

CHRIS HANI

DISTRICT MUNICIPALITY

SUSTAINING GROWTH THROUGH OUR PEOPLE

**Chris Hani District Municipality
2017/18 Draft Annual Report**

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* Page numbering to be appropriately adjusted

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1 MAYOR’S FOREWORD



Cllr Kholiswa Vimbayo
Executive Mayor

It gives me great pleasure to present this Annual Report for Chris Hani District Municipality, for the 2017/18 financial year. This document was compiled as guided by relevant pieces of legislation which obligates municipalities to compile an Annual Report for each financial year.

During the year under review, our district effectively embarked on intensive public participation processes in a bid to obtain public comments on issues of growth and development. In line with the mandate that our communities gave the municipality, clear strategic objectives were set out which were aimed at addressing the three challenges that our country is facing, namely; inequality, poverty and job creation.

We have therefore compiled this report amongst others to :

- provide a record of the activities of the Chris Hani District Municipality for the period under review,
- provide a report on fiscal and non financial performance of its approved Integrated Development Plan for the 2017/18 financial year and
- promote accountability to the electorate that we serve for decisions made on their behalf.

Over the past few years CHDM encountered a severe strain of drought which has been lingering on for sometime now. The district municipality implemented radical intervention measures to ensure the provision of sustainable quality water services. Key to this, Council also prioritised the construction of a multi-million rand Xonxa dam project which is near completion to improve the flow of water within our district, a relief much awaited by our people. During this period a combination of different socio-economic projects were also implemented which have benefitted our people including SMMEs across the district and we have made a meaningful impact through our entity in developing cooperatives amongst others.

Chris Hani District Municipality has been consistently receiving a Qualified Audit Opinion for six consecutive years and the audit outcome for the 2017/2018 financial year is no exception. We however remain committed in our resolve to

migrate from this opinion to a more desirable audit opinion and we are convinced that with the active role of Council committees and all relevant role-players we will overcome.

We must give immense gratitude to the entire Chris Hani District Municipality leadership including fellow councillors from all our local municipalities for the unity, cooperation and commitment demonstrated throughout this period. The determination displayed by our management team and workforce at large is truly appreciated. We also wish to extend our sincere and genuine appreciation to all our communities for their continued support and understanding.

Together we will indeed take our district to new echelons.

A handwritten signature in black ink, appearing to read 'K. Vimbayo', enclosed within a large, loopy oval shape. To the right of the signature is a horizontal line.

Cllr Kholiswa Vimbayo

Executive Mayor

1.2 MUNICIPAL MANAGER'S FOREWORD



B.J Mthembu
Acting Municipal Manager

The 2017/2018 Financial Year Annual Report has been compiled in accordance with Section 121 of the Local Government Municipal Finance Management Act, No. 56 of 2003 as well as accompanying circulars, templates and guidelines.

The report captures the performance and progress made by the district in fulfilling its strategic objectives as outlined in the Integrated Development Plan (IDP) as well as in the Service Delivery and Budget Implementation Plan (SDBIP) for the year under review.

During this reporting period, the district experienced a myriad of challenges and has recorded resounding successes on a number of set targets towards creating a better life for all. The district ended the financial year under the helm of an Acting Accounting Officer due to internal management changes while all other senior positions were filled. CHDM continued to accelerate the delivery of quality services in a sustainable manner with more emphasis on its core functions focusing on widening access to water and sanitation services, improving district economy, implementation of municipal health services programmes amongst others.

In the year under review, the District continued to roll-out its key infrastructure programmes primarily in water and sanitation as service delivery defines the very existence of a municipality. Furthermore, the district has made considerable strides in terms of providing the necessary support towards Small Towns Revitalisation programme, extended job opportunities to individuals through Extended Public Works Programme (EPWP) and embarked on poverty reduction programmes with emphasis on piggery and poultry projects. We have also facilitated the support of agricultural programmes through the Chris Hani Development Agency with a huge investment on Irrigation Schemes, dry land cropping and we are working towards escalating our efforts on local economic development initiatives through the Rural Agro-Industries and Financial Initiative (RAFI).

As the district, we operated under stringent financial resources due to a shrinking public purse and low revenue collection. We have therefore identified a need for the development of a revenue enhancement strategy, determination of cost reflective tariffs, data cleansing and billing rollout. These programmes are in the pipeline for implementation in the 2018/2019 financial year as financial viability and sustainability is 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.

Identification of strategic and operational risks plays an integral part in ensuring the attainment of our strategic objectives. This is why we have also prioritised the development and implementation of a risk management strategy which is being closely monitored.

The municipality was able to ensure strengthened intergovernmental relations with all spheres of government and this has greatly improved planning and cooperative governance. Various campaigns and hearings were undertaken across the district to raise public awareness on the various programmes being implemented by the District.

All of this sterling work could not have been realised without the concerted efforts of our political leadership. A special gratitude to all the employees of Chirs Hani District Municipality for the hard work and commitment they have demonstrated throughout this period. The support and cooperation from our community and relevant stakeholders is truly appreciated.



B J Mthembu

Acting Municipal Manager

1.3 Municipal Overview

1.3.1 SPATIAL LOCATION

Chris Hani District Municipality is situated at the centre of the Eastern Cape Province surrounded by the district municipalities of Joe Gqabi, Sarah Baartman, Amathole and O.R. Tambo. The district is made up of the following six local municipalities; Inxuba Yethemba, Enoch Mgijima, Emalahleni, Sakhisizwe, Intsikayethu and Engcobo.

Map 1. Chris Hani District Municipal Boundar



1.3.2 MUNICIPAL POWERS AND FUNCTIONS

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. 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 therefore depicts those powers and functions vested in the district and those allocated to the various local municipalities within the district jurisdiction.

Table 1: Municipal powers and functions

FUNCTION	CHRIS HANI DM	ENOCH MGIJIMA LM	INTSIKA YETHU LM	ENGCOBO LM	SAKHISIZWE LM	EMALAHLENI LM	INXUBA YETHEMBA 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	Yes	Yes	Yes	Yes	Yes	Yes
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
Storm water	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Trading regulations	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Bulk and portable Water supply	Yes	No	No	No	No	No	No
Bulk and Sanitation supply	Yes	No	No	No	No	No	No
Billboards and the display of adverts in public places	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Cemeteries, Crematoria and funeral parlours	N/A	Yes	Yes	Yes	Yes	Yes	Yes
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	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	Yes	Yes	Yes
Licensing of vehicles	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Road maintenance	Yes (Agent: DORT)	Yes	Yes	Yes	Yes	Yes	Yes
Libraries	N/A	Yes	Yes	Yes	Yes	Yes	Yes

1.3.3 DISTRICT DEMOGRAPHIC PROFILE

This section provides a demographic overview of the Chris Hani District Municipality and all its neighbouring districts in the Eastern Cape Province and South Africa as a whole. Emphasis is also made on population distributions across race, age and gender as well as an indication of population densities and various household dynamics.

1.3.3.1 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 2: Total population - Chris Hani, Eastern Cape and National Total, 2005-2016 [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	841,493	7,006,876	55,724,934	12.0%	1.50%
Average Annual growth					
2005-2016	0.34%	0.74%	1.51%		

Source: IHS Global Insight Regional eXplorer version 1181

With 841 493 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 3: Total population - Local Municipalities of Chris Hani District Municipality, 2005, 2010 and 2015 [Numbers]

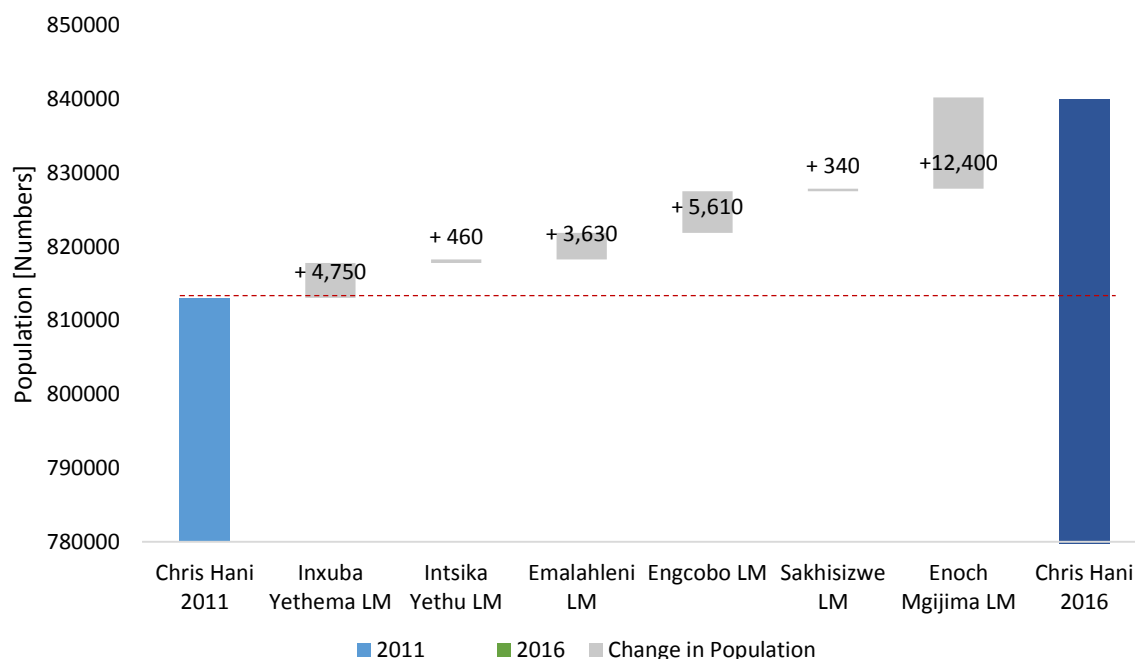
	2005	2011	2016
Inxuba Yethemba	62,900	65,740	69,774
Intsika Yethu	155,000	151,700	153,169
Emalahleni	118,000	120,900	124,829
Engcobo	159,000	156,400	159,942
Sakhisizwe	66,600	63,500	64,521
Enoch Mgijima	245,000	254,600	269,257
Chris Hani	806,600	809,660	841,492

Source: IHS Global Insight Regional eXplorer version 1181

In terms of the absolute numbers, Enoch Mgijima had the largest population according to the Community Survey 2016 of 269,257 residents and represents 32% of the districts total population. The population of Inxuba Yethemba local municipality experienced

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%.

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 nett population growth of Intsika Yethu and Sakhisiwe contributed the least. Small population sizes and dispersion over vast areas are both a curse and a blessing.

1.3.3.2 Population by Population 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 4: Population by gender - Chris Hani and the rest of Eastern Cape Province, 2016 [Number]

	Male	Female	Total
Chris Hani	404,928	436,908	841,493
Enoch Mgijima	129,950	139,307	269,257
Inxuba Yethemba	33,866	35,908	69,774
Intsika Yethu	74,204	78,962	153,169
Emalahleni	60,359	64,470	124,829
Engcobo	74,984	84,958	159,942
Sakhisizwe	31,561	32,960	64,512
Eastern Cape	3,300,000	3,630,000	6,930,000

Source: IHS Global Insight Regional eXplorer version 1181

Chris Hani District Municipality's male/female split in population was 92.3 males per 100 females in 2016. 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 436 908 (52.00%) females and 404 928 (48.00%) males.

Table 5: Population by population group, Gender and Age - Chris Hani District Municipality, 2016 [Number].

	African		White		Coloured		Asian	
	Female	Male	Female	Male	Female	Male	Female	Male
00-04	45 776	47 252	419	423	1,711	1,685	101	88
05-09	45 754	47 801	521	487	1,657	1,604	65	60
10-14	39 247	41 684	510	421	1,675	1,588	49	60
15-19	33 413	37 515	429	418	1,378	1,516	60	50
20-24	34 585	37 637	373	382	1,442	1,511	62	144
25-29	33 152	36 886	527	545	1,458	1,329	80	252
30-34	28 690	29 907	529	498	1,253	1,052	86	191
35-39	23 016	22 836	540	514	1,116	1,059	59	132
40-44	17 019	12 864	527	562	1,102	988	64	124
45-49	16 275	9 382	610	561	870	980	47	63
50-54	18 187	10 128	668	658	826	784	31	53
55-59	19 417	11 185	625	616	800	684	41	27
60-64	16 066	10 210	547	485	680	580	42	35
65-69	12 717	9 160	457	454	506	397	9	19
70-74	11 471	7 638	322	349	368	232	10	9
75+	15 697	7 591	516	375	370	189	22	17
Total	410 482	379 676	8041	7748	17,212	16,178	831	1,325

Source: IHS Global Insight Regional eXplorer version 1181

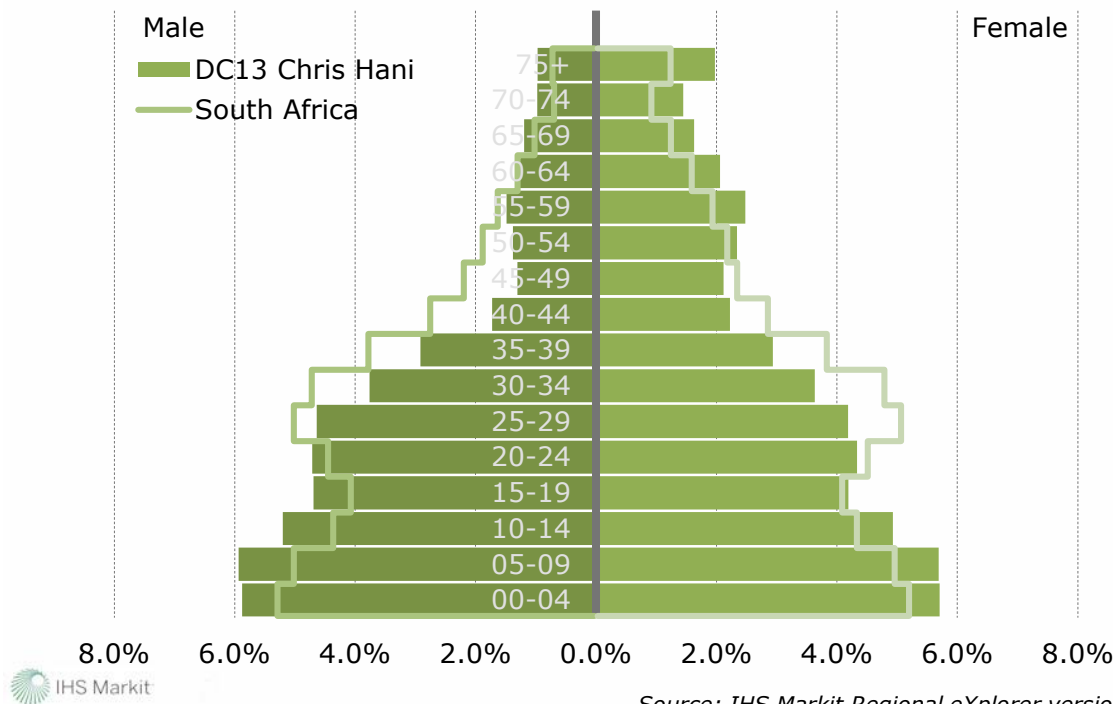
In 2016, the Chris Hani District Municipality's population consisted of 93.87% African (790 158), 1.90% White (15 789), 3.97% Coloured (33 390) and 0.25% Asian (2 156) people.

1.3.3.3 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.

Population structure, Total, 2016

DC13 Chris Hani vs. National



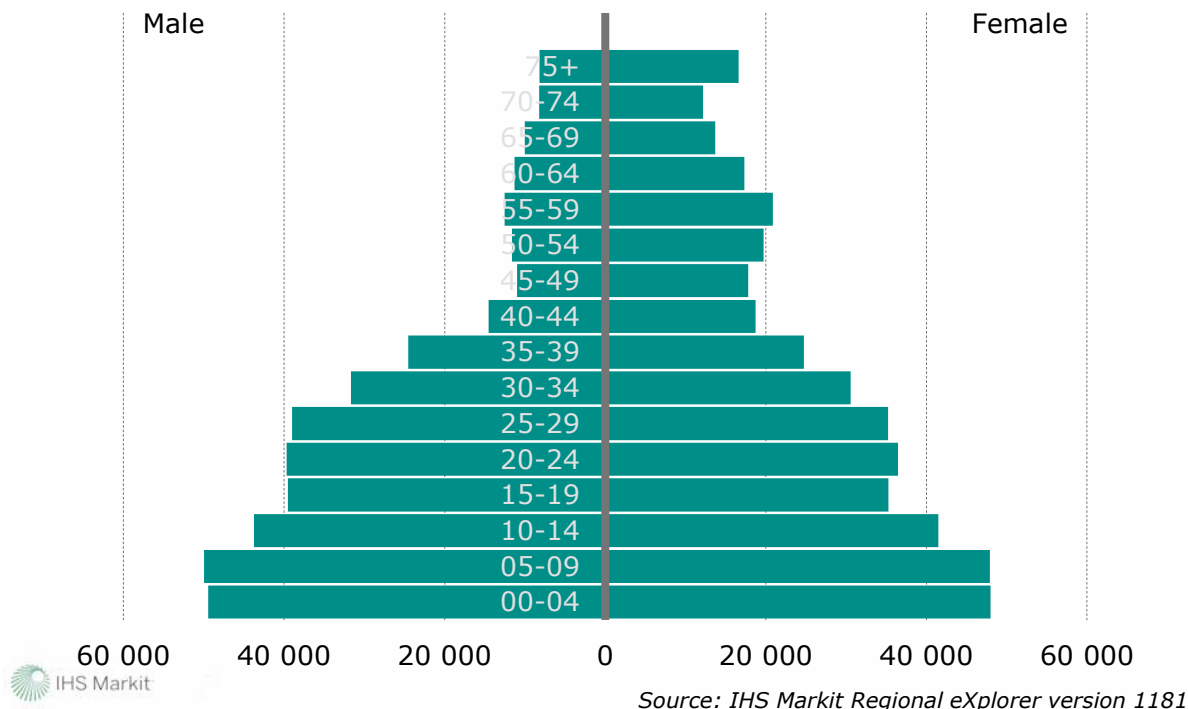
By comparing the population pyramid of the Chris Hani District Municipality with the national age structure, the most significant differences are:

- 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 a migrant sending 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.

Population Pyramid, Total, 2016

DC13 Chris Hani



Source: IHS Global Insight Regional eXplorer version 1181

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

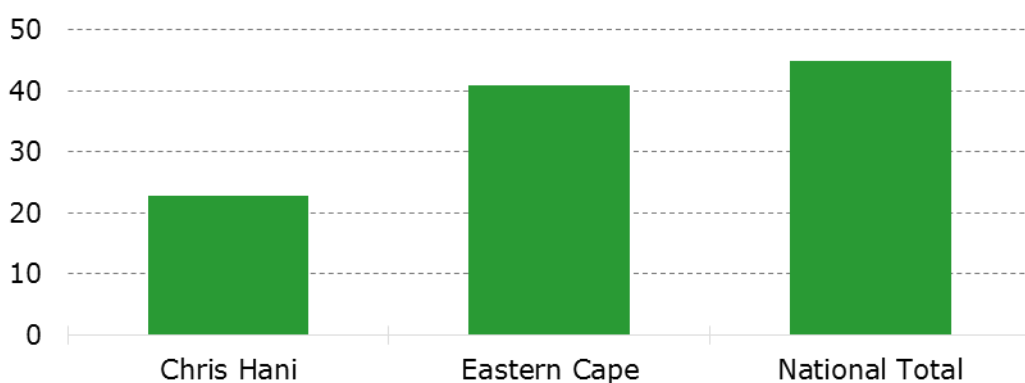
- In 2011, there were a larger share of people aged 35 to 54 (15.8%) - compared to 2016 (12.4%).
- The share of children between the ages of 0 to 14 years is significantly larger in 2016 (38.9%) compared to 2011 (33.6%).

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.

1.3.3.4 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.

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.

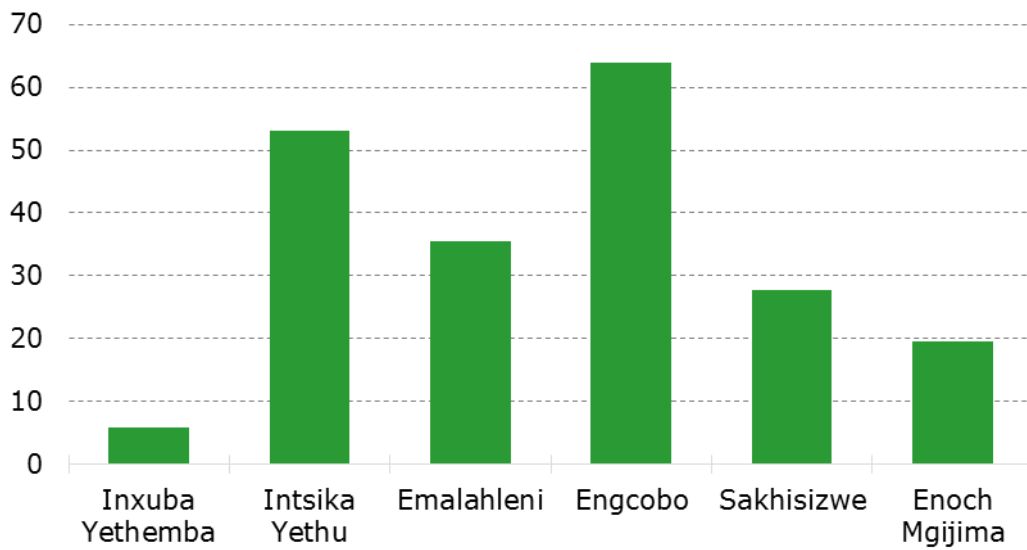
Table 6: Population density - Enoch Mgijima and the rest of Chris Hani, 2005-2016 [number of people per km]

	Enoch Mgijima	Inxuba Yethemba	Intsika Yethu	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
2016	19.82	5.98	53.31	35.83	64.39	27.84

Source: IHS Global Insight Regional eXplorer version 1156

In 2016, Enoch Mgijima Local Municipality had a population density of 19.82 per square kilometre. The region with the highest population density per square kilometre was the Engcobo with a total population density of 64.39 per square kilometre per annum.

POPULATION DENSITY - INXUBA YETHEMBA, INTSIKA YETHU, EMALAHLENI, ENGCOCO, SAKHISIZWE AND ENOCH MGIJIMA 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 Inxuba Yethemba local municipality with a total of 5.91 people per square kilometre.

1.3.3.5 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 7: Number of households - Chris Hani, Eastern Cape and National Total, 2005-2016 [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%
2016	221,634	1,791,822	15,769,622	12.3%	1.41%
Average Annual growth					
2005-2016	1.23%	1.32%	1.86%		

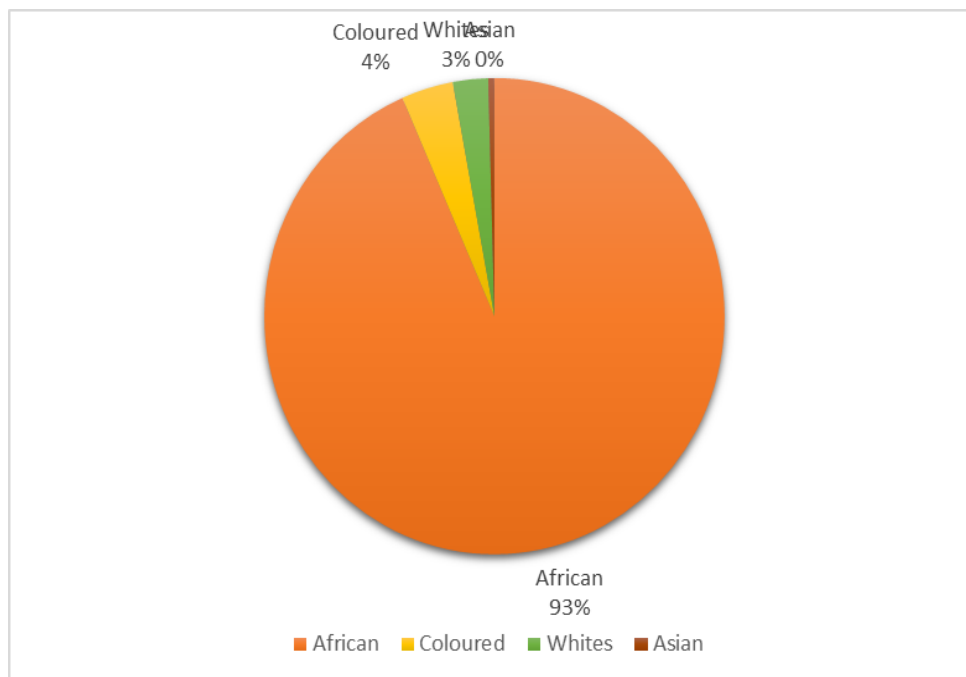
Source: IHS Global Insight Regional eXplorer version 1181

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.

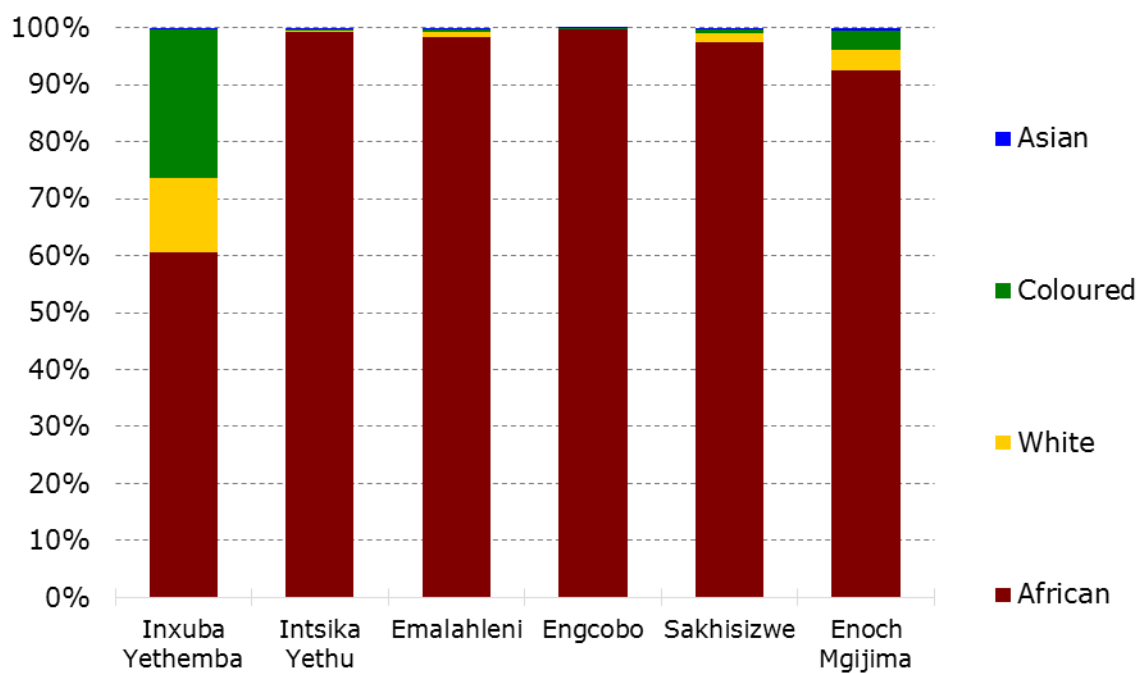
The composition of the households by population group consists of 93.4% which is ascribed to the African population group with the largest number of households. The Coloured population group had a total composition of 3.7% (ranking second). The White population group had a total composition of 2.6% of 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%.

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



NUMBER OF HOUSEHOLDS BY POPULATION GROUP - LOCAL MUNICIPALITIES OF CHRIS HANI DISTRICT MUNICIPALITY, 2016 [PERCENTAGE]



Source: IHS Global Insight Regional eXplorer version 1029

1.4 ECONOMIC OVERVIEW

1.4.1 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 8: Households by income category - Chris Hani, Eastern Cape and National Total, 2016 [Number Percentage]

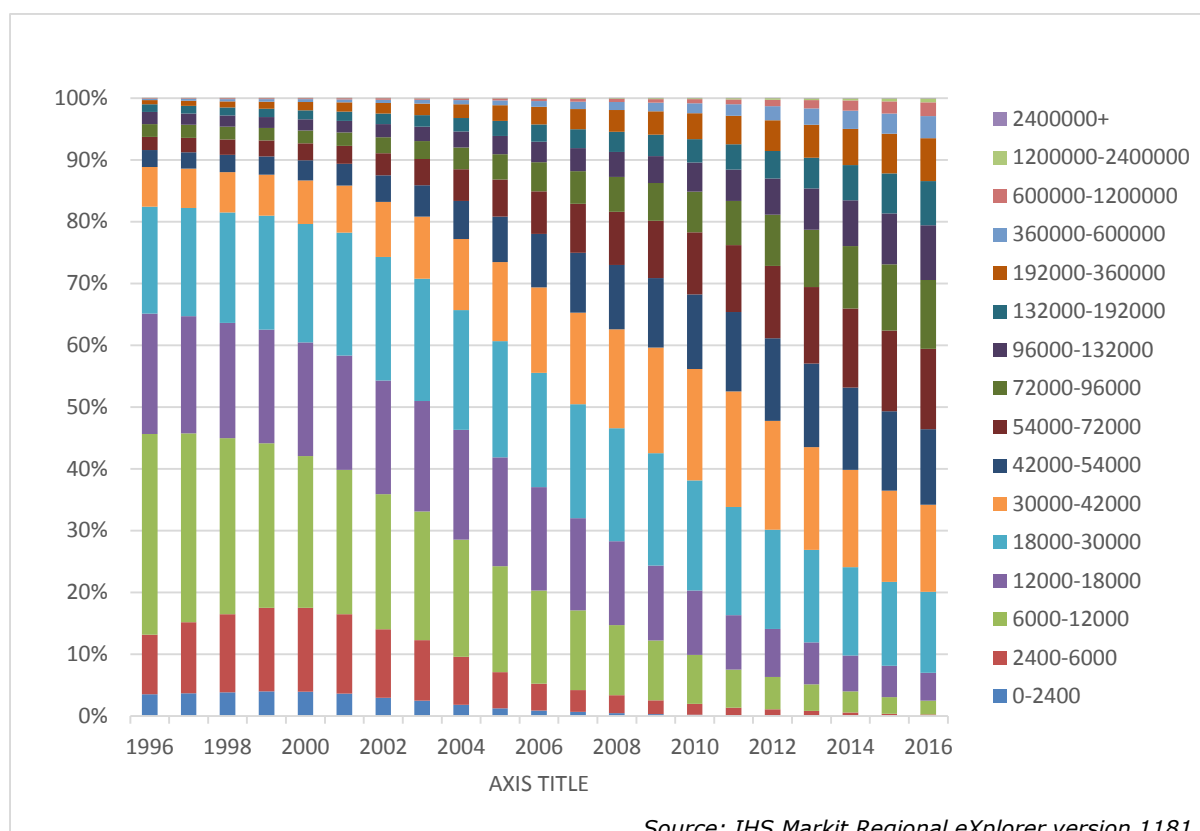
	Chris Hani	Eastern Cape	National Total	Chris Hani as % of province	Chris Hani as % of national
0-2400	170	1,450	11,800	11.8%	1.44%
2400-6000	1,380	11,800	92,100	11.7%	1.50%
6000-12000	6,970	59,800	466,000	11.7%	1.50%
12000-18000	10,400	86,900	685,000	12.0%	1.52%
18000-30000	23,000	186,000	1,420,000	12.4%	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 1181

It is estimated that in 2016, 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.

