centre		KPI	500 000,00		2		Achieved: Both mechanisation centres were supported.		n/a	nil	Quarterly progress and monitoring reports submitted to the Council structures	Director: IPED

KEY PERFORMANCE AREA (KPA) 3: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (WEIGHTING)																	
Section	Strategic Objective	Measurable Objective	Priority Area	Indicator Code	Indicator	Indicator Definition	Indicator Type	Programme Budget Allocation	Baseline	Annual Target	Annual Target Date	2015/2016 Annual Performance		Reasons for Variance	Mitigating Measures	Portfolio of Evidence Required	Custodian
												Actual Annual Performance	Snapshot				
FLEET MANAGEMENT		To ensure that the fleet is managed in accordance with the Fleet Management Policy.	FLEET MANAGEMENT	MTOD - 1	Number of vehicles procured		KPI	R 20 000 000,00	40 LDVs purchased	46 fleet (21 LDVs: 9 Water tankers; 4 crew cabs; 5 drop sides; 1 - 16 seater; 2 TLBs; 2 Jetting machines; 2 Executives)	30 June 2017	38 Procured and Received : Delays in Jetting Machines and TLB's		Delays in approval of TLB's and also delays in issuing of Bid No in SCM for Jetting Machine. To be advertised on 14th July 2017	Order received for TLB's. Advert to be issued for Jetting Machine	Delivery notes	Director: Corporate Services
				MTOD - 2	Number of fleet management and maintenance reports submitted		KPI	Operational Budget	4	8 reports submitted		8 Reports submitted		None	None	Reports submitted to Standing Committee	Director: Corporate Services







Buildings Maintenance and Security Services		To safeguard the municipal assets in compliance with the safety standards	Buildings Maintenance and Security Services	MTOD - 3	Number of buildings constructed and maintained and construction sites established	-	KPI	R 15 000 000,00	4	3 buildings maintained	30 June 2017	6 Building Maintained		Maintenance as a result of assessment and conducive working environment	Needs analysis and SOP implementation informed by prioritization and available resources	Maintenance reports submitted to the Standing Committee	Director: Corporate Services
				MTOD - 4			KPI	R 80 000 000,00	0	1 site establishment	30 June 2017	Appointment of the Contractor : No site Establishment		Notice of Motion: Court interdict by Professional Service Providers.	Finalization of legal matters pertinent to the project	Appointment letter; Progress report submitted to the Standing Committee	Director: Corporate Services
				MTOD - 5		-	KPI	Operational Budget		Draft Security Management Plan Developed	30 June 2017	Not achieved		BAC considered it on the 05/06/17 and refer the bid to BEC for completeness	Finalization of evaluation and adjudication of the bid.	Appointment letter; Report on implementation of the plan submitted to the Standing Committee	Director: Corporate Services




RECORDS MANAGEMENT AND COUNCIL SUPPORT		Safeguarding of information in line with legislation and prescripts	RECORDS MANAGEMENT	MTOD - 6	Acquisition of the Electronic Document Management System (EDMS)		KPI	R 4 000 000,00		Electronic Document Management System acquired	30 June 2017	Not achieved. Cancellation of bid due to non-responsiveness		BAC considered it on the 05/06/17 and cancelled the Bid. Further resolved that the Regulation 32 be followed	Fast-track implementation of Regulation 32	Appointment letters; Attendance registers	Director: Corporate Services
COUNCIL SUPPORT		To render effective administrative support to council and its committees	COUNCIL SUPPORT	MTOD - 7	Council rules of order reviewed and awareness and induction programmes implemented		KPI	Operational Budget		Reviewed rules of order; 3 programmes implemented	30 June 2017	Rules of Order Reviewed. Induction and Training Programme Implemented		None	None	Approved rules of order; Attendance registers for programmes	Director: Corporate Services
LEGAL SERVICES		To provide proactive legal solutions to Council in order to mitigate risks	LEGAL SERVICES	MTOD - 8	Litigation management strategy developed and implemented	-	KPI	R 2 000 000,00	-	1 strategy approved and implemented	30 June 2017	Strategy Approved and implemented		None	None	Appointment letter; List of panel members; Reports on implementation of strategy submitted to standing committee	Director: Corporate Services
				MTOD - 9	Number of draft by-laws submitted to Council and policies developed/ reviewed		KPI			3 draft by laws submitted to Council and 10 policies developed & reviewed	30 June 2017	1 draft by laws and 18 policies developed and reviewed. 6 Strategies approved		A need for additional policies and strategies became critical.	Finalise approval process and engagements on 2 outstanding bylaws	Approved municipal code	Director: Corporate Services




ICT		To ensure development, management and security of ICT infrastructure	ICT SERVICES	MTOD - 10	Completion of Workstudy and implementation of recommendations	-	KPI	R 1 500 000,00	-	Workstudy completed	30 June 2017	Workstudy Completed and implemented		None	None	Approved workstudy report; Appointment letter; Report on integration of systems submitted to the Standing Committee	Director: Corporate Services
				MTOD - 11	Network Infrastructure Upgraded		KPI	R 1 500 000,00		Internet line & Lan upgraded and offices connected to fibre link	30 June 2017	Internet line upgraded and Lan upgraded. Offices connected		None	None	Appointment letter; Report on secured network infrastructure submitted to the Standing Committee	Director: Corporate Services
Employee Wellness		To promote employee wellness within the organisation	Employee Wellness	MTOD - 12	Number of wellness interventions implemented		KPI	R 3 500 000,00	9	9 programmes implemented	30 June 2017	9 programmes implemented		None	None	Attendance Register and Reports	Director: Corporate Services
OHS				MTOD - 13	Number of OHS programmes implemented		KPI	R 11 660 000,00	5	5	30 June 2017	5 Programmes implemented		None	None	Attendance Register and Reports	Director: Corporate Services
				MTOD - 14	Number of Early Childhood Development Centres supported	-	KPI	-	4	4	30 June 2017	4		None	None	Attendance Register and Reports	Director: Corporate Services






				MTOD - 15	Number of HIV and AIDS, STI and TB support groups capacitated		KPI		8	4	30 June 2017	4		None	None	Attendance Register and Reports	Director: Corporate Services
				MTOD - 16	Number of capacity building programmes on HIV, STIs and T.B related aspects implemented		KPI		4	4	30 June 2017	4		None	None	Attendance Register and Reports	Director: Corporate Services
				MTOD - 17	Number of HIV and AIDS workplace committee meetings conducted		KPI		4	4	30 June 2017	4		None	None	Attendance Register and Reports	Director: Corporate Services
				MTOD - 18	Number of Local Municipalities workplace committees provided with technical support		KPI		4	4	30 June 2017	4		None	None	Attendance Register and Reports	Director: Corporate Services
				MTOD - 19	Number of Local Municipalities workplace committees provided with technical support		KPI			4	30 June 2017	4		None	None		
HUMAN RESOURCE DEVELOPMENT	To establish and maintain a skilled labour force guided by policies to function optimally towards the delivery of services to communities	To ensure compliance with the employment equity act.	OHS	MTOD - 20	Number of WSP programmes implemented		KPI	Operational budget	4	16	30 June 2017	18 programmes implemented		None	None	Attendance register; Training outline	Director: Corporate Services






				MTOD - 21	Number of employees undertaking process control learnership		KPI	Operational budget	26	26	30 June 2017	26 employees undertaking process controller learnership		None	None	Appointment letter; Report on implementation of learnership submitted to Standing Committee	Director: Corporate Services
				MTOD - 22	Number of employees undertaking Adult Education and Training Programme		KPI	Operational budget	0	10		No of employees undertaking AET		None	None	List of learners; Report submitted to the Standing Committee	Director: Corporate Services
				MTOD - 23	Number of unemployed graduates participating in internship programme		KPI	Operational budget	40	50	30 June 2017	50 unemployed graduated participated in internship[	None	None	List of interns Report submitted to the Standing Committee	Director: Corporate Services
HUMAN RESOURCES TRANSFORMATION		To ensure sufficient human capital for the operations of the institution		MTOD - 24	Review of Employment Equity Plan		KPI	Operational budget		Approved EEP		Draft EE Plan in place		Delays by the parties to submit inputs after LLF of the 15th June 2017	To be tabled in the Council Meeting.	Attendance Register & Council Resolution	Director: Corporate Services
ORGANISATIONAL DEVELOPMENT		To ensure sufficient human capital for the operations of the institution		MTOD - 25	Number funded vacant positions filled		KPI	Operational budget		50 positions filled	30 June 2017	65 positions filled		Need for human capital identified and prioritised.	None	Appointment letters and reports to Standing Committee	Director: Corporate Services
		To ensure that positions within the district are evaluated.		MTOD - 26	Number of positions evaluated for CHDM		KPI	R 2 500 000,00		55 positions evaluated		66 positions evaluated		New positions required to be evaluated	None	Report submitted	Director: Corporate Services







LABOUR RELATIONS		To ensure compliance with labour relations laws and collective agreement		MTOD - 27	Number of labour relations programmes implemented		KPI	R 500 000,00		4	30 June 2017	4		None	None	Attendance registers; Training outline	Director: Corporate Services
				MTOD - 28	Number of LLF meeting held		KPI	Operational budget	4	4		8		Nature and urgency of matters of mutual interest dictated the need for engagement	None	Attendance registers	Director: Corporate Services
IPED		To ensure sufficient human capital for the operations of the institution	SECTIONAL MANAGEMENT	MTOD - 20 - 01	Percentage compliance with HR policies and prescripts (HoD signed determination)		KPI		100%	100%	30 June 2017	100%		N/A	None	Report on Departmental HR matters submitted to the Municipal Manager	Director: IPED
ENGINEERING							KPI		100%	100%		100%		None	None	Report on Departmental HR matters submitted to the Municipal Manager	Director: Engineering
MUNICIPAL MANAGERS OFFICE							KPI		100%	100%		100%		None	None	Report on Departmental HR matters submitted to the Municipal Manager	CFO
HEALTH & COMMUNITY SERVICES							KPI		100%	100%		100%		None	None	Report on Departmental HR matters submitted to the Municipal Manager	Director: Health and Community Services







FIRE SERVICES		Ensure compliance with the Fire Brigade Act 99 of 1987, SANS 10090 and other relevant legislations	FIRE SERVICES	MTOD - 29	Number of FIRE RELATED trainings conducted		KPI			3	30 June 2017	1		Training scheduled for the 1st quarter of the new FY.	Training will be prioritised in the new financial year and budget has been set aside for such process.	Appointment letter for the service provider Training Certificates; Attendance register	Director: Health and Community Services
HIV/AIDS COORDINATION		To facilitate reduction of the spread and mitigate the impact of HIV, STI and TB in line with relevant legislation	HIV & AIDS	MTOD - 30	Number of capacity building programmes on HIV, STIs and T.B related aspects implemented internally		KPI			4		HIV and AIDS Internally was transferred to Corporate Services directorate during the adjustment period		HIV and AIDS Internally was transferred to Corporate Services directorate during the adjustment period	HIV and AIDS Internally was transferred to Corporate Services directorate during the adjustment period	Quarterly report; Attendance register	Director: Health and Community Services
				MTOD - 31	Number of HIV and AIDS workplace committee meetings conducted		KPI			4	30 June 2017	HIV and AIDS Internally was transferred to Corporate Services directorate during the adjustment period		HIV and AIDS Internally was transferred to Corporate Services directorate during the adjustment period	HIV and AIDS Internally was transferred to Corporate Services directorate during the adjustment period	Quarterly report; Attendance register	Director: Health and Community Services







KEY PERFORMANCE AREA (KPA) 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (WEIGHTING)																	
Section	Strategic Objective	Measurable Objective	Priority Area	Indicator or Code	Indicator	Indicator Definition	Indicator Type	Programme Budget Allocation	Baseline	Annual Target	Annual Target Date	2015/2016 Annual Performance		Reasons for Variance	Mitigating Measures	Portfolio of Evidence Required	Custodian
												Actual Annual Performance	Snapshot				
AFS AND AUDIT COORDINATION		To ensure timeous submission of accurate AFS		FMV - 1	Number of audit action plans submitted to Council by January		KPI		1	1	30 June 2017	1		N/A	N/A	Council resolution approving the plan	CFO
				FMV - 2	Percentage of audit findings resolved in line with the Audit Action Plan (14/15 and 15/16)		KPI		100%	100%	30 June 2017	60%		audit action plan could not be resolved 100% on time	Some of the issues relates to the prior year issues and are being addressed in the new financial year.	Audit Action Plan Progress Reports to the AG	CFO
				FMV - 3	Number of quarterly Financial Statements submitted to the Standing Committee		KPI		4	3	30 June 2017	1		Only 3 quarterly AFS could be developed.	N/A	AFS Minutes of Council Committee Meetings	CFO








				FMV - 4	Number of Annual Financial Statements submitted within prescribed timeframes		KPI		2	2	30 June 2017	2		N/A	N/A	AFS; Proof of submission to AG	CFO
ASSET MANAGEMENT				FMV - 5	Number of fixed asset reconciliations conducted to update the fixed Asset Register		KPI		12	12	30 June 2017	12		N/A	N/A	Signed Quarterly Report submitted to the council Committee	CFO
				FMV - 6	Number of Reviewed Asset Management Policies submitted to Council		KPI		2	2	30 June 2017	2		N/A	N/A	Policies council resolution approving policies	CFO
				FMV - 7	Number of asset verifications conducted (moveable assets)		KPI		2	2	30 June 2017	1		N/A	N/A	Signed Quarterly Report submitted to the council Committee	CFO
				FMV - 8	Number of asset verifications conducted (infrastructure assets)		KPI		0	1	30 June 2017	1		N/A	N/A	Annual assessment report submitted to council committees	CFO


BUDGET PLANNING AND REPORTING				FMV - 9	Number of reviewed budget policies submitted to Council for approval		KPI		2	2	30 June 2017	0		policy workshop was scheduled for the May and council could only adopt the policies in June 2017	In the new financial year, there will only be budget related policies workshop focusing on the BTO to ensure on time adoption by council.	Budget policies	CFO
				FMV - 10	Number of grant reports submitted to council Committee		KPI		12	12	30 June 2017	12		N/A	N/A	Grant reports	CFO
				FMV - 11	Number of budgets prepared		KPI		4	4	30 June 2017	1		N/A	N/A	Budget report	CFO
BUDGET PLANNING AND REPORTING		To prepare and adopt a Credible Budget		FMV - 11 - 01	Percentage timely contribution to the development of the institutional budget		KPI			100%	30 June 2017	100%		N/A	N/A	Attendance register for budget steering Committee Submissions for corporate services budget proposals	Director: Engineering
				FMV - 11 - 02	Percentage timely contribution to the development of the institutional budget		KPI			100%	30 June 2017	100%		N/A	N/A	Attendance register for budget steering Committee Submissions for corporate services budget proposals	Director: Health and Community Services



				FMV - 12	Number of Section 71 reports prepared		KPI		12	12	30 June 2017	12		N/A	N/A	Section 72 reports	CFO
				FMV - 13	Number of Section 52 reports prepared		KPI	<input type="checkbox"/>	3	3	30 June 2017	3		N/A	N/A	Section 52 reports	CFO
				FMV - 13 - 01	Percentage expenditure of appropriated departmental budget		KPI			100%	30 June 2017	85%		Expenditure reports were delayed due to system closures.	A dedicated personnel has been recruited to ensure timely reports are available to all user departments.	Quarterly expenditure reports	Director: Engineering
EXPENDITURE MANAGEMENT				FMV - 14	Number of Section 72 reports prepared		KPI		1	1%	30 June 2017	1		N/A	N/A	Section 72 reports	CFO
				FMV - 15	Number of creditors reconciliations submitted to the council Committee		KPI		12	12	30 June 2017	12		N/A	N/A	Creditors Reconciliation Minutes of council Committee Meeting	CFO
				FMV - 16	Number of employee cost reconciliations submitted to council Committee		KPI		12	12	30 June 2017	12		N/A	N/A	Employee Cost Reconciliation Minutes of council Committee Meeting	CFO






REVENUE MANAGEMENT			FMV - 17	Number of MFMA Section 65 reports submitted to council committees (monitoring of the 30 day payment period)		KPI		12	12	30 June 2017	12		N/A	N/A	Monitoring reports Minutes of council Committee Meeting	CFO
			FMV - 18	Number of returns submitted to SARS		KPI		26	26	30 June 2017	26		N/A	N/A	Returns SARS Printouts	CFO
			FMV - 19	Collection Rate		KPI		12%	30%	30 June 2017	5%		collection rate is still very low due to the data cleansing process that hasn't commenced	Data cleansing process will commence in 2017/18, service provider is been procured.	Signed Quarterly Reports submitted to the council Committee	CFO
			FMV - 20	Number of reviewed revenue-related policies submitted to Council for approval		KPI		3	4	30 June 2017	4		N/A	N/A	Policies Minutes of Council Meetings	CFO
			FMV - 21	Number of by-laws developed		KPI		0	2	30 June 2017	0		collection rate is still very low due to the data cleansing process that hasn't commenced	Data cleansing process will commence in 2017/18, service provider is been procured	By-laws; Council resolution approving by-laws	CFO
			FMV - 22	Percentage of consumers of billed		KPI		50%	80%	30 June 2017	80%		N/A	N/A	Reports on accounts issued	CFO







EXPENDITURE MANAGEMENT				FMV - 23	Number of debtors reconciliations submitted to the council Committee		KPI		12	12	30 June 2017	12		N/A	N/A	Report to council Committee	CFO
				FMV - 24	Number of indigent households updated on the indigent register annually		KPI		6 335	3 665	30 June 2017	0		The DM was busy with the revenue enhancement plans for the year, the target is now moved to the new financial year in the first quarter.	The DM was busy with the revenue enhancement plans for the year, the target is now moved to the new financial year in the first quarter.	Report to council Committee Indigent Register	CFO
SUPPLY CHAIN MANAGEMENT				FMV - 25	Development of revenue enhancement strategy		KPI		0	1	30 June 2017	1		N/A	N/A	Revenue Enhancement strategy; Minutes of council committees	CFO
				FMV - 26	Number of commitments registers submitted to the Standing Committee		KPI		4	4	30 June 2017	4		N/A	N/A	Commitment Registers; Minutes of Standing Committee Meetings	CFO
				FMV - 27	Number of procurement plans developed		KPI		1	1	30 June 2017	1		N/A	N/A	Procurement Plan	CFO
PROCUREMENT / DEMAND MANAGEMENT				FMV - 27 - 01	Number of departmental procurement plans developed and approved		KPI		1	1	30 June 2017	1		N/A	N/A	Approved departmental procurement plan	Director: Engineering





				FMV - 28	Percentage decrease in deviations from Supply Chain Management Policy		KPI		10%	5%	30 June 2017	5%		N/A	N/A	Report to Standing Committee	CFO
				FMV - 29	Number of Reviewed SCM policies submitted to Council		KPI		3	3	30 June 2017	3		N/A	N/A	Policies council resolution approving policies	CFO
				FMV - 30	Number of Irregular Expenditure Reports submitted to the council Committee		KPI		12	4	31 June 2017	4		N/A	N/A	Irregular Expenditure Reports Minutes of council Committee Meetings	CFO
				FMV - 31	Number of reports on updates conducted on the contract registers submitted to council committees		KPI		12	4	30 June 2017	4		N/A	N/A	Contracts Register	CFO
				FMV - 32	Percentage deviation from approved procurement plan		KPI		20%	10%	30 June 2017			Deviations are still emanating from various departments.	Section 32 of the MFMA will apply with effect from the new financial year.	Report to council Committee	CFO
				FMV - 33	Number of SCM quarterly/annual reports submitted to council committees		KPI		4	5	30 June 2017	5		N/A	N/A	Council Committee minutes	CFO
				FMV - 34	Number of inventory counts and reconciliations conducted		KPI		4	4	30 June 2017	4		N/A	N/A	Council Committee minutes	CFO





FINANCIAL SYSTEMS		Ensuring sound and sustainable management of finances of district in line with National and Provincial norms and standards		FMV - 35	Percentage implementation of the MSCOA project plan		KPI		0%	100%	30 June 2017	100%		N/A	N/A	Report on implementation of the plan submitted to council committee	CFO
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KEY PERFORMANCE AREA (KPA) 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION																	
Section	Strategic Objective	Measurable Objective	Priority Area	Indicator or Code	Indicator	Indicator Definition	Indicator Type	Programme Budget Allocation	Baseline	Annual Target	Annual Target Date	2015/2016 Annual Performance		Reasons for Variance	Mitigating Measures	Portfolio of Evidence Required	Custodian
												Actual Annual Performance	Snapshot				
CLIENT SERVICES		To ensure effective and efficient customer care service		GGPP - 1	Development and approval of customer care strategy		KPI			1 strategy approved by 30 June 2017	30 June 2017	Customer Care strategy approved. Target achieved		N/A	N/A	Draft Customer care strategy; Attendance register; Council resolution on approval of strategy; Report to Mayoral Committee	Strategic Manager
				GGPP - 2	Development and approval of the Customer Care Policy		KPI			1 policy approved by 30 June 2017		Policy approved		N/A	N/A	Draft Customer Care Policy; Attendance register; Council resolution on approval of policy; Report to Mayoral Committee	Strategic Manager



				GGPP - 3	Development and approval of the Customer Care Service Charter		KPI			1 Customer Care Service Charter	30 June 2017	Customer care charter approved		N/A	N/A	Draft Customer Care Service Charter; Attendance register; Council resolution on adoption of Customer Care Service Charter; Attendance registers and reports (including photos)	Strategic Manager
				GGPP - 4	Development of a centralised complaints management system		KPI			Centralised complaints management system		complaints management system centralised		N/A	N/A	SLA with service provider; Reports on systems configuration; Attendance registers	Strategic Manager
COMMUNICATOIN PLANNING				GGPP - 5	Percentage review of Communication Strategy and implementation plan		KPI			100% (Reviewed Communication and Marketing Strategy)	30 June 2017	100% implementation of the communication s and marketing strategy approved.		N/A	N/A	Draft Communication PolicyAttendance RegistersCouncil resolution approving the policy	Strategic Manager
				GGPP - 6	Percentage development of communication policy		KPI			100%		100%		N/A	N/A	Report on implementation of policy submitted to Mayoral Committee	Strategic Manager
				GGPP - 7	Percentage implementation of the communication policy		KPI			50%	30 June 2017	50%		N/A	N/A	Draft Social Media Policy Attendance Registers Council resolution approving the policy	Strategic Manager





				GGPP - 8	Percentage development review and implementation of social media policy		KPI			100%		100% achievement of the target (4 newsletter and leaflets developed)		N/A	N/A	Report on implementation of policy submitted to Mayoral Committee	Strategic Manager
				GGPP - 9	Percentage implementation of the social media policy		KPI			50%		100%		N/A	N/A	Approved newsletters, newslashes, brochures and leaflets	Strategic Manager
				GGPP - 10	Number of internal and external newsletters , newslashes, leaflets, brochures produced		KPI			4	30 June 2017	100%		N/A	N/A	Report on production of branding material submitted to Mayoral Committee	Strategic Manager
				GGPP - 11	Percentage production of branding material		KPI			100%	30 June 2017	100%		N/A	N/A	signed schedule of talk shows, audios for campaigns	Strategic Manager
				GGPP - 12	Percentage of electronic media campaigns undertaken (talk shows, adverts, dramatizations, outside broadcasts)		KPI			100%	30 June 2017	100%		N/A	N/A	Monthly list of all updates made submitted to Executive Management	Strategic Manager
				GGPP - 13	Percentage Maintenance of the website		KPI			100%	30 June 2017	50% achieved		Strategy is in the draft form and not yet taken to council for adoption.	will be tabled to council for adoption in the first quarter of the new financial year	Draft Reviewed Public Participation Strategy Attendance Registers Council Resolution approving reviewed strategy	Strategic Manager