HOUSEHOLDS BY INCOME BRACKET - CHRIS HANI DISTRICT MUNICIPALITY, 1996-2016 [PERCENTAGE]



For the period 1996 to 2016 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.

1.4.2 Annual Total Personal Income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits.

Definition: Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

Table 9: Annual total personal income - Chris Hani, Eastern Cape and National Total [Current Prices, R billions]

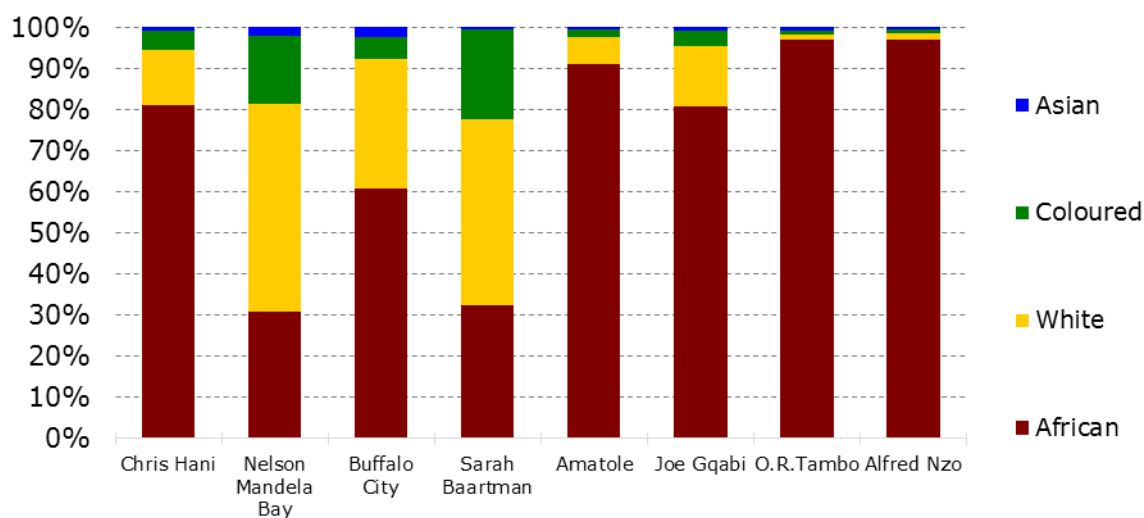
	Chris Hani	Eastern Cape	National Total
2005	9.2	96.6	1,145.4
2006	10.2	106.6	1,259.4
2007	11.6	121.0	1,432.2
2008	12.9	134.0	1,587.9
2009	13.9	143.2	1,695.1

	Chris Hani	Eastern Cape	National Total
2010	14.9	154.0	1,843.3
2011	16.1	167.4	2,032.7
2012	18.0	187.1	2,226.0
2013	19.9	203.7	2,414.1
2014	21.8	218.0	2,602.5
2015	24.6	238.6	2,783.8
2016	27.06	259.8	3,002.2
Average Annual growth			
2005-2016	10.33%	9.47%	9.29%

Source: IHS Global Insight Regional eXplorer version 1181

Chris Hani District Municipality recorded an average annual growth rate of 10.33% (from R 9.22 billion to R 24.6 billion) from 2005 to 2016, which is more than both Eastern Cape's (9.47%) as well as South Africa's (9.29%) average annual growth rates.

ANNUAL TOTAL PERSONAL INCOME BY POPULATION GROUP - CHRIS HANI AND THE REST OF EASTERN CAPE
[CURRENT PRICES, R BILLIONS]



Source: IHS Global Insight Regional eXplorer version 1029

The total personal income of Chris Hani District Municipality amounted to approximately R 24.6 billion in 2015. The African population group earned R 20 billion, or 80.98% of total personal income, while the White population group earned R 3.32 billion, or 13.48% of the total personal income. The Coloured and the Asian population groups only had a share of 4.76% and 0.78% of total personal income respectively.

Table 10: Annual total personal income - Inxuba Yethemba, Intsika Yethu, Emalahleni, Engcobo, Sakhisizwe and Enoch Mgijima local municipalities [Current Prices, R billions]

	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Sakhisizwe	Enoch Mgijima
2005	1.30	1.36	1.01	1.32	0.72	3.51

	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Sakhisizwe	Enoch Mgijima
2006	1.46	1.49	1.11	1.45	0.79	3.88
2007	1.67	1.67	1.25	1.64	0.90	4.43
2008	1.86	1.86	1.40	1.82	0.99	4.95
2009	1.98	2.00	1.52	1.96	1.06	5.35
2010	2.13	2.13	1.63	2.10	1.14	5.78
2011	2.33	2.28	1.75	2.26	1.23	6.30
2012	2.61	2.60	1.94	2.50	1.37	7.01
2013	2.86	2.98	2.13	2.85	1.45	7.64
2014	3.10	3.33	2.35	3.18	1.62	8.25
2015	3.41	3.85	2.67	3.68	1.82	9.20
2016	3.95	3.81	2.98	3.74	2.07	10.50
Average Annual growth						
2005-2016	10.11%	10.95%	10.23%	10.83%	9.77%	10.11%

Source: IHS Global Insight Regional eXplorer version 1181

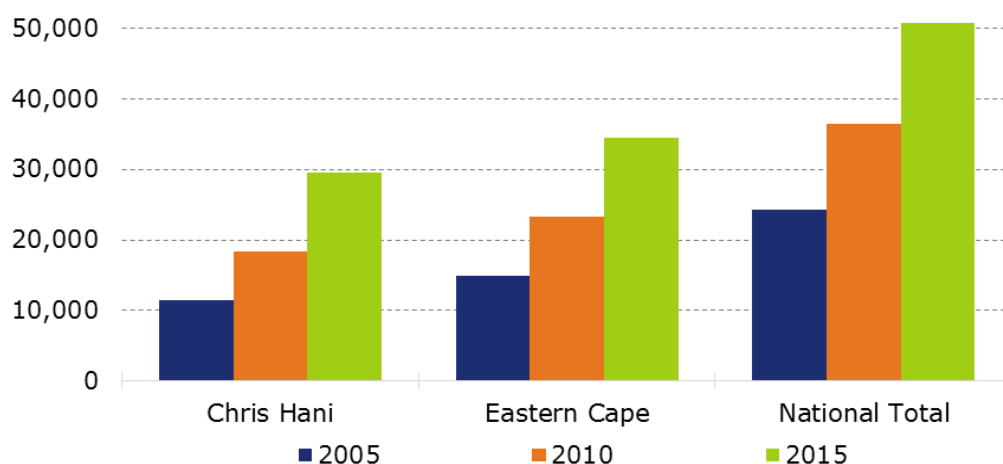
When looking at the annual total personal income for the regions within Eastern Cape Province it can be seen that the Enoch Mgijima local municipality had the highest total personal income with R 10.5 billion which increased from R 3.51 billion recorded in 2005. It can be seen that the Sakhisizwe local municipality had the lowest total personal income of R 2.07 billion in 2016, this increased from R 718 million in 2005.

1. 4.3 Annual per Capita 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.

ANNUAL PER CAPITA INCOME - CHRIS HANI, EASTERN CAPE AND NATIONAL TOTAL, 2015 [RAND, CURRENT PRICES]



Source: IHS Global Insight Regional eXplorer version 1029

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 11: 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
NelsonMandela 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 1181

In Chris Hani District Municipality, the White population group has the highest per capita income, with 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), where the Coloured and the African population groups had a per capita income of R 35,400 and R 25,500 respectively.

1.5 SERVICE DELIVERY OVERVIEW

In terms of structural arrangements of CHDM three of the six directorates deal directly with service delivery, viz: **Engineering, Health and Community Services and Integrated Planning and Economic Development (IPED)**. The other remaining three directorates are support departments which essentially ensures that the municipality is able to deliver on its mandate. These are; Corporate Services, Strategic Services and Budget and Treasury Office (BTO).

1.5.1 Engineering Services Directorate

This directorate is mandated to ensure the roll-out of water and sanitation infrastructure development projects and water supply within its six local municipalities. Its main focus areas are as follows:

- Planning of future water and sanitation infrastructure
- Implementation of water and sanitation of projects including project management and monitoring
- Constructor development through Expanded Public Works Programme (EPWP)
- Provision of water and sanitation across the district
- Maximising employment opportunities through Expanded Public Works Programme (EPWP)

Various projects were initiated within the directorate and a number of these are in the pipeline while some have been completed. These projects which are aimed at addressing water services backlog, ensuring quality drinking water through refurbishment of water and waste water treatment works amongst others.

With regards to water schemes and the provision of water infrastructure, the growth in terms of human settlements and limited water sources 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. Drought has also proven to be a major contributor of water provision in the district.

In terms of the current state of water treatment plants in the CHDM, the following can be revealed:

- CHDM currently has 24 water treatment plants across the district with at least a few within each local municipality including supply systems (boreholes) which are also chlorinated.
- 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 Intsika Yethu and Engcobo remain unserved.

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

Table 12: Proportion of Households with minimum level of Basic services

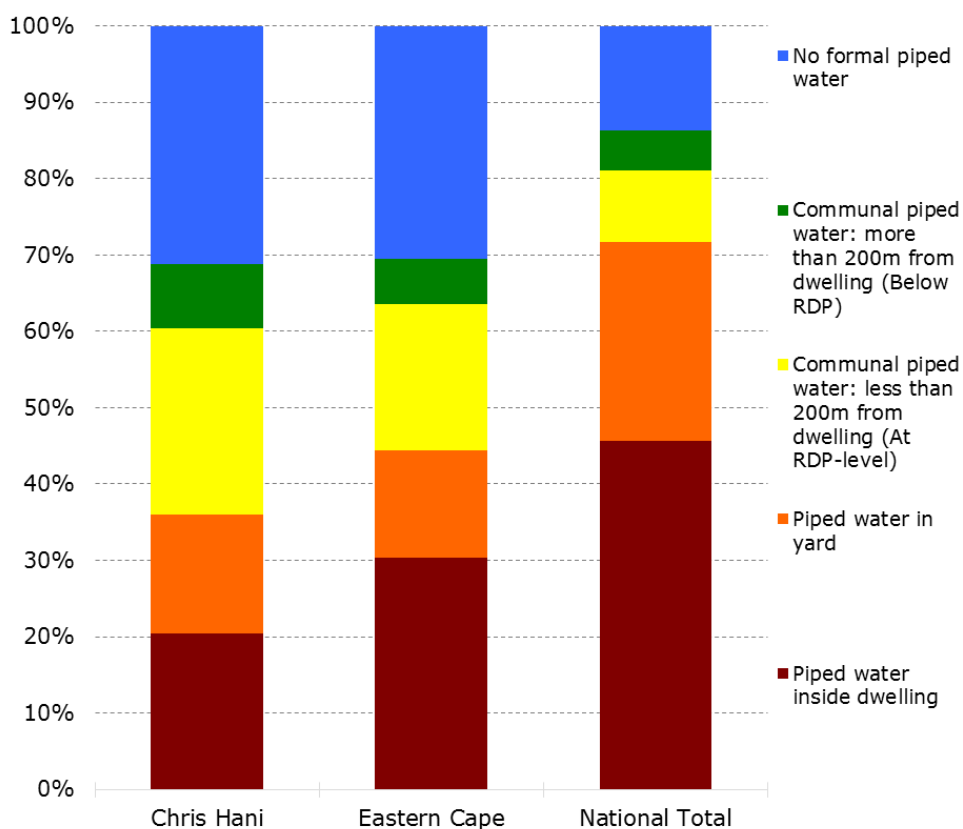
Proportion of Households with minimum level of Basic services				
	2014/2015	2015/2016	2016/2017	2017/2018
Electricity service connections				89%
Water - available within 200 m from dwelling				67%
Sanitation - Households with at least VIP service				69%
Waste collection - kerbside collection once a week				44%

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

PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

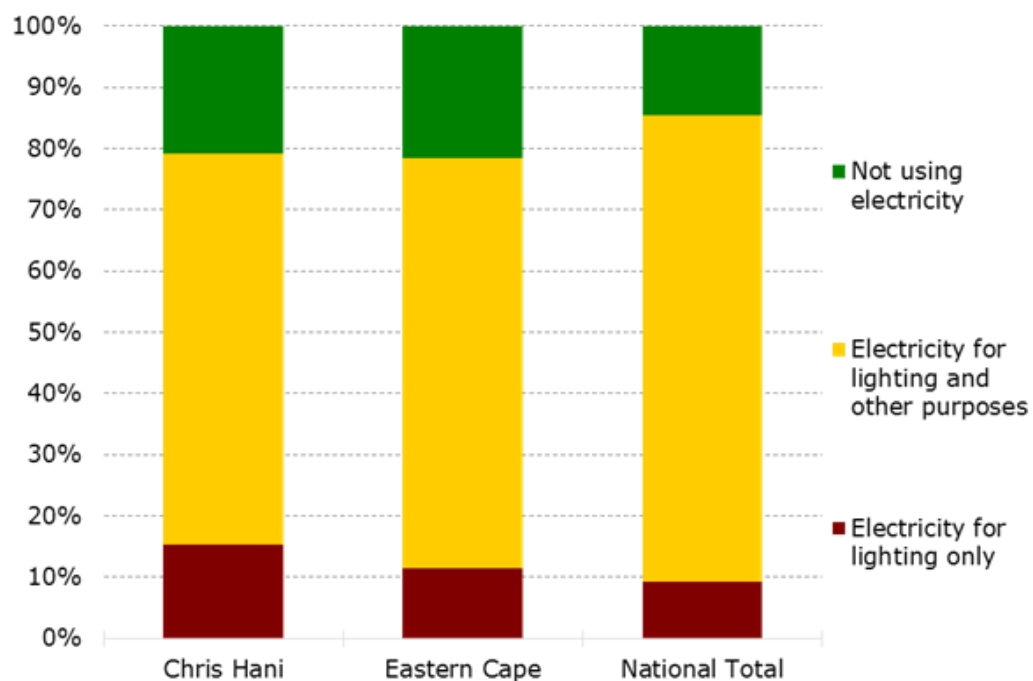
The proportion of households with access to basic services in Chris Hani District Municipalities are indicated in the following tables for water, sanitation, electricity and refuse services.

(i) Water



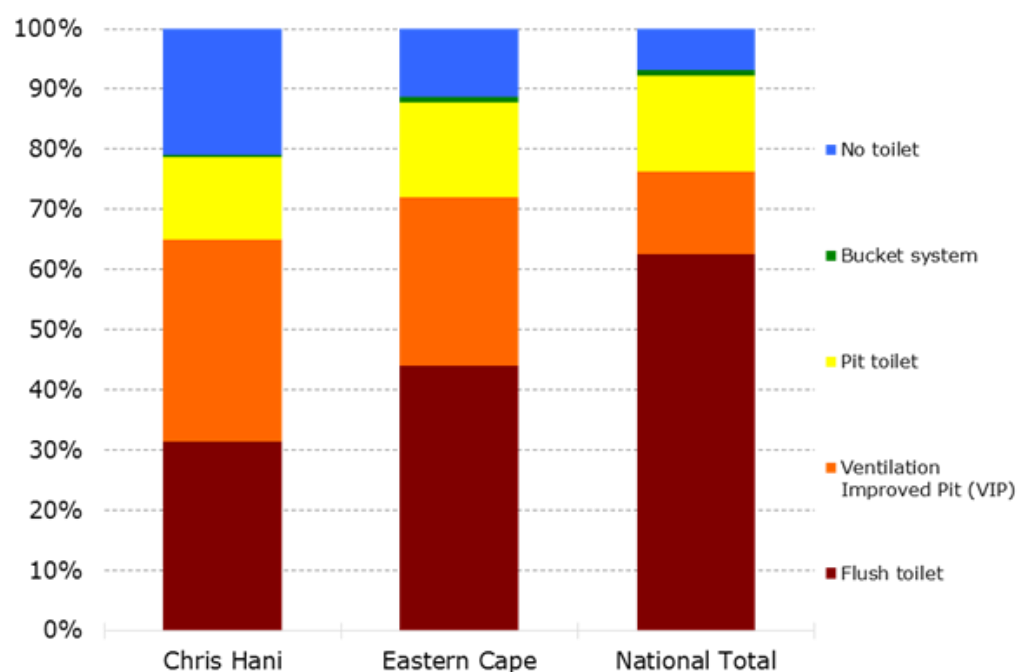
Source: IHS Global Insight Regional eXplorer version 1029

(ii) Electricity



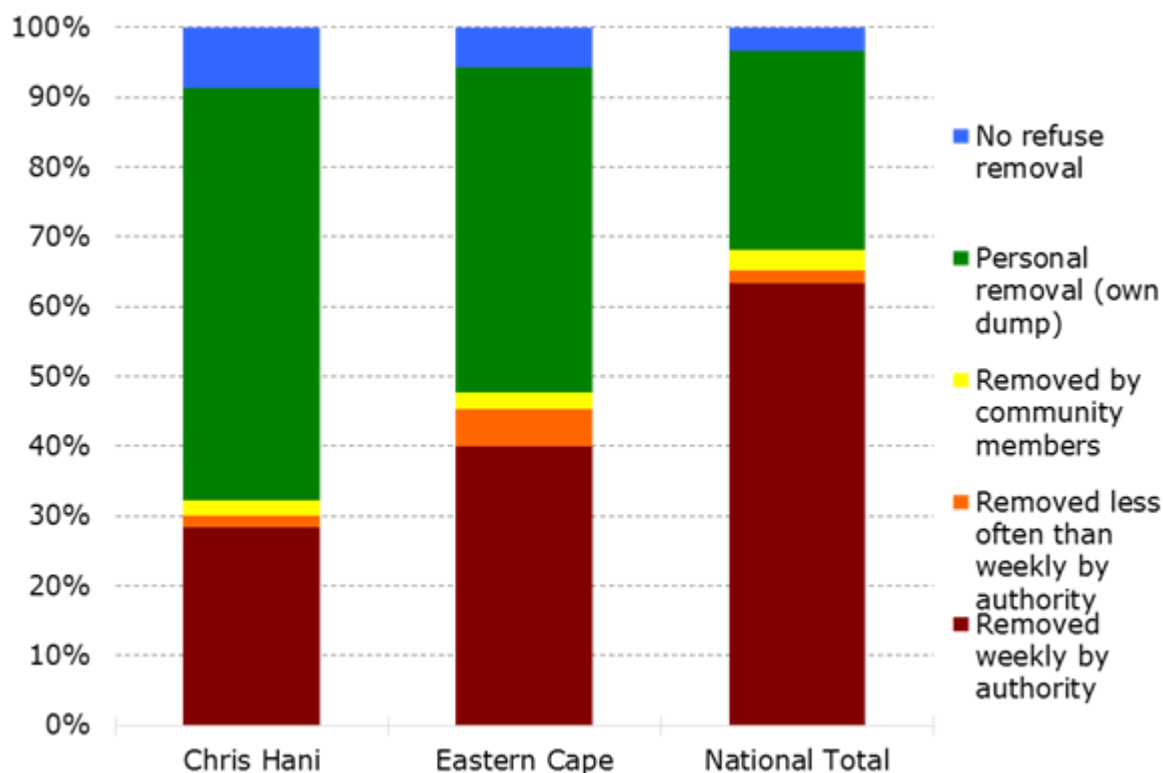
Source: IHS Global Insight Regional eXplorer version 1029

(iii) Sanitation



Source: IHS Global Insight Regional eXplorer version 1029

(iv) Refuse Removal



Source: IHS Global Insight Regional eXplorer version 1029

1.5.2 Health and Community Services

Schedule 4 part B of the SA Constitution and relevant legislative requirements clearly outlines some of the functions of the district related to the Municipal Health Services. These functions vary from *Water Quality monitoring, Food Control Monitoring, Waste Management and General Hygiene Management, Health Surveillance of Premises, Environmental Pollution Control to Disposal of the Dead in respect to funeral parlour inspections, pauper burials and exhumations.*

In executing our responsibility in this regard, we made all strides in ensuring that water provided to communities is safe for human consumption and adequate for domestic use as well as recreational, industrial, food production and any other human or animal use. **Water monitoring** was conducted to ensure that we are able to detect chemical/bacteriological contamination and advice on control measures for prevention of any diseases that may be water related.

In ensuring compliance with related legislation for the prevention and abatement of any condition on any **food premises** which are likely to constitute a health hazard, a number of food premises were evaluated in this regard. Food samples were taken and analysed throughout this period to ensure quality of all food for human consumption and optimal hygiene control throughout the food supply chain in line with Regulation 962 and Regulation 1555 under Foodstuffs, Cosmetics Disinfectants Act (Act 54 of 1972).

As part of CHDM **Waste Management** programmes, Local Municipalities were advised on proper waste management practices to ensure alignment with the Integrated Waste Management Plan (IWMP) as detailed in the Waste Management Act. Local municipalities have also been supported through **clearing and rehabilitating illegal dumping sites** to ensure a conducive healthy environment.

CHDM has successfully developed a Climate Change Response Strategy while the process of developing the Air Quality Management Plan is still underway.

1.5.3 Intergrated Planning and Economic Development (IPED)

The Intergrated Planning and Economic Development Directorate (IPED) is charged with the responsibility of planning for the district as a whole. This Planning function is multidimensional focusing on Spatial Planning, Development Planning as well Economic Planning and Developmnet. In implementing these programmes the directorate seeks to ensure both the fulfimmt of Council plans and further extricate the masses from the morass of poverty, unemployment and inequality.

To discharge this critically important function, the directorate is made up of various sub units, namely: *Integrated Development Planning, Town Planning services, Housing development, Agricultural development, Forestry and related sector development, Tourism Development and Marketing, and Business development.*

As part of CHDMs decisive intervention in the economy, the following initiatives were undertaken:

- Poverty alleviation programmes focusing in Poultry and Piggery in some of our municipalities,
- Livestock Improvement Programme with a specific focus on Inoculation and dosing of animals, Construction of shearing sheds.
- A noticeable dent in the farming industry was made as our support to Irrigation schemes rooted out joblessness in many parts of the district.
- An array of projects and programmes to boost and exploit the **tourism** potential of the Chris Hani District municipality were initiated, these includes Jazz Festival, Chris Hani Month, Choral Music Association Support, Sabalele Multi-Purpose Centre, Tourism and Heritage Month Events, Institutional Support for Tourism Development, Tourism SMME Support and destination marketing.

1.6 FINANCIAL HEALTH OVERVIEW

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

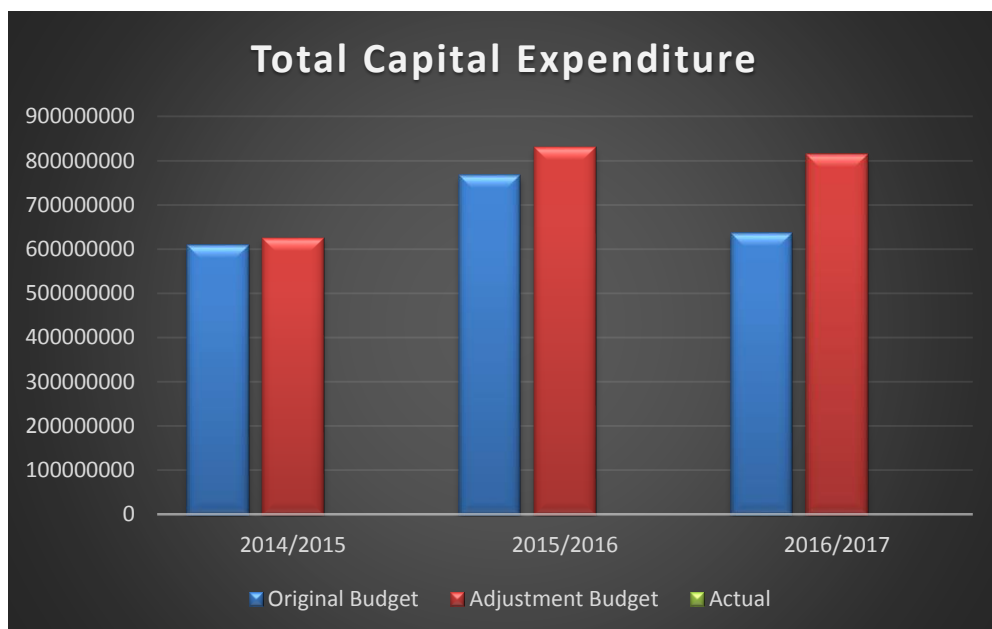
Table 13: CHDM Financial Overview

Financial Overview: 2017/2018			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	1,144,058	1,184,817	1,088,406,807.00
Taxes, Levies and tariffs	187,500	219,642	275,035,828.00
Other	222,070	125,008	43,488,437.00
Sub Total	1,553,628	1,529,467	1,406,931,072.00
Less: Expenditure	1,897,135	1,896,368	1,617,734,361.00
Net Total*	-343,507	-366,901	-210,803,289.00
* Note: surplus/(defecit)			T 1.4.2

Table 14: Total Cpital Expenditure

Total Capital Expenditure: 2015/2016-2017/2018			
			R'000
Detail	2015/2016	2016/2017	2017/2018
Original Budget	767,320	634,700	611,254
Adjustment Budget	831,291	697,874	619,367
Actual	620,937,068	669,205,364	415,899,161

Find attached partially completed, the actual figures will be inserted when ready from financial reporting



1.7 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 directorate 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: The municipal organogramme for the 2017/2018 Financial Year has been tabled to Council where the operational structure was noted as informed by objectives of the municipality. The document is however due for review in the 2018/2019 financial year.

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), reviewed its Performance Management System to include cascading of performance management to levels below Section 57 Managers. A draft Performance Management Policy was also developed during the year under review where engagements with all affected stakeholders were undertaken. It is anticipated that the policy will be adopted by Council in the coming financial year for implementation. 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.

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 R1 020 163.60 during the year under review. A total of eighteen (18) training programmes were implemented.

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

- An internship programme which resulted in the following:
 - Fifty four (54) unemployed graduates were engaged a two-year internship programme starting in September 2017, December 2017 and March 2018. The contract for the inetrship will end on 30 Septmber 2019, 31st December 2019 and 30 April 2020 respectively.
 - Twenty six (26) employees from Engineering Services were enrolled on a Water and Waste Water Learnership at NQF level 2 with the Water Academy for a period of a year ended 30 June 2018.
 - Twenty three (23) students received experiential training for a duration of 18 months as part of their curriculum 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

1.8 REPORT OF THE AUDITOR GENERAL

Chris Hani District Municipality was subjected to an intensive audit process by the Auditor General in terms of the Public Audit Act 25 of 2004. This process as required by the legislation, in the main seeks to assess the state of finances of the municipality as well as matters relating to internal controls, governance and pre determined objectives. Currently the opinion of the Auditor General is based on the audit of finances. For the previous financial years the municipality has maintained a Qualified Opinion as the table demonstrates.

Table 15: Audit Record

Financial Year	Unqualified	Qualified	Adverse	Disclaimer
2017/2018		✓		
2016/2017		✓		
2015/2016		✓		
2014/2015		✓		

1.8.1 BASIS FOR THE QUALIFICATION OUTCOME

The qualification was based on the following paragraphs:

- Receivable from exchange transactions
- Commitments
- Irregular expenditure

- Water losses

1.9 STATUTORY ANNUAL REPORT PROCESS

In terms of the Local Government Municipal Finance Management Act (MFMA) No 56 of 2003, Section 121, the Council of a Municipality must within nine months after the end of the financial year deal with Annual Report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with Section 129 of the MFMA. The table below demonstrates the process the municipality followed in the preparation of the Annual Report for Adoption by Council.

Table 16: Annual Report Process

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. 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 previous financial year Annual Report and evidence to Internal Audit and the Auditor-General including annual financial statements and non financial information	August
5	Municipal entities submit draft annual reports to MM	
6	Performance Audit Committee considers draft Annual Report of municipality	
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	September - October
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
9	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	
10	Municipalities receive and start to address the Auditor General's comments	November
11	Executive Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
12	Audited Annual Report is made public and representation is invited	February
13	Oversight Committee assesses Annual Report	February - March
14	Council adopts Oversight report	March
15	Oversight report is made public within seven days of its adoption	April
16	Oversight report is submitted to Legislatures, Treasuries and Cogta	

CHAPTER 2 – GOVERNANCE

COMPONENT A:

2.1. GOVERNANCE STRUCTURES

The Chris Hani District Municipality was established in terms of provisions contained in chapter 1 of the Local Government Structures Act, 17 of 1998 (MSA). In terms of these provisions CHDM is a category C municipality (district municipality). The district therefore 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. The Executive Mayor is assisted by a Mayoral Committee which chairs section 80 committees referred to as Standing Committees namely;

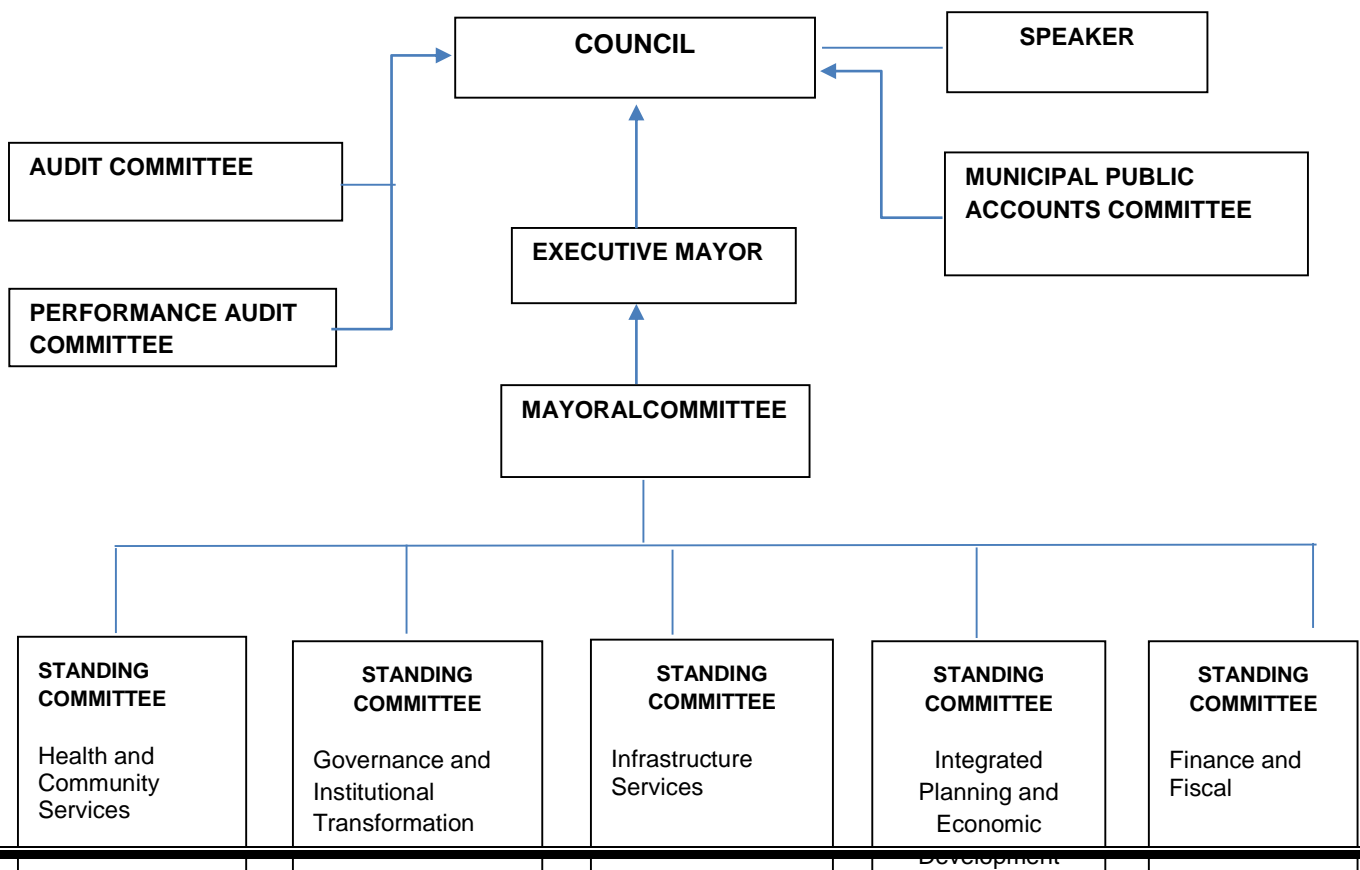
- Finance and Fiscal
- Health and Community Services
- Infrastructure
- Governance and Institutional Transformation
- Integrated Planning and Economic Development.

The Council of CHDM has various Section 79 committees, namely;

- Municipal Public Accounts Committee [MPAC]
- Women's Caucus,
- Rules and Ethics Committee and
- Whippyery

The above committees are each chaired by a Councillor elected from within Council. Council has also appointed independent oversight bodies namely; Audit Committee, Performance Audit Committee and Risk Management Committee which are established in terms of Section 166 of the Municipal Finance Management Act. The Speaker of Council is the chairperson of Council who convenes and presides over Council meetings. The diagram below illustrates the political structure of the CHDM.

Diagram 1 : Council Political Structure



2.1.1 POLITICAL GOVERNANCE STRUCTURE

As would be reflective in other spheres of government, the Council of the Chris Hani District Municipality is the legislative component of the municipal governance. 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.

The Council has experienced changes during the third quarter in the Mayoral Committee, with the resignation of Councillor Makanda, the Finance and Fiscal Portfolio Head, as Councillor. This led to a reshuffling by the Executive Mayor announced to Council with Cllr Ntombizanele Koni being sworn in on the 15 March 2018 and announced as Portfolio head of Governance and Transformation, and the then Portfolio head Cllr Jack moved to head Finance and Fiscal.

2.1.1.1 COMPOSITION OF COUNCIL

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

Table 17: Composition of Council

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

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

Table 18: Party Demographic Distribution

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

Further information on Councillors is provided in Appendix A

2.1.1.2 POLITICAL STRUCTURE OF COUNCIL IN PHOTOS



**CLLR Mxolisi Koyo:
Council Speaker**



**CLLR Kholiswa Vimbayo:
Executive Mayor**



**CLLR Bongiwe Van Heerden:
Council Chief Whip**



**CLLR Nonzukiso Matiwane:
Special Programmes Unit**



**CLLR Ntombizanele Koni:
Municipal Governance and Transformation**



**CLLR Noncedo September-Caba:
Health and Community Services**



**CLLR Mtetunzima Jack::
Finance and Fiscal**



**CLLR Sibongile Mbotshane:
Integrated Planning & Economic Development**



**CLLR Siyabulela Zangqa:
Infrastructure**

2.1.1.3 POLITICAL DECISION-TAKING

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

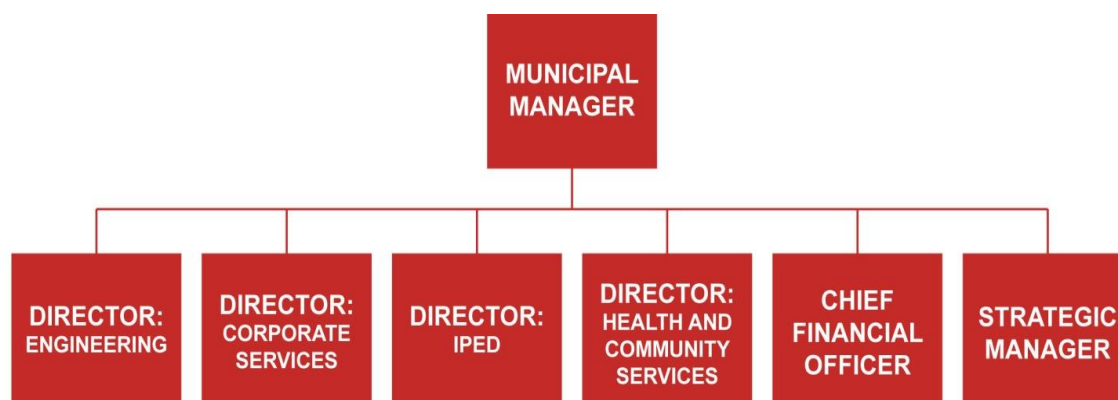
The institution has developed a resolution register for the Mayoral and Council meetings with a view to monitoring implementation of Council resolutions as well as easy access to information when requests for access to information is submitted by citizens.

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.

2.1.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

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. The diagram below illustrates the high level administrative structure:

Diagram 2: Top Administrative Structure



2.1.2.1 TOP ADMINISTRATIVE STRUCTURE IN PHOTOS



MR B.J. MTHEMBU
ACTING MUNICIPAL MANAGER



Mrs Fetsha: Chief Financial Officer



MR B.J. MTHEMBU
STRATEGIC MANAGER



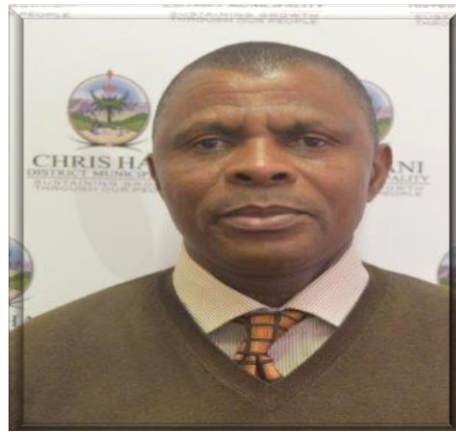
Ms Y. Sinyanya – Director:
Health and Community Services



Mrs Y. Dakuse – Director:
Corporate Services



Mr M. Dungu: Director: Engineering



Dr Z. Shasha
Integrated Planning and Economic Development

COMPONENT B:

2.2 INTERGOVERNMENTAL RELATIONS

Chapter 3 of the Constitution (1996) describes the three spheres of government (National, Provincial and Local) 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.

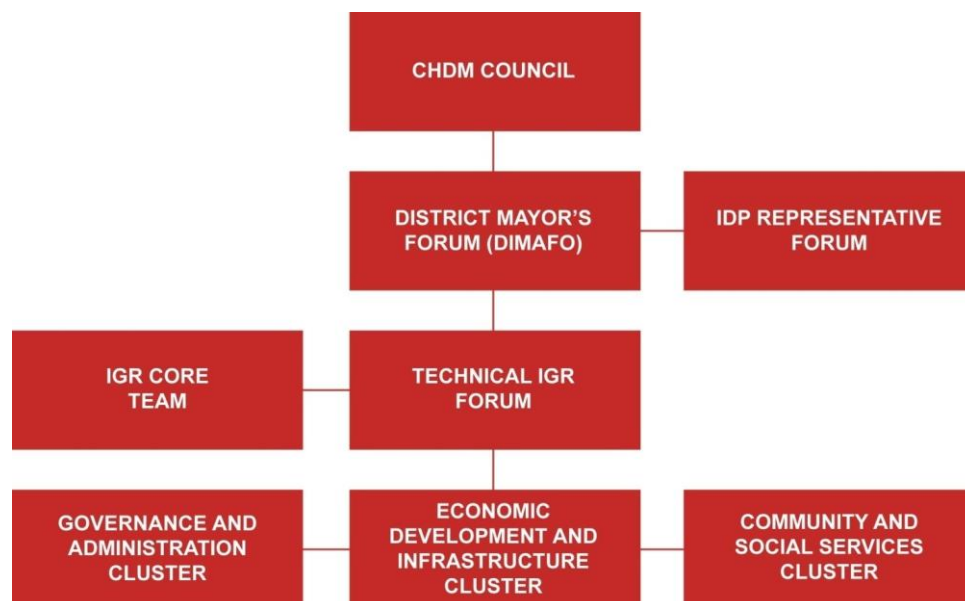
- **Vertical division:** Determining the allocation to each sphere of government inevitably involves trade-offs that are made in the course of a comprehensive budget process driven by political priorities, and which covers all aspects of governance and service delivery. Separate and ad hoc requests for 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.

2.2.1 Key Intergovernmental Relations Structures

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. The diagram below illustrates the structures currently existing in CHDM and their levels in terms of decision making:

Diagram 3: Key Intergovernmental Relations Structures



During the financial year under review, the municipality has made significant strides in as far as operationalising its key IGR instruments. To this effect the municipality has been actively involved in all National and Provincial IGR programmes. Key amongst these is the maximum attendance of the municipality in Provincial IGR structures such as the Premiers Coordinating Forum (PCF), the MuniMec as well as the Technical MuniMec.

At the district level, on a quarterly basis, the Executive Mayor and her counterparts from the various local municipalities within the district jurisdiction meet and engage on matters of mutual interest under the ambit of the District Mayors Forum (DIMAFO). This structure is supported by a Technical Structure headed by the Municipal Manager wherein he engages with his counterparts from the various Local Municipalities. This structure is called the Technical IGR. During the Financial year under review, these structures have proved to be functional and contribute positively to the decision making process within the district.

2.2.2 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 (2000) 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 with Mr T Mashologu at the helm, as the Chief Executive Officer of the Agency is

CHDA Board is compromised of the following members:

- Ms N Skeyi (chairperson)
- Mr M Sigabi
- Mr S Ngqwala
- Mr S Dzengwa
- Ms. V Matsiliza
- Mr R Ramabulana
- Mr P Songo
- Ms F Mushowe

COMPONENT C:

2.3 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. CHDM council has institutionalised community participation mechanisms in its affairs 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.

During the period under review, the above objectives were fulfilled as the CHDM facilitated public involvement in line with the requirements of Chapter 4 of the Municipal Systems Act. 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. In the past financial year Council made an effort to account to its 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.

2.3.1 PUBLIC MEETINGS

2.3.1.1 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. In addition to these platforms, the office of the Speaker leads public participation programs for an engaged citizenry; these are, The Moral Regeneration Movement, whose aim is to influence the society towards the charter of positive moral values; the District Initiation Forum led by traditional leaders to respond to, prevent and intervene on the scourge of deaths of initiates in the circumcision program; the Women's Caucus which seeks to strengthen women representation, capacity and voice of women in political and administrative offices and the Civic education program which seeks to educate the electorate on various issues of governance and social programs.

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 on 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 auctioning, 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 2017/2018 financial year.

2.3.2 IDP PARTICIPATION AND ALIGNMENT

2.3.2.1 2017/2018 CHDM IDP-BUDGET-PMS PROCESS PLAN

Table 19: IDP/Budget/PMS Process Plan

Activities		Timeframe	Responsible Department
A	Preparation phase / Pre-planning		
	Advertise invitation of IDP Stakeholders to Register	July 2017	IPED
	Planners Coordinating Forum- IDP/PMS Managers Session for Alignment of IDP Process Plans	August 2017	IPED
	Technical IGR Meeting	August 2017	MM
	Management Meeting looking into the IDP Framework & IDP/Budget Process Plan	August 2017	MM
	IDP/PMS/Budget Steering Committee meeting to review Implementation progress and prepare for the 2017/2018 IDP Process	August 2017	IPED
	Council Approval of Framework Plan & Process Plans (IDP & Budget)	August 2017	IPED/BTO
	Signing of Performance Agreements by HOD's		MM
	Submission of APR to AG & Treasury	August 2017	MM
	Advertise Adopted IDP/Budget Process Plan	August 2017	IPED
	Presentation of PMS Process Flow to Management		MM
	15/16 Annual Performance Assessment	September 2017	MM
B+C	Analysis Phase / Monitoring and evaluation		
	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	July - October 2017	All Departments Championed by HOD's

	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.		
	IDP/Budget/PMS Rep Forum	September 2017	IPED
	Quarter 1 Performance reporting (July - Sept)	October 2017	HOD's/MM
	Standing Committees	October 2017	
	1 ST Quarter Institutional Performance Report to Mayor	October 2017	MM
	Budget Steering Committee	October 2017	BTO
	Performance Audit Committee on 1 st Quarter Report	October 2017	MM
	MPAC: Audit Committee & Performance Audit Reports	October 2017	MM
	Mayoral Committee Meeting	October 2016	MM.
	Council Meeting (Draft Annual Report)	October 2017	MM.
	IDP/PMS/Budget Rep Forum meeting - discuss district priorities	November 2017	IPED
	IDP/PMS/Budget Steering Committee meeting to review Implementation progress and report on gaps identified during the analysis phase	November 2017	IPED
	Technical IGR Meeting	November 2016	MM
	District Mayors Forum	November 2017	MM
	IDP /PMS/Budget Rep Forum	November 2017	IPED
	IDP Phase analysis	December 2017	IPED
	Annual Report Roadshows	December 2017	MM
	Council Meeting	December 2017	MM.
	Quarter 2 Performance reporting HOD's to MM (Oct - Dec))	January 2018	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	January 2018	BTO
	Mid- Year Performance Report to Mayor	January 2018	MM
	IDP/Budget Steering Committee to approve draft budget allocations (IDP/ Budget link)	January 2018	IPED/BTO
	Mid- Year Performance Assessments of HOD's	January 2018	MM
	Council Meeting (Final 2015/16 Annual Report & Mid - Year Report)	January 2018	MM
	Institutional Strategic planning session. Adopt proposed overall direction of the 2017-2022 IDP - agree on main themes and key strategic objectives and key financial issues. Refine objectives, strategies, programmes and draft projects as necessary for MTEF period	February 2018	IPED/MM
	Mayoral Committee	February 2018	MM
	Technical IGR	February 2018	MM
	DIMAFO	February 2018	MM
	Council Meeting Adopting Adjusted Budget	February 2018	MM
	Identify operating impacts (including staff issues) of proposed projects and ensure that these are included in the operating budget submissions	March-2018	IPED /BTO / Corporate Services
	Budget Steering Committee (Chaired by Portfolio Cllr)	March 2018	MM
	Mayoral Committee Meeting	March 2018	MM
	IDP Rep Forum	March 2018	IPED
	CHDM Council approval of the 2017-2022Draft IDP & Budget& Submission of Recommendations from Performance Evaluation Panel	March 2018	MM
	Draft IDP and Draft Budget published. Advertise for public comment (21days)	March 2018	IPED
	Quarter 3 Performance reporting by HOD's (Jan - March))	April 2018	HOD's & MM
	Standing Committee	April 2018	MM
	3 rd Quarter Institutional Report to Mayor	April 2018	MM
	Departmental SDBIP Engagements	April 2018	MM
	MPAC /Audit Committee	April 2018	

E	Reviewed IDP document (Integration/programme implementation and operational plan)		
	Incorporate relevant comments to the Draft final reviewed IDP	April - May 2018	IPED
	IDP/Budget Steering Committee meeting (implementation and operational plan)	May 2018	IPED
1	IDP/PMS Managers Session	May 2018	IPED
	Mayoral Committee	May 2018	MM
	IDP Rep Forum	May 2018	IPED
	Municipal Wide SDBIP Engagement	May 2018	MM
	Budget Steering Meeting Chaired by Portfolio Cllr	May 2018	BTO
	Technical IGR	May 2018	MM
F	Approval phase		
4	CHDM Council Open Day & Approval of Final 2017-2022 IDP & Budget	May 2018	MM
	DIMAFO	May 2018	MM
	Submission of SDBIP to Exec Mayor for Approval	June 2018	MM
	Mayoral	June 2018	MM
	Approval of SDBIP within 28 days after budget	June 2018	Mayor
	Audit Committee	June 2018	MM
	Stakeholders Engagement on IDP & Budget	June 2018	MM
	Signing of MM and Section 57 Managers Performance Agreements	June 2018	MM
	SDBIP Approved and Performance Agreements signed	June 2018	MM
	MPAC (3 rd Quarterly report & Sec 52 d)	June 2018	MM
	Council Meeting	June 2018	MM
	Signing of Accountability Agreements by Middle Management	June 2018	MM
4	Quarter 4 Performance reporting (April - June))	July 2018	HOD"s & MM

G	Performance Management System		
2	Drafting of Service Delivery and Budget Implementation Plan (SDBIP) 2017-2018	July 2018	MM
6	Publicize SDBIP and Performance Agreements no later than 14 days after approval	July 2018	MM

COMPONENT D

2.4 CORPORATE GOVERNANCE

2.4.1 RISK MANAGEMENT

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.

The role of the Risk Management function 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;

2.4.1.1 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.

2.4.1.2 Top five (5) Institutional risks

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

Table 20: Top five (5) Institutional risks

Strategic objective	Risk description	Mitigation measure
To ensure provision of Municipal Health, Environmental Management and Basic Services in a well structured, efficient and integrated manner.	Inability to deliver sufficient water and provide proper sanitation to our communities	<ol style="list-style-type: none"> 1. Reviewal and implementation of by-laws 2. Development of asset maintenance plan 3. Installation of bulk audit meters 4. Reviewal of WSDP 5. Development and implementation of infrastructure monitoring and evaluation plan. 6. Reviewal of the retention strategy
To create an Efficient, Effective, Accountable and Performance oriented Administration.	Theft, Fraud and corruption	<ol style="list-style-type: none"> 1. Implementation of consequence management 2. Awareness campaigns 3. Facilitation of the fraud risk assessment and development of fraud risk register
To create an Efficient, Effective, Accountable and Performance oriented Administration.	Non-compliance with laws and regulations	<ol style="list-style-type: none"> 1. Develop procedure manual and placed in all sites 2. Implementation of Consequence management

To create an Efficient, Effective, Accountable and Performance-oriented Administration	Ineffective management of performance information	<ol style="list-style-type: none"> 1. Review and monitor the implementation of the PMS policy 2. Approval of standard operating procedures and PMS policy. 3. Cascading PMS to lower levels of staff 4. PMS trainings
To ensure Effective, Efficient and Co-ordinated Financial Management that enables CHDM to deliver its mandate.	Low revenue collection	<ol style="list-style-type: none"> 1. Prioritization/filling of posts for billing section 2. Development of revenue enhancement strategy 3. Implementation of electronic meter reading system 4. Commencement of data cleansing project 5. Development of revenue management bylaws 6. To establish debt and credit control unit 7. Awareness campaigns to rate payers on revenue policies

2.4.1.3 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 monitor a case management system that will ensure effective and efficient management of cases.
- To monitor a whistle blowing hot-line of the municipality.
- To develop a whistle blowing policy that will support the whistle blowing hot-line 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.

The following activities took place in the year under review:

- Maintenance of the anti-fraud and corruption hotline.
- Marketing of the use of the anti-fraud and corruption hotline in order to create awareness
- Sitting of the anti-fraud and Risk Management Committee to ensure sound management of fraud risk within the municipality

2.4.2 SUPPLY CHAIN MANAGEMENT

At the outset of the procurement reform process in 1995, it was recognized that a consistent legislative framework would be required to give effect to Government's procurement reform policy objectives. It was recognized that procurement reforms would have to be limited to those measures that could be implemented within the ambit of the existing legislation.

SCM Strategic Objectives

- To ensure that the municipality has and implements a supply chain management policy this gives effect to the provisions of the Act;
- To ensure procurement of goods and services in a fair, equitable, transparent, competitive and cost effective and comply with the prescribed regulatory framework;
- That all reasonable steps are taken to ensure that proper mechanisms are in place and separation of duties in the supply chain management system is implemented to minimize likelihood of fraud, corruption, favouritism and unfair and irregular practices;
- To ensure that all contracts/agreement are in writing and are procured in line with the Supply Chain Management;
- To ensure that the supply chain management delegations are properly enforced and managed;
- That the municipal bid structures are in place and effective, to ensure competitive bidding process;
- Ensure submission of proper, accurate and applicable reports as per MFMA To ensure the disposal of municipal assets in accordance with the applicable legislation; and
- Ensure that municipal inventory levels are kept at an acceptable levels as per the Municipal SCM policy.

The Chris Hani District Municipality has 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

2.4.3 BY-LAWS

Table 21: Update on Municipal By-Laws developed

By-laws Introduced during Year 2017/2018					
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
<i>*Note: See MSA section 13.</i>					

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.

2.4.4 WEBSITE

Table 22: Status of Municipal Website

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	16 August 2017
All current budget-related policies	YES	4 th July 2017
The previous annual report	YES	19 th September 2017
The annual report 2017/2018 published/to be published	YES	18 th July 2017
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 2017/2018	YES	18 th July 2017
All long-term borrowing contracts 2017/2018	N/A	
All supply chain management contracts above a prescribed value (30000) 2017/2018	YES	Monthly
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 2017/2018		
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 2017/2018	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during 2017/2018	YES	4 th April 2018
<i>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.</i>		

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.

2.4.5 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

A customer satisfaction survey was last undertaken in 2015. The municipality has undertaken a resolution to conduct the survey annually. The municipality has appointed a service provider for the duration of 3 years to undertake the survey starting from 3 September 2018.

The survey will provide an in-depth understanding of customer expectations, satisfaction levels and outline a set of steps that need to be taken to remedy any areas of concern. Most importantly, the analysis of findings will provide

clear and actionable recommendations and/or proposed action plans that will help strengthen relationships with existing customers, while identifying areas to attract new ones.

The recommendations will also help serve as a foundation from which a dynamic customer care strategy can be reviewed, leading to the delivery of a high quality, responsive, accessible and value for money service, as well as serve as a guide for future improvements of customer satisfaction levels.

3.1 Introduction

Section 46 of the Local Government: Municipal Systems Act, 32 of 2000 (MSA) requires that municipalities must, at the end of the financial year, prepare an annual performance report. The report required in terms of this Section must reflect the performance of the municipality and each of the external service providers engaged by the municipality for the year. Furthermore, this section prescribes that the performances reflected above must be compared with performances for the previous financial year and include measures to improve performance where underperformance was recorded.

In terms of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA), Sec 53(1)(c)(ii) a municipality's Service Delivery and Budget Implementation Plan (SDBIP) must be approved by the Mayor within 28 days after the approval of the budget. The SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality.

The district municipality, at the beginning of 2017/18 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 2017/2018 financial year in June 2017 while the Performance Agreements of the Senior Managers were concluded in July 2017. During the development of the SDBIP, a balanced scorecard model was utilised.

This means that all aspects of the operation of the municipality are 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 2017/18 was divided in terms of the five key performance areas applicable to local government viz.

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

In terms of **KPA 1**, the main focus is on the provision of 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 2: the main focus is of tangible service delivery matters such as water and sanitation, roads maintenance, housing and town planning services.

KPA 3: this 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 others, issues such as tourism promotion and development, forestry programmes, heritage development, the Expanded Public Works Programme (EPWP), and agriculture.

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.

KPA 5: focuses on good governance matters such as public participation, stakeholder engagement, customer care, performance management, the effectiveness of oversight structures, internal audit matters, risk management and communications.

During the 2017/2018 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 tables below provides a general overview of the performance of the institution in percentage terms for each KPA and finally for the institution as a whole.

Table 23: Comparison summary for 2017/2018 and 2016/2017 financial years

KPA	Overall Performance Percentage (2016/2017 FY)	Overall Performance Percentage (2017/2018 FY)	Variance
Municipal Transformation and Organizational Development	53%	73 %	+20 %
Basic Service Delivery and Infrastructure Development	78%	77 %	-1 %
Local Economic Development	57%	71 %	+14 %
Financial Management and Viability	75%	59%	-16 %
Good Governance and Public Participation	75%	69 %	-6%
Overall Institutional Performance	68%	71 %	+3%

The comparative analysis depicted in the table above indicates that the performance results have improved in two of the five KPAs. Municipal Transformation and Organisational Development and Local Economic Development

have shown a tremendous improvement with an increase of 20% and 14% respectively. The performance in the areas of Basic Service Delivery and Infrastructure Development, Municipal Financial Management and Viability and Good Governance and Public Participation have shown a decrease in performance by 1%, 16% and 6% respectively. The current financial years' overall performance has improved by 3% from 68% to 71%. The comparison of performance, based on the Performance Management reviews undertaken, between the current and the previous years reflects the healthy state of affairs wherein there is a room for improvement.

Performance highlights per Key Performance Area (KPA)

KPA 1: Municipal Transformation and Organizational Development

- Eighteen (18) Workplace Skills Plan (WSP) training programmes were implemented for officials and Councillors have undertaken various skilling programmes including CPMD as training of staff remains a key priority of the municipality.
- Fifty four (54) unemployed graduates were given an opportunity to participate in the municipality internship programmes.
- A total number of 74 vacant positions were filled to ensure sufficient human capital that will assist with the municipality's on-going operations and fast track service delivery.

KPA 2: Basic Service Delivery and Infrastructure Development

- 6424 households served with basic sanitation across the district
- Cala Phase 2 and Molteno bulk waste water treatment constructed
- Ten (10) Water Schemes Refurbished
- Water samples were taken to assess the quality both of drinking water as well as waste water this with the primary aim of improving the blue and green drop status
- Construction and handing over of destitute houses to needy beneficiaries for improved quality of life

KPA: 3 Local Economic Development

- 2833 jobs opportunities were created through the EPWP programme to improve the economic growth of the district.
- Support has been provided through the Chris Hani Regional Economic Development Strategy CHREDS Strategy which seeks to facilitate local economic development in the Chris Hani District Municipal area and to create a conducive climate for private sector involvement in the sector, namely; Tree nursery at Intsika Yethu Local Municipality, Charcoal projects at Engcobo and Sakhisizwe Local Municipalities and Afforestation at Intsika Yethu, Engcobo and Sakhisizwe Local Municipality.
- The CHDM continued to promote and preserve heritage resources through Tourism Indaba, Beeld Holiday show, Inkubeko Yethu and Craft Mania
 - Livestock initiatives and Dry Land Crop Production were supported while various irrigation schemes were established notwithstanding the negative impact of the drought conditions that gripped the entire country.

- The implementation of the Small Town Revitalisation programme commenced with the construction of the Engcobo Taxi Rank as well as the many paving and beautification projects that were undertaken throughout the district

KPA 4: Financial Management and Viability

- The Integration of Financial Systems was implemented to assist with the capital projects costing, supplier performance, contracts register and the ageing of the balances and the Creditors Module to monitor 30 day payment of suppliers.
- Smart metering commenced to reduce water losses and improve billing and revenue collection.

KPA 5: Good Governance and Public Participation

- CHDM assurance and risk management instruments remained strong with support from the Risk Committee and the Performance Audit Committee.
- Various initiatives were undertaken during the under review to improve the risks associated with fraud and corruption.
- The districts communication function continued to excel with CHDM implementing mechanisms to strengthen the public participation and stakeholder function.
- There has been marked improvements in the customer relations programme of the municipality with new systems introduced namely; integration of 24hr call centre and bulk sms.

Attached below is an approved 2017/2018 Service Delivery and Budget Implementation Plan. This details planned performance of CHDM over the year under review. The attached SDBIP provides a comprehensive picture of those areas where the municipality has made commitments during this period.