				GGPP - 14	Percentage contribution toward public participation activities		KPI		100%	30 June 2017	100%		N/A	N/A	Approved Events Schedule Reports submitted to the Mayoral Committee	Strategic Manager
				GGPP - 15	Percentage of municipal events communicated and marketed		KPI	100%	100%	30 June 2017	100%		N/A	N/A	Approved Events Schedule Reports submitted to the Mayoral Committee	Strategic Manager
PERFORMANCE MANAGEMENT		Strengthen Institutional Performance planning, Monitoring and Evaluation		GGPP - 16	Number of institutional performance reports submitted to oversight structures		KPI	1	1	30 June 2017	1		N/A	N/A	Performance report	Strategic Manager
				GGPP - 16-01	Number of quarterly performance reports submitted on time (with POE)		KPI	4	4	30 June 2017	Quarterly performance report submitted on time		N/A	N/A	Proof of submission to the Office of the Municipal Manager	Director: IPED






				GGPP - 17	Number of SDBIP developed and submitted within prescribed timeframes		KPI		2	2	30 June 2017	2		N/A	N/A	SDBIP and a revised SDBIP	Strategic Manager
				GGPP - 18	Number of statutory performance reports compiled and submitted to oversight structures		KPI		2	2	30 June 2017	2		N/A	N/A	Mid-year performance report and Annual report	Strategic Manager
		To implement at least four anti-fraud and corruption initiatives per annum		GGPP - 19	Number of Anti-Fraud and Corruption prevention initiatives undertaken		KPI		4	4	30 June 2017	4 risk reports submitted		N/A	N/A	Report on Initiatives Implemented	Strategic Manager
		To submit four Strategic and Operational Risk Evaluation reports on an annual basis		GGPP - 20	Number of Strategic and Operational Risk Evaluation Reports compiled		KPI		4	4	30 June 2017	4 Risk monitoring reports submitted		N/A	N/A	Quarterly Strategic and Operational Risk Evaluation Report	Strategic Manager








							KPI		1	1		Target Achieved updated risk register submitted		N/A	N/A	Updated risk register submitted to the risk management committee	Strategic Manager
		To facilitate an annual Risk Assessment workshop for the 17/18 FY		GGPP - 21	Risk Register for the 17/18 FY		KPI		1	1	30 June 2017	1 annual risk assessment conducted.		N/A	N/A	Strategic and Operational Risk Assessment Report for the 17/18 FY	Strategic Manager
		Development of Compliance Register		GGPP - 22	Compliance Register		KPI		1	1		1 compliance register developed and adopted by council.		N/A	N/A	Approved Compliance Register	Strategic Manager
INTERNAL AUDIT FUNCTION		To improve internal control environment		GGPP - 23	Number of internal audit projects executed by June 2017		KPI		16	16 projects	30 June 2017	21 projects executed		11 Risk based Audit Reports were issued during the year under review and a total of 5 Mandatory Audit Projects were carried out and reports issued to management, Namely Quarterly Performance Audits (4) and Risk Management. There were 3 Ad-hoc requests carried out relating to the audit of previously reported irregular		Internal Audit Report submitted to Audit Committee and Performance Audit Committee	Strategic Manager









													expenditure from 2012/13, 2013/14, 2014/15 and 2015/16. Follow up audit for both AG's and internal audit recommendations were conducted. Outstanding projects for 2015/16 were completed namely ICT audit.				
					GGPP - 24	% Internal Audit Requests attended to from Local Municipalities		KPI		100%	30 June 2017	Needs assessment for all Local Municipalities conducted. A support implementation plan developed for 2016/17.A workshop / training on MSCOA for ALL LM's internal auditors was convened, which was coordinated through CHDM.			The plan will be implemented in phases	N/A	Letter of request from Local Municipalities Quarterly report submitted to the audit committee
INTERGRATED DEVELOPMENT PLAN	To ensure forward planning for the district in compliance with legislation	Development and Review of 5yr Integrated development plan		GGPP - 25	Development of the new 5 year IDP		KPI	500 000,00	A	100%		100%		N/A	N/A		









MUNICIPAL INTERNATIONAL RELATIONS PROGRAMME		To foster development al relations with other municipalities through twinning and partnership arrangements		GGPP - 26	Development of the International Relations Framework		KPI			International Relations Framework Approved by Council by 30 June 2017		Draft International relations Framework available but not approved by Council		The document was developed however the stakeholder consultations were not completed owing to the policy workshop to be convened.	The target has been prioritised for the 1st quarter of the 17/18 FY	Appointment letter of SP; Draft International Relations Framework; Attendance registers and agenda; Council resolution approving final framework	Strategic Manager
WATER SERVICES PLANNING				GGPP - 27	Review of the WSDP		KPI			1		1		Non- sitting of Infrastructure Standing Committee	Completed and ready for submission to Infrastructure Standing Committee for noting and submission to Mayoral Committee	Council resolution/Standing Committee report	Director: Engineering
		To ensure sustainable water services provision		GGPP - 28	Number of Operations and Maintenance Plan developed		KPI			1 O&M Plan Approved		1		The plan has been deferred to administration for approval	Completed needs Municipal Managers approval	Council resolution/Standing Committee report	Director: Engineering
				GGPP - 29	Number of risk abatement plans developed		KPI			16	30 June 2017	1		N/A	N/A	Attendance registers Risk report Draft Risk Abatement plans Approved risk abatement plans	Director: Engineering






				GGPP - 30	Number of water safety plans developed		KPI			19	30 June 2017	Final water safety plans (19)		N/A	N/A	Attendance registers Risk report Draft water safety plans Approved water safety plans	Director: Engineering
				GGPP - 31	Number of process audits conducted		KPI			32	30 June 2017	Final process audit documents (32)		N/A	N/A	Attendance registers Risk report Draft process audits Approved process audits	Director: Engineering
CLIMATE CHANGE		legislative framework		GGPP - 32	Number of Climate Change Response Strategies reviewed		KPI			1	30 June 2017	1 strategy reviewed		N/A	N/A	Council resolution adopting strategy	Director: Health and Community Services

				GGPP - 33	Number of Integrated Waste Management Plans developed		KPI			1		1 strategy reviewed		N/A	N/A	Council resolution adopting strategy	Director: Health and Community Services
ENHANCE INTERGOVERNMENTAL RELATIONS WITHIN THE DISTRICT				GGPP - 34	% implementation of DIMAFO resolutions per quarter		KPI			100%	30 June 2017	100%		N/A	N/A	Attendance Registers Minutes of the meetings Resolutions register	Strategic Manager
				GGPP - 35	% implementation of Speaker's and Chief Whips and MPAC Chairs Forum resolutions per quarter		KPI			100%		100%		N/A	N/A	Attendance Registers Minutes of the meetings Resolutions register	Strategic Manager
				GGPP - 36	% implementation of the Technical IGR resolutions per quarter		KPI			100%	30 June 2017	100%		N/A	N/A	Attendance Registers Minutes of the meetings Resolutions register	Strategic Manager
				GGPP - 37	% implementation of the District Communicator's Forum resolutions per quarter		KPI			100%		100%		N/A	N/A	Attendance Registers Minutes of the meetings Resolutions register	Strategic Manager
										100%							

				GGPP - 38	% implementation of the SPU Forums resolutions per quarter		KPI			100%	30 June 2017	100%		N/A	N/A	Attendance Registers Minutes of the meetings Resolutions register	Strategic Manager
				GGPP - 39	% of the District Communication Forum resolutions distributed to local municipalities		KPI			100%	30 June 2017	100%	 <input type="checkbox"/>	N/A	N/A	Attendance Registers Minutes of the meetings Resolutions register	Strategic Manager
MUNICIPAL SUPPORT SERVICES				GGPP - 40	No of IDP Rep Forum meetings held by June 2015		KPI			4 meetings per annum	30 June 2017	4 meetings held		N/A	N/A	Approved Resolutions register	Strategic Manager
				GGPP - 41	No of Housing Forum meetings held by June 2017		KPI			4 meetings per annum	30 June 2017	4 meetings held		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
				GGPP - 42	No of Town Planners Forum meetings held by June 2017		KPI			4 meetings per annum	30 June 2017	4 meetings held		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
				GGPP - 43	No of Tourism Forum meetings held by June 2017		KPI			4 meetings per annum	30 June 2017	4 meetings held		N/A	N/A	Attendance registers; Photos	Director: Health and Community Services
				GGPP - 44	No of SMME and Cooperative Forum meetings held by June 2017		KPI			4 meetings per annum	30 June 2017	4 meetings held		N/A	N/A	Attendance registers; Photos	Director: Health and Community Services

				GGPP - 45	No of LED Forum meetings held by June 2017		KPI		4 meetings per annum		4 meetings held		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
				GGPP - 46	No of Agriculture Forum meetings held by June 2017		KPI		4 meetings per annum	30 June 2017	4 meetings held		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
				GGPP - 47	No of reference group by June 2017		KPI		4 meetings per annum		4 meetings held		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
DISASTER MANAGEMENT				GGPP - 48	Number of Disaster Management Advisory Forum meetings held by June 2017		KPI		4 meetings held	30 June 2017	4		N/A	N/A	Attendance registers	Director: Health and Community Services
				GGPP - 49	Number of disaster management ward structures established		KPI		10		11		N/A	N/A	List of elected members	Director: Health and Community Services
ENVIRONMENTAL MANAGEMENT AND CLIMATE CHANGE				GGPP - 50	No of quarterly Climate Change Forum meetings held by June 2015		KPI		4 meetings	30 June 2017	4 meetings	 <input type="checkbox"/>	N/A	N/A	Attendance registers	Director: Health and Community Services
DIDTRICT HEALTH COUNCIL				GGPP - 51	Number of quarterly DHC meetings conducted by June 2017		KPI		4 meetings		4 meetings		N/A	N/A	Attendance registers	Director: Health and Community Services
HIV/AIDS COORDINATION (EXTERNAL)				GGPP - 52	Number of DAC meetings held by June 2017		KPI		4 DAC meetings held	30 June 2017	4 meetings		N/A	N/A	Attendance registers	Director: Health and Community Services

ANTI-POVERTY PROGRAMME				GGPP - 53	Number of anti-poverty forum meetings held by June 2017		KPI		4 meetings held	4 meetings held		4 meetings		N/A	N/A	Attendance register	Director: Health and Community Services
MUNICIPAL HEALTH SERVICES				GGPP - 54	Number of health and hygiene awareness campaigns conducted		KPI			40	30 June 2017	48		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
				GGPP - 55	Number of environmental health awareness days observed		KPI			4		4		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
ENVIRONMENTAL MANAGEMENT AND CLIMATE CHANGE				GGPP - 56	Number of Climate Change and Environmental awareness campaigns conducted		KPI			8	30 June 2017	8		N/A	N/A	Attendance registers; Photos	Director: Health and Community Services
				GGPP - 57	Number of Environmental Days observed		KPI			3		3		N/A	N/A	Attendance registers; Photos	Director: Health and Community Services
DISASTER MANAGEMENT				GGPP - 58	Number of disaster awareness programmes implemented		KPI			100	30 June 2017	100		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
				GGPP - 59	Number of International Days for Disaster Reduction programmes conducted		KPI			1		1		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services
FIRE SERVICES				GGPP - 60	Number of fire awareness programmes conducted		KPI			24	30 June 2017	32		N/A	N/A	Reports; Attendance registers	Director: Health and Community Services

HIV/AIDS COORDINATION (EXTERNAL)				GGPP - 61	Number of Local Municipalities workplace committees provided with technical support		KPI			4		4		N/A	N/A	Quarterly report; Attendance register	Director: Health and Community Services
				GGPP - 62	Number of Local AIDS Councils/ stakeholders provided with technical support		KPI			4		4		N/A	N/A	Quarterly report; Attendance register	Director: Health and Community Services
				GGPP - 63	Number of Local Municipalities workplace committees provided with technical support		KPI			4	30 June 2017	4 meetings		N/A	N/A	Attendance registers; List of members	Director: Health and Community Services
				GGPP - 64	Number of Local AIDS Councils/ stakeholders provided with technical support		KPI			4		4		N/A	N/A	Quarterly report; Attendance register	Director: Health and Community Services
DISASTER MANAGEMENT				GGPP - 65	Number of local disaster management advisory forums established/revived		KPI			4	30 June 2017	4 meetings		N/A	N/A	Attendance registers; List of members	Director: Health and Community Services

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCITON

Chapter 7 Section 51 of the Municipal Systems Act 32 of 2000, mandates the Municipality to establish and organise its administration in a manner that would enable the municipality to be responsive to the needs of the local community. Furthermore, sec 67(1) of the MSA compels the municipality to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration.