Table 24: Service Delivery Budget and Implementation Plan 2017/2018 F/Y

SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2017/2018 F/Y

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Priority Area	Measurable Objectives	Strategy	KPI	Revised KPI	Indicator Code	Programme Budget Allocation	Baseline	Annual Target	Revised Annual Target	Planned Quarterly Targets						Evidence	Revised Evidence	Custodian
										Qtr. 1	Qtr. 2	Qtr. 3	Revised Qtr. 3	Qtr. 4	Revised Qtr. 4			

BROAD STRATEGIC OBJECTIVE 1: To Establish and Maintain a Skilled Labour Force Guided by Policies to Function Optimally Towards the Delivery of Services to Communities

Integrated Human Resources Management	To Attract, Retain and Build a productive workforce	Implementation of IHRM Programmes	Number of IHRM programmes implemented			MT OD - 1	9,925,022.00	HRD Strategy in place	11 IHRM Programmes (Internship, WSP, Minimum competencies, learnership, employment equity, recruitment, staff establishment, JD Writing, DJEC, Labour relations and LLF)	11 IHRM Programmes (Internship, WSP, Minimum competencies, learnership, employment equity, recruitment, staff establishment, JD Writing, DJEC, Labour relations and LLF) by 30 June 2018	11 programmes implemented	11 programmes implemented	11 programmes implemented	11 programmes implemented	11 programmes implemented	11 programmes implemented	Quarterly report on IHRM programmes	11 IHRM Programmes	Director: Corporate Services
			Number of WSP programmes implemented			MT OD - 1.1	1,590,000.00	WSP in place	15 WSP training programmes implemented	15 WSP training programmes implemented	3 WSP training programmes implemented	2 WSP training programmes implemented	5 WSP training programmes implemented	5 WSP training programmes implemented	5 WSP training programmes implemented	5 WSP training programmes implemented	Attendance registers; Training programme & report	Attendance registers; Training programme & report	Director: Corporate Services

		mente d																
		Number of Employees Enrolled & trained on minimum competency requirements			MT OD - 1.2		Skills Audit.10 employees trained on minimum competencies	10 Employees Enrolled & 3 employees trained on minimum competencies	13 employees enrolled on minimum competencies by 30 June 2018	10 employees enrolled	N/A	N/A		3 Employees trained	3 employees enrolled on minimum competencies	Enrolment forms ,Attendance registers & Results	Enrolment forms ,Attendance registers & Results	Director: Corporate Services
		Number of Employees undergoing Process Controller Learnership			MT OD - 1.3		WSP in place	26 employees Undergoing Process Controller Learnership	26 employees Undergoing Process Controller Learnership by 30 September 2017	26 employees Undergoing Process Controller Learnership	implementation of Process Controller Learnership	implementation of Process Controller Learnership	implementation of Process Controller Learnership	implementation of Process Controller Learnership	implementation of Process Controller Learnership	Training manual; Training report; Attendance registers	Training manual; Training report; Attendance registers	Director: Corporate Services
		Number of employment equity plan reviewed and implemented			MT OD - 1.4	200,000.00	EEP	1 Employment Equity Plan reviewed & implemented	1 Employment Equity Plan reviewed and facilitate implementation by 30 June 2018	Consultation of stakeholders conducted & Draft EEP approved	implementation of EEP on 3 highest levels	implementation of EEP on 3 highest levels	Facilitate implementation of EEP on 3 highest levels	implementation of EEP on 3 highest levels	Facilitate implementation of EEP on 3 highest levels	Attendance register, Appointment Letters, Recruitment reports, Employment Equity report.	Adverts, Recruitment reports, Employment Equity report.	Director: Corporate Services
		Number of vacant funded positions filled			MT OD - 1.5	2,772,022.38	Approved organizational structure, recruitment & selection policy	50 funded vacant positions filled	50 funded vacant positions filled by 30 June 2018	15 vacant funded positions filled	10 vacant funded positions filled	10 vacant funded positions filled	10 vacant funded positions filled	15 vacant funded positions filled	15 vacant funded positions filled	Adverts, Appointment Letters, Recruitment report	Adverts, Appointment Letters, Recruitment report	Director: Corporate Services

		Number of reviewed Staff Establishment			MT OD - 1.6	1,583,000.00	1 staff establishment in place	1 reviewed staff establishment and approved	1 reviewed staff establishment and approved by 30 June 2018	facilitate appointment of service provider & Consultation with stakeholders (departments and HODs)	Consultation with stakeholders (LLF & Restructuring committee)	Consultation with stakeholders on Draft Staff Establishment	Consultation with stakeholders on Draft Staff Establishment	1 reviewed staff establishment approved	1 reviewed staff establishment approved	Appointment letter,SLA,Minutes and attendance register; Council resolution,Approved staff establishment	Council resolution,Approved staff establishment	Director: Corporate Services
		Number of CHDM Job Descriptions written			MT OD - 1.7		staff establishment	60 JDs written	Approved job architecture & 10 Job descriptions written by 30 June 2018	Development of Job Architecture & 10 JD's written	15 JDs written	15 JDs written	15 JDs written	20 JDs written	Approved job architecture & 10 Job descriptions written	JD writing report; Attendance register	JD writing report; Attendance register, minutes	Director: Corporate Services
		Number of Provisional Outcomes Result submitted to the Provincial Audit Committee			MT OD - 1.8		District job evaluation committee exist	4 POR's submitted to Provincial Audit Committee	4 POR's submitted to Provincial Audit Committee by 30 June 2018	1 POR submitted to Provincial Audit Committee	1 POR submitted to Provincial Audit Committee	1 POR submitted to Provincial Audit Committee	1 POR submitted to Provincial Audit Committee	1 POR submitted to Provincial Audit Committee	1 POR's submitted to Provincial Audit Committee	Provisional Outcome Report, Final Outcomes Report	Provisional Outcome Report, Final Outcomes Report	Director: Corporate Services
		Number of Labour Relations programmes implemented			MT OD - 09	500,000.00	Main Collective Agreement	4 Labour Relations Programmes Implemented(Discipline, Grievance & Disputes. Conflicts Management .Work place relations.Standard of conduct)	4 Labour Relations Programmes Implemented(Discipline, Grievance & Disputes. Conflicts Management .Work place relations.Standard of conduct) by 30 June 2018	1 programme implemented(capacity building for Managers & Supervisors on Discipline & Grievance Management)	1 programme implemented(capacity building for managers & supervisors on conflict management)	1 programme implemented(awareness on work place relations)	1 Labour Relations Programme implemented (capacity building for managers & supervisors on conflict management)	1 programme implemented (awareness on standard of conduct)	1 Labour Relations Programme implemented(awareness on work place relations)	Attendance registers; programme outline and quarterly reports	Attendance registers; programme outline & reports	Director: Corporate Services

								Queenstown		e in Emalahleni	e in Emalahleni						
	Number of substance abuse programmes implemented			MT OD - 2.3	300,00 0.00	Substance abuse policy and strategy in place	4 programmes implemented	4 programmes implemented by 30 June 2018	Capacity building of stakeholders implemented	Assessment and rehabilitation (out-patient) programme implemented	Assessment and rehabilitation (in-patient) programme implemented	Assessment and rehabilitation (in-patient) programme implemented	Support and aftercare programme implemented	Support and aftercare programme implemented	Quarterly report	Programme report	Director: Corporate Services
	Number of Organizational Wellness programmes implemented			MT OD - 2.4	400,00 0.00	wellness strategy in place	3 Organizational Wellness Programmes Implemented	3 Organizational Wellness Programmes Implemented by 30 June 2018	1 programme implemented (change management)	Team building programme implemented	Wellness Day Programme implemented	Wellness Day Programme implemented	N/A	1 Wellness Day Programme implemented	Quarterly report Attendance registers, ToR, and SLA	Programme report, Attendance registers, ToR, and SLA	Director: Corporate Services
	Conduct Medical Conditions Prevalence Survey			MT OD - 2.5	700,00 0.00	HIV/AIDS policy strategy in place	1 Survey Conducted	1 Medical Conditions Prevalence Survey conducted by 30 June 2018	facilitate Appointment of service provider	1 Survey Conducted	N/A	N/A	N/A		Appointment letter; Survey report, SLA	Appointment letter; Survey report, SLA	Director: Corporate Services
	No of Capacity Building Programmes Implemented			MT OD - 2.6			4 capacity Building programmes implemented	4 capacity Building programmes implemented by 30 June 2018	1 Capacity building programme implemented	2 Capacity building programme implemented	3 Capacity building programme implemented	3 Capacity building programme implemented	1 Capacity building programme implemented	1 Capacity building programme implemented	Attendance registers; Quarterly reports	Attendance registers; Programme reports	Director: Corporate Services
	No of medical Conditions Mainstreaming			MT OD - 2.7			4 programmes mainstreamed	4 medical Conditions Mainstreaming programmes implemented by 30 June 2018	1 mainstreaming programme implemented	1 mainstreaming programme implemented	1 mainstreaming programme implemented	1 mainstreaming programme implemented	1 mainstreaming programme implemented	1 mainstreaming programme implemented	Attendance register; Mainstreaming report	Attendance register; Mainstreaming report	Director: Corporate Services

			ng programmes implemented																
			No of employees provided with Personal Protective Clothing, Uniform & hygiene consumables			MT OD - 2.8	8,000,000.00	OHS Policy, OHS strategy, Wellness strategy in place	600 employees provided with protective clothing	600 employees provided with protective clothing by 30 June 2018	100 employees provided with protective clothing	200 employees provided with protective clothing	200 employees provided with protective clothing	200 employees provided with protective clothing	100 employees provided with protective clothing	100 employees provided with protective clothing	Signed register of employees, Delivery control sheet and quarterly reports	Signed register of employees, Delivery control sheet and Program reports	Direct or: Corporate Services
						MT OD - 2.8.1			600 employees provides with hygiene consumables	600 employees provides with hygiene consumables by 30 June 2018	100 employees provided with hygiene consumables	200 employees provided with hygiene consumables	200 employees provided with hygiene consumables	200 employees provided with hygiene consumables	100 employees provided with hygiene consumables	100 employees provided with hygiene consumables	Signed register of employees, Delivery control sheet and quarterly reports	Signed register of employees, Delivery control sheet and Program reports	Direct or: Corporate Services
			No of OHS Risk Management Programmes implemented			MT OD - 2.9	500,000.00	OHS policy, OHS Strategy in place	4 programmes implemented	4 OHS Risk Management Programmes implemented by 30 June 2018	1 programme implemented (PPE & IOD)	1 programme implemented (Inspection)	1 programme implemented (OHS Risk assesment)	1 programme implemented (OHS Risk assesment)	1 programme implemented (Installation & complianc e)	1 programme implemented (Installation & complianc e)	OHS Report, compliance risk register, attendance register	OHS Report, compliance risk register, attendance register	Direct or: Corporate Services
Asset Management	To ensure effective Management of Municipal assets.	Effective Management of Municipal Assets	No of municipal vehicles acquired			MT OD - 3	R 36,500,000.00	fleet management policy in place, transversal procurement contract RT-57 in place	21 vehicles acquired	21 vehicles acquired by 30 June 2018	3 acquired (2 machines and executive)	18 vehicles acquired (3 half tonne bakkie and 12 diesel LDV ,3 sedans)	n/a	2 tonner truck	n/a	2 jet machines	Orders, Delivery notes, Registration Certificates	Orders & Delivery notes.	Direct or: Corporate Services
			% of Functional vehicles maintained			MT OD - 4		fleet management policy in place, transversal procurement contract	80% of functional vehicles maintained	80% of functional vehicles maintained by 30 June 2018	80% of functional vehicles maintained	80% of functional vehicles maintained	80% of functional vehicles maintained	80% of functional vehicles maintained	80% of functional vehicles maintained	80% of functional vehicles maintained	Maintenance Report, Quarterly reports	Maintenance Report, Maintenance reports	Direct or: Corporate Services

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						RT-46 in place												
	% of building constructed			MT OD - 5	55,000,000.00	Approved Building Plans,	30% of Phase 1	5% of building constructed for phase 1 by 30 June 2018	n/a	5% of works completed	10% of works completed (15%)	appointment of service provider	15% of works completed (30%)	5% of building constructed for phase 1	Payment certificate s; Status reports,	Appointment letter of Service provider Status reports,	Direct or: Corporate Services	
	% of building refurbished			MT OD - 6	7,000,000.00	None	50% of building refurbished	50% of building refurbished by 30 June 2018	10%	5%	15%	15% of building refurbished	20%	20% of building refurbished	Payment certificate s; Status reports	Payment certificate s; Status reports	Direct or: Corporate Services	
	No of security management plans implemented	Percentage of security management plans implemented		MT OD - 7	10,500,000.00	draft security management policy exist	4 Security Management plans implemented	5 % of security management plans implemented by 30 June 2018	facilitate appointment of 4 security service providers	4 security management plans developed	4 security management plans implemented	4 security management plans implemented	4 security management plans implemented	5 % of security management plans implemented (Appointment of Service provider)	Memos, Appointment letters,SL A's ,4 Security Management plans,Security Implementation Reports	Memos, Appointment letters,SL A's	Direct or: Corporate Services	
Information and Communication Technology	No of ICT programmes implemented			MT OD - 8	4,300,000.00		4 ICT programmes implemented(Infrastructure upgrade,e-government,workstudy integration, data center)	4 ICT programmes implemented(Infrastructure upgrade,e-government,workstudy integration, data center) by 30 June 2018	3 programmes implemented	3 programmes implemented	4 programmes implemented	4 programmes implemented	4 programmes implemented	4 programmes implemented	Quarterly reports	Quarterly reports	Direct or: Corporate Services	
	No of ICT infrastructure upgrades			MT OD - 8.1	4,300,000.00		10 ICT infrastructure upgrades effected	10 ICT infrastructure upgrades by 30 June 2018	3 sites connected to fibre cable	5 sites connected fibre cable	network infrastructure in Carthcard Road upgraded	network infrastructure in Carthcard Road & Bells Road upgraded	network infrastructure in Bells Road upgraded	4 sites connected fibre cable	Completion reports	ICT reports	Direct or: Corporate Services	

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			No of e-government programmes implemented		MT OD - 8.2			2 programmes implemented	2 programmes implemented by 30 June 2018	facilitate Acquisition of service provider for SharePoint deployment	SharePoint deployed & implemented	facilitate Acquisition of water infrastructure management system	SharePoint deployed & implemented	water infrastructure management system deployed & implemented	Water infrastructure management system deployed & implemented	Memos, TOR, (Orders /SLA's) ICT e-government Report	Projects Reports	Director: Corporate Services
			Percentage implementation of work-study on integration of systems	Percentage implementation of work-study on integration of systems for phase 1	MT OD - 8.3			100% implementation of phase 1(work study integration)	5% implementation of work-study on intergration of systems for phase 1 by 30 June 2018	20% implementation of phase 1 completed	20% implementation of phase 1 (40%) completed	30% implementation of phase 1 (70%) completed	30% implementation of phase 1 (70%) completed	30% implementation of phase 1 (100%) completed	50% implementation of phase 1	Quarterly reports on implementation of workstudy	reports on implementation of workstudy	Director: Corporate Services
			Number of data center acquired & % compliant replication of data	Number of data center acquired	MT OD - 8.4			1 Data centre acquired and 50% data replication	1 data center acquired by 30 June 2018	N/A	N/A	Approval of data centre mode	Approval of data centre mode	50% replication of data (applications)	1 data center acquired	Quarterly Reports on Replication of data to secured data center	Reports on Replication of data to secured data center	Director: Corporate Services
Administration	Ensure effective administration support and legal services	Implement litigation management strategy	Number of programmes implemented to reduce judgments		MT OD - 09	2,000,000.00	litigation management strategy in place	4 programmes implemented	4 programmes implemented by 30 June 2018	1 awareness programme on legislative drafting implemented		1 PAJA awareness programme implemented	N/A	1 PAIA awareness programme implemented	1 awareness programme on drafting of contracts implemented	Quarterly Reports; Attendance registers, Litigation Register	Quarterly Reports; Attendance registers, Litigation Register	Director: Corporate Services

	Effecti ve admin istrati on suppo rt	Numb er of admin istrati on suppo rt progra mmes provid ed			MT OD - 10	n/a	Rules of Order	4 programme s provided	4 programmes provided by 30 June 2018	4 support program mes impleme nted (Councill, Committ ees,LLF,B y-Law develop ment	4 support programm es mantained (Councill, Committee s,LLF,By- Law developme nt	4 administra tion support programm es mantained (Councill, Committe es,LLF,By- Law developm ent	4 administra tion support programm es mantained (Councill, Committe es,LLF,By- Law developm ent	4 administra tion support programm es mantained (Councill, Committe es,LLF,By- Law developm ent	4 administra tion support programm es mantained (Councill, Committee s,LLF,By- Law developme nt	Reports; Attendan ce registers	Reports; Attendan ce registers	Direct or: Corpo rate Servic es
To ensure proper docum ents manag ement	Imple menta tion of the Recor ds Mana geme nt Policy.	% Imple menta tion of Electr onic Docu ment Mana geme nt Syste m			MT OD - 11	2,000,0 00.00	Records Manage ment policy in place	30% of departme nts on EDMS	30 % Implementatio n of Electronic Document Management System by 30 June 2018	facilitate appoinm ent of service provider	15 % implement ation (First departmen t migrated)	30 % implement ation (Second departme nt migrated)	Appointm ent of service provider	Monitor & Evaluate Migration to EDMS	30 % Implement ation of Electronic Document Manageme nt System	,Appoint ment letters,SL A,Status Report;	,Appoint ment letters,SL A,Status Report;	Direct or: Corpo rate Servic es
KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																		
Measur able Objecti ves	Strate gy	KPI	Revis ed KPI		Ind icat or Co de	Progra mme Budget Allocati on	Baseline	Annual Target	Revised Annual Target	Planned Quarterly Targets						Evidence	Revised Evidence	Custo dian
										Qtr. 1	Qtr. 2	Qtr. 3	Revised Qtr. 3	Qtr. 4	Revised Qtr. 4			
D STRATEGIC OBJECTIVE 2:To ensure provision of Municipal Health, Environmental Management and Basic Services in a well-structured, efficient and integrated manner.																		
To ensure Univers al coverag e of Water and Sanitati on by 2022	Imple menta tion of WSDP	Numb er of house holds served with Qualit y basic water supply			SDI - 1		23096 househol ds	8032 h/h served RDP Standard	7141 h/h served with quality basic water supply by 30 June 2018	850 househol ds	1788 household s	862 household s	24 household s served with quality basic water supply	4532 household s	4479 household s served with quality basic water supply	Practical and Completi on Certificat es, Business Plans and Design Reports confirmin g	Business Plans and Design Reports confirmin g househol ds, Househol ds Data base, Communi ty	Direct or: Engin eering and Techn ical Servic es

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																households	Consent form	
		Number of Water reticulation projects completed			SDI - 2		46 water reticulation projects completed	13 water reticulation projects completed	14 water reticulation projects constructed and completed by 30 June 2018	2 water reticulation projects completed	2 water reticulation projects completed	2 water reticulation projects completed	1 water reticulation projects constructed and completed	7 water reticulation projects completed	9 water reticulation projects constructed and completed	Practical and Completion Certificate, Site/Technical Meetings, Attendance Registers	Practical and Completion Certificate, Site/Technical Meetings, Attendance Registers	Director: Engineering and Technical Services
WSA		Number of Bulk water supply projects completed			SDI - 3		12 Bulk Water Supply Projects Completed	8 Bulk Water Supply Projects Completed	9 Bulk Water Supply Projects constructed and completed by 30 June 2018	97% compliant with SANS 241	97% compliant with SANS 241	97% compliant with SANS 241	2 Bulk Water Supply Projects constructed and completed	97% compliant with SANS 241	6 Bulk Water Supply Projects constructed and completed	Practical and Completion Certificate, Site/Technical Meetings, Attendance Registers	Practical completion Certificate, Site/Technical Meetings, Attendance Registers	Director: Engineering and Technical Services
PMU		Number of water Treatment Works complying with Quality drinking water in accordance with SANS 241			SDI - 4		97% compliant	16 Water Treatment Works complying with SANS 241 at 97%	16 Water Treatment Works in compliance with SANS 241 regulation in respect of ECOLI minimum standard (0mg per Liter) by 30 June 2018	97% compliant with SANS 241	97% compliant with SANS 241	97% compliant with SANS 241	16 Water Treatment Works in compliance with SANS 241 regulation in respect of ECOLI minimum standard (0mg per Litter)	97% compliant with SANS 241	16 Water Treatment Works in compliance with SANS 241 regulation in respect of ECOLI minimum standard (0mg per Litter)	Results from Blue Drop System, MHS Report	Compliant ECOLI Results	Director: Engineering and Technical Services
		Number of water treatment works			SDI - 5		2 Water Treatment Works	4 Waste Water Treatment Plant Completed	3 Water Treatment works constructed and completed by 30 June 2018	N/A	1 Water Treatment Works Completed (Lubisi)	1 Water Treatment Works Completed (Tora)	N/A	2 Water Treatment Works Completed (Sitholeni and Tsomo)	2 Water Treatment works constructed and completed	Practical and Completion Certificate, Site/Technical	Practical completion Certificate, Site/Technical	Director: Engineering and Technical

			constr ucted												(Sitholeni and Tora)	nical Meetings, Attendan ce Registers	Meetings, Attendan ce Registers	Service s	
WSA			Number of house holds served with safe basic sanita tion			SDI - 6		50971 househol ds	4589 households served with safe basic sanitation	4589 households served with safe basic sanitation by 30 June 2018	N/A	599 household s	2017 household s	2017 household s served with safe basic sanitation	1973 household s	1973 household s served with safe basic sanitation	Happy Letters and Sanitation Register	Happy Letters and Sanitatio n Register	Director: Engin eering and Techn ical Service s
PMU			Number of Waste Water Treat ment works constr ucted			SDI - 7		6 waste water treatmen t works	1 Waste Water Treatment Works Constructe d	1 Waste Water Treatment Works constructed and completed at Cala by 30 June 2018	N/A	N/A	N/A	N/A	1 waste water treatment works (Cala)	1 Waste Water Treatment Works constructe d and completed at Cala	Practical and Completi on Certificat e, Site/Tech nical Meetings, Attendan ce Registers	Practical Completi on Certificat e, Site/Tech nical Meetings, Attendan ce Registers	Director: Engin eering and Techn ical Service s
ROADS			Number of Waste Water Treat ment works compl ying with Qualit y Efflue nt in accord ance with R991			SDI - 8		41% complian t	16 Waste Water Treatment Works complying with regulations 991 at 75%	16 Waste Water Treatment Works in compliance with R991 in respect of ECOLI minimum standard (1000mg per Liter) by 30 June 2018	2 Refurbish ment and repairs on Sterkstroom and Cradock WWTWs	3 Refurbish ment and repairs on (Cofimvab a, Dodrecht and Elliot)	2 Refurbish ment and repairs on (Molteno and Queenstown WWTWs)	16 Waste Water Treatment Works in compliance with R991 in respect of ECOLI minimum standard (1000mg per Liter)	16 Waste Water Treatment Works achieving 75% complianc e	16 Waste Water Treatment Works in compliance with SANS in respect of ECOLI minimum standard (1000mg per Liter)	Assessme nt Reports/ Action Plan, Completi on Certificates, Job Cards, Waste Water Quality Results	Complian t ECOLI Results	Director: Engin eering and Techn ical Service s
PMU		Imple menta tion of Opera tions and Minte nance Plans	Number of Water Schem es refurb ished			SDI -9		14 Water Schemes refurbish ed	10 Water Schemes refurbished	10 Water Schemes refurbished by 30 June 2018	2 Water Schemes refurbish ed (Langanci and Mcuncuzo)	3 Water Schemes refurbish ed (Manzana, Mabhents eni, Qutsa)	3 Water Schemes refurbish ed (Engcobo Rural), Gqaga, Manzimah le	1 Water Schemes refurbish ed at Xonya	2 Water Schemes refurbish ed (Xonya, Cala Pass)	8 Water Schemes refurbish ed at Cala Pass, Engcobo Rural Manzimahl e, Gqaga, Manzana, Mabhents	Completi on Certificat es	Completi on Certificat es, GPS Coordinat es	Director: Engin eering and Techn ical Service s

																eni,Qutsa, Langanci			
ROADS	To ensure maintenance of Roads	Implementation of Roads SLA	Number of kilometres of roads maintained			SDI - 10		2148 km Blading	2000 km Bladed	2000 kilometers of road Bladed at Tarkstad and Inxuba Yethemba by 30 June 2018	500 km bladed	500 km bladed	500 km bladed	500 kilometers of road Bladed at Tarkstad and Inxuba Yethemba	500 km bladed	500 kilometers of road Bladed at Tarkstad and Inxuba Yethemba	Confirmation letter from DoRPW, Roads SLA	Confirmation letter from DoRPW, Roads SLA	Director: Engineering and Technical Services
						SDI - 10.1		30 km for regravelled	10 km regravelled	10 kilometers of road regravelled at Tarkstad and Inxuba Yethemba by 30 June 2018	2,5 km regravelled	2,5 km regravelled	2,5 km regravelled	2.5 kilometers of road regravelled at Tarkstad and Inxuba Yethemba	2,5 km regravelled	2.5 kilometers of road regravelled at Tarkstad and Inxuba Yethemba	Confirmation letter from DoRPW, Roads SLA	Confirmation letter from DoRPW, Roads SLA	Director: Engineering and Technical Services
PMU	To ensure universal coverage of water and sanitation by 2022	Implementation of WSDP	Number of Waste Water Projects Completed			SDI -11		Nil	3 Waste Water Projects Completed	2 Waste Water Projects constructed and completed at Cala phase 2 and Molteno by 30 June 2018	Facilitate appointment of Contractors (Rathswich and Hofmeyer), Awarded Molteno Bluk Sewer and Rising Main	Facilitate appointment of Contractors (Rathswich and Hofmeyer), Awarded Molteno Bluk Sewer and Rising Main	3 Projects in Construction	60% construction completed for Cala phase 2 and Molteno	3 Projects Completed	2 Waste Water Projects constructed and completed at Cala phase 2 and Molteno	Practical and Completion Certificate, Site/Technical Meetings, Attendance Registers	Practical Completion Certificate, Site/Technical Meetings minutes, Attendance Registers, Consultants progress report	Director: Engineering and Technical Services
HUMAN SETTLEMENTS	To facilitate sustainable Human Settlements by 2022 as per SLA	Implementation of SLA with DoHS	No of Human settlements programmes supported	No of Human settlements programmes supported in all Local Municipalities (45		SDI - 12	2m	none	15 emergency houses constructed	1 Human settlements programme supported in all Local Municipalities (45 emergency houses constructed) by 30 June 2018	facilitate finalization of the procurement processes	15 slabs constructed	15 top structures constructed	15 slabs constructed	15 emergency houses completed	45 emergency houses constructed	appointment letter, certification of slabs from the engineers ,pictures, happy letters, quarterly reports	Appointment letter, certification of slabs from the engineers ,happy letters, completion certificate s , Progress report	Director :IPED

				emer gency house s const ructe d)														
			Perce ntage respo nse on CHDM suppo rt reque st receiv ed		SDI - 12. 1	OPEX	adhoc plans in place	100% response on request received	100% response on facility management request received by 30 June 2018	100% response to request received	100% response to request received	100% response to request received	100% response on facility managem ent request received	100% response to request received	100% response on facility managem ent request received	Memos from Diirector Corporate Services ,work schedule, quarterly reports	Memos from Director Corporat e Services ,work schedule, progress reports	Direct or :IPED
			Numb er of destit ute house s const ructed	Numb er of destit ute house s const ructe d in 6 all local munic ipality	SDI - 12. 2	1.5m	32 destitutes houses construct e	6 destitute houses constructer d	6 destitute houses constructed in 6 all local municipality (1 per local municipality) by 30 June 2018	facilitate identifica tion of beneficia ries by LM's	facilitate appointme nt of contractor s	6 slabs constructe d	Facilitate appointme nt of contractor s	6 destitute houses completed	6 destitute houses constructe d. (1 per local municipalit y)	Memo to LM's, appointm ent letter,cert ification of slabs from the engineers ,pictures, happy letters,Qu arterly reports	Memo to LM's, appointm ent letter,cert ification of slabs from the engineers ,pictures, completi on certificate , Progress report	Direct or :IPED
Muni cipal Healt h Servi ces	To provide muni cipal health services in accorda nce with relevan t legislati ons	Monit or compl iance of waste water qualit y with relevan t legisla tion	% compl iance of waste water in accord ance with R991 and sectio n 39 of Natio nal Water Act 36 of 1998	% compl iance of waste water in accor dance with R991 and sectio n 39 of Natio nal Water Act 36 of 1998 monit ored	SDI - 13	1,7m	41%	75% Compliance with waste water quality standard	100% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored by 30 June 2018	Monitor 75% complian ce with waste water quality standards	Monitor 75% complian ce with waste water quality standards	Monitor 75% complian ce with waste water quality standards	100% complian ce of waste water in accordanc e with R991 and section 39 of National Water Act 36 of 1998 monitored	Monitor 75% complian ce with waste water quality standards	100% complian ce of waste water in accordanc e with R991 and section 39 of National Water Act 36 of 1998 monitored	Waste Water sample results	Waste Water sample results, Sample points data base	Direct or: Health and Comm unity Servic es

	Monitor compliance of drinking water quality with SANS 241	% compliance of drinking water with SANS 241	% compliance of drinking water with SANS 241 monitored		SDI - 14		93%	97% compliance with drinking water quality standards	100% compliance of drinking water with SANS 241 monitored by 30 June 2018	Monitor 97% compliance with drinking water quality standards	Monitor 97% compliance with drinking water quality standards	Monitor 97% compliance with drinking water quality standards	100% compliance of drinking water with SANS 241 monitored	Monitor 97% compliance with drinking water quality standards	100% compliance of drinking water with SANS 241 monitored	Drinking Water sample results	Drinking Water sample results, Sample points data base	Director: Health and Community Services
	Monitor and support food premises in accordance with relevant legislations	Number of food premises monitored and supported	Number of food premises monitored in line with Food, Cosmetics and Disinfectants Act of 1972		SDI - 15	500,00 0.00	560 food premises monitored and supported	560 food premises monitored and supported	560 food premises monitored in line with Food, Cosmetics and Disinfectants Act of 1972 by 30 June 2018	560 food premises monitored and supported	560 food premises monitored and supported	560 food premises monitored and supported	560 food premises monitored in line with Food, Cosmetics and Disinfectants Act of 1972	560 food premises monitored and supported	560 food premises monitored in line with Food, Cosmetics and Disinfectants Act of 1972	Compliance notices	Compliance notices, Data base for food premises, Compliance check list	Director: Health and Community Services
	Monitor and support funeral parlours in accordance with relevant legislations	Number of funeral parlours monitored, supported and capacitated	Number of funeral parlours monitored and engaged through Funeral parlours Forum		SDI - 16	OPEX	70 funeral parlours	70 funeral parlours monitored, supported and capacitated	68 funeral parlours monitored and engaged through Funeral parlours Forum by 30 June 2018	70 funeral parlours monitored, supported and capacitated	70 funeral parlours monitored, supported and capacitated	70 funeral parlours monitored, supported and capacitated	68 funeral parlours monitored and engaged through Funeral parlours Forum	70 funeral parlours monitored, supported and capacitated	68 funeral parlours monitored and engaged through Funeral parlours Forum	Compliance notices	Compliance notices, Compliance check list, Attendance register, Resolution register, Forum Terms of Reference	Director: Health and Community Services
	Monitor compliance with White Paper on Basic	Number of sampled sanitation structures inspected	Number of sampled sanitation structures inspected		SDI -17	50,000.00	120 sanitation structures inspected	120 sampled sanitation structures inspected for compliance	120 sampled sanitation structures inspected in line with White Paper on Basic Household Sanitation of 2001 to ensure	30 sanitation structures inspected	30 sanitation structures inspected	30 sanitation structures inspected	30 sampled sanitation structures inspected in line with White Paper on	30 sanitation structures inspected	30 sampled sanitation structures inspected in line with White Paper on Basic	Report on Sanitation structures inspected, Attendance register,	Report on Sanitation structures inspected, Attendance register,	Director: Health and Community Services