The strategic objective of the department is to establish and maintain a skilled, healthy labour force guided by relevant policies, systems, procedures that are geared towards realising the needs of the communities. Municipal transformation and organisational development is key to service delivery, hence much emphasis is on implementation of Batho Pele principles in all municipal structures, systems, procedures, policies and strategies.

T 4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	20115/2016	2016/2017			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	101	221	154	67	
Waste Water (Sanitation)	21	81	27	54	
Electricity	n/a	n/a	n/a	n/a	
Waste Management	n/a	n/a	n/a	n/a	
Housing	1	3	1	2	
Waste Water (Storm water Drainage)	179	175	175	0	
Roads	35	53	28	25	

Transport	3	7	3	4	
Planning (Integrated Development)	3	3	3	0	
Local Economic Development	5	11	9	2	
Planning (Strategic & Regulatory)	4	6	4	2	
Community & Social Services	5	5	5	0	
Environmental Protection (Municipal Health & Environmental Management)	37	40	35	5	
Health (Emergencies)	14	22	20	2	
Security & Safety	8	6	6	0	
Sport and Recreation		nil			
Corporate Policy Offices and Other	152	328	208	48	
Totals	568	961	678	211	
					<i>T 4.1.1</i>

Vacancies Rate 2016/2017			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (As a proportion of total post in each category) %
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Posts (excluding Finance Posts)	5	0	0
Other S57 Posts (Finance Posts)	0	0	0
Police Officers	n/a		
Fire Fighters	8	0	0
Senior Management Levels 14 - 17 (excluding Finance Posts)	62	10	15%
Senior Management Levels 14 - 17 (Finance Posts)	9	2	44%
Highly Skilled Supervision Levels 9 – 13 (excluding Finance Posts)	178	37	8%
Highly Skilled Supervision Levels 9 -13 (Finance Posts)	28	3	26%
Totals	295	52	12%
			<i>T 4.1.2</i>

Turn Over Rate			
Details	Total Appointments	Terminations	Turn-over Rate*
2013/2014	43	24	56%
2014/2015	33	39	118%
2015/2016	21	33	157%
2016/2017	65	47	157%
			<i>T 4.1.3</i>

COMMENT ON VACANCIES AND TURNOVER

The Chris Hani District Municipality has been successful in filling vacant positions during the 2016/2017 financial year.

T 4.1.4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Workforce management is part of the broader organisational management strategy which seeks to amongst others ensure that there is a defined process of accountability as well as adequate procedures to deal with administrative matters. To this end, the municipal council has approved a number of policies and procedures aimed at improving management and administration affairs within the municipality. Tabulated below are the policies that are in place:

T 4.2.0

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action		100%	
2	Attraction and Retention		100%	
3	Code of Conduct for employees		100%	
4	Delegations, Authorisation & Responsibility (Supply Chain Management Policy)		100%	
5	Disciplinary Code and Procedures		100%	SALGBC Main Collective Agreement on Conditions of Services
6	Essential Services			
7	Employee Assistance / Wellness	100%		25 June 2014
8	Employment Equity			
9	Exit Management			
10	Grievance Procedures	100%		SALGBC Main Collective Agreement on Conditions of Services
11	HIV/Aids Workplace	100%		26 Feb 2014
12	Human Resource and Development	100%		27 May 2009
13	Information Technology	100%		26 Feb 2014
14	Job Evaluation	100%		25 June 2013
15	Leave and Attendance	100%		25 June 2013
16	Occupational Health and Safety	100%		26 Feb 2014
17	Official Housing			
18	Subsistence and Travelling		100%	26 Feb 2014
19	Bereavement	100%		25 June 2014
20	Overtime		100%	25 June 2015
21	Organisational Rights	100%		SALGBC Main Collective Agreement on conditions of services
22	Payroll Deductions			

23	Performance Management and Development	100%		
24	Recruitment and Selection		100%	25 June 2015
25	Remuneration Scales and Allowances	100%		South African Local Government Bargaining Council
26	Relocation	100%		25 June 2013
27	Sexual Harassment	100%		27 May 2009
28	Skills Development and Training	100%	100%	25 June 2015
29	Smoking	100%		27 May 2009
30	Special Skills			
31	Work Organisation			
32	Uniforms and Protective Clothing			
33	Other: Employee Study Assistance	100%		
34	Transport allowance Policy	100%		25 June 2015
35	Termination of Service	100%		25 June 2015

T 4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT

Whilst a number of policies have been developed and/or reviewed, some remain obsolete and hence need revision. Resources will be allocated in the next financial year to ensure that these are attended to as per the plan of the municipality for the next year.

T 4.2.1.1

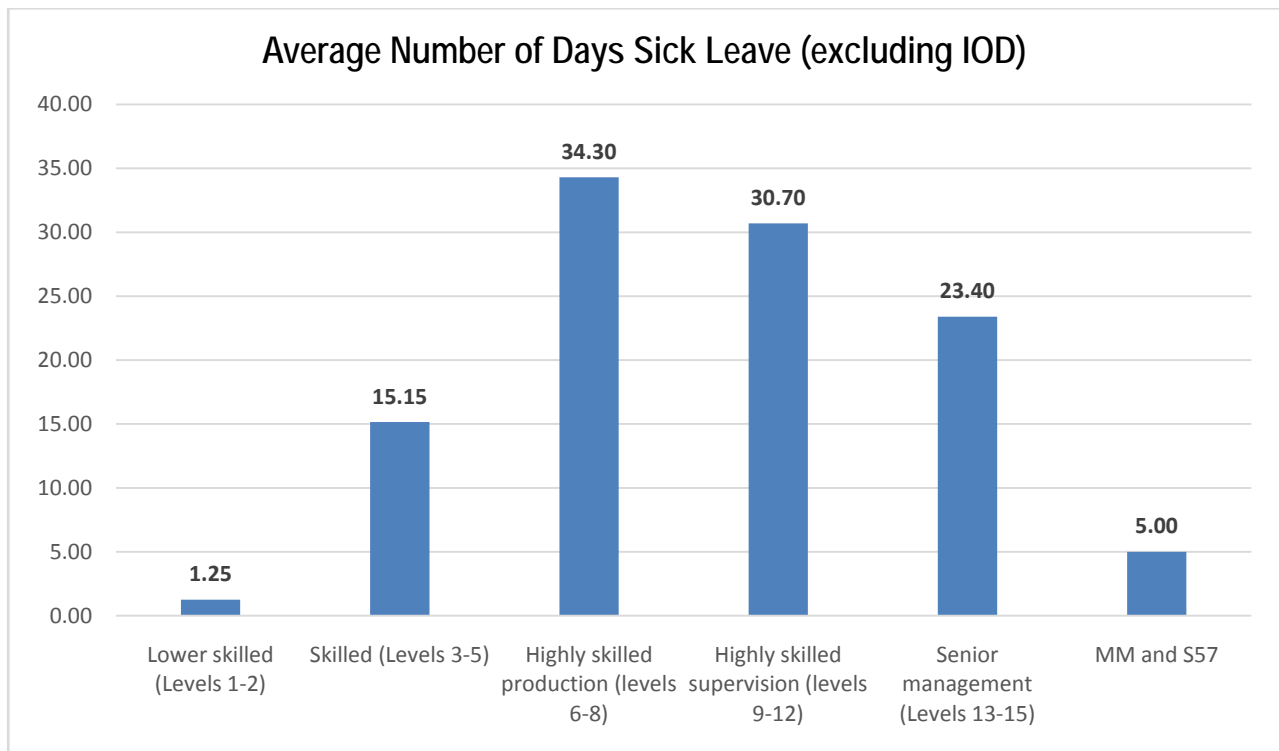
4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	none	none	none	none	0
Temporary total disablement	none	none	none	none	0
Permanent disablement	none	none	none	none	0
Fatal					
Total	0	0		0	0

T 4.3.1

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 not finalised	Date finalised
Manager: Business Development	Gross Dishonesty, Gross Misrepresentation	15-26 May 2017	Final written warning and 10 days suspension without pay	Finalised

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	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
Lower skilled (Levels 1-2)	350	1%	11	280	1.25	
Skilled (Levels 3-5)	1500	7%	80	99	15.15	
Highly skilled production (levels 6-8)	4050	31%	90	118	34.3	
Highly skilled supervision (levels 9-12)	3501	56%	180	114	30.7	
Senior management (Levels 13-15)	960	14%	36	41	23.4	
MM and S57	30	0%	3	6	5	
Total	10391	18%	400	658		0
						T 4.3.2



T 4.3.3

COMMENT ON INJURY AND SICK LEAVE

All personal records of staff are maintained with regards to injury and sick leave.

T 4.3.4

Number and period of suspensions			
Position	Nature of alleged misconduct	Disciplinary action taken	Date finalised
N/A			T4.3.5

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
N/A			T4.3.6

TABLE 51: DISCIPLINARY CASES TAKEN ON CASES OF FINANCIAL MISCONDUCT

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT

For the financial year under review, there were no suspensions and disciplinary action taken against staff for financial misconduct.

T 4.3.7

4.4 PERFORMANCE REWARDS

COMMENT ON PERFORMANCE REWARDS

The municipality has, as a response to the call by municipal council, set in place a process of cascading performance management to levels below Section 57 management. During the year under review, intensive engagements with all affected stakeholders were undertaken and a draft policy to deal with performance management was developed. It is anticipated that early in the next financial year, the policy will be adopted by council and implemented accordingly. Therefore, no performance bonuses were awarded for the year under review for lower level employees. With respect to Section 57 managers (including the municipal manager), once the final annual report has been approved by council, a formal process of assessing the performance of these managers will ensue after which panel recommendations on the awards will be submitted to council for consideration.

T 4.4.1.1

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO THE WORKFORCE CAPACITY DEVELOPMENT

Work Place Skills Development Plan was adopted by Council for the current financial year and has been implemented.

The Municipality also implemented a number of skills development-related programmes, which include:

- Implementation of the Workplace Skills Plan 2016/17;
- Internships Programme
- Learnerships
- Study Assistance Programme
- National Treasury Minimum Competency Requirement

Thirty two [32] unemployed graduates are continuing with a two year internship programme ending in September 2017. The advert has been issued for 2017/2018 intake.