	House hold Sanitation of 2001	ted for compliance	cted in line with White Paper on Basic Household Sanitation of 2001 to ensure compliance					compliance by 30 June 2018				Basic Household Sanitation of 2001 to ensure compliance		Household Sanitation of 2001 to ensure compliance				
		Number of health and hygiene awareness programmes conducted			SDI - 17.1	201,000.00	40 health and hygiene awareness programmes implemented	60 health and hygiene awareness programmes conducted	60 health and hygiene awareness programmes conducted by 30 June 2018	15 health and hygiene awareness programmes conducted	15 health and hygiene awareness programmes conducted	15 health and hygiene awareness programmes conducted		15 health and hygiene awareness programmes conducted	15 health and hygiene awareness programmes conducted	Report on health and hygiene awareness programmes, Attendance registers	Report on health and hygiene awareness programmes, Attendance registers	Director: Health and Community Services
	Monitor compliance with NEM Waste Act of 2008 & National Health Act of 2003	Number of illegal dumping sites cleared and rehabilitated in local municipalities			SDI - 17.2.	2,279,000.00	none	6 illegal dumping sites cleared and rehabilitated in all 6 LM's	6 illegal dumping sites cleared and rehabilitated in local municipalities by 30 June 2018	Identification of illegal dumping sites in all 6 local municipalities	Engagement with LM's .Facilitate procurement processes	3 illegal dumping sites cleared and rehabilitated in local municipalities	3 illegal dumping sites cleared and rehabilitated in local municipalities	3 illegal dumping sites cleared and rehabilitated in local municipalities	3 illegal dumping sites cleared and rehabilitated in local municipalities	concept document ,proof of payment, Report	concept document,proof of payment, Report, Confirmation of service	Director: Health and Community Services

			Number of waste sites inspected	Number of waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003		SDI - 17.2.1	OPEX	14 waste sites	14 waste sites inspected	14 waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003 by 30 June 2018	14 waste sites inspected	14 waste sites inspected	14 waste sites inspected	14 waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003	14 waste sites inspected	14 waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003	Report, Inspection Checklist	Compliance notice, Inspection Checklist, Waste sites data base	Director: Health and Community Services
DISASTER MANAGEMENT																			
DISASTER MANAGEMENT	Too ensure effects of disaster are prevented and /or minimised	Development and Implementation of Disaster management plan	Number of Scientific Risk Assessment developed and adopted			SDI - 18	R 500,000.00	Disaster Management Plan in place	1 Scientific Risk Assessment adopted	1 Scientific Risk Assessment developed and adopted by 30 June 2018	Facilitate procurement processes	Facilitate appointment of service provider	Consultative workshops with LMs	Consultative workshops with LMs	Workshops on outcome of assessment and approval of Scientific Risk Assessment	1 Scientific Risk Assessment developed and adopted	Terms of reference, Appointment letter of Service Provider, Signed SLA, Attendance registers, Council resolution approving assessment, minutes of bid specification/resolution register	Appointment letter of Service Provider, Attendance registers, Council resolution approving assessment, Scientific adopted Risk Assessment document	Director: Health and Community Services
			Number of Disaster awareness programmes conducted			SDI - 18.1	R 100,000.00	100 Awareness campaigns implemented	4 Disaster awareness programmes conducted	4 Disaster awareness programmes conducted by 30 June 2018	1 Disaster awareness programme conducted	1 Disaster awareness programme conducted	1 Disaster awareness programme conducted	1 Disaster awareness programme conducted	1 Disaster awareness programme conducted	1 Disaster awareness programme conducted	Report on disaster awareness programmes, attendance registers, concept document	Report on disaster awareness programmes, attendance registers, concept document	Director: Health and Community Services

			Percentage response to disaster management incidents reported			SDI - 18.2	OPEX	effective call centre in place	100% response to disaster management incidents reported	100% response to disaster management incidents reported by 30 June 2018	100% response to disaster management incidents reported	100% response to disaster management incidents reported	100% response to disaster management incidents reported	100% response to disaster management incidents reported	100% response to disaster management incidents reported	100% response to disaster management incidents reported	incident report	incident report	Director: Health and Community Services
			% Of Disaster Stricken Households assisted with relief and recovery material			SDI - 18.3	R 830,000.00	100 Households assisted with relief and recovery material	100 % Disaster Stricken Households assisted with relief and recovery material	100 % Disaster Stricken Households assisted with relief and recovery material by 30 June 2018	100% Disaster Stricken Households assisted	100% Disaster Stricken Households assisted	100% Disaster Stricken Households assisted	100% Disaster Stricken Households assisted	100% Disaster Stricken Households assisted	100% Disaster Stricken Households assisted	Incident Report(s), Assessment Report with Beneficiary List	Incident Report(s), Assessment Report with Beneficiary List	Director: Health and Community Services
FIRE SERVICES																			
FIRE SERVICES	to ensure effects of disaster prevented or minimised	Implement programmes emanating from the District Fire services status quo report	Number of Fire Services programmes implemented	Number of Fire Services Training programmes implemented		SDI -19	R 830,000.00	3 Fire training programmes conducted	3 fire services training programmes implemented	3 fire services training programmes implemented by 30 June 2018	N/A	1 Training programme implemented	1 Training programme implemented	2 fire services training programme implemented	1 Training programme implemented	1 Training programme implemented	Attendance register, course outline,	Attendance register, Training report	Director: Health and Community Services
			Number of fire services awareness programmes implemented			SDI - 19.1	R 100,000.00	24 Awareness programmes conducted	24 Fire Services Awareness programmes conducted	24 Fire Services Awareness programmes implemented by 30 June 2018	6 Fire Service awareness programmes implemented	6 Fire Service awareness programmes implemented	6 Fire Service awareness programmes implemented	6 Fire Service awareness programmes implemented	6 Fire Service awareness programmes implemented	6 Fire Service awareness programmes implemented	Attendance register, Report on Fire service awareness programme, schedule of fire awareness	Attendance register, Report on Fire service awareness programme	Director: Health and Community Services

[illegible]

TOWN PLAN NING	To ensure provision for the inclusive development, equitable and efficient spatial planning by 2030	implementation of Spluma	Number of spatial planning programmes implemented as per SPLUMA			LED -1	R2M	3 SPLUMA programmes	4 Spatial planning programmes implemented	1 Spatial planning programmes implemented as per SPLUMA (1. tribunal meetings 2. CHDM SDF reviewal, 3. township establishment, 4.Sakhisizwe SDF) by 30 June 2018	1 SPLUMA tribunal ,facilitate of procurement proceses for reviewal SDF and formalisation of the township establishment	1 SPLUMA tribunal facilitated, appointment of SP for SDF reviewal, appointment of SP for township establishment	1 SPLUMA tribunal facilitated, draft SDF consultation proceses, township establishment consultation	1 SPLUMA tribunal facilitated, 2.CHDM draft SDF reviewal consultation proceses, 3. Appointment letter for township establishment.4.facilitate SCM processes for Sakhisizwe SDF	1 SPLUMA tribunal facilitated, 1 SDF adopted,1 township establishment approved	1 Spatial planning programmes implemented as per SPLUMA (1. tribunal meetings ,2. CHDM SDF reviewal,3. township establishment,4.Sakhisizwe SDF reviewal)	attendance register of tribunal, resolution register, appointment letters, stakeholder attendant register, council resolution ,	attendance register of tribunal, resolution register, appointment letters, stakeholder attendance register,	Director :IPED
		Implementation of small town revitalization programmes	Number of small town revitalization programmes implemented			LED -2	R8M	3 small town revitalization programmes implemented	3 small town revitalization programmes implemented	3 small town revitalization programmes implemented(1.Engcobo STR, 2.Enoch Mgijima STR,3.Intsika Yethu STR) by 30 June 2018	1 SLA with Engcobo LM conclude d,1 SLA with Enoch Mgijima LM conclude d	facilitate and Monitor implementation of SLA's	Facilitate and Monitor implementation of SLA's	1. Facilitation of transfers at Enoch Mgijima STR(50%). 2. Facilitation of transfers at Intsika Yethu STR(50%), 3.Facilitation of transfers at .Engcobo STR(30%)	Facilitate and Monitor implementation of SLA's	3 small town revitalization programmes implemented 1.Engcobo STR (70% budget transfer) , 2.Enoch Mgijima STR (50% buget transfer and project completion) ,3.Intsika Yethu STR) (50% buget transfer and project completion	Signed SLA's, quarterly reports	Signed SLA's, quarterly reports	Director :IPED
Agricultural Development	To improve the economic growth of the district	Implementation of CHREDS	Number of Agricultural programmes implemented			LED -3	R600k	Agricultural plan in place.1 piggery programme implemented	5 Agricultural Programmes implemented	1 Poverty Alleviation Agricultural Programme Implemented(1.Piggery 2.Poultry) by 30 June 2018	facilitate identification of projects	facilitate procurement of breeding stock and inputs	facilitate and monitor implementation of projects	facilitate and monitor implementation of projects(1. Poultry at Engcobo & 2.Piggery	facilitate and monitor implementation of projects	Monitor implementation of projects (1.Piggery,2 .Poultry)	attendance register,Invitation Letters,project pictures, monitoring report,	attendance register,Invitation Letters,project pictures, monitoring tool.	Director :IPED

by 5 percent

								at Enoch Mgiijima)						
LED - 3.1	R3.5m	Agricultural plan in place 6 LM's supported through livestock improvement programmes	1 livestock improvement programme implemented in 6 LM's	1 livestock improvement programme implemented (1.Innocation and dosing 2.Feeding support as per request received) in 6 LM's by 30 June 2018	facilitate appointment of new service provider and signing of SLA	facilitate and monitor implementation of SLA	facilitate and monitor implementation of SLA	1.Innocation and dosing implemented 2.Feeding support as per request received	facilitate and monitor implementation of SLA	1.Innocation and dosing implemented 2.Feeding support as per request received	Signed SLA's,quarterly reports ,Monitoring report	Signed SLA's,quarterly reports,Monitoring report, Delivery notes, Request letters	Director :IPED	
LED - 3.2	R1.4M	Agricultural plan in place.6 infrastructure projects supported and existing SLA with NAMC	1 New infrastructure development project (Custom feeding facility) supported and support 6 existing projects	1 infrastructure development project implemented (1. Custom feeding facility 2. Shearing shed) by 30 June 2018	Facilitate and identification of LM for the construction of custom feeding facility Implement as per SLA with NAMC, conclude SLA's with LM's	Facilitate and monitor Implementation support as per SLA 's with NAMC and LM's	Facilitate and monitor Implementation support as per SLA 's with NAMC and LM's	1. Facilitate transfer of funds and finalization of SLA for construction of custom feeding. 2. Facilitate transfer of funds and finalization of SLA for construction of Shearing shed	1.Facilitate and monitor Implementation support as per SLA 's with NAMC and LM's	1. Construction of Custom feeding facility at Inxuba Yethemba completed 2.Construction of Shearing shed at Tshatshu completed	Signed SLA's,quarterly reports ,Monitoring report	Signed SLA's,quarterly reports ,Monitoring report,completion certificate	Director :IPED	
LED - 3.3	R4m	Agricultural plan in place.	1 Project Supported in 4 LM's i.e Engcobo LM ,Emalahleni LM,Intsika Yethu LM and Sakhisizwe LM	1 Dry land cropping programme supported in 4 LM's EngcoboLM ,Emalahleni LM and Sakhisizwe LM by 30 June 2018	facilitate appointment of service provider and conclude SLA	facilitate and Monitor implementation of SLA's	facilitate and Monitor implementation of SLA's	Monitor implementation of SLA's	facilitate and Monitor implementation of SLA's	Monitor implementation of SLA's	Signed SLA's,quarterly reports ,Monitoring report	Letter of request, Signed SLA's,quarterly reports ,Monitoring report	Director :IPED	

					LED - 3.4	R5M	SLA with CHDA in place and 4 big irrigation schemes supported	4 irrigation schemes supported and mechanization support provided.	3 irrigation schemes supported as per SLA with CHDA(Ncorha,Qamata & Shiloh Irrigation Schemes) by 30 June 2018	Facilitate implementation of SLA with CHDA	Facilitate implementation of SLA with CHDA	Facilitate implementation of SLA with CHDA	Monitor implementation of SLA's	Facilitate implementation of SLA with CHDA	Monitor implementation of SLA's	Quarterly reports, Signed SLA, Monitoring Reports	Quarterly reports, Signed SLA, Monitoring Reports	Director :IPED
SMM E SUPP ORT		Number of SMME /Business programmes Implemented			LED -4	R7M	SMME development strategy in place	3 SMME programmes implemented	3 SMME programmes implemented (1. Enterprise support, 2. Incubation support, 3. Industrial support) by 30 June 2018	3 Concept document developed and approved (incubation and training ,enterprise support and industrial support)	3 programmes implemented as per concept documents	3 programmes implemented and monitored	Assessment & verification and facilitation of procurement	3 programmes implemented and monitored	1. Enterprise supported 2. Incubation implemented 3. Industrial supported	Approved concept documents, Quarterly reports, and monitoring reports, SLA's	Approved Funding Model, Assessment & verification reports, SLA's, Handover certificate	Director :IPED
		Percentage budget spent on local businesses benefiting through Preferential Procurement regulation			LED -5		CHDM-SCM Policy and Preferential Procurement Regulations	30% of budget spent on local businesses per preferential procurement	30% of budget spent on local businesses per preferential procurement monitored by 30 June 2018	develop and implement monitoring tool for local preferential procurement	implement and monitor Local preferential procurement	implement and monitor Local preferential procurement	Monitoring of budget spent on Local business	implement and monitor preferential procurement	Monitoring of budget spent on Local business	monitoring tool, quarterly reports	Contractor Development Policy, Monitoring report	Director :IPED
TOURISM & HERITAGE DEVELOPMENT		Number of tourism programmes implemented			LED -6	OPEX	1 Charter programme implemented. 1 tourism Support programme implemented. 1 destination marketing	3 Tourism Programmes implemented	3 Tourism Programmes implemented by 30 June 2018	3 Tourism programmes implemented	3 Tourism programmes implemented	3 Tourism programmes implemented	N/A	3 Tourism programmes implemented	N/A	SLA, Business plan attendance register, stall visitors registration	SLA, Business plan attendance register, stall visitors registration	Director :IPED

						g program impleme nted												
				LED - 6.1	R 900,00 0.00	Tourism sector plan in place	6 LTOs supported through CHARTO	6 LTOs supported (1 per LM) through CHARTO by 30 June 2018	Stakehold er engagem ent session.	Facilitati on to transfer funds.	Monitorin g and evaluation .	Monitorin g implem ent of SLA	Monitorin g and evaluation .	Monitoring implem ent of SLA	Attendan ce register, SLA and proof of payment.	Attendan ce register, SLA and proof of payment. Monitorin g reports	Direct or :IPED	
				LED - 6.2. 1	R 400,00 0.00		5 Toursim SMME's supported	Facilitate procurement for reviewal of feasibility study of Thompson Dam at Sakhisizwe LM by 30 June 2018	Stakehold er engagem ent session.	Facilitati on the procureme nt of items required.	Procurem ent and delivery of items.	Consultati ons and Developm ent of Terms of Reference	Monitorin g and evaluation .	Facilitate transfer of funds to Sakhisizwe LM. Finalizatio n of SLA,	Attendan ce register, orders and pictures.	Terms of reference , SLA, Proof of payment, Appointm ent letter of service provider	Direct or :IPED	
				LED - 6.2. 2	R 500,00 0.00		5 Toursim SMME's supported	6 Accommodatio n establishments supported (2 in Cradock,3 in W/sea,1 in Sterkstroom) by 30 June 2018	Stakehold er engagem ent session.	Facilitati on the procureme nt of items required.	Procurem ent and delivery of items.	Facilitate procurem ent of items in line with assessmen t conducted	Monitorin g and evaluation .	Hand over of items to beneficiary es	Attendan ce register, orders and pictures.	Letter of Request ,Verificati on form, orders and pictures,a cceptanc e register. Assessme nt report,	Direct or :IPED	
				LED - 6.3	R 200,00 0.00		5 Tourism Destination marketing Events conducted (Beeld, Tourism Indaba, Inkcubeko Yethu Fahison Show, Craft Mania, Design Indaba and Grahamsto	4 Tourism Destination marketing Programmes conducted (1. Beeld holiday show, 2. Tourism Indaba, 3.Inkcubeko Yethu Fahison Show, 4. Craft Mania) by 30 June 2018	Stakehold er engagem ent session.	Facilitati on the procureme nt of items required.	Procurem ent and delivery of items.	Participate d in 1 Tourism Destinatio n marketing Programm e (Beeld holiday show)	Monitorin g and evaluation .	Participate d in 1 Tourism Destinatio n marketing Programm e (Tourism Indaba)	Attendan ce register, orders and pictures.	Attendan ce register, orders and pictures.v isitors register,r eport, Registrati on of stalls	Direct or :IPED	

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							wn Arts Festival)											
		Supported Sabalele Multi purpose centre	Number of programmes implemented to support Sabalele Multi purpose centre as per SLA		LED - 6.4	R 800,000.00	SLA and Heritage strategy in place	Finacial Support to Sabalele Multi purpose centre	1 Programme implemented to support Sabalele Multi purpose centre by 30 June 2018	facilitate and Monitor implementation of SLA's	facilitate and Monitor implementation of SLA's	facilitate and Monitor implementation of SLA's	Facilitate transfer of funds to Intsika Yethu LM for Sabalele Multi purpose centre and monitor implementation of SLA	facilitate and Monitor implementation of SLA's	Facilitate transfer of funds to Intsika Yethu LM for Sabalele Multi purpose centre and monitor implementation of SLA	SLA ,Proof of payment and Quarterly reports	SLA ,Proof of payment and Quarterly reports,m onitoring reports	Direct or :IPED
		Number of Chris Hani month and Heritage/tourism month programmes hosted as well as preservation of identified sites			LED - 6.5	R 6,400,000.00	SLA,CHREDS, and Heritage strategy in place	3 Programmes (Chris Hani month, Heritage month, Preservation of Identified Heritage sites) conducted by June 2018	2 Heritage Programmes conducted as per concept document (1.Heritage month, 2. Chris Hani month) and 1 Draft concept document for Preservation of Identified Heritage sites developed by 30 June 2018	facilitate Stakeholder engagement, appointment of service providers and procurement of required goods & services.I mplementation of Heritage and Tourism Month Programmes	Facilitate Development & Approval of Chris Hani Month concept document	facilitate Stakeholder engagement, Facilitate procurement of goods & services for Chris Hani Month	1. Facilitate Stakeholder engagement for Chris Hani Month , 2. Facilitate procurement of goods & services for Chris Hani Month	Implementation of Chris Hani Month programme.Monitoring and evaluation	1. Chris Hani month programme conducted 2. Draft concept document for Preservation of Identified Heritage sites developed	SLA,Concept Document ,Appointment letters,Attendance register,Programme Evaluation report & resolution .	SLA, Approved Concept Document for both Heritage month and Chris Hani month, Appointment letters, Attendance register. draft concept document for Preservation of Identified Heritage sites	Direct or :IPED

FORESTRY DEVELOPMENT			Number of Forestry programmes implemented			LED - 7	R3.5m	CHREDS, draft Forestry strategy in place	03 Forestry Programmes implemented (Tree Nursery, Afforestation, Charcoal)	03 Forestry Programmes implemented (1. Tree Nursery 2. Afforestation 3. Charcoal) by 30 June 2018	Facilitate Stakeholder engagement meeting. Facilitation to procure a service providers	Facilitate Appointment of service providers	Facilitate and Monitor implementation of 3 forestry programmes	1. Monitoring operations of Tree Nursery 2. Facilitate procurement of fencing material for both Goboti and Delvin community woodlot at Engcobo LM and Sakhisizwe LM (Afforestation) 3. Facilitate procurement for refurbishment of Charcoal Kilns at Engcobo LM (Charcoal)	Facilitate and Monitor implementation of 3 forestry programmes	1. Tree Nursery (a) replacement of irrigation system and restructuring of hardening-off area 2. Fencing of both Goboti and Delvin community woodlot at Engcobo LM and Sakhisizwe LM (Afforestation) 3. Refurbishment of Charcoal Kilns at Engcobo LM (Charcoal) 4. Facilitate procurement for construction of guardhouse and office at Engcobo LM (Charcoal)	Attendance register, orders, quarterly reports, pictures and SLA's, monitoring report	Attendance register, Completion certificate, orders, quarterly reports, pictures and SLA (IYM LM & CHDM) monitoring report, GIS coordinates	Director or :IPED
	LOCAL ECONOMIC DEVELOPMENT		Number of jobs created through EPWP Programmes			LED - 8	0	EPWP allocation		2200 Jobs created through EPWP Programmes by 30 June 2018	N/A	N/A	N/A	2000 Jobs created through EPWP Programmes	N/A	2200 Jobs created through EPWP Programmes	N/A	Recruitment report	Director or :IPED
	3.4 KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																		
	Measurable	Strategy	KPI			Indicator	Programme	Baseline	Annual Target	Revised Annual Target	Planned Quarterly Targets						Evidence	Revised Evidence	Custodian

Prior ity Area	Objectives			Revised KPI		or Co de	mme Budget Allocati on				Qtr. 1	Qtr. 2	Qtr. 3	Revised Qtr. 3	Qtr. 4	Revised Qtr. 4			
	BROAD STRATEGIC OBJECTIVE 4: To Ensure an Effective, Efficient and Co-ordinated Financial Management that enables CHDM to deliver its mandate.																		
BUD GET PLAN NING	Ensure sound financial management	Compilation of Credible Budgets and financial reports	Number of credible budgets and financial reports compiled and submitted			FM V - 1	OPEX	Budget policy in place (4 Credible Budgets 2017/18)	4 credible budgets approved by Council	4 credible budgets approved by Council by 30 June 2018	1 Roll over Adjustments budget compiled	N/A	2nd Adjustmen t Budget & Draft Budget 2018/19 compiled	2nd Adjustmen t Budget & Draft Budget 2018/19 compiled	Final Budget 2018/19 approved	Final Budget 2018/19 approved	2 adjustme nt budgets, Council resolution approving the budget	N/A	Chief Finan cial Officer
		Enforcing compliance for repairs and maintenance budgeting.	% of operating budget appropriate d for repairs and maintenance			FM V - 1.1	OPEX	Approved Budget	6% of operating budget appropriate d for repairs and maintenance	6% of operating budget appropriated for repairs and maintenance by 30 June 2018	N/A	N/A	3%appropri ated for repairs and maintenance	3% of operating budget appropriat ed for repairs and maintenance	3%appropri ated for repairs and maintenance	Cummulati ve 6% appropriat ed for repairs and maintenance	Report on % spent on RM against operating budget.	N/A	Chief Finan cial Officer
		Prioritise projec ts in line with core mandate.	% reduction in the budgeted deficit (as percentage of total budget)	% deficit as a percentage of total budget of (Capital and Operating Expenditure)		FM V - 1.2	OPEX	Approved Budget	25% deficit as percentage of total budget	15% deficit as a percentage of total budget (Capital and Operating Expenditure) by 30 June 2018	N/A	N/A	12.5% deficit as percentage of total budget	7.5% deficit as a percentage of total budget (Capital and Operating Expenditure)	12.5% deficit as percentage of total budget	Cummulative 15% deficit as a percentage of total budget (Capital and Operating Expenditure)	Budget that reflects a decrease deficit	N/A	Chief Finan cial Officer
		Monitoring compliance with laws		Number of budget reports		FM V - 1.3		S71 Reports	16 reports compiled and submitted to Executive	12 budget reports compiled and submitted by 30 June 2018	3 section 71 reports and 1 Quarterly report	3 section 71 reports and 1 Quarterly report submitted	3 section 71 reports and 1 Quarterly report submitted	3 budget reports compiled and submitted	3 section 71 reports and 1 Quarterly report submitted	3 budget reports compiled and submitted	N/A	Reports submitted to Accounting Officer	Chief Finan cial Officer

	and regula tions		compi led and submi tted				Mayor and Council		submitte d									
	REVENUE MANAGEMENT																	
Reve nue Man agem ent	Devel opme nt and Imple menta tion of enhanc emen t strate gy	No of Reven ue Enhanc ement progra mmes imple mente d		FM V-2	OPEX	credit control and debt collection policy and tariff policy in place	05 Revenue Enhanceme nt programme s implement ed	05 Revenue Enhancement programmes implemented by 30 June 2018	2 program me impleme nted(data cleansing & billing rollout)	2 programm es implem ented(determi nation of cost reflective tariffs and developme nt of revenue enhancem ent strategy	1 programm es implement ed (Electronic metering system)	1 programm es implement ed (Electronic metering system)	N/A		Appointm ent Letter,SLA and Progress Reports,a dopted revenue strategy ,approved tariff structure	Appointm ent Letter,SL A and Progress Reports,a dopted revenue strategy ,approve d tariff structure	Chief Finan cial Officer	
		Perce ntage increa se in munic ipal reven ue	Perce ntage increa se on reven ue billed in servic e charg es		FM V- 2.1	OPEX	205m	10% increase on revenue billed.	10% increase on revenue billed (service charges). by 30 June 2018	N/A	5m increase on revenue billed	7m increase on revenue billed	5% increase on revenue billed (service charges)	8m increase on revenue billed	Cumulative 10% increase on revenue billed (service charges)	Billing Reports	Billing Reports	Chief Finan cial Officer
		Perce ntage increa se in debt collect ion			FM V- 2.2	OPEX	12%	20% Collection Rate	8% increase in debt collection by 30 June 2018	2% increase in debt collection	2% increase in debt collection	Cummulati ve 6% increase in debt collection	2% increase in debt collection	Cumulative 8% increase in debt collection	Report on debt collection	Report on debt collection	Chief Finan cial Officer	
	SUPPLY CHAIN MANAGEMENT & EXPENDITURE																	
SUPP LY CHAI N MAN AGE MEN T	Effecti ve and Efficie nt Supply Chain & expen	No of SCM and Expen diture progra mmes imple		FM V - 3	OPEX	SCM Policy in place	06 SCM & Expenditur e programme s implement ed procureme	06 SCM & Expenditure programmes implemented 1. Procurement plan 2. Deviations/Irre	all 6 program mes impleme nted	all 6 programm es implement ed	all 6 programm es implement ed	06 1SCM & Expenditur e programm es.implem ented 1. procurem	all 6 programm es implement ed	06 1SCM & Expenditur e programm es.implem ented 1. procureme nt &	SCM & Expenditu re Quarterly reports	SCM & Expenditu re Quarterly reports	Chief Finan cial Officer	

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diture Mana geme nt	mente d					nt & demand managem nt,deviat ions managem nt,contract managem nt,function ality of bid committees ,payments & salaries, capital & opex appointme nts)	gular expenditure management 3. Contract management 4 .Functionality of bid committees 5. Payment of creditors within 30 days 6. Payment of salaries and third parties on time by 30 June 2018				ent & demand managem ent 2. deviations managem ent 3. contract managem ent 4 .functiona lity of bid committee s 5. capital & opex appointme nts 6. payments & salaries		demand managem ent 2. deviations managem ent 3. contract managem ent 4 .functiona lity of bid committee s 5. capital & opex appointme nts 6. payments & salaries			
Perce ntage comm itment s recon ciling with contra ct Regist er	Com mitm ents Regist er recon ciling with Contr act Regist er		FM V - 3.1	OPEX	Commitm ents and contracts register	5% deviation	Commitments register reconciling with Contract Register by 30 June 2018	1.25%	1.25%	1.25%	Commitm ents register reconciling with Contract Register	1.25%	Commitme nts register reconciling with Contract Register	Reconcile d commitm ents andcontra cts Register	1. Reconcile d Commitm ents Register 2. Contract Register	Chief Finan cial Officer
Perce ntage deviat ions from appro ved procur ement plan	Perce ntage decre ase in deviat ions		FM V - 3.2	OPEX	procure ment plan	Reduce IFW by 30% of the audited results per annum	30% decrease deviations by 30 June 2018	10%	10%	5%	Cummulati ve 25% reduction on deviations	5%	Cummulati ve 30% reduction on deviations	deviations report on procure ment plan	deviation s report on procure ment plan	Chief Finan cial Officer
Perce ntage reduct ion in the value and numb er of IFW expen diture	% decre ase in the new IFW expen diture incurr ed in the 17/18 FY		FM V - 3.3	OPEX	IFW Policy in place. Irregular, Fruitless & wastefull Expendit ure Register	95% adherance to contractual terms	30% decrease in the new IFW expenditure incurred in the 17/18 FY by 30 June 2018	95% adheranc e to contractu al terms	95% adherance to contractua l terms	95% adherance to contractua l terms	Cummulati ve 25% decrease in the new IFW expenditur e incurred in the 17/18 FY	95% adherance to contractua l terms	Cummulati ve 30% decrease in the new IFW expenditur e incurred in the 17/18 FY	Irregular ,fruitless &wasteful l Expenditu re Register	Irregular ,fruitless &wastefu ll Expenditu re Register	Chief Finan cial Officer