Twenty Six employees from Engineering has been started on Water & Waste Water Treatment Learnership at NQF level 2 with Water Academy for a period of a year.

Ten [10] students received experiential training for the duration of Three 3 months in the following fields as part of their curriculum. The fields are Water & Waste Water Reticulation and Environmental Health.

The municipality has implemented its approved Workplace Skills Plan in the previous financial year. Two hundred and thirty eight [238] Employees have received training within this financial year at a cost of R 1020163.60 A total of fifteen [15] training interventions were implemented.

As part of building capacity of the workforce the District is providing study assistance to those employees who wish to further their studies. The above is of assistance to both the employee and the organization in that when the skills of employees are enhanced also the

level of performance or productivity is also improved. Within this current financial year eighteen [18] employees have received assistance to further their studies in the following fields:

- Environmental Health
- Financial Field
- Engineering
- HRD
- Health and Community Services
- IPED (Agriculture)
- Public Management

T 4.5.0

Management level	Gender	Employees in post as at 30 June Year 0 No.	Skills Matrix																	
			Number of skilled employees required and actual as at 30 June Year 0																	
			Learnerships					Skills programmes & other short courses					Other forms of training					Total		
			Actual: End of Year -1	Actual: End of Year 0	Year 0 Year 0	Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Year 0	Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Year 0	Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Year 0	Target		
MM and s57	Female	3																		
	Male	3																		
Councillors, senior officials and managers	Female	29																		
	Male	35																		
Technicians and associate professionals*	Female	32																		
	Male	80																		
Professionals	Female	52																		
	Male	49																		
Sub total	Female	116																		
	Male	167																		
Total		283			0		0		0											

*Registered with professional Associate Body e.g CA (SA)

T 4.5.1

TABLE 52: Skills Matrix

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 of 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 prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	48	0	48	36	4	36
<i>Any other financial officials</i>	16	0	16	1	0	1
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	1	0	1
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	67	0	67	40	6	40

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

T 4.5.2

TABLE 53: Progress Report

Skills Development Expenditure

R'000

Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female				1500000.00	1020163.60			1500000.00	1020163.60
	Male									
Legislators, senior officials and managers	Female									
	Male									
Professionals	Female									
	Male									
Technicians and associate professionals	Female									
	Male									
Clerks	Female									
	Male									
Service and sales workers	Female									
	Male									
Plant and machine operators and assemblers	Female									
	Male									

Elementary occupations	Female	3									
	Male	23									
Sub total	Female										
	Male										
Total		238	0	0	1500000.00	1020163.60	0	0	1500000.00	1020163.60	

**% and *R value of municipal salaries (original budget) allocated for workplace skills plan.*

1.0%* *R 11651454.55

T4.5.3

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

The Workplace Skills and Development Plan was adopted by Council and implemented. A number of skills development-related programmes were also implemented.

Of the budget of R 1 500 000.00 a total of R 1 020 163.60, or 68% of the budget, was spent.

T 4.5.4

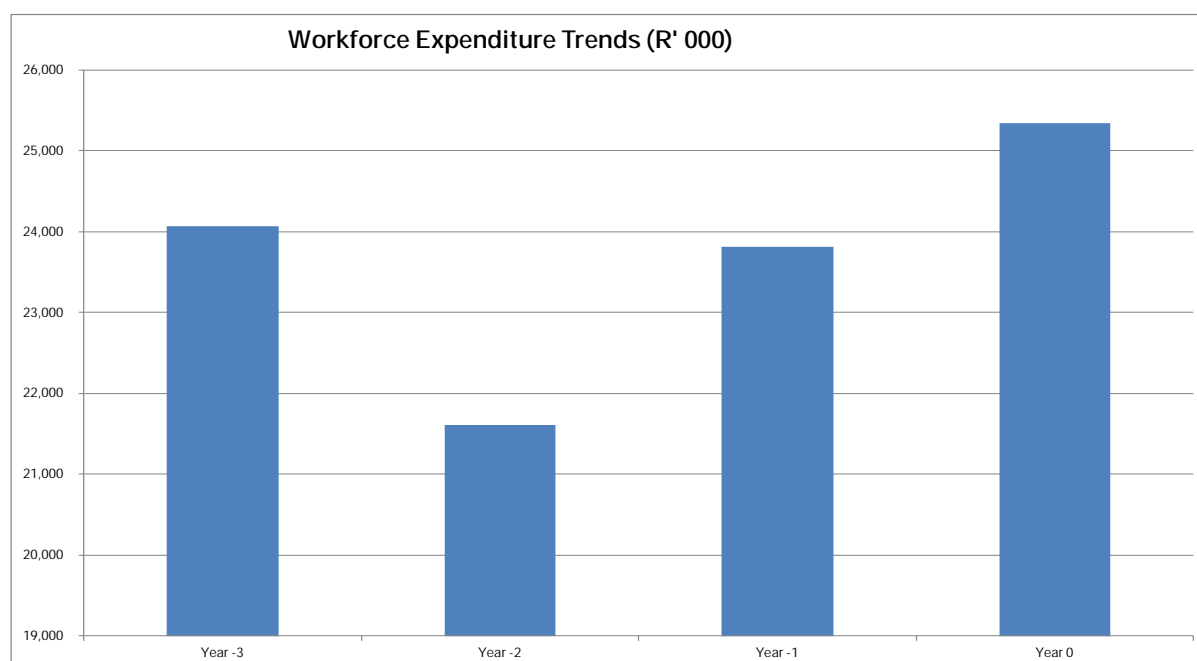
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The Chris Hani District Municipality has made considerable efforts to ensure that the expenditure on workforce does not exceed the acceptable norm as determined by National Treasury. As such, the expenditure on employees as a percentage of the total budget for the year remains below the 35% threshold. This suggests that the municipality has the ability to maintain the staff complement it needs whilst not compromising on the expenditure on service delivery.

T 4.6.0

4.6 EMPLOYEE EXPENDITURE



GRAPH 14: EMPLOYEE EXPENDITURE

T 4.6.1

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

A process of grading all positions within the municipality was undertaken and consequently, all positions within the institution are graded.

DISCLOSURES OF FINANCIAL INTEREST

See Appendix J

CHAPTER 5 FINANCIAL PERFORMANCE

INTRODUCITON

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises three components:

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

T 5.0.1

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCITON TO FINANCIAL STATMENTS

This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

T 5.1.0

5.1 STATEMENT OF FINANCIAL PERFORMANCE

Reconciliation of Table A1

Budget Summary

Description	2016/2017											2015/2016			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates			–			–									
Service charges	176 404	–	176 404			176 404	208 089								
Investment revenue	28 284	3 000	31 284			31 284	37 255								
Transfers recognised - operational	607 504	20 694	628 198			628 198	583 608								
Other own revenue	81 362	–	81 362			81 362	89 595								
Total Revenue (excluding capital transfers and contributions)	893 554	23 694	917 248				918 548								
Employee costs	312 011	13 027	325 038			325 038	240 978								
Remuneration of councillors	11 954	(209)	11 744			11 744	5 600								
Debt impairment	–		–			200 000	44 876								
Depreciation & asset impairment	130 000	28 000	158 000			158 000	215 809								
Finance charges	400	700	1 100			1 100	146								
Materials and bulk purchases	17 050	6 000	23 050			23 050	21 589								
Transfers and grants	18 540	1 970	20 510	–		20 510	123 875								
Other expenditure	724 289	66 133	790 422			790 422	484 358								
Total Expenditure	1 214 243	115 621	1 329 864												
Surplus/(Deficit)	(320 689)	(91 927)	(412 616)												
Transfers recognised - capital	505 173	188 770	693 942			693 942	668 982								
Contributions recognised - capital & contributed assets			–			–									
Surplus/(Deficit) after capital transfers & contributions	184 484	96 843	281 327												

Share of surplus/ (deficit) of associate			-			-								
Surplus/(Deficit) for the year	184 484	96 843	281 327				-	-						
<u>Capital expenditure & funds sources</u>														
Capital expenditure	634 700		634 700											
Transfers recognised - capital	505 173		505 173			505 173	668 982							
Public contributions & donations			-			-								
Borrowing			-			-								
Internally generated funds	129 527	(9 299)	120 228			120 228	78 454							
Total sources of capital funds	634 700	179 471	814 171											
<u>Cash flows</u>														
Net cash from (used) operating	690 132	(185 608)	504 524			504 524	526 196							
Net cash from (used) investing	(602 965)	12 109	(590 856)			(590 856)	(683 130)							
Net cash from (used) financing			-			-								
Cash/cash equivalents at the year end	450 660	(185 418)	265 242			(86 332)	(156 933)							
T 5.1.1														

Notes

3 = sum of column 1 and 2

2 represents movements in original budget to get to final adjustments budget (including shifting of funds)

Virements must offset each other so that virements in Total Expenditure equals zero

6 = sum of column 3, 4 and 5

8 does not necessarily equal the difference between 9 and 8 because overspending is not the only reason for unauthorised expenditure

9 = 7 - 6

10 = (7/6)*100

11 = (9/1)*100

14 = 13 - 12

15 in revenue equals Audited Outcome plus funds actually recovered

15 in expenditure equals Audited Outcome less funds actually recovered

15 in Cash Flow equals Audited Outcome plus funds recovered

Financial Performance of Operational Services						
Description	R '000					
	2015/2016	2016/2017			Year 0 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment s Budget
Operating Cost						
Water	131 004	559 363	539 543	484 210	-15.52%	-11.43%
Waste Water (Sanitation)	39 881	7 897	9 644	9 708	18.65%	0.66%
Electricity	-	-	-	-		
Waste Management	-	-	-	-		
Housing	-	-	-	-		
Component A: sub-total	170 885	567 260	549 187	493 918	-14.85%	-11.19%
Waste Water (Stormwater Drainage)	-	-	-	-		
Roads	2 046	5 732	5 932	12 789	55.19%	53.62%
Transport	-	-	-	-		
Component B: sub-total	2 046	8 455	8 624	9 554	11.50%	9.73%
Planning	2 586	7 528	7 630	1 563	-	-388.15%
Local Economic Development	7 848	7 001	7 091	11 299	381.63%	37.24%
Component B: sub-total	10 433	14 529	14 720	12 862	-12.96%	-14.45%
Planning (Strategic & Regulatory)	-	-	-	-		
Local Economic Development	-	-	-	-		
Component C: sub-total	-	-	-	-		
Community & Social Services	4 412	5 471	5 664	4 070	-34.41%	-39.14%
Environmental Protection	18 168	24 441	24 057	28 225	13.41%	14.77%
Health	3 538	2 956	3 013	3 262	9.37%	7.61%
Security and Safety	-	-	-	-		
Sport and Recreation	-	-	-	-		
Corporate Policy Offices and Other	1 222 746	591 132	634 598	571 196	-3.49%	-11.10%
Component D: sub-total	1 248 865	623 999	667 332	606 754	-2.84%	-9.98%
Total Expenditure	1 432 229	1 214 243	1 239 863	1 123 088	-8.12%	-10.40%
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						
						T 5.1.2

COMMENT ON FINANCIAL PERFORMANCE

The only Cost Component with a variance of more than 10% is Planning with a variance of 12% because of funding required to implement SPLUMA.