EXPENSE MANAGEMENT			% adherence to Turnaround time in payment of valid invoicing			FM V - 4	OPEX	12 creditors age analysis Reports	100% adherence to 30 days payment turnaround time	100% adherence to 30 days payment turnaround time by 30 June 2018	100% adherence to 30 days payment turnaround time	100% adherence to 30 days payment turnaround time	100% adherence to 30 days payment turnaround time	100% adherence to 30 days payment turnaround time	100% adherence to 30 days payment turnaround time	100% adherence to 30 days payment turnaround time by 30 June 2018	Monthly Creditors age analyses report	30 days monitoring report	Chief Financial Officer	
ASSET MANAGEMENT	MANAGEMENT																			
ASSET MANAGEMENT	Ensure sound financial management	Maintain accurate and GRAP Compliant Asset Register	No of GRAP compliant Asset Registers and Inventory Management programmes implemented	No of GRAP compliant Asset Registers		FM V - 5	OPEX	Asset Management policy & Inventory Management policy in place. Excel Asset Register	Develop GRAP Compliant asset register.2 Inventory Programmes implemented	1 GRAP Compliant asset register. by 30 June 2018	3 programmes implemented (asset verification, inventory stock count, compilation of asset register)	asset register maintained & inventory count	asset register maintained & inventory count	Reconciled Asset Register to the General Ledger	Develop GRAP Compliant asset register.2 Inventory Programmes implemented	Reconciled Asset Register to the General Ledger	asset register maintained & inventory count	1. Annual Asset verification report 2. Grap Compliant Asset Register 3. Reconciliation report	Chief Financial Officer	
			% Centralisation of inventory management system	% Centralisation of inventory management of water related inventory		FM V - 5.1	OPEX	Inventory management policy in place. Decentralised Stores	100% centralisation achieved.	50% Centralisation of inventory management of water related inventory by 30 June 2018	facilitate Identification of a building for centralisation of stores.	engagement on relevant stakeholders	facilitate refurbishment of stores building	Monitored centralised inventory management of water related inventory	100% centralisation achieved.	Monitor centralized inventory management of water related inventory	facilitate refurbishment of stores building	Inventory count reports	Chief Financial Officer	
AFS AND AUDIT COORDINATION																				

			No of GRAP Compliant AFS compiled			FM V-6	OPEX	Audited AFS 2016	4 GRAP compliant financial statements compiled	4 GRAP compliant financial statements compiled by 30 June 2018	1 AFS Compiled	N/A	Mid Year Financial Statement Compiled(Q1&Q2)	Mid Year Financial Statement Compiled(Q1&Q2)	3rdQuarter Financial Statements compiled	3rdQuarter Financial Statements compiled	Mid Year Financial Statement Compiled(Q1&Q2)		Chief Financial Officer
FINANCIAL INFORMATION SYSTEM																			
FINANCIAL INFORMATION SYSTEM	Ensure sound financial management	Integration of financial system	Percentage of financial systems integrated	Number of financial systems integrated		FM V - 7	OPEX	Separate Systems ;Payday & Solar System, CAT & Asset module	80% integration of financial systems(Pay Day,Solar & Cat System)	1 Integration of financial systems (Pay Day,Solar & Cat System) by 30 June 2018	20% system integration achieved	20% system integration achieved(40% integration)	20% system integration achieved (60% integration)	Full Intergration of : Payday, CAT and Cash drawer	20% system integration achieved (80%)	Full intergration of : Payday, CAT and Cash drawer	Quarterly reports on Integration		Chief Financial Officer
			No of System trainings conducted			FM V - 7.1	OPEX	Solar Modules	5 system Trainings conducted	6 system Trainings conducted by 30 June 2018	4 System trainings conducted (TRU, Creditors Module, Civils Contract, Budget Module)	1 System training conducted (Asset Module)	N/A	Inventory module	N/A	N/A	Attendance Registers, Training Programme & Report		Chief Financial Officer
3.5 KPA NO 5 GOOD GOVERNANCE																			
Priority Area	Measurable Objectives	Strategy	KPI	Revised KPI		Indicator Code	Programme Budget Allocation	Baseline	Annual Target	Revised Annual Target	Planned Quarterly Targets						Evidence	Revised Evidence	Custodian
											Qtr. 1	Qtr. 2	Qtr. 3	Revised Qtr. 3	Qtr. 4	Revised Qtr. 4			
BROAD STRATEGIC OBJECTIVE 5: To create an Efficient, Effective, Accountable and Performance-oriented Administration																			

Com muni cations	To enhanc e commu nicatio n ,stakeh older Manag ement and custom er Care	Devel opme nt and Imple menta tion of an Integr ated Comm unicati ons Strate gy and Policie s	Numb er of Integr ated Comm unicat ion Strate gy and Policie s Devel oped and Imple mente d		GG PP - 1	R 3,400,0 00	1 Integrate d Communi cation Strategy and Impleme ntation Plan adopted	20 Programme s as Per Integrated Communica tions Strategy and Implement ation Plan	20 Communication Programmes implemented as per the Integrated Communication s Strategy and I Plan (1. External communication management & medial liason 2. Internal communication management 3. Website & social media management 4. Marketing & events management 5. District communication forum. by 30 June 2018	5 Program mes Impleme nted	5 Programm es Implement ed	5 Programm es Implement ed	5 Programm es as Per Integrated Communic ations Strategy and Implement ation Plan (1. External communic ation managem ent & medial liason 2. Internal communic ation managem ent 3. Website & social media managem ent 4. Marketing & events managem ent 5. District communic ation forum. by 31 March 2018	5 Programm es Implement ed	5 Programm es as Per Integrated Communic ations Strategy and Implement ation Plan (1. External communic ation managem ent & medial liason 2. Internal communic ation managem ent 3. Website & social media managem ent 4. Marketing & events managem ent 5. District communic ation forum	News Letters,M edia Releases, Distributi on List,Poste rs,News Flashes,R adio Talk Shaws schedule, banners, and quarterly reports with evidence		Direct or: Strate gic Mana geme nt Servic es		
			Numb er of Social Media Policy Devel oped and Imple mente d	Numb er of Social Medi a Policy devel oped and adopt ed		GG PP- 1.1	OPEX	1 Draft Social Media Policy in Place.	1 Adopted Social Media Policy	1 Social Media Policy developed and adopted by 30 June 2018	Facilitate Consultat ion with Stakehold ers	Consultati on and Adoption	Implement ation	Consultati on with Stakehold ers	Implement ation	1 Social Media Policy developed and adopted	Attendan ce registers. Draft social media policies. Adopted social media policies. Quarterly reports		Direct or: Strate gic Mana geme nt Servic es	
STAK E HOL DER MAN AGE		Imple menta tion of public partici pation	Numb er of stakeh older engagem ent progra ms	Numb er of stake holde r forum meeti ngs		GG PP - 2	556,50 0.00	1 Public Participat ion Strategy in place	4 Stakeholder engagemen t programme s	16 Stakeholder forum meeting held 1. LED Forum 2. Human Settlement Forum 3. Town	1 Stakehold er engagem ent program mes	1 Stakeholde r engagemen t programm es	1 Stakehold er engagemen t programm es	4 Stakehold er forum meeting held 1. LED Forum 2. Human	1 Stakehold er engagemen t programm es	4 Stakeholde r forum meeting held 1. LED Forum 2. Human	attendenc e register,r esolution register, stakehold		Direct or: Strate gic Mana geme	

strate gy	mme s under taken	ng held					implement ed	Planning Fotum 4. IDP Forum by 30 June 2018	undertak en	undertake n	undertake n	Settlement Forum 3. Town Planning Forum 4. IDP Forum	undertake n	Settlement Forum 3. Towm Planning Fotum 4. IDP Forum by 30 June 2018	er mapping		nt Servic es
Devel op public partici pation strate gy and imple menta tion plan	Numb er of public partici pation strate gy and imple menta tion plan devel oped			GG PP 2.1		public participat ion strategy 2011- 2016 in place	1 Developed and Approved public participatio n strategy and implemen tation plan	1 Developed and Approved public participation strategy and implementatio n plan by 30 June 2018	Develop ment of a draft public participat ion strategy and plan	facilitate consultatio n with stakeholde rs	public participati on strategy and implemen tation plan approval by Council	public participati on strategy and implemen tation plan approval by Council	N/A	N/A	Draft public participati on strategy and implemen tation plan,atten dence registers,c omments report,ap proved public participati on strategy and implemen tation plan.Coun cil resolution		Direct or: Strate gic Mana geme nt Servic es
Imple menta tion of public partici pation strate gy	Numb er of public partici pation progra mmes imple mente d			GG PP- 3	700,00 0	9 program mes	18 public participatio n Programme s implement ed	18 public participation Programmes implemented by 30 June 2018	3 program mes impleme nted	6 programm es implement ed	3program mes implement ed	3program mes implement ed	6 programm es implement ed	6 programm es implement ed	Attendan ce registers, District speakers forum resolution register,w omen caucus resolution register,m pac resolution register,m oral regenerat ion movemen t resolution ,report,ini tiation reports,ci vic education		Direct or: Strate gic Mana geme nt Servic es

															report, capacity building plan for Councilors		
	Number of District Speaker's forum resolutions implemented			GG PP-3.1	50,000.00	1 district speakers forum meeting exist	4 District speakers forum meetings conducted	4 District speakers forum meetings conducted by 30 June 2018	1 district speakers forum meeting conducted	1 district speakers forum meeting conducted	1 district speakers forum meeting conducted	1 district speakers forum meeting conducted	1 district speakers forum meeting conducted	1 district speakers forum meeting conducted	resolution register, attendance register, minutes		Director: Strategic Management Services
	Number of MPAC resolutions adopted by Council and implemented			GG PP-3.2	200,000.00	4 MPAC Meetings exist	4 MPAC Meetings conducted	4 MPAC Meetings conducted by 30 June 2018	1 MPAC Meeting conducted	1 MPAC Meeting conducted	1 MPAC Meeting conducted	1 MPAC Meeting conducted	1 MPAC Meeting conducted	1 MPAC Meeting conducted	Resolution register, attendance register, minutes/Reports		Director: Strategic Management Services
	Number of Women Caucus resolutions implemented			GG PP-3.3	50,000.00	none	2 women caucus programmes implemented	2 women caucus programmes implemented by 30 June 2018	1 women caucus programme implemented	N/A	1 women caucus programme implemented	1 women caucus programme implemented	N/A	N/A	attendance register, report		Director: Strategic Management Services
	Number of Civic education programmes implemented			GG PP-3.4	50,000.00	none	2 civic education programmes implemented	2 civic education programmes implemented by 30 June 2018	N/A	1 civic education programme implemented	N/A	N/A	1 civic education programme implemented	1 civic education programme implemented	report & attendance register		Director: Strategic Management Services

		Number of Moral Regeneration programmes implemented			GG PP-3.5	100,000.00	Moral Regeneration Movement in place	2 Moral Regeneration Movement programmes implemented	2 Moral Regeneration Movement programmes implemented by 30 June 2018	1 Moral Regeneration Movement programme implemented	1 Moral Regeneration Movement programme implemented	N/A	N/A	N/A	N/A	report & attendance register		Director: Strategic Management Services
		Number of District Initiation programmes implemented			GG PP-3.6	200,000.00	2 District Initiation Programme in place	2 District Initiation Programmes Implemented	2 District Initiation Programmes Implemented by 30 June 2018	N/A	1 Initiation Programme Implemented	N/A	N/A	1 Initiation Programme Implemented	1 Initiation Programme Implemented	report & attendance register		Director: Strategic Management Services
		Number of Capacity building programmes implemented for Cllrs and Traditional leaders			GG PP-3.7	50,000.00	N/A	2 Capacity building programmes implemented for Cllrs and Traditional leaders	2 Capacity building programmes implemented for Cllrs and Traditional leaders by 30 June 2018	N/A	1 Capacity building programmes implemented for Cllrs and Traditional leaders	N/A	N/A	1 Capacity building programmes implemented for Cllrs and Traditional leaders	1 Capacity building programmes implemented for Cllrs and Traditional leaders	report & attendance register		Director: Strategic Management Services
Customer Care	Development and implementation of customer care strategy and service charter	Number of customer care strategy, policy and service charter developed and implemented			GG PP-4	R 650,000.00	1 customer care strategy, policy in place	28 CSP/Ward based meetings consultative meetings/engagements conducted	28 Customer awareness campaigns implemented by 30 June 2018	7 customer awareness campaigns implemented.	7 customer awareness campaigns implemented.	7 customer awareness campaigns implemented.	7 customer awareness campaigns implemented.	7 customer awareness campaigns implemented.	7 customer awareness campaigns implemented.	Attendance registers and reports		Director: Strategic Management Services
					GG PP-4.1		1 customer care strategy in place	28 CSP/Ward based meetings consultative meetings/engagements conducted by 30 June 2018	28 CSP/Ward based meetings consultative meetings/engagements conducted by 30 June 2018	7 CSP/Ward based meetings consultative meetings/engagement	7 CSP/Ward based meetings consultative meetings/engagement	7 CSP/Ward based meetings consultative meetings/engagement	7 CSP/Ward based meetings consultative meetings/engagement	7 CSP/Ward based meetings consultative meetings/engagement	7 CSP/Ward based meetings consultative meetings/engagement	Attendance registers and issues and response register		Director: Strategic Management

			mente d					s conducted		ments attended	nts attended	nts attended	nts attended	nts attended	nts attended			Service es	
						GG PP- 4.2		1 customer care policy and service charter in place	1 customer satisfaction survey conducted	1 customer satisfaction survey conducted by 30 June 2018	1 customer satisfacti on survey terms of reference develope d	1 customer satisfactio n survey conducted	2 customer satisfactio n survey workshop/ presentati ons conducted	2 customer care trainings conducted with Front Line Staff	customer satisfactio n survey adopted by Council and publicised	1 Customer satisfactio n survey conducted	Copy of terms of reference. Sampling plan Attendan ce registers Final satisfactio n survey report	Copy of terms of reference . Sampling plan Attendan ce registers Final satisfactio n survey report, Training report	Direct or: Strate gic Mana geme nt Service es
						GG PP- 4.3		1 customer care policy and service charter in place	100% customer complaints recorded and attended	100% customer complaints recorded and attended by 30 June 2018	100% customer complain ts recorded and attended	100% customer complaints recorded and attended	100% customer complaints recorded and attended	100% customer complaints recorded and attended	100% customer complaints recorded and attended	100% customer complaints recorded and attended	complaint s register,C omplaints resolution reports		Direct or: Strate gic Mana geme nt Service es
Internal Audit	To ensure clean adminis tration and account able govern ance	Devel opment and imple menta tion of the risk based operat ional plan	Numb er of risk based intern al audit plans devel oped and imple mente d			GG PP - 5	600,00 0.00	1 risk based internal audit plan in place	1 plan developed and implemen ted	1 risk based internal audit plans developed and implemented by 30 June 2018	1 risk based internal audit plan develope d	4 projects implemen ted as per the approved risk based internal audit plan	4 projects implemen ted as per the approved risk based internal audit plan	4 projects implemen ted as per the approved risk based internal audit plan	4 projects implemen ted as per the approved risk based internal audit plan	4 projects implemen ted as per the approved risk based internal audit plan	Internal Audit Quarterly Reports; Approved Risk Based Internal Audit Plan		Direct or: Strate gic Mana geme nt Service es
Risk Man age ment		Imple menta tion of Risk Mana geme nt Frame work	No of Risk Mana geme nt Progra mmes Imple mente d			GG PP - 6	650,00 0.00	Risk Manage ment Framewo rk	04 Risk Programme s implemen ted	4 Risk Management Programmes Implemented by 30 June 2018	1 Risk managem ent Program me	1 Risk manageme nt Programm e	1 Risk managem ent Programm e	1 Risk Managem ent Programm es Implement ed	1 Risk managem ent Programm e	1 Risk Managem ent Programm es Implement ed	attendanc e registers, minutes of the session,Ri sk Managem ent reports		Direct or: Strate gic Mana geme nt Service es

PMS		Implementa- tion of the PMS Frame work	Number of PMS Programmes Imple- mented	Number of perfor- mance quarterly review conducted		GG PP- 7	1m	1 PMS Framework in place	4 quarterly review performance reports submitted	4 Quarterly Performance Reviews conducted by 30 June 2018	1 performance review report submitted	1 performance review report submitted	1 performance review report submitted	1 Quarterly Performance Reviews conducted	1 performance review report submitted	1 Quarterly Performance Reviews conducted per Municipal	Performance review reports		Direct or: Strategic Management Services
			Number of SDBIP developed and submitted with in prescribed time frames			GG PP- 7.1		1	2	2 SDBIPs developed and approved (Final SDBIP and Revised SDBIP) by 30 June 2018	1 SDBIPs developed and approved	N/A	1	1 SDBIPs developed and approved (Revised SDBIP)	N/A	N/A	Approved SDBIP,Approved adjusted SDBIP		Direct or: Strategic Management Services
			Number of statutory performance reports compiled and submitted to oversight structures			GG PP- 7.2		2	2	2 statutory performance reports compiled and submitted to oversight structures by 30 June 2018	Draft annual report,draft annual performance report	facilitate consultations and approval by Council	N/A	N/A	N/A	N/A	Draft annual report,annual performance report and council resolution		Direct or: Strategic Management Services
SPECIAL PROGRAMMES	To facilitate and coordinate integrated Special Programmes	Develop and implement the District implementation plan in line with	Number of HIV,TB and STI's implementation plan developed and implemented	Number of HIV,TB and STI's implementation plan developed and programmes		GG PP- 8	1,820,000.00	Existing National HIV ,TB and STI's strategy	1 HIV,TB and STI's implementation plan developed and 3 programmes implemented	1 HIV,TB and STI's implementation plan developed and 3 programmes implemented as per the SPU calendar by 30 June 2018	1 HIV,TB and STI's draft implementation plan developed	1 HIV,TB, and STI's implementation plan adopted,1 programme implemented	1 programme implemented	1 Programme implemented as per the SPU calendar by 31 March 2018	1 programme implemented	1 Programme implemented as per the SPU calendar	Approved implementation plan,attendance register,reports, quarterly reports		Direct or: Strategic Management Services

	national HIV,TB and STI's Strategic plan for 2017-2022		implemented as per the SPU calendar															
	Develop and implement Special Programmes and Mainstreaming Strategy	Number of Special Programmes and Mainstreaming Strategy developed and implemented	Number of Gender mainstreaming Strategy developed and Designated Groups programmes implemented as per the SPU calendar		GGPP - 8.1	R 1,200,000.00	Draft SPU mainstreaming strategy in place	1 SPU mainstreaming Strategy and implementation plan developed and implemented	1 Gender mainstreaming Strategy developed and 3 Designated Groups programmes implemented as per the SPU calendar by 30 June 2018	facilitate consultation with stakeholders. 1 programme implemented	Adopted SPU Mainstreaming strategy; 1 programme implemented	1 SPU mainstreaming programme implemented	Gender mainstreaming Strategy consultation workshop and 1 Designated Groups programmes implemented as per the SPU calendar	1 SPU Mainstreaming programme implemented	1 Gender mainstreaming Strategy developed	Attendance registers; Special Programmes Mainstreaming Strategy, SPU calendar of events		Director: Strategic Management Services
	Develop and implement the District youth implementation plan	Number of Youth programmes developed and implemented	Number of Youth development implementation plan developed and Youth Development programme		GGPP - 8.2	R800 000	Provincial Youth Development strategy in place	1 Youth development plan developed and 4 Youth Development programmes implemented	1 Youth development implementation plan developed and 3 Youth Development programmes implemented as per the SPU calendar by 30 June 2018	1 Youth Development implementation plan developed and 1 programme implemented	1 Youth Development implementation plan adopted and 1 programme implemented	1 programme implemented	1 Youth Development programme implemented as per the SPU calendar	1 programme implemented	1 Youth development plan developed and 1 Youth Development programme implemented as per the SPU calendar	SPU calendar of events, attendance registers, implementation plan, reports		Director: Strategic Management Services

			es imple ment ed as per the SPU calen der															
To ensure integrated approach to service delivery	Develop and implement Integrated Service Delivery Model and implementation Plan	Number of Integrated Service Delivery model programmes implemented	Number of Integrated Service Delivery implementation plan developed and Integrated Service Delivery programmes implemented as per the SPU calendar		GGPP - 9	R1 500 000	District Antipover ty Strategy in place	1 Integrated Service Delivery Model developed and 4 programmes implemented	1 Integrated Service Delivery Implementation plan developed and 4 Integrated Service Delivery programmes implemented as per the SPU calendar by 30 June 2018	Draft Integrated Service Delivery Model developed and 1 programme implemented	Integrated Service Delivery Model adopted and 1 programme implemented	1 programme implemented	1 Integrated Service Delivery programme implemented as per the SPU calendar	1 programme implemented	1 Integrated Service Delivery Implementation plan developed and 1 Integrated Service Delivery programmes implemented as per the SPU calendar	Quarterly reports, Attendance registers; Integrated Service Delivery Model Plan, Council resolution		Director: Strategic Management Services
				Number of Integrated Service Delivery facilitation	GGPP - 9.1		Draft ISD Policy,3 programmes implemented	3 Social Facilitation Programmes Implemented(Community Awareness & Capacity Building, Project Monitoring &	4 ISD facilitation programmes implemented per grant (1. MIG 2, RBIG 3.WISG) by 30 June 2018	3 Programmes Implemented	3 Programmes Implemented	3 Programmes Implemented	3 ISD facilitation programmes implemented per grant (1. MIG 2, RBIG 3.WISG)	3 Programmes Implemented	1 ISD facilitation programmes implemented per grant (1. MIG 2, RBIG 3.WISG)		ISD quarterly progress report	Director: Engineering

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					program mes impl eme ntat ed per gran t (1. MIG 2, RBIG 3.WI SG)			Evaluation (PSC;s) Establishe nt of Community Service Providers (CSP;s)										
Municipal Support	Develop ment and imple menta tion of municipal suppo rt plan	Number of Municipal suppo rt progra mmes under taken			GG PP - 10	1,5m	03 Municipal Support Plans	06 municipal support programme s imple ment ed	06 municipal support programmes implemented by 30 June 2018	01 Program me imple ment ed	2 Program me imple ment ed	2 Program mes imple ment ed	2 Program mes imple ment ed	1 Program mes imple ment ed	1 Program mes imple ment ed	support imple men tation reports		Direct or: Strate gic Mana geme nt Servic es
IGR	Imple menta tion of IGR strate gy	Number of IGR activi ties imple mente d			GG PP- 10. 1	200,00 0.00	IGR strategy in place	8 IGR activities imple ment ed	8 IGR activities Implemented by 30 June 2018	2 IGR activities imple ment ed	2 IGR activities imple ment ed	2 IGR activities imple ment ed	2 IGR activities imple ment ed	2 IGR activities imple ment ed	2 IGR activities imple ment ed	Attenden ce register,m inutes and resolution register		Direct or: Strate gic Mana geme nt Servic es
International Relations	Develop ment and imple menta tion of the intern ation al relatio ns frame work	Number of intern ation al relatio ns activi ties imple mente d			GG PP - 10. 2	R300 000.00	Draft Internatio nal Relations Framework in place	1 Internation al Relations Framework developed and imple ment ed	1 International Relations Framework developed and implemented by 30 June 2018	facilitate consultati on with stakehold ers	approval and imple ment ation of IR Framework	imple ment ation of Internatio nal Relations Framework	imple ment ation of Internatio nal Relations Framework	imple ment ation of Internatio nal Relations Framework	imple ment ation of Internatio nal Relations Framework	Quarterly Reports on the imple men tation of the Internatio nal Relations Framework ,MOU's,C ouncil resolution s		Direct or: Strate gic Mana geme nt Servic es
PIANNING	Develop ment and imple mentatio n of Credibl e Plans	Develop ment and review al of Credib le plans devel			GG PP- 11	R300.0 00	2017- 2022 IDP	Adopted, CHDM 2018-2019 IDP Review	Adopted, CHDM 2018- 2019 IDP Review by 30 June 2018	Adopted Framework Plan, IDP Process Plan	2018-2019 IDP Situational Analysis	Adopted 2018-2019 Draft IDP Review	Adopted 2018-2019 Draft IDP Review	Adopted 2018-2019 IDP Review	Adopted 2018-2019 IDP Review	Council Resolutio ns of adoption of Process Plan and for Draft and Final		Direct or :IPED

	aligned to NDP 2030		oped and implemented													IDP Review		
WSA		Number of WSDPs developed			GG PP-11.1			1 WSDP developed	1 WSDP reviewed and approved by 30 June 2018	Stakeholder consultation	Stakeholder consultation	Draft WSDP	Facilitation of the Service provider	Final WSDP	1 WSDP reviewed and approved	Attendance registers; Approved WSDP, Council resolution		Director: Engineering and Technical Services
PLANNING		Number of Service delivery plans developed and implemented			GG PP-11.2	R850.000	EC Vision 2030	Adopted CHDM Vision 2030	Draft CHDM Vision 2030 developed By 30 June 2018	Development of ToR	Facilitate Appointment of service provider	Consultation process and Draft CHDM Vision 2030	1.Service provider appointed 2.Inception meeting	Consultation and Adoption of CHDM Vision 2030	Draft CHDM Vision 2030 developed	ToR, Appointment Letter, Attendance Register		Director: IPED
HUMAN SETTLEMENTS					GG PP-11.3	510,800	CHDM LM's Human Settlement sector plans	Development of integrated Human Settlement sector plan	Draft integrated Human Settlement sector plan developed by 30 June 2018	Development of ToR	Facilitate Appointment of service provider	Consultation process and Draft CHDM Integrated Human Settlement Sector Plan	1.Service provider appointed 2.Inception meeting	Consultation process and Adoption CHDM Integrated Human Settlement Sector Plan	Draft integrated Human Settlement sector plan developed	ToR, Appointment Letter and Attendance Register		Director: IPED
LIBERATION HERITAGE		Review of booklet the liberation Heritage Route Icon by June 2018	Indicator collapsed and linked with LED 6.5		GG PP-11.4	R 200,000.00	Heritage strategy	1 booklet	Indicator collapsed and linked with LED 6.5	Stakeholder engagement session, Facilitation of Procurement of a service provider	Consultation process on reviewal of booklet	draft booklet	Indicator collapsed and linked with LED 6.5	Finalisation and Adoption of the booklet	Indicator collapsed and linked with LED 6.5	Attendance register, booklet, reports and orders, Council Resolution		Director: IPED
ENVIRONMENTAL MANAGEMENT		Develop, implement and review environmental management	Indicator collapsed and linked with Environmental Plan		GG PP-11.5	500,000.00	None	1 Environmental Pollution Control Plan developed	Indicator collapsed and linked with Environmental Management Plan (GGPP-11.9)	Facilitate procurement processes	Facilitate appointment of service provider	Draft Environmental Pollution Control Plan Developed	Draft Environmental Pollution Control Plan Developed	1 Final Environmental Pollution Control Plan Adopted	1 Final Environmental Pollution Control Plan Adopted	Terms of reference, Appointment letter; minutes of Bid specification Signed SLA;	N/A	Director: Health and Community Services

	sector plans	Developed	gement Plan (GGP-11.9)													Council Resolution		
		Number of Air Quality Management Plan developed			GGPP - 11.6	1,5M	None	1 Developed and implemented Air Quality Management Plan	1 Air Quality Management Plan developed by 30 June 2018	Facilitate procurement processes	Facilitate appointment of service provider	Draft Air Quality Management Plan Developed	Draft Air Quality Management Plan Developed	1 Final Air Quality Management Plan Adopted	1 Air Quality Management Plan developed	Terms of reference, Appointment letter; minutes of Bid specification Signed SLA; Council Resolution	N/A	Director : Health and Community Services
		Number of Alien Invasive and Bush encroaching Plant Management programmes implemented			GGPP - 11.7	200,000.00	Alien Invasive and Bush encroaching Plant Management Strategy in place	3 Alien Invasive and Bush encroaching Plant Management programmes implemented	3 Alien Invasive and Bush encroaching Plant Management programmes implemented by 30 June 2018	N/A	1 Alien Invasive and Bush encroaching Plant Management programme implemented	1 Alien Invasive and Bush encroaching Plant Management programme implemented	1 Alien Invasive and Bush encroaching Plant Management programme implemented	1 Alien Invasive and Bush encroaching Plant Management programme implemented	1 Alien Invasive and Bush encroaching Plant Management programme implemented	Quarterly implementation reports submitted Standing Committee, Terms of reference	N/A	Director : Health and Community Services
		Number of Climate Change Response Strategy developed			GGPP - 11.8	500,000.00	Existing 2011-2017 Climate Change Adaptation Strategy in place	1 Climate Change Response Strategy developed	1 Climate Change Response Strategy developed by 30 June 2018	Facilitate procurement processes	Facilitate appointment of service provider	Draft Climate Change Response Strategy Developed	Draft Climate Change Response Strategy Developed	1 Final Climate Change Response Strategy Adopted	1 Climate Change Response Strategy Adopted	Terms of reference, Appointment letter; minutes of Bid specification Signed SLA; Council Resolution	N/A	Director : Health and Community Services

					GG PP - 11.9	500,00 0.00	1 Environm ental Manage ment Plan in place	1 Environme ntal Manageme nt Plan developed	1 Environmental Management Plan developed by 30 June 2018	Facilitate procurement processes	Facilitate appointment of service provider	Draft Environme ntal Managem ent Plan Developed	Draft Environme ntal Managem ent Plan Developed	1 Final Environme ntal Managem ent Plan Adopted	1 Environme ntal Manageme nt Plan Adopted	Terms of reference, Appointm ent letter; minutes of Bid specificati on Signed SLA; Council Resolutio n	N/A	Direct or : Health and Comm unity Servic es
DISA STER MAN AGE MEN T	Devel opme nt and Imple menta tion of Disast er Mana geme nt Plan	Numb er of Disast er Mana geme nt Plans devel oped and imple mente d	Indica tor collap sed and linked with Scient ific Risk Asses men t study (SDI 18)		GG PP- 11.10	300,00 0.00	1 Disaster Manage ment plan in place	1 Disaster Manageme nt plan developed and implem ented	Indicator collapsed and linked with Scientific Risk Assessment study (SDI 18)	terms of reference develope d	N/A	1 draft disaster managem ent plan developed	1 draft disaster managem ent plan developed	1 final disaster managem ent plan adopted	1 final disaster manageme nt plan adopted	Terms of Reference ,Appoint ment letter; minutes of Bid specificati on Signed SLA,draft disaster Managem ent plan Council Resolutio n	N/A	Direct or : Health and Comm unity Servic es
		Numb er of Disast er Mana geme nt Policy frame work revie wed	Indica tor collap sed and linked with Scient ific Risk Asses men t study (SDI 18)		GG PP- 11.11	200,00 0.00	1 existing disaster managem ent policy framewor k	1 disaster Manageme nt policy framework reviewed by 30-June- 2018	Indicator collapsed and linked with Scientific Risk Assessment study (SDI 18)	Facilitate procurement processes	Facilitate appointment of service provider	draft disaster managem ent policy framework developed	draft disaster managem ent policy framework developed	finalisatio n of disaster managem ent policy framework and adoption by council	finalisation of disaster manageme nt policy framework and adoption by council	Terms of reference, Appointm ent letter of Service Provider, Signed SLA, Council resolution , adopted disaster managem ent framewor k	N/A	Direct or : Health and Comm unity Servic es

COMPONENT A: BASIC SERVICE DELIVERY

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

3.2 WATER PROVISION

3.2.1 INTRODUCTION TO WATER PROVISION

Chris Hani District Municipality is a Water Services Authority (WSA) and Water Services Provider (WSP) in all local Municipalities within the district area of jurisdiction in terms of the powers and functions as outlined in the Municipal Structures Act, 117 of 1998.