T 5.1.3

5.2 GRANT PERFORMANCE

Grant Performance

R' 000

Description	2015/2016	2016/2017			Year 0 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	33 977	574 404	595 915	24 756		
Equitable share	21 565	485 308	485 308	17 303		
Municipal Systems Improvement	4 524	1 040	–	2 182		
Department of Water Affairs	6 665			4 283		
Levy replacement	1 222			988		
FMG, EPWP, MIG, Rural Road Asset, Roads Dept		88 056	110 607			
Provincial Government:	18 925	33 100	31 275	5 994		
Health subsidy	8 645	5 300	3 475	3 786		
Housing	4 865			1 502		
Ambulance subsidy	846			219		
Sports and Recreation	4 568			489		
FMG, EPWP, MIG, Rural Road Asset, Roads Dept		27 800	27 800			
District Municipality:	–	–	1 008	–		
<i>C O G T A</i>			1 008			
Other grant providers:	–	–	–	–		
<i>[insert description]</i>						
Total Operating Transfers and Grants	52 902	607 504	628 198	30 751		
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.</i>						

T 5.2.1

COMMENT ON OPERATING TRANSFERS AND GRANTS

The Operating Transfers and Grants received from National and Provincial Government were 58% less than the previous financial year.

T 5.2.2

5.3 ASSET MANAGEMENT

INTRODUCITON TO ASSET MANAGEMENT

The Asset Management Division is responsible for the development and implementation of the Asset Management Policy of the Chris Hani District Municipality. It also manages the development, updating and maintenance of the asset register for the entire CHDM. Financial reporting of assets in terms of the applicable accounting standards resides within this division. It also facilitates the development and implementation of the Asset Management and Maintenance Plans for the different categories of assets.

The asset management functions of the Accounting Officer in terms of Chapter 8 of the MFMA as well as those of the Chief Financial Officer in terms of Chapter 9 of the MFMA are implemented by this division. This division also monitors the insurance profile of the municipality and loss of assets.

T 5.3.1

Repair and Maintenance Expenditure: 2016/2017				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	60687000	66117000	128	100%
				<i>T 5.3.4</i>

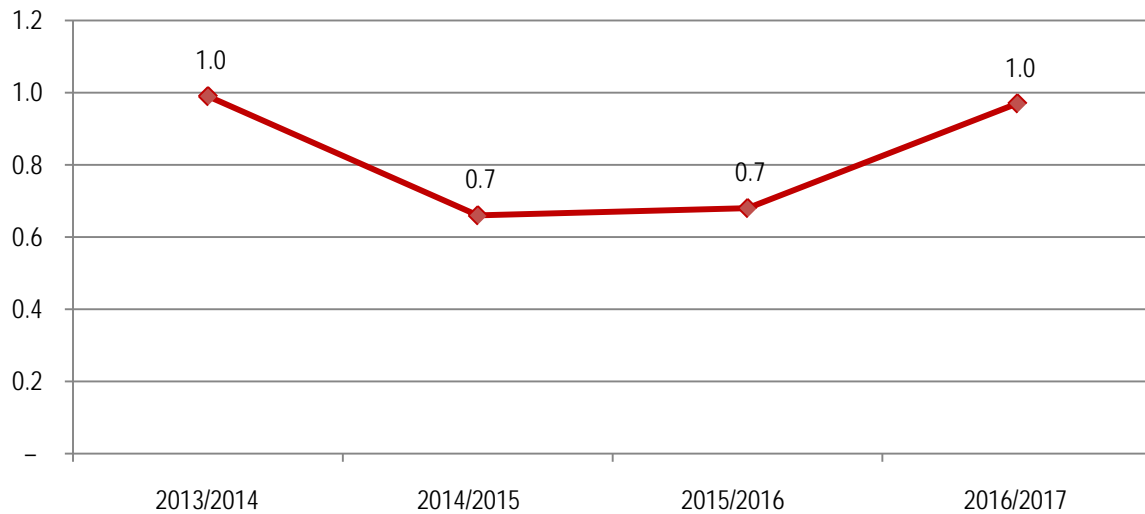
COMMENT ON REPAIR AND MANTENANCE EXPENDITURE

The Chris Hani District Municipality spent slightly more than the original budget resulting in a variance of -2% which is regarded as insignificant.