With regards to water schemes and the provision of water infrastructure, the growth in terms of human settlements and limited water sources 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. Drought has also proven to be a major contributor of water provision in the district.

In terms of the current state of water treatment plants in the CHDM, the following can be revealed:

- CHDM currently has 24 water treatment plants across the district with at least a few within each local municipality including supply systems (boreholes) which are also chlorinated.
- 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 Intsika Yethu and Engcobo remain unserved.



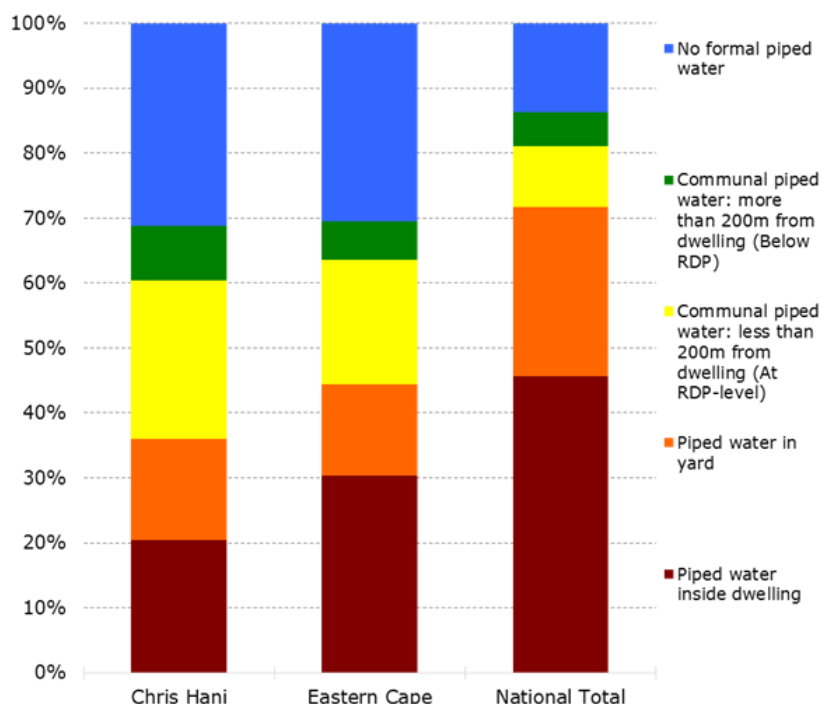
Table 25 : Households with access to water

Households				
Description	2014/2015 Actual No.	2015/2016 Actual No.	2016/2017 Actual No.	2017/2018 Actual No.
Water: (above min level)				
Piped water inside dwelling	44590	44590	44590	44590
Piped water inside yard (but not in dwelling)	33864	33864	33864	33864
Using public tap (within 200m from dwelling)	53383	63375	64613	71754
Other water supply (within 200m)				

Minimum Service Level and Above sub-total	131837	141829	143067	150208
Minimum Service Level and Above Percentage	60%	65%	66%	69%
Water: (below min level)				
Using public tap (more than 200m from dwelling)	18299	18299	18299	18299
Other water supply (more than 200m from dwelling)	68079	58087	56849	49708
No water supply				
Below Minimum Service Level sub-total	86378	76386	75148	68007
Below Minimum Service Level Percentage	40%	35%	34%	31%
Total number of households*	218215	218215	218214	218214

Source: HIS Global Insight Regional Explorer version 1029

ACCESS TO WATER



Source: IHS Global Insight Regional eXplorer version 1029

Table 26: Water Services objectives

Water Service Policy Objectives as per IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	2020/21
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
No of households served with quality basic water supply	8023 households served with quality basic water supply	2920	1238	23096	7141	4533	3912	3912	3912
No of water reticulation projects	13 water reticulation projects	21	7	46	14	11	10	16	10

No of bulk water supply projects	08 bulk water supply projects	0	0	12	9	8	1	9	04
Drinking water compliant with SANS 241	16 Drinking water compliant with SANS 241	80%	99%	80%	16	16	16	16	16
No of water treatment works constructed	No of water treatment works constructed	4	4	4	3	3	1	1	0
No of water schemes refurbished	No of water schemes refurbished	14	7	14	10	10	02	02	02

Table 27: Water Services employees

EMPLOYEES WATER SERVICES					
2016/2017		2017/2018			
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3	57	71	71	0	100
4-6	30	113	63	50	44
7-9	4	4	4	0	100
10-12	0	24	15	9	62
13-15	10	10	10	0	100
16-18	0	0	0	0	0
19-20	0	0	0	0	0
TOTALS	101	222	163	59	

Table 28: Water Services Capital Expenditure

Capital Expenditure Year: 2017/2018					
Water Services					
R' 000					
Capital Projects	2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	236,665,090.00	205,759,067.46	191,558,925.92	-24%	
Cluster4 Ncora zone a	3,445,203.00	2,759,491.36	2,807,406.77	-23%	
CI7 Eluhwini w/s	3,875,756.00	3,661,696.67	3,711,696.67	-4%	
CI Didi w/s	4,388,347.00	4,242,549.33	4,242,549.33	-3%	
CI 8 ndunkulu w/s	1,831,211.00	1,399,733.83	1,342,179.56	-36%	
CI 6 Mnyolo w/s	11,973,569.00	10,517,408.91	10,356,507.59	-16%	

CI 6 Dulati w/s	9,967,337.00	9,382,867.00	9,332,707.00	-7%	
Upper Lufhta w/s	6,715,000.00	3,619,782.17	3,619,782.17	-86%	
CI 4 Upper Mnxe w/s	2,694,945.00	2,528,340.93	2,113,462.78	-28%	
Vanada tenza zolo w/s	11,280,957.00	11,447,952.32	11,447,952.32	1%	
Cluster 5 Zadungeni w/s	9,276,371.00	9,108,195.44	4,549,669.23	-104%	
Tsojana southern bulk -	62,684,787.00	57,375,046.89	54,006,301.70	-16%	
Rising main east	534,932.00	104,196.00	-	0%	
Lessyton water supply	-	-	-	0%	
Rising main west	18,578,104.00	18,974,138.75	17,170,948.16	-8%	
Zinguthu phase 2	4,645,698.00	4,523,519.37	4,523,519.37	-3%	
Hofmeyer bulk water	4,419,708.00	871,996.91	871,996.91	-407%	
Dordrecht intermediate water supply	7,485,000.00	7,475,350.00	4,494,511.13	-67%	
Lubisi water treatment works	12,694,494.00	18,881,366.83	18,881,366.83	33%	
Tora water treatment works	19,566,345.00	3,633,028.00	2,833,961.65	-590%	
Sitholeni water treatment works	40,607,326.00	35,252,406.75	35,252,406.75	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

Table 29: Water Services Financial Performance

Financial Performance 2017/2018: Water Services					
	R'000				
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	221,985,977.00	884,795,928.00	975,775,892.00	221,965,645.00	-299%
Expenditure:					
Employees	139,989,803.57	163,052,628.00	157,372,328.00	146,169,532.29	-12%
Repairs and Maintenance	68,939,200.00	41,705,371.00	54,668,461.00	62,748,330.31	34%
Other	389,390,205.95	492,139,928.00	740,636,932.00	422,976,484.71	-16%
Total Operational Expenditure	458,329,405.95	696,897,927.00	952,677,721.00	631,894,347.31	-10%
Net Operational Expenditure	236,343,428.95	187,898,001.00	23,098,171.00	409,928,702.31	146%
<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>					

OVERALL WATER SERVICES PERFORMANCE

The following capital projects were completed during 2017/2018:

Bulk Projects:

- Tsojana southern bulk
- Dordrecht intermediate water supply
- Zinguthu phase 2
- Rising main east
- Lessyton water supply

f) Rising main west Xonxa M&E

Sanitation Service Delivery Levels				
*Households				
Description	2015/2016	2016/2017	2016/2017	2017/2018
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	68387	68387	68387	68497
Flush toilet (with septic tank)				
Chemical toilet				
Pit toilet (ventilated)	73237	83962	90843	95432
Other toilet provisions (above min.service level)				
Minimum Service Level and Above sub-total	141624	152349	159230	163929
Minimum Service Level and Above Percentage	65%	70%	71%	75%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	976	976	976	866
Other toilet provisions (below min.service level)	30025	30025	30025	30025
No toilet provisions	45589	34864	27983	23393
Below Minimum Service Level sub-total	76590	65865	58984	54284
Below Minimum Service Level Percentage	35%	30%	27%	25%
Total households	218214	218214	218214	218214

Source: IHS Global Insight Regional Explorer version 1029

g) Hofmeyer bulk water

Within this period, a total of 4533 households were supplied with water across the district as listed below:

Name of Project	Number of Households
Cluster 4 Ncora Zone A	491
Cluster 7 Eluhwini w/s	949
Cluster 7 Didi w/s	492
Cluster 8 Ndunkulu w/s	508
Cluster 6 Mnyolo w/s	387
Cluster 6 Dulati w/s	351
Upper Lufhta w/s	195
Cluster 4 Upper indwana w/s	543
Cluster 4 Upper Mnxe w/s	92
Vanada tenza zolo w/s	209
Cluster 5 Zadungeni	386

3.3 SANITATION PROVISION

ACCESS TO SANITATION

Table 30: Sanitation Service Delivery Levels

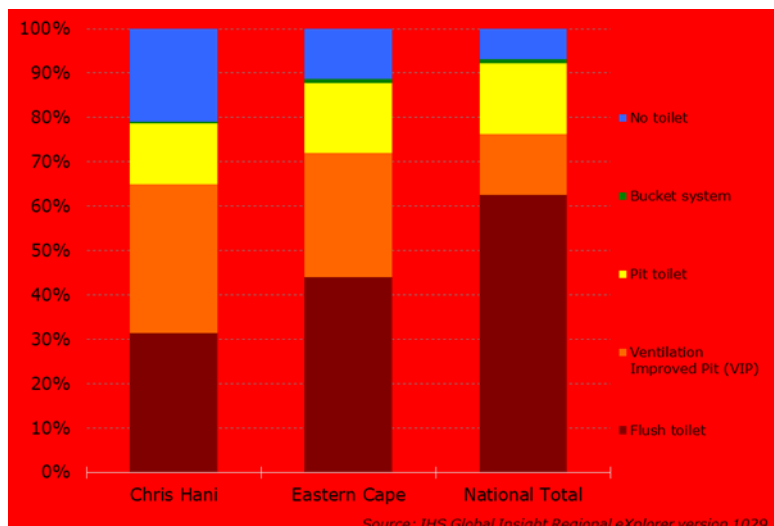


Table 31: Sanitation Service Policy Objectives as per IDP

Sanitation Service Policy Objectives as per IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	2020/21
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
No of households with safe sanitation	4589 households with safe sanitation	6056	6881	50971	4589	6424	567	567	567
No of waste water treatment works constructed	1 waste water treatment works constructed	1	1	6	1	0	1	2	1
Number of waste water treatment works complying with quality effluent in accordance 991	16 waste water treatment works complying with quality effluent in accordance 991	30%	41%	30%	16	06	16	16	16

Table 32: Employees Sanitation Services

EMPLOYEES SANITATION SERVICES				
2016/2017		2017/2018		
Job Level	Employees	Post	Employees	Vacancies
0-3	110	226	226	0
4-6	10	49	10	39
7-9	22	22	22	0
10-12	37	37	37	0
13-15		0	0	0
16-18		2	0	2

19-20		0	0	0
TOTALS	179	336	295	41

Table 33: Sanitation Services Financial Performance

Financial Performance Year 2017/2018: Sanitation Services					
R'000					
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	46,453,692.00	35,940,296.00	51,175,689.00	53,070,183.27	0.32
Expenditure:					
Employees	0	-	-	-	-
Repairs and Maintenance	0	8,394,319.00	10,996,619.00	-	-
Other	11,634,032.88	795,991.00	29,773,652.00	201,590,085.00	1.00
Total Operational Expenditure	11,634,032.88	9,190,310.00	40,770,271.00	201,590,085.00	0.95
Net Operational Expenditure	34,819,659.12	26,749,986.00	10,405,418.00	148,519,901.73	1.18
<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>					

Table 34: Sanitation Services Capital ExpenditureCapital Expenditure Year 2017/2018: Sanitation Services					
R' 000					
Capital Projects	Year 2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	61 968 844,0	88 805 821,00	85 832 706,43	28%	
Regional 1 Sanitation Backlog MIG	12 000 000,00	16 111 000,00	16 125 826,22	26%	212 399 851,23
Regional 1 Sanitation Backlog WSIG	5 000 000,00	14 236 977,00	12 066 929,85	59%	12 241 977,87
Regional 2 Sanitation Backlog MIG	13 500 000,00	34 859 084,00	34 713 604,72	61%	246 685 315,15
Regional 3 Sanitation Backlog MIG	8 499 999,00	10 056 629,00	10 028 025,11	15%	200 018 813,26
Regional 4 Sanitation Backlog MIG	13 437 180,00	6 796 066,00	6 550 214,89	-105%	155 011 035,49
Cala phase 2	-			0%	
Cofimvaba EU Sanitation	9 531 665,00	6 746 065,00	6 348 105,64	-50%	15 627 778,51
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

SANITATION SERVICES PERFORMANCE OVERALL

A total of 6424 households received sanitation during the 2017/2018 financial year as the following capital projects were completed:

- Region 1 Sanitation Backlog(MIG) : 1065 households provided with sanitation
- Region 1 Sanitation Backlog (WSIG): 855 households provided with sanitation
- Region 2 Sanitation Backlog: 1976 households provided with sanitation
- Region 3 Sanitation Backlog: 1252 households provided with sanitation
- Region 4 Sanitation Backlog: 801 households provided with sanitation
- Cofimvaba EU Sanitation: 475 households provided with sanitation
- Cala phase 2 sewer (No households served as wwttw still needs to be complete)

3.4 HOUSING

3.4.1 INTRODUCTION TO HUMAN SETTLEMENTS

This function is performed to provide support and guidance to Local Municipalities although this is not a core mandate of the district. The support focuses on municipalities that are faced with capacity challenges and financial constraints in human settlements delivery; coordinate infrastructure projects that are directly affecting human settlements (sanitation and water) etc, to eliminate duplications and assists in the monitoring of human settlements projects etc.

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

The forum is comprised of portfolio heads and officials that deals with human settlements; infrastructure and town planning in the district and all its 6 Local Municipalities; the Department of Human Settlement in the Province and the Region; government entities e.g. Eskom; NHBRC and sector departments in the district.

3.4.2 SUPPORT ON HUMAN SETTLEMENTS DEVELOPMENT PLAN

3.4.2.1 The Destitute Human Settlements 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. The programme dates back from 2013 and in each financial year there are houses constructed per each local municipality. During the financial year under review, seven (7) furnished houses with groceries were handed over on the 18 July 2018, as part of Mandela Day commemoration.

Assesments were done at the local level with beneficiaries selected through the offices of the Mayors/ Executive Mayors of each Local Municipality. The district validates the submissions in line with the set criteria where contractors that meets the NHBRC requirements are appointed in each Local Municipality. The performance of constractors is monitored by both the district and local Municipalities.

3.4.2.2 Emergency Human Settlements Programme

Chris Hani District Municipality has a responsibility to develop 427 emergency houses as per its Service Level Agreement with the Department of Human Settlements. Since this agreement came into existance a total of 17 Contractors and 17 Community Liaison Persons have been appointed for the programme.

The breakdown of the 427 emergency houses is as follows:

- Intsika Yethu LM, 67
- Enoch Mgijima LM, 143
- Emalahleni LM, 49
- Sakhisizwe LM, 65
- Engcobo LM,73
- Inxuba Yethemba LM, 30

During the period under review the district planned to construct 45 emergency houses however no houses were constructed with only 18 houses are still at foundation phase.

Table 35: Housing Service Policy Objectives

Human Settlements Policy Objectives Taken From IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018		2018/2019	2019/2020	2020/21	
		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)
Service Objective									
No of Human settlements programmes supported	1 Human settlements programme supported in all Local Municipalities	03	03	03	03	02	03	03	03

Table 36: Employees Housing

EMPLOYEES HOUSING					
2016/2017			2017/2018		
Job Level /Task Grade	Employees	Post	Employees	Vacancies	Vacancy %
0-3		0	0	0	

4-6		0	0	0	
7-9		0	0	0	
10-12		1	1	0	
13-15					
16-18	1	1	1	0	
19-20					
TOTALS	1	2	2	0	

3.5 FREE BASIC SERVICES AND INDIGENT SUPPORT

3.5.1 INTRODUCTION TO FREE BASIC SERVICES

The provision of access to free basic services to cater for the basic needs of poor households is a constitutional imperative. In response to this requirement, Chris Hani District Municipality developed an Indigent Support Policy. In the main, the policy addresses all issues related to the sustainable provision of basic services to indigent households in communities falling under the jurisdiction of Chris Hani District Municipality. It further sets out procedures and guidelines for the effective subsidisation of basic service charges to approved indigent households within budgetary and intergovernmental grant guidelines. The policy also provides clarity on issues related to eligibility for benefiting from the basket of services organised under this policy.

Table 37: Free Basic Services to Low Income Households

Free Basic Services To Low Income Households						
	Number of households					
	Total	Households earning less than R1,100 per month				
		Free Basic Water		Free Basic Sanitation		
		Total	Access	%	Access	%
2015/2016	218,214	5,650	0	0%	0	0%
2016/2017	218,214	5,650	4,945	88%	4,945	88%
2017/2018	218,214	5,650	4,549	81%	4,549	81%

Table 38: Financial Performance on Free Basic Services Delivered

Financial Performance 2017/2018: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2016/2017	2017/2018			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	5,697,398.00	244.00	250.00	11,723,937.00	100%
Waste Water (Sanitation)	5,697,398.00	240.00	250.00	11,723,937.00	100%
Total	11,394,796.00	484.00	500.00	23,447,874.00	100%

In the year under review, the municipality conducted a two month long Indigents registration programme throughout its 6 Local Municipalities and approved 5650 indigent households to receive free municipal basic services. Indigent households are those who earn a combined income of R3 200 per month, which is equivalent to 2 old age pension pay-outs. As per CHDMs Indigent

Policy, indigent households get free basic water for the first 10 Kilolitres used and a further free sanitation service rebate for the first 4 Kilolitres used.

COMPONENT B: ROADS AND TRANSPORT

3.6 ROADS

3.6.1 INTRODUCTION TO ROADS

The District is responsible for maintaining certain identified roads in the InxubaYethemba area on an agency basis through a 3 year Service Level Agreement (Road Maintenance Contract) with the Department of Roads & Public Works in April 2016. This agreement, which comes to an end in March 2019, is limited to the Provincial Proclaimed Roads within the InxubaYethemba Area and portion of Tsolwana area. The budget allocation on average is between R25 million and R30 million per annum for the 3 financial years.

CHDM has met this responsibility in a stalwart manner with the Department of Roads & Public Works and is firmly recognized by the Office of the Premier as one of the trendsetters in Road Construction and Maintenance. The program that forms part of the Service Level Agreements entered into with DRPW is aimed at improving access for all road users particularly the local communities, tourists/visitors, farmers, etc. Roads within the District Municipality that are not part of the Service Level Agreement are serviced by the Department of Roads & Public Works. The signed SLA is specific in terms of which roads are to be maintained. The list of roads maintained in the 2017/2018 Financial Year include the following:

MR653, MR654, MR660, MR00666, MR00654, MR00653, MR00652, MR00648, MR00643, MR00610, MR00609, DR02654, DR02653, DR02650, DR02647, DR02638, DR02635, DR02589, DR02634, DR02571, DR02631, DR02630, DR02629, DR02559DR02622, DR02613, DR02611, DR02602, DR02598, DR02595, DR02588, DR02570, DR02567, DR02565, DR02563, DR02558, DR02555, DR02554, DR02553, DR02550, DR02549, DR02548, DR02547, DR02544, DR02543, DR02540, DR02539, DR02538, DR02537, DR02536, DR02535, DR02534, DR02532, DR02531, DR02528, DR02527, DR02526, DR02524, DR02523, DR02522, DR02515, DR02508, DR02504, DR02503, DR02431, DR02427, DR02423, DR02422, DR02420, DR02419, DR02417, DR02416, DR02415, DR02413, DR02412, DR02407, DR02394, DR2549, DR255, DR2558, DR2568, DR2571, DR2572, DR2590, DR2600, DR2605, DR2606, DR2611 and DR2612.



Table 39: Roads Service Policy Objectives

Roads Service Policy Objectives as per IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	2020/21
		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									
Number of kilometres of roads maintained	2000 kilometres of road Bladed at Tarkstad and Inxuba Yethemba and 10 kilometres of road regavelled	2148 and 30	2148 and 30	2148	2000	2259.21 And 46.70	2148 and 30	2148 and 30	2148 and 30

Table 40: Employees Roads

EMPLOYEES ROADS					
2016/2017		2017/2018			
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3	19	21	12	9	
4-6	11	21	9	12	
7-9	3	3	3	0	
10-12	2	4	2	2	
13-15	0	2	0	2	
16-18	0	1	0	1	
19-20	0	0	0	0	
TOTALS	35	52	26	26	

Table 41: Roads Financial Performance

R'000					
Details	2016/2017	Year 2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	27,800,000.00	29,000,000.00	29,000,000.00	29,000,000.00	-
Expenditure:					
Employees	2,907,614.00	5,378,451.00	6,590,921.00	6,314,296.60	0.15
Other	27,612,219.00	23,621,549.00	22,409,079.00	23,343,084.23	0.01

Total Operational Expenditure	30,519,833.00	29,000,000.00	29,000,000.00	29,657,380.83	0.02
Net Operational Expenditure	2,719,833.00	-	-	657,380.83	1.00
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.					

3.7 TRANSPORT

3.7.1 INTRODUCTION TO TRANSPORT

The Municipal Structures Act 117 of 1998 and the National Land Transport Act 5 of 2009 puts the roads and transport planning on the shoulders of the District Municipalities. Although this is not a competency of the district, the Chris Hani District Municipality endeavours to provide guidance to Local Municipalities.

There are two national roads passing through the district in a north-south direction (i.e. the N10 and N6) and two rail lines. The two rail routes link 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 objectives of the CHDM Integrated Transport Plan (ITP) also known as Master plan is to ensure that the District meets 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 and to fulfil the objectives of the CHDM developmental agenda. 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 develop and review the plan. Therefore ultimate goal will be a joint effort with the Local Municipalities contributing to implementation of the developed plan in their respective areas.

COMPONENT C: PLANNING AND DEVELOPMENT

3.8 PLANNING AND DEVELOPMENT

3.8.1 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 is responsible 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 and GIS 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 CHDM SDFs and Local SDFs in terms of development, review and implementation;
- Provide technical support to Local Municipalities in terms of developing credible SDFs; LSDF's, Land Use and Land development applications and
- To keep abreast of legislation and trends as this relates to Town and Regional Planning.

With the introduction of the Spatial Land Use Management Act (SPLUMA), CHDM with all six Local municipalities, has established a District Municipal Tribunal. All six local councils took a resolution to form part of the District Municipal Tribunal.

A District Town Planner's Forum was also established to specifically deal with town planning/ spatial planning issues affecting the spatial planning function throughout the district. This forum is comprised of town planners/land use administrators/ environmental officials and/or spatial planning officials from CHDM, Government Departments namely; Housing, DEDEAT, Public Works, SANRAL, all development departments within the Province and all its local Municipalities.

3.8.2 SPATIAL PLANNING

3.8.2.1 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 has reviewed its SDF for the next 5 years in line with the directives of the National Spatial Development Plan (NSDP), National Development Plan and the Provincial Spatial Development Plan (PSDP). The review was in consultation with all relevant stakeholders.

This reviewed SDF has considered the Spatial Planning and Land use Management Act, 2013 norms and standards, inter alia, changes in local municipality boundaries as well as the boundary of the newly amalgamated municipality of Enoch Mgijima.

3.8.2.2 Land use management

Whilst the CHDM does not have a direct role to play in terms of land use management, Chapter 6 Section 34(1) & (2) of SPLUMA Act influence the district to play a role in Land use management and as such the Act requires the Formation of Planning Tribunals to process Land Use applications either through a joint municipal planning tribunal or single district tribunal. All local councils, except for Enoch Mgijima, resolved to be part of a District Tribunal which has been established.

3.8.2.3 Small Town Revitalisation

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 concept of Small Towns revitalization also proposes any future developments the municipality approves or endorsed as part of social responsibility from the developers. This must also accommodate the hawkers, malls, ranks, infrastructure development, paving, landscaping, greening, street naming and development of Local Municipalities.

Chris Hani has developed a Regional Economic Development Strategy highlighting 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 with the potential to grow as it is one of the main service centres on the R61 east corridor. This culminated in CHDM and the IntsikaYethu Local Municipality, with the assistance of the Department of Cooperative Governance and Traditional Affairs, embarking on the Small Town Development Plan for Cofimvaba and Tsomo. Engcobo and CHDM also entered into a Service Level Agreement to revitalise the town with the assistance of SANRAL.

The Small Town Revitalisation 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 Local Municipality nor Engcobo Local Municipality as the sole role players in realising developmental objectives of Engcobo, Cofimvaba and Tsomo towns, but rather looks 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.

The following highlights are worth reporting:

- Engcobo Taxi Rank: A Contractor completed Phase 1 which is the Main Taxi Rank, Offices for Taxi Operators, Ablution Facilities, High Mast Lighting, Hawker Stalls and Paving.

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

3.8.3 PLANNING

Table 42: Planning Service Policy Objectives

Planning Service Policy Objectives as per IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	2020/21
		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									
Number of spatial planning programmes implemented as per SPLUMA	1 Spatial planning programmes implemented as per SPLUMA (1. tribunal meetings, 2. CHDM SDF reviewal, 3. township establishment, 4. Sakhisizwe SDF)	3	3	3	1	0	4	4	4
Number of small town revitalization programmes implemented	3 small town revitalization programmes implemented	3	3	3	3	3	5	5	5

Table 43 : Employees Planning Services

PLANNING SERVICES					
2016/ 2017		2017 2018			
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3			0	0	
4-6			0	0	
7-9			0	0	
10-12			0	0	
13-15		2	2	0	
16-18	3	2	2	0	
19-20					
TOTALS	3	4	4	0	

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Table 44: Planning Services Financial Performance

Financial Performance 2017/2018: Planning Services					
					R'000
Details	2016/2017	Year 2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	5,620,000.00	6,470,000.00	0	0%
Expenditure:					
Employees	14,221,534.09	14,259,655.00	13,797,315.00	11,692,196.62	-22%
Repairs and Maintenance	0	0	0	0	0%
Other	46,742,196.24	55,536,402.00	54,787,406.00	46,126,363.91	0%
Total Operational Expenditure	60,963,730.33	69,796,057.00	68,584,721.00	57,818,560.53	-21%
Net Operational Expenditure	60,963,730.33	64,176,057.00	62,114,721.00	57,818,560.53	-11%
<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>					

* The above financial performance information includes all units under IPED.

Table 45: Planning Services Capital Expenditure

Capital Expenditure 2017/2018: 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
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

3.9 LOCAL ECONOMIC DEVELOPMENT

3.9.1 INTRODUCTION TO ECONOMIC DEVELOPMENT

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

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.

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 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 is the delivery of projects that is aimed at contributing to the economic transformation of the District. This is 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 have to be financially viable and address both the economic and development needs of the District.

The main focus area is facilitation and implementation of programmes that ensure the operationalization of the four main Irrigation Schemes, increased production of high value crops, fruit, vegetables and new forest plantations. Linked to this is the 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 operates mechanisation centres whose intention is to reduce costs of mechanisation and provision of excellent mechanisation services to the farming community.

Future sustainability of the Agency depends 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 has 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

KEY PERFORMANCE HIGHLIGHTS

Tourism Development

CHDM undertook various Tourism Development Programmes namely: Local Tourism Organization (LTO) support, Tourism SMME Support, Destination Marketing, Tour Guide Training, and Skills Development.

- LTO's with tourism stakeholders in the entire district benefitted from R 900 000 set aside during the period under review
- B&B's from Enoch Mgijima, Sakhisizwe and Inxuba Yethemba Local Municipalities received equipment to the value of R400 000 through Tourism SMME support.
- An amount of R200 000 was spent during the period under review on Destination Marketing which is mainly on marketing of Eastern Cape Midlands Brand. This includes Trade and Exhibition shows

Heritage Development programmes

The following initiatives were embarked on:

- Hosting the inaugural Jazz Summit for Chris Hani Jazz Artists as part of the 2017 Chris Hani Month programme.
- Successfully Hosted the annual Chris Hani Month Marathon which continues to attract local and national athletes
- Support was also rendered to Chris Hani Choral Music Association to the value of R560 000 while Jazz Artists within district were supported with an amount totalling to R700 000.
- Sabalele Development Centre supported with R800 000

- Hosting of Heritage and Tourism Month in September 2017 including Chris Hani Jazz and Arts Festival and Choral Music competition.
- Reburials of 9 PAC members who were hanged and buried in Pretoria in the 1960's.
- Reburial of Boesman Mangena who was the last person to be hanged in 1989

Wood Cluster (Forestry) Programmes:

FORESTRY DEVELOPMENT

Forestry development in the district mainly focused on Nursery, Charcoal Sawmilling, Rehabilitation of Plantations and Agro-Forestry.

TREE NURSERY EMPLOYMENT AND BENEFICIATION

Tree nursery is growing indigenous and exotic trees (Pine and Gum) driven as a commercial enterprise. The concept is based at supporting volumes of tree production by supplying seedlings and resources for the public and private sector. Vusisizwe tree nursery situated in Qumanco along R61 is one of the projects that benefited from this programme.