T 5.3.4.1

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity Ratio

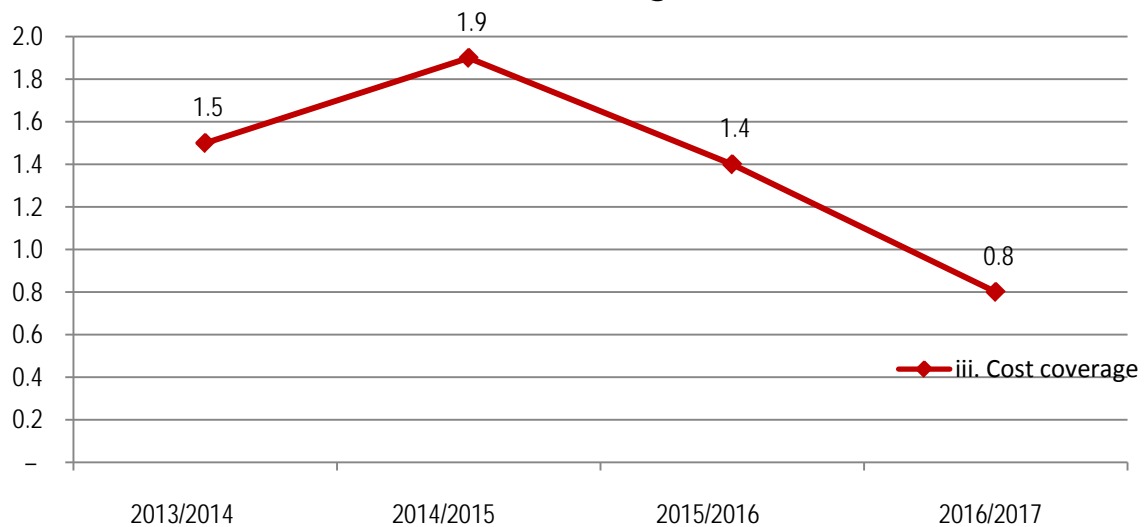


Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

T 5.4.1

Cost Coverage

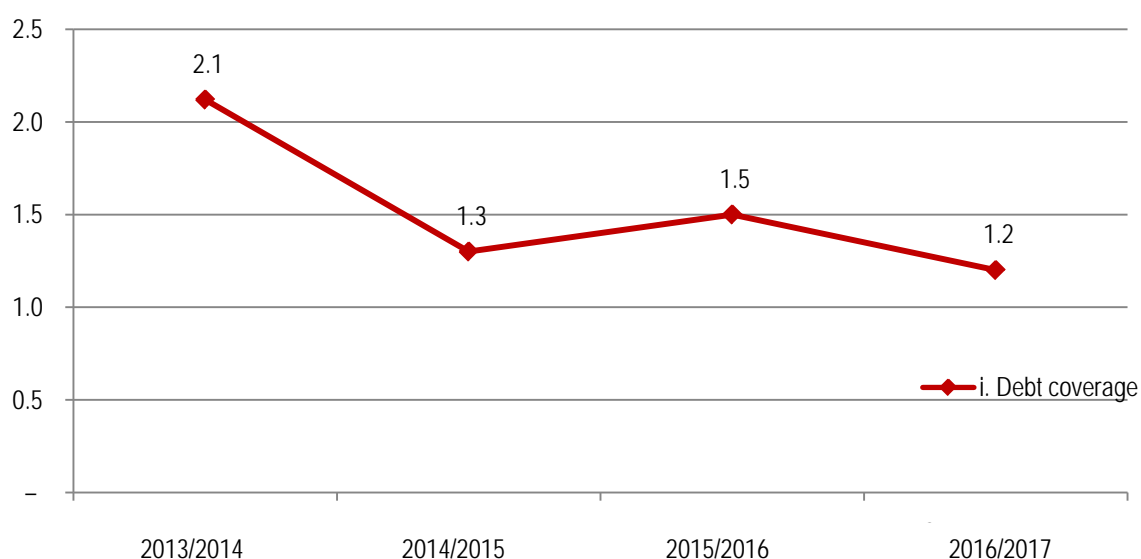


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

T 5.4.2

Debt Coverage

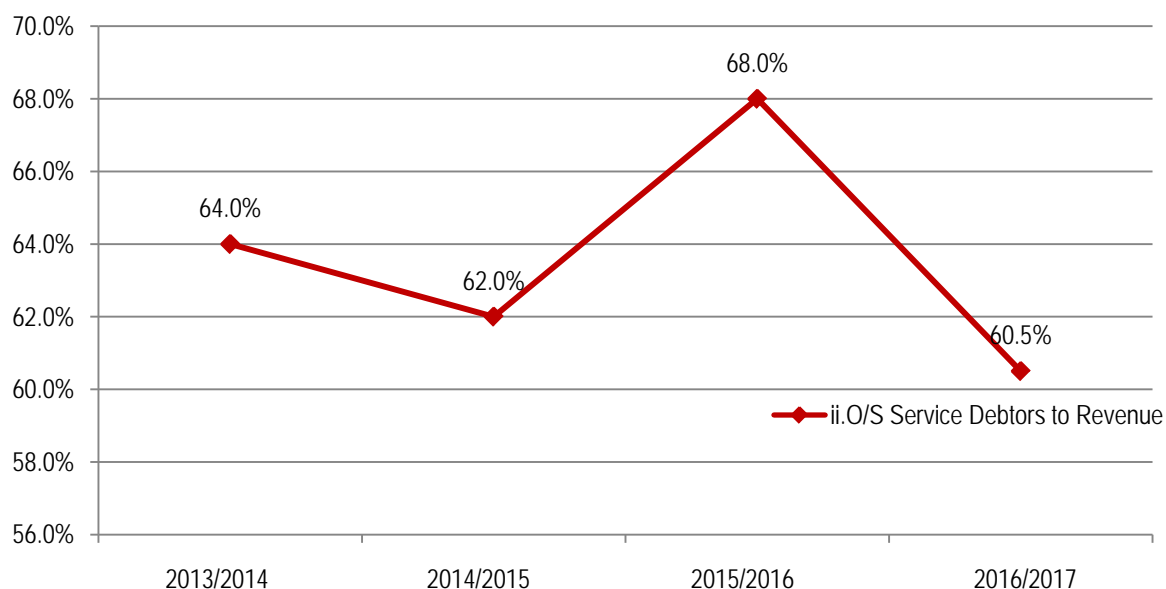


Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

T 5.4.4

Total Outstanding Service Debtors

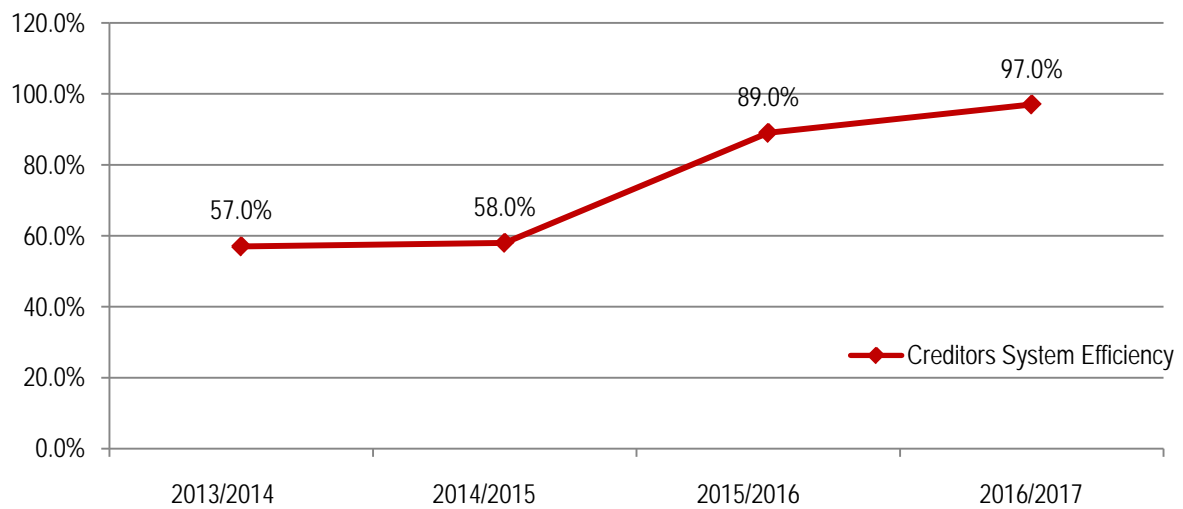


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

T 5.4.3

Creditors System Efficiency

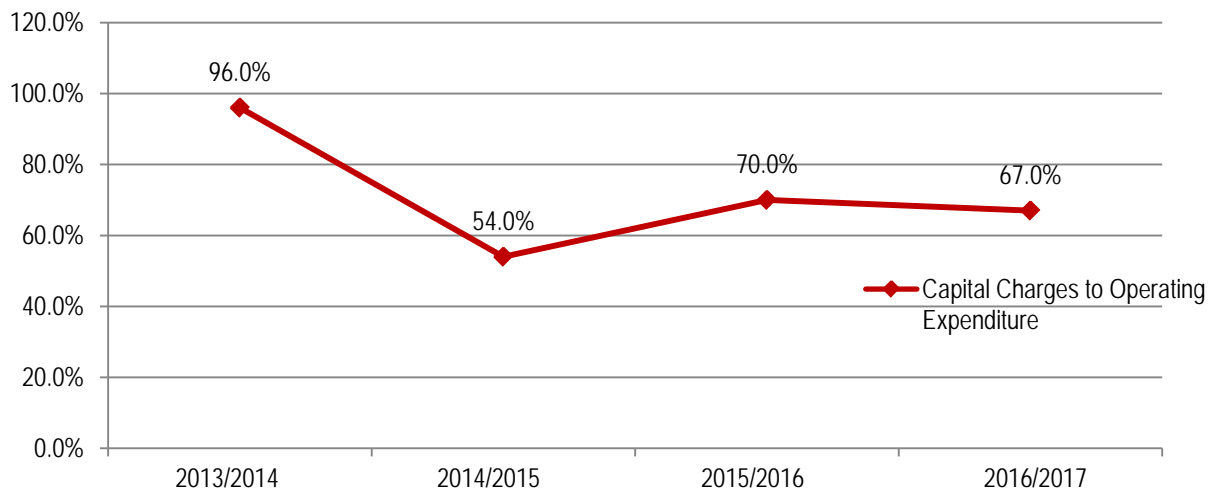


Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

T 5.4.5

Capital Charges to Operating Expenditure

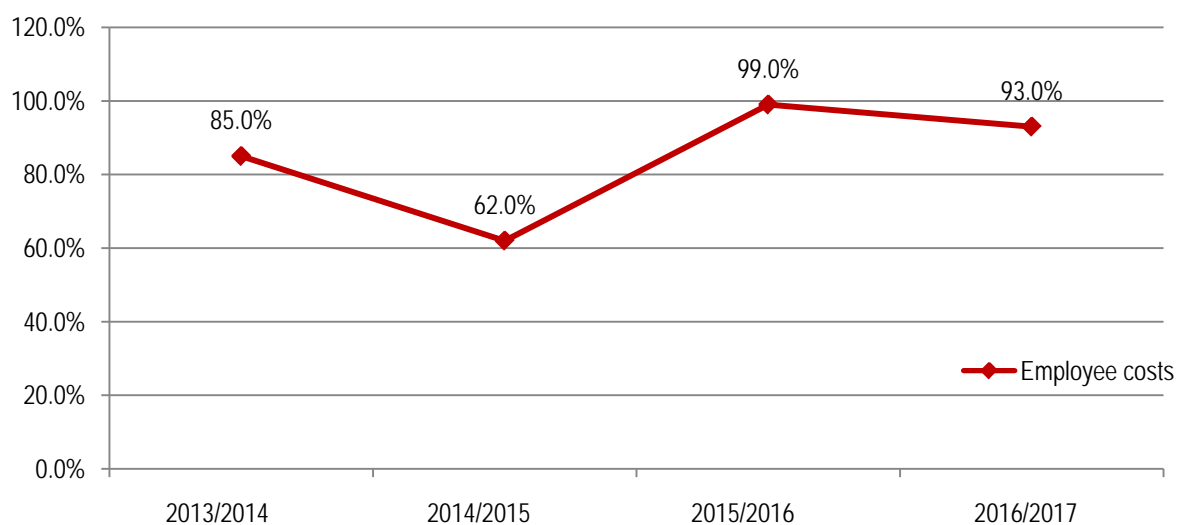


Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

T 5.4.6

Employee Costs

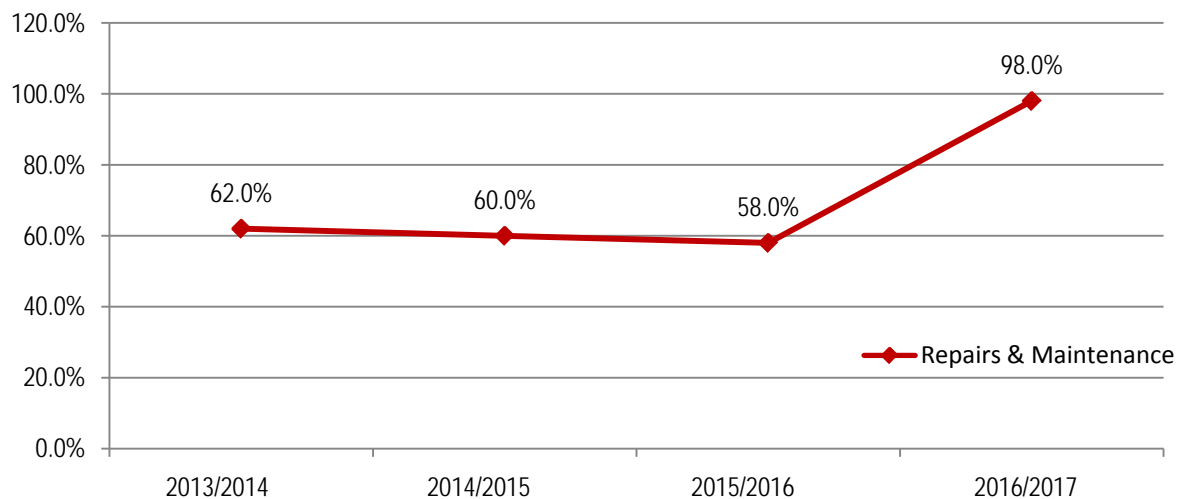


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T 5.4.7

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

T 5.4.8

COMMENT ON FINANCIAL RATIOS

The only ratio to have increased is that of Employee Costs which ratio increased from 83% in the previous financial year to 96% in the current year. All other ratios decreased.

T 5.4.9

5.12 SUPPLY CHAIN MANAGEMENT

All Supply Chain Management officials comply with the prescribed levels required for their positions in terms of the MFMA Competency Regulation Guidelines.

There were no adverse remarks in the Auditor General's Report for the previous financial year regarding the quality of the Supply Chain Management of Chris Hani District Municipality.

The Chris Hani District Municipality have developed and implemented the following policies and practices relating to Supply Chain Management:

- Supply Chain Management Policy
- Irregular, Wasteful and Fruitless Expenditure Policy
- Infrastructure Provision Policy

T 5.12

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key	<ul style="list-style-type: none"> Service delivery & infrastructure

performance areas	<ul style="list-style-type: none"> • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.

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

a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and

b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

APPENDIX A

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT				
				%	%
M C Koyo				100	
K Vimbayo				100	
M Jack				100	
N Matiwane				100	
N Gela				90	
B G van Heerden				100	
S Zangqa				90	
N C Goniwe				90	
S Mbotshane				90	
T W Bikwana				90	
N Makanda				80	10
NN September-Caba				90	
S B Nxawe				100	
M Adonisi				80	10
R W Venske				90	
G E Bomela				80	10
C Z Deliwe				100	
Note: * Councillors appointed on a proportional basis do not have wards allocated to them					T A

APPENDIX B

Committees (other than Mayoral / Executive Committee) and Purposes of Committees

Municipal Committees	Purpose of Committee
Municipal Accounts Committee	Oversight of municipal accounts
Rules Committee	To establish rules for Council and Committees
Audit Committee	Oversight of financial reporting and disclosures
	<i>T B</i>

APPENDIX C

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Strategic Manager	Mr B Mthembu
Engineering Services	Mr M Dungu
Health and Community Services	Ms Y Sinyanya
Chief Financial Officer	Ms N Fetsha
Corporate Services	Ms Y Dakuse
IPED	Mr. Z. Shasha
<i>Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).</i>	
T C	

APPENDIX I

CAPITAL /OP AWARDS FOR JULY 2016 - JUNE 2017

JULY - SEPTEMBER 2016

Contract Description	Appointed Bidder	Project Location	Tender No.	BBBEE Level	Contract Price	Performance
CAPEX AWARDS						
Cluster 7 Water Backlog Project: Didi - B & Ngxabane - B (Repairs) and Didi - C & Nogqadasi - A water Supply	Sosk Civil & Building Construction	IntsikaYethu LM	01/2016/MD(TN)	2	6 534 732.29	Good
Provision of Technical Support for Manzana Pumping Main Storage tanks in Engcobo LM	Mfuraa Projects & General	Engcobo LM	CHDM/ENG06/34/2014/MD(MS)	1	1 201 544.04	Good
Provision of Technical Support for Cluster 7: Engcobo Emergency Water Supply Scheme - Phase 9 Msawawa	Mfuraa Projects & General	Engcobo LM	CHDM/ENG02/34/2014/MD(MS)	1	1 744 777.13	Good
Provision of Technical Support for refurbishment at Tsojana WTW	Mfuraa Projects & General		CHDM/ENG07/34/2014/MD(MS)	1	1 343 822.20	Good
Sada Water treatment Works Upgrade: 1B - Rising Main and Pump Chamber	Mamlambo Construction	Enoch Mgijima LM	46/2015/MD(MS)	1	21 700 907.26	Good
Dodrecht Water and Sanitation Services Upgrades: Immediate Water Supply Upgrades	Cotterrell's Construction	Emalahleni LM	04/2016/MD(BL)	2	14 687 601.31	Good
Engcobo Emergency Water Supply Scheme Phase 7: Xuka Abstraction Works Upgrade	Mfuraa Projects & General	Engcobo LM	CHDM/ENG08/2014/MD(MS)	1	4 513 927.70	Good
Esiwaweni Drilling (Emalahleni LM)	Mfuraa Projects & General	Emalahleni LM	CHDM/ENG09/2014/MD(MS)	1	3 607 131.00	Good
Ekwarini Drilling (Emalahleni LM)	Mfuraa Projects & General	Emalahleni LM	CHDM/ENG10/2014/MD(MS)	1	2 830 278.00	Good
Cofimvaba EU Sanitation - Phase 3 (Ward 1,2 & 5)	Mvezo Plant & Civils	IntsikaYethu LM	02/2016/MD(TN)	2	13 732 582.77	Good
Cluster 4 Water Supply Backlog Eradication: Upper Lufutha Interim Water Supply Scheme	Winwater Mechanical & Electrical Projects	Sakhisizwe LM	14/2016/MD(BL)	3	8 964 746.44	Good
Cluster 5 Water Backlog: Luthuthu; Mqabo -A & Zadungeni Villages	Thalami Consortium	Enoch Mgijima LM	49/2015/MD(AM)	1	17 521 784.10	Good
Equipping Borehole at Ilinge - Lukhanji LM	ZanaManzi Services	Enoch Mgijima LM	CHDM/ENG11/37/2014/MD(MS)	2	951 877.31	Good
Cluster 4 Water Supply Backlog: Construction of Bulk Supply (Gugwini Reservoir and Building Works)	MusconCivils	IntsikaYethu LM	45/2015/MD(TN)	2	8 584 754.72	Good

Construction of the new Molteno Main Pump Station; Sewer Raising main and Interceptor Sewers	RazzmatazCivils	Enoch Mgijima LM	06/2015/MD(MS)	3	20 097 948.11	Recently Commenced so far so good
					128 018 414.38	

OPEX APPOINTMENTS
ABOVE R100 000

Updates of Asset Register (Movable & Immovable) Compilation of Annual Financial Statements and Assist with the Audit Process	Sizwe NtsalubaGobodo Advisory Services	CHDM	08/2016/NF(AM)	2	2 562 597.00	Recently Commenced so far so good
Provision of Social Facilitation Services for the replacement of Temporal Shelters by Permanent Structures: Chris Hani Emergency Houses(Enoch Mgijima; InxubaYethemba; Emalahleni; Engcobo; SakhisizweIntsikaYethu)	Sikhokele Business Consulting	CHDM	35/2015/BM(NM)	2	520 475.20	Not yet commenced
Appointment of the Occupational Health & Safety Agent for the Replacement of Temporal Shelters by Permanent Structures: Chris Hani Emergency Houses(Enoch Mgijima; InxubaYethemba; Emalahleni; Engcobo; SakhisizweIntsikaYethu)	Bauturn Consulting cc	CHDM	34/2015/BM(NM)	3	415 898.00	Not yet commenced
Provision of Brokerage Technical Support and Short term Insurance for the Insurance Portfolio of Chris Hani District Municipality	Lateral Unison Insurance Brokers	CHDM	28/2016/NF(AM)	2	3 037 091.00	Good
Provision of Brokerage Technical Support and Short term Insurance for the Insurance Portfolio of Enoch Mgijima Local Municipality	Lateral Unison Insurance Brokers	Enoch Mgijima LM	32/2016/CFO(EM)	2	4 504 819.00	Good
TOTAL OPEX AWARDS					11 040 880.20	

TOTAL APPOINTMENTS FOR
QUARTER 1

139 059 294.58

OCTOBER - DECEMBER 2016

Contract Description	Appointed Bidder	Project	Tender No.	BBBEE	Contract Price
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		Location	Level		
CAPEX AWARDS					
Phakamisa Drought Intervention Project	Mfuraa Projects & General	45/2016/MD(MS)	1	750 832.50	Good
Tentergate Drought Intervention Project	Mfuraa Projects & General	46/2016/MD(MS)	1	1 974 861.90	Good
Tshatshatsha Drought Intervention Project	ZanManzi Services	CHDM/ENG12/37/2014/MD(MS)	2	1 806 413.33	Good
Emjikweni Drought Intervention Project	Mfuraa Projects & General	47/2016/MD(MS)	1	2 680 136.58	Good
Construction of CHDM Emergency Houses for Lukhanji LM	Oguyonke Construction	41/2015/BM(NM)	1	145 000.00	Not yet commenced
Construction of CHDM Emergency Houses for Lukhanji LM	NomahlubiDyantyi Business Consultant	18F/2016/BM(NM)	1	145 000.00	Not yet commenced
Construction of CHDM Emergency Houses for Lukhanji LM	BAA Trading Enterprise	41/2015/BM(NM)	1	145 000.00	Not yet commenced
Construction of CHDM Emergency Houses for Lukhanji LM	ZW Phoko Construction cc	41/2015/BM(NM)	2	145 000.00	Not yet commenced
				7 792 244.31	

OPAX APPOINTMENTS ABOVE R100 000

Provision of Legal Services for CHDM	Smith TabataInc	26/2016/YD(ST)	2	1 596.00	Good
Provision of Legal Services for CHDM	Clark Laing Inc	26/2016/YD(ST)	4	1 400.00	Good
Provision of Legal Services for CHDM	Siyabonga Booi & BMC Inc JV	26/2016/YD(ST)	1		Good
Provision of Legal Services for CHDM	McWilliam& Elliot Inc	26/2016/YD(ST)	2	1 500.00	Good
Ceding of Contract: PSP for design & Project Management for Upgrade and Bulk Water and Waste Water Treatment Works in Molteno and Sterkstroom	Element Consulting Engineers	N/A		-	Good

OPAX APPOINTMENTS ABOVE R100 000

4 496.00

TOTAL APPOINTMENTS FOR QUARTER 2

7 796 740.31

JANUARY - MARCH 2017

Contract Description	Appointed Bidder	Project Location	Tender No.	BBBEE Level	Contract Price	
CAPEX APPOINTMENTS ABOVE R100 000						
Cluster 4 Water Supply Backlog Eradication Project: Upper Lufuta Ext 2 (Mbodlana) Interim Scheme	Choloza Trading Enterprise	Sakhisizwe LM	13/2016/MD(BL)	1	5 771 232.30	Good
Cluster 2 Water Backlog RS5 Phase 3: Water Supply to Tsakana, KwaGcina, Emanuneni, Guse, Qungu, KwaDlomo, Nyongwana,, Khalana and Dayimane	Amadwala Trading 363cc	IntsikaYethu LM	37/2016/MD(TN)	1	25 291 049.88	Project on hold
Dodrecht water and sanitation services upgrades: emergency upgrades to the water treatment works	Mfuraa Project & General cc	Sakhisizwe LM	AUR12016/MD(BL)	1	5 679 838.75	Good
Cluster 2 Water Backlog RS1 - Phase 2C: JiphuthaMakhkhi Water Supply Scheme	Mfuraa Project & General cc	Sakhisizwe LM	36/2016/MD(BL)	1	19 322 203.37	Good
Construction of Chris Hani District Municipality Emergency Houses for Sakhisizwe LM	DMPHO Business Enterprise	Sakhisizwe LM	42/2015/BM(NM)	3		Not yet commenced
Dodrecht Emergency Drought Relief Project	Mfuraa Project & General cc	Sakhisizwe LM	XYZ/2016/MD(BM)	1	6 392 326.45	Good
TOTAL CAPAX AWARDS FOR THE QUARTER					62 456 650.75	

OPERATING APPOINTMENTS ABOVE R100 000

Procurement of Strategic Planning for the next three (3) years	Mbuso Management Solutions	CHDM	CHDM/MMO07/2017/MM(BM)	2	450 000.00	Good
Invasive Alien Plants Management Strategy	Conservation Support Services	CHDM	06/2016/YS(NM)	4	252 795.00	Good
Learnership Programme: National Certificate in Water & Waste Water Treatment Process Operations- NQF Level 2	The Water Academy	CHDM	12/2016/YD(RH)	4	466 652.16	Good
Co-ordination & Implementation of the Annual Chris Hani Freedom Marathon for a period of 3 (three) Years - 2017-2019	Lumigimax t/a Soul Good Special Projects	CHDM	43/2016/BM(DN)	1	5 957 250.79	Good
TOTAL OPEX AWARDS					7 126 697.95	
TOTAL APPOINTMENTS FOR					69 583 348.70	

QUARTER 3

APRIL - JUNE 2017

Contract Description	Appointed Bidder	Project Location	Tender No.	BBBEE Level	Contract Price	
CAPEX APPOINTMENTS ABOVE R100 000						
Construction of Chris Hani District Municipality Emergency House for Inxuba Local Municipality	Jolus Trading cc	InxubaYet hembra LM	50/2015/BM(NM)	8	R 3 815 910.00	Not yet Commenced
Construction of Chris Hani District Municipality Emergency House for Inkwankca Local Municipality	BukhoBamakhosikazi Trading Enterprise	Inkwankca LM	51/2015/BM(NM)	8	R 3 091 155.06	Not yet Commenced
Construction of New Chris Hani Office Park - Phase one	Base Major Construction	CHDM	42/2016/MB(NM)	9	R 170 950 030.71	Not yet Commenced
Upgrade to the Chris Hani District Municipal Offices - Bells Road - Queenstown	P Wise Projects	CHDM	59/2016/BM(NM)	10	R 18 007 777.96	Not yet Commenced
TOTAL CAPAX AWARDS FOR THE QUARTER					195 864 873.73	

OPERATING APPOINTMENTS ABOVE R100 000

Supply, Delivery and Installation of hand held meter reading Equipment, Software and Training of 100 meter readers	Consolidation African Technologies (CTS)	CHDM	Reg 32	9	R 2 018 626.50	Good
Supply, Delivery, Installation and Assembling of Office Furniture and Equipment for Chris Hani District Municipality	Budget Office Furniture	CHDM	39/2016/NF(AM)	16	R 2 503 864.48	Not yet Commenced
Verification and Updating of Infrastructure Asset Register for CHDM	Sondlo Chartered Accountants JV	CHDM	10/2017/NF(MJ)	18	1 440 800.40	Recently started
TOTAL OPEX AWARDS					5 963 291.38	
TOTAL APPOINTMENTS FOR QUARTER 4					201 828 165.11	

TOTAL APPOINTMENTS FOR JULY 2016 - JUNE 2017

JULY - SEPT 2016

139 059 294.58

OCTOBER - DECEMBER 2016

7 796 740.31

JANUARY - MARCH 2017	69 583 348.70
APRIL - JUNE 2017	201 828 165.11
TOTAL APPOINTMENTS DONE IN 2016/2017	418 267 548.70

APPENDIX J

Disclosures of Financial Interests		
Period 1 July to 30 June 2016/2017		
Position	Name	Description of Financial interests* (Nil / Or details)
Councillors		
	BulaMzwandile Nelson	Mtunziwethu Trading Cooperative: Founding Member
	Deliwe Zanemvula	Beyond 2030 Consulting Services
	Gela Wongama	SikuseluluntuProtection and Training Services
	Koyo Mxolisi Clifford	MBK Consulting Services
	MgwashuNongazi Gladys	Magwashu Development Projects
	NkwentshaGunuzaLindiwe	Lembede Investment Holdings
	NontseleMncedisi	Izibele Management Services
Officials		
	MoppoMene	Gibela Trade and Invest 1118
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A		
T J		

APPENDIX N

Capital Expenditure 2016/2017 Water Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total			37 672 050	37 672 050	232 138 842
Ezantsi C/Jerusalem Water Supply	12 697 000	7 697 000	813 073	5 000 000	1 718 832
Ngqwaru Water Supply	12 697 000	7 697 000	2 122 146	5 000 000	4 045 101
Hewu 460 Regional Bulk Supply	5 000 000	3 900 000	3 296 733	1 100 000	4 359 756
Mdeni Water Supply	12 697 000	7 697 000	2 444 563	5 000 000	2 571 956
Xonxa Dam Pumping Main	0	0	0	0	128 407 241
Xonxa Dam Gravity Bulk	58 012 000	58 012 000	26 269 839	0	88 310 259
Capital Expenditure 2016/2017: Sanitation Services					
R' 000					
Capital Projects	2016/2017				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total			79 283 351	79 283 351	681 802 393
Regional 1 Sanitation Backlog MIG	9 000 000	16 890 000	14 574 213	7 890 000	178 469 622
Regional 1 Sanitation Backlog WSI	4 000 000	4 500 000	4 500 000	500 000	4 500 000
Regional 2 Sanitation Backlog MIG	15 000 000	19 415 081	19 264 321	4 415 081	187 266 204
Regional 3 Sanitation Backlog MIG	2 520 741	6 140 741	5 558 075	3 620 000	171 109 029
Regional 4 Sanitation Backlog MIG	19 070 369	25 340 369	27 164 797	6 270 000	129 957 537
Cofimvaba EU Sanitation	12 000 000	8 231 800	8 221 942	3 768 200	10 500 000