The project started in 2011 benefiting three local municipalities viz Intsika Yethu, Engcobo and Sakhisizwe local municipality. Each local municipality provided five beneficiaries which sum up to 15 beneficiaries

CURRENT EMPLOYMENT STATUS	
Beneficiaries	Four (1 Sakhisizwe, 1 Engcobo, 2 Intsika Yethu)
Project officer	One (1)
Security	Two (1 Day, 1 Night)
Temporary labour	Four (Required when necessary)

Key operations included manual propagation of indigenous and alien plants, Manual and chemical weeding, Yard cleaning and maintenance, River water carting and purification.

- Thus far the support to this project amounted to **R 1, 000, 000.00 (One million rands.)** which is inclusive of repairing infrastructure, project operations, maintenance and marketing.
- Beneficiaries are paid monthly at a rate of R 90.00 per day through CHDM EPWP fund.

CHARCOAL EMPLOYMENT AND BENEFICIATION

The Charcoal project named Egoso and Cala Pass charcoal primary cooperative was initiated to assist in reducing alien species that covered most of our Agricultural and Forestry land. It is also used to fight poverty within CHDM communities by converting the alien species (Black wattle) into charcoal production.

The project started in 2011 benefiting Engcobo and Sakhizwe Local Municipalities. During the period under review sixteen (16) beneficiaries were employed in Engcobo Local Municipality with two securities manning the site day and night.

Key Project Highlights

- Two charcoal kilns were bought and constructed on site at Egoso Charcoal;

- Two charcoal kilns were bought and constructed on site at Ecala Pass Charcoal;
- 12 m store room house was built at Ecala Pass charcoal site;
- Two VIP toilets were installed at Ecala Pass charcoal site;
- An office shack were built at Ecala Pass charcoal site;
- Four 5000l water tanks were installed at Cala Pass charcoal site;
- 12 meter store room house has been built to store equipment and charcoal;
- Both sites are fully fenced with operational equipment;
- Both sites are legally allowed to operate;
- Water tanks installed at Egoso;
- Three toilets constructed at Egoso;
- Borehole installed at Egoso.

Key operations included Harvesting of wood, Filling of kilns with wood, Burning and cooling of burnt charcoal, Packaging for sales, Manual and chemical weeding, Yard cleaning and maintenance.

Thus far the support to this project amounted to **R 1, 000, 000.00 (One million rands.)** which is inclusive of repairing infrastructure, project operations, maintenance and marketing.

Sawmill project

- Sawmilling is about timber harvesting from nearby government plantations, cut into logs and being graded according to the required standards. Different produce is being processed from pairlines, rafters, wooden chips for mulching and other.
- CHDM provides support through procuring protective clothing, machinery and equipment and trainings required.

Rehabilitation Project

- Community woodlot rehabilitation is about reshaping the jungle into a manageable plantation, providing life for commercialization.
- Delvinne trust (Sakhisizwe) and Goboti (Engcobo) have been provided with the support of fencing community woodlots.

AGRICULTURAL DEVELOPMENT PROGRAMMES:

Various initiatives embarked on under this programmes included Irrigation Schemes, Dryland Crop Production and Livestock 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 Chris Hani Development Agency (CHDA) facilitated partnership arrangements for Shiloh and Qamata Irrigation Schemes.
- CHDA was also 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 was completed.

Dryland Crop Production

- The District Municipality assisted three Secondary Cooperatives for the production of crops by transferring funds to Ngcobo and Intsika Yethu LM, while Emalahleni LM BUYAMBO SECONDARY COOP was funded through CHDA.

Livestock Development Programmes

- CHDM resolved implementation of the programme to be transferred to CHDA as the DM will be playing a vital role in monitoring and evaluation 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.
- Also under this programme Tshatshu Shearing Shed was constructed with the amount of R727 872.00 through National Wool Growers Association(NWGA)

Report on Custom Feeding and Ikhephu Feedlot :

- 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, Inxuba Yethemba LM and funds have been transferred to the LM for the construction of the custom feeding facility.
- The existing custom feeding facilities and Ikhephu Feedlot were supported with Complete Ruminant Feed

ENTERPRISE DEVELOPMENT

- In 2017 the District adopted a new funding model for Enterprise development. Workshops were organised for input by all stakeholders. A call for applications was issued for businesses to apply.
- During the period under review the District dealt with a two year approved backlog applications. To this end, the approved beneficiaries received their equipment with the assistance of CHDA in procuring goods.

- Potential beneficiaries were shortlisted by the Grant Assistance Approval Committee in October 2017. These applicants were assessed and verified in December 2017. Successful beneficiaries from this group will be assisted in the 2018/19 Financial Year
- 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.

Table 46: LED Service Policy Objectives

LED Service Policy Objectives as per IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	2020/2021
		Target	Actual	Target		Actual	Target		
				*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
(i)	(ii)								
Service Objective									
Number Of agricultural programmes implemented	5 agricultural programmes implemented	5	3	5	5	4	5	5	5
Number of SMME support programmes implemented	3 SMME/Business support programmes implemented	3	0	3	3	2	3	3	3
Percentage budget spent on local business benefiting through Preferential Procurement regulation	30% of budget spent on local businesses per preferential procurement monitored	0	0	0	30%	30%	30%	30%	30%
Number Of tourism programmes implemented	3 tourism programmes implemented	3	2	3	3	2	3	3	3
Number of Forestry programmes implemented	03 Forestry Programmes implemented (1. Tree Nursery 2. Afforestation 3. Charcoal)	3	3	3	3	3	3	3	3

Table 47: Employees Local Economic Development

LOCAL ECONOMIC		DEVELOPMENT EMPOLYEEES			
2016/2017		2017/2018			
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3		0	0	0	
4-6		0	0	0	
7-9		0	0	0	
10-12	4	7	6	1	
13-15		2	1	0	
16-18	1	1	1	0	

19-20		0	0	0	
TOTALS	5	10	8	1	

COMPONENT D: COMMUNITY SERVICES

3.10 CHILDCARE, AGED CARE, SOCIAL PROGRAMMES

3.10.1 INTRODUCTION TO SPECIAL PROGRAMMES

These programmes are performed as a response to Constitutional imperatives, which obligates municipalities to take in consideration Human rights including those of designated groups namely: women, children, youth, people living with disabilities, the elderly, and people living with HIV. Focus is also put on mainstreaming these programmes into the developmental agenda of the district.

Key programme highlights:

The district managed to achieve a number of its targets set out in the IDP through partnership programmes entered into. A partnership with the GIZ Government support programme (GSPII) assisted in developing a district-wide Gender Mainstreaming Strategy for 2018-2023 F/Y and the Integrated Service Delivery (ISD) Implementation Plan. Gender Mainstreaming Strategy was necessitated to ensure gender equality within the district as women constitute 54% of the district municipality's population. The ISD Implementation Plan on the other hand seeks to improve functionality of war rooms which are vehicles for improved service delivery within communities. GIZ continues to provide technical support to CHDM in ensuring implementation of the plans.

Through the Eastern Cape AIDS Council (ECAC) partnership, CHDM developed its HIV, STIs and TB Implementation Plan for 2017-2022 F/Y in line with the Provincial Implementation Plan (PIP) and National Strategic Plan (NSP) for HIV, STIs and TB. The plan was adopted by the District AIDS Council which sits on a quarterly basis to specifically deal with issues related to HIV. Awareness Campaigns that seeks to reduce the impact of HIV among communities were conducted, namely; STI and Condom Week which was held throughout the district, World AIDS Day and 16 Days of Activism against abuse of women and children took place at Emalahleni local Municipality and Lesbians Gay Bisexual Transgender and Intersex (LGBTI) focused sessions at Intsika Yethu municipality embarked on in partnership with Office of the Premier (OTP) and Commission for Gender Equality (CGE).

During this period, 155 Grade 10 and 11 learners from all LMs and Mbhashe Local Municipality benefitted from a Siyandiza Young Falcons Camp, a partnership between the district, the South African Airforce (SAAF) and the Department of Education (DOE). Only Ngcobo local municipality was not represented. Air force skills were imparted to learners and assistance provided in learning areas such as Maths, Science and Technical subjects.

The back to school campaign for 2017-2018 F/Y focused on six (6) best performing schools which were supported by CHDM in partnership with all its local municipalities and the Department of Education with cleaning of school premises, cleaning material and food garden implements such as seeds, seedlings and fertilizer. The schools include Inyathi SSS (86.3%) from Enoch Mgijima, Mcobololo (85.7%) from Ngcobo, J. A. Calata (93.8%) from Inxuba Yethemba, L. Jentile (94.1%) from Sakhisizwe, St James (96.2%) high school from Intsika Yethu and Free Mantle (95.3%) from Emalahleni.

Other implemented youth development programmes were young women empowerment camp conducted in partnership with Soul City benefiting 100 youth who later participated in Rise Young Women's clubs within the District while Job Readiness training programme for youth with disabilities benefited 25 young people.

Chris Hani District Municipality participated in the Provincial Steve Vukile Tshwete Games which were preceded by an elimination tournament and a camp for the teams hosted within the district. Represented sport codes were boxing, football, netball, rugby, volleyball and table tennis. The programme is implemented in partnership with the Department of Sport, Recreation, Arts and Culture (DSRAC) and the District Sports Council. The Golden Games programme targeting older persons was also held in partnership with the Department of Social Development at Inxuba Yethemba where 12 older persons proceeded to represent the District with the Provincial team at National Level.

Designated groups programmes that targeted women such as a seminar on business, relationships and marriage, an interdenominational prayer, revival and launch of the District Women's Forum.

Integrated Service Delivery Programmes (ISDM)

ISDM is implemented in the form of war room service delivery days, war room capacitations, support to households and community centres such as schools, Early Childhood Development Centres etc. and functionality of the District IDS Forum which meets quarterly. War room service delivery days are implemented in partnership with the local municipalities as well as the war room capacitations to ensure that stakeholders have a common understanding about war room functionality. The programme has seen people's lives being changed for the better through provision of services and taking government to the people. The needs are identified for intervention and the cooperation of relevant stakeholders is commendable with all functional ISDM war rooms. The only challenge associated with ISDM functionality is inadequate participation by some stakeholders.

EPWP through Community Development programmes

Community development programme within SPU focuses on Non-profit Organizations (NPOs) that implement HIV related interventions and on functionality of war rooms at ward level. The CHDM-SPU created 65 jobs in which 54 were NPO Care givers and 11 were War Room Facilitators. They are paid a monthly stipend through EPWP funding. A lot of improvement on the functionality of war rooms in all local municipalities has been observed.

COMPONENT E: ENVIRONMENTAL MANAGEMENT

3.11 ENVIRONMENTAL MANAGEMENT: BIODIVERSITY

3.11.1 INTRODUCTION

The National Environmental Management Act (NEMA), Specific Environmental Management Act (Waste Act, Biodiversity Act, Air Quality Act etc) and other environmental tools seek to ensure sound environmental management practices. Section 2 of NEMA, requires all organs of State to implement and adhere to the principles set out in Chapter 1 of NEMA. All organs of State also have the responsibility to protect, promote and conserve the needs of the people. The section also stipulates that the organs of State have to serve as custodians of the environment and it is their duty to guide the implementation of this Act. The Chris Hani

District Municipality (CHDM) through the Environmental Management Unit seeks to adhere to the provisions of the above mentioned legislations.

CHDM has implemented the following programmes to ensure sound environmental Management practices:

Greening and Land Care Programmes

Trees are planted for purposes of greening especially in towns, villages and schools. Trees are a valuable resource providing both environmental and economic benefits. By planting trees the country can make a difference as trees contribute to cleaner air, lower energy costs, greater protection of soil and water supplies, reduced noise levels, contribute to food security and a more ambient environment in which to live. Additionally, emphasis is made to highlight the need for the conservation of forests and in particular indigenous trees that are threatened by extinction.

In relation to greening, CHDM has resolved to 'green' its events by planting trees as a means of striving to counteract the carbon footprint. As part of observing environmental calendar days, CHDM hosted the Arbor Week programme in Bholeni Primary School at Ngcobo Local Municipality, World Wetlands Day in Cradock at Inxuba Yethemba Local Municipality and the World Environment Day at Intsika Yethu Local Municipality.

Council adopted its Alien Invasive and Bush Encroaching Plant Management Strategy 2017-2022 F/Y that is implemented concurrently with the greening and land care programme which is intended to promote job creation and poverty alleviation. The Strategy seeks to reduce environmental degradation by means of eradicating invasive alien plants (Silver and Black Wattle) and bush encroaching species like *Euryops* (Lapesi). The Wattle Eradication Programme and or Land Care Management Programme were implemented in Enoch Mgijima and Intsika Yethu local Municipalities.

Environmental Education and Awareness Programmes

Awareness programmes were conducted to impart knowledge pertaining to environmental quality management, land care and sustainable development in relation to climate change, biodiversity management, waste management. Observation of environmental days such as Arbor Week, World Environment Day and Wetlands Day are commemorated with selected themes on an annual basis and contribute towards raising environmental awareness and education. Environmental education programmes were also conducted in schools and communities. Nine (9) environmental awareness programmes were conducted during the year under review. The impact of these awareness sessions cannot be overemphasized as CHDM is currently well positioned 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 Planning and Management

CHDM has adopted the Environment and Climate Change Strategy and its Environmental Management Plan. These sector environmental plans assist the District in providing long term strategic planning and direction to ensure effective implementation of sustainable environmental management practices. The process for

developing these sector plans was concluded following a comprehensive consultation process with a wide range of stakeholders and structures.

District Wide Environment and Climate Change Forum

Climate Change is one of the key priority considerations of the CHDM as adopted in the CHDM Environment and Climate Change Strategy. The district has a functional District Environment and Climate Change Forum which ensures an ongoing engagement and information flow within the District pertaining to environmental management and Climate change matters. This platform seeks to enhance capacity building within the District and affords sector government departments an opportunity to report on their initiatives in relation to sound environmental management practices. The District Wide Environment and Climate Change Forum meetings were held on a quarterly basis.

COMPONENT F

3.12 ENVIRONMENTAL HEALTH

3.12.1 INTRODUCTION

Environmental health is concerned with monitoring or mitigating those factors of the natural and built environment affecting human health and disease. It involves identifying and evaluating environmental sources and hazardous agents and limiting exposures to hazardous physical, chemical, and biological agents in air, water, soil, food, and other environmental media or settings that may adversely affect human health. The programmes are implemented as per Regulation 123, Scope of Profession for Environmental Health under the Health Professions Act (Act No. 56 of 1974 as amended).

3.12.1.1 WATER QUALITY MONITORING

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.

- During the period under review, 2 184 drinking water samples were tested for compliance, and of these 110 (5%) failed to meet the standard while 95% of the samples tested complied. The Environmental Health Practitioners (EHPs) continue with their monitoring to ensure that they are able to detect and advise on control measures for prevention of any diseases that may be water related. This ensures that no communicable diseases or other water related health outbreaks occurred.
- In relation to waste water monitoring, 180 waste water samples were tested during the period under review. Of these, 86 (48%) complied 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 following interventions that were put in place by the district.

HEALTH AND FOOD CONTROL

FOOD INSPECTIONS

The district has responsibility of ensuring food safety in respect of acceptable microbiological, chemical and hygiene standards. This is implemented by monitoring food premises for compliance with set standards on a monthly basis to ensure compliance of all food premises and optimal hygiene control throughout the food supply chain.

- During period under review, 703 food premises were monitored, and of these premises 2223 inspections were conducted. Out of the 2223 inspections conducted 1505 inspections met the acceptable standards Regulation 638 (formerly known as R692) and Regulation 1555 respectively. 718 inspections did not comply 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 are yielding results as there are no incidents of food poisoning cases that were 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:

Food premises: These premises are both formal and informal. Their business set up is therefore distinct due to their different economic status. Council is paying particular attention to develop the informal sector so that it can contribute meaningfully to the economy of the district.

Funeral Parlours: 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. Funeral Parlours engagements through funeral parlours forum and workshop added value in compliance with health requirements.

Sanitation structures: The Sanitation structures are evaluated in terms of White Paper on Basic Household Sanitation of 2001.

Waste Management: The inspections are conducted in LM’s waste site to assist them to come to compliance to the NEM Waste Act 2008.

The table below stipulates results on inspections undertaken:

Table 48: Inspections taken

CATEGORY OF PREMISES	NUMBER EVALUATED	NUMBER COMPLIED	NUMBER FAILED
----------------------	------------------	-----------------	---------------

Food Premises	560 (2223 inspections)	1505 (inspections)	718(inspections)
Funeral Parlours	68(271 inspections)	186 inspections	85 inspections
Sanitation Structures	132	132	0
Waste Management	14 waste sites (56 inspections)	2 inspections	54 inspections

Table 49: Health Service Policy Objectives

Health Service Policy Objectives as per IDP									
Service Indicators (i)	Outline Service Targets (ii)	2016/2017		2017/2018			2018/2019	2019/2020	2020/2021
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998	% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998	75%	41%	100%	100%	100%	100%	100%	100%
% compliance of drinking water with SANS 241	% compliance of drinking water with SANS 241	97%	93%	100%	100%	100%	100%	100%	100%
Number of food premises monitored and supported	560 food premises monitored and supported	560	560	560	560	560	560	560	560
Number of funeral parlours monitored, supported and capacitated	68 funeral parlours monitored, supported and capacitated	70	70	68	68	68	68	68	68
Number of sampled sanitation structures inspected for compliance	120 sampled sanitation structures inspected for compliance 2018	120	120	120	120	132	120	120	120

Table 50 : Health Employees

EMPLOYEES HEALTH INSPECTION					
2016/2017		2017/2018			
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3		0	0	0	
4-6		0	0	0	
7-9	5	0	0	0	
10-12	30	31	31	0	
13-15	2	5	5	0	
16-18		2	2	0	
19-20					
TOTALS	37	38	38	0	

Table 51 Financial Performance Health & Community Services

Financial Performance 2017/18 Health & Community Services					
R'000					
Details	2016/17	2017/18			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	3,137,000.00	9,337,000.00	-	-
Expenditure:					
Employees	20,672,652.35	44,371,522.00	42,770,122.00	39,851,269.88	-0.11
Repairs and Maintenance	-	31,800.00	11,800.00	-	-
Other	10,526,231.45	20,074,857.38	26,625,734.00	20,342,681.02	0.01
Total Operational Expenditure	31,198,883.80	64,478,179.38	69,407,656.00	60,193,950.90	-0.07
Net Operational Expenditure	31,198,883.80	61,341,179.38	60,070,656.00	60,193,950.90	-0.02
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.					

The above financial performance information includes all units under Health and Community Services.

Table 52 : Capital Expenditure 2016/2017: Health Inspection

Capital Expenditure 2016/2017: Health Inspection					
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).					

HEALTH AND HYGIENE EDUCATION AND AWARENESS PROGRAMMES

Training, Health and hygiene awareness campaigns were conducted to food premises in an attempt to raise the levels of awareness and also promote good health and hygiene practices especially under the recent outbreak of Listeriosis in South Africa. Health and hygiene education is also aimed at preventing environmentally induced diseases and related communicable diseases. In total 64 health and hygiene programs were conducted to different stakeholders.

Two waste management awareness campaigns were conducted in each local municipality across the District. The campaigns were targeting school pupils and communities focusing on waste management e.g. recycling initiatives and anti-littering programmes. Environmental Health Days were observed i.e. World Environmental Health Day, Hand Washing Day, Toilet Day, Water Week and National Sanitation Week.

COMPONENT G: DISASTER MANAGEMENT

3.21 FIRE SERVICES

3.21.1 INTRODUCTION TO FIRE SERVICES

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

- Planning, coordination and regulation of fire services;
- Specialised Fire Fighting Services such as mountain, Veld and chemical fire services;
- Co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures;
- Training of fire offices.

Fire prevention and fire safety inspections were conducted for compliance purposes. A total of 34 inspections were conducted during 2017/2018 F/Y. A total of 28 Fire awareness programmes were conducted during 2017/2018. Due to the fire prevention and awareness programmes embarked on, fire incidents have reduced drastically since the previous financial year. Communities are also constantly being trained in basic fire-fighting skills. During the period under review, a total of three (3) training sessions with community members were conducted.



Table 53: Fire Services Data

Chris Hani District Municipality Fire Services Data					
	Details	2016/2017	2017/2018		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

Table 54: Fire Services Policy Objectives

Fire Service Policy Objectives IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	2020/2021
		Target	Actual	Target	Actual	Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
Number of Fire Services programmes implemented	3 fire services programmes implemented by 30 June 2018	1	1	1	3	3	3	3	3
Percentage response to emergencies	100% response to reported cases	100%	100%	100%	100%	100%	100%	100%	100%

Table 55: Employee Fire Services Employees Fire Services

SERVICES 2016/2017						2017/2018			
Job Level	Employees	Post	Employees	Vacancies	Vacancy %				
0-3			0	0					
4-6			0	0					
7-9	8	8	8	0					
10-12		0	0	0					
13-15			0	0					

16-18	1	1	1	0	
19-20					
TOTALS	9	9	9	0	

Key performance highlights

- The district commissioned a R7.9million Fire Station in Elliot at Sakhisizwe Local Municipality which was completed during the period under review.
- Three (4X4) vehicles were purchased to combat veld fires. The vehicles have been branded however, they are not fully operational due to skid units that are yet to be installed. Processes to fully equip these are underway and will be operational in the in the coming financial year.

3.22 DISASTER MANAGEMENT

3.22.1 INTRODUCTION TO DISASTER MANAGEMENT

The Disaster Management Service is implemented in terms of the Disaster Management Act (No. 57 of 2002), National Disaster Management Policy framework, GN 654 of 2005, and Chris Hani Disaster Management Policy Framework GN 3162 of 2014.

The Disaster Management function of the Chris Hani District Municipality is implemented according to the four (4) KPA's and three (3) enablers:

- Institutional capacity - Quarterly Advisory Forum Meetings with all stakeholders
- Response and Recovery - Disaster Relief Material
- Disaster Risk Reduction-Public Awareness Programs and IDDR
- Disaster Risk Assessment - District Wide Disaster Risk Assessment

Enablers:

- 1) Information management and communication – Communication centre;
- 2) Education , training , public awareness and research – Awareness campaigns;
- 3) Funding arrangement for Disaster Risk Management - Funding option (insensives, grants).



SERVICE STATISTICS FOR DISASTER MANAGEMENT

Incidents

During the period under review major disaster incidents occurred in the following local municipalities Emalahleni, Engcobo, Enoch Mgijima, Intsika Yethu and Sakhisizwe where a severe storm and strong winds resulted in 505 victims needing assistance with disaster relief material.

Disaster Relief

Disaster relief material was handed over to 41 victims in Enoch Mgijima, 201 Engcobo, 68 Emalahleni, 58 Sakhisizwe and 137 Intsika Yethu Local Municipalities with a total number of 505 beneficiaries who received the disaster relief material.

Disaster Advisory Forum Meetings

Four meetings were held during the financial year.

Public Awareness Programs

A total of 4 public awareness programs were held in the following local municipalities reaching the following number of participants, 136 Enoch Mgijima, 139 Inxuba Yethemba, 110 Emalahleni and 434 at Engcobo reaching a total of people

Table 56: Disaster Management Service Policy Objectives

Disaster Management Service Policy Objectives as per IDP									
Service Indicators (i)	Outline Service Targets (ii)	2016/2017		2017/2018			2018/2019	2019/2020	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
Number of Scientific Risk Assessment developed and adopted	0	0	0		1	0	0	0	0
Number of Disaster awareness programmes conducted	0	0	0		4	4	0	0	0
Percentage response to disaster	100%	100%	100%	100%	100%	100%	100%	100%	100%

management incidents reported									
% Of Disaster stricken Households assisted with relief and recovery material	100%	100%	100%	100%	100%	100%	0	0	0

Table 57: Employees Disaster Management

EMPLOYEES DISASTER MANAGEMENT 2017/2018					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3			0	0	
4-6	1	6	6	0	
7-9		0	0	0	
10-12	3	5	5	0	
13-15		0	0	0	
16-18	1	1	1	0	
19-20	0	0	0	0	
TOTALS	14	12	12	0	

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.24 EXECUTIVE AND COUNCIL

3.24.1 INTRODUCTION TO EXECUTIVE AND COUNCIL

The Chris Hani District Municipality as outlined in its Intergrated Development Plan set out clearly defined strategic objectives and targets in line with its powers and functions as guded by the Constitution of the Republic of South Africa, Act No. 108 of 1996 and relevant legislative requirements. Its endeavours to deliver sustainable and quality services were supported through the implementation and monitoring of adopted Council policies in an effort to deliver on its mandante. During this period, CHDM made great strides in delivering services to its communities. These can be highlighted as follows:

Key Service delivery highlights:

- In terms of water provision, CHDM currently has 24 water treatment plants across the district.
- A total of 6424 households received sanitation during this period and a number of capital projects were completed as well, namely;
 - Region 1 Sanitation Backlog(MIG) : 1065 households provided with sanitation
 - Region 1 Sanitation Backlog (WSIG) : 855 households provided with sanitation
 - Region 2 Sanitation Backlog: 1976 households provided with sanitation

- Region 3 Sanitation Backlog: 1252 households provided with sanitation
 - Region 4 Sanitation Backlog: 801 households provided with sanitation
 - Cofimvaba EU Sanitation: 475 households provided with sanitation
- Completed bulk water projects include Tsojana southern bulk, Dordrecht intermediate water supply, Zinguthu phase 2, Rising main east, Lessyton water supply, Rising main west Xonxa M&E and Hofmeyer bulk water. Within this period, a total of 4533 households were supplied with water across the district.

Table 58: Financial Performance the Executive and Council

Financial Performance Year 0: The Executive and Council					
R'000					
Details	2016/17	2017/18			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	10,437,657.58	12,578,110.00	10,544,265.00	17,018,625.35	0.26
Repairs and Maintenance	-	-	-	-	-
Other	9,697,751.77	14,579,263.75	16,779,546.00	9,117,222.94	0.60
Total Operational Expenditure	20,135,409.35	27,157,373.75	27,323,811.00	26,135,848.29	0.04
Net Operational Expenditure	20,135,409.35	27,157,373.75	27,323,811.00	26,135,848.29	0.04
<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>					

3.25 FINANCIAL SERVICES

3.25.1 INTRODUCTION TO FINANCIAL SERVICES

During the financial year, municipal bills were produced and sent to customers, customer data cleaned, queries were resolved and debt collected.

Debt recovery update for 2017/2018 Financial year

Table 59: Debt Recovery

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	2016/2017		2017/2018			2018/2019	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates							

Water - B	182487582.00	6.36%	20343632.00	5.6%		217317231.00	4.53%
Water - C							
Sanitation	51444989.00	6.36%	55969599.00	5.6%		56847374.00	4.53%
B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.							

Table 60: Financial Service Policy Objectives

Financial Service Policy Objectives as per IDP									
Service Indicators	Outline Service Targets	2016/2017		2017/2018			2018/2019	2019/2020	2020/2021
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
Number of Credible budgets and financial reports complied and submitted	4 Credible budgets approved by Council	4	4	4	4	4	4	4	4
Number of Revenue Enhancement programmes implemented	05 Revenue Enhancement programmes implemented	0	0	0	5	4	5	5	5
Number of SCM & Expenditure programmes implemented	06 SCM & Expenditure programmes implemented	6	6	6	6	6	6	6	6
100% of suppliers paid within 30 days	100% payment of suppliers within 30 days	50%	50%	50%	100%	100%	100%	100%	100%
Number of GRAP Compliant Asset Register and Inventory Management programmes implemented	Develop GRAP Compliant Asset Register. Two Inventory programmes implemented	Asset Register Completed	Asset Register Completed	Asset Register Completed	Develop GRAP Compliant Asset Register. Two Inventory programmes implemented	Develop GRAP Compliant Asset Register. One Inventory programmes implemented	Develop GRAP Compliant Asset Register	Develop GRAP Compliant Asset Register	Develop GRAP Compliant Asset Register
Number of GRAP AFS compiled	04 AFS compiled	04 AFS compiled	04 AFS compiled	04 AFS compiled	04 AFS compiled	04 AFS compiled	04 AFS compiled	04 AFS compiled	04 AFS compiled
% integration of financial systems	80% integration of financial systems	100%	50%	80%	80%	90%	100%	100%	100%

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 Integrated 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.

Table 61: Employees Financial Services

EMPLOYEES FINANCIAL SERVICES 2017/2018					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3		0	0	0	
4-6	60	76	73	3	
7-9	5	16	14	2	
10-12	20	26	22	4	
13-15	10	10	9	1	
16-18	7	7	7	0	
19-20		0	0	0	
TOTALS	102	135	125	10	

Table 62: Financial Performance Financial Services

Financial Performance Year 0: Financial Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	485,955,262.00	627,231,651.30	633,702,341.46	508,959,000.00	-23%
Expenditure:					
Employees	29,672,612.07	31,239,919.00	30,001,674.00	29,379,303.62	-6%
Repairs and Maintenance	-	-	-	-	0%
Other	17,589,975.69	45,458,507.40	46,266,780.00	43,116,129.00	-5%
Total Operational Expenditure	47,262,587.76	76,698,426.40	76,268,454.00	72,495,432.62	-6%
Net Operational Expenditure	438,692,674.24	550,533,224.90	557,433,887.46	436,463,567.38	-26%
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.					

3.26 HUMAN RESOURCE SERVICES

3.26.1 INTRODUCTION TO HUMAN RESOURCES

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

SERVICE STATISTICS FOR HUMAN RESOURCES

The Chris Hani District Municipality has a staff complement of 678 and 42 Councillors.

Table 63: Human Resources Service Policy Objectives

Human Resources Service Policy Objectives as per 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									
Number of IHRM Programmes implemented	11 IHRM Programmes implemented	HRD Strategy in place	HRD Strategy in place	HRD Strategy in place	11	10	11	11	11
Number of employees wellness programmes implemented	28 Employees wellness programmes implemented	18	18	18	28	27	28	28	28

Table 64: Employees Human ResourcesEMPLOYEES 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

Table 65: Financial Performance Human Resource Services

Financial Performance 2017/2018: Human Resource Services					
Details	R'000				
	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	8,232,478.00	3,863,000.00	4,006,606.00	10,401,060.00	0.63
Expenditure:					
Employees	14,185,715.60	57,526,904.00	38,198,741.00	25,078,982.16	-
Repairs and Maintenance	-	9,618,720.00	10,500,000.00	7,650,755.69	-
Other	29,560,079.22	82,321,559.00	88,242,805.00	83,181,087.62	0.01

Total Operational Expenditure	43,745,794.82	149,467,183.00	136,941,546.00	115,910,825.47	0.29	-
Net Operational Expenditure	35,513,316.82	145,604,183.00	132,934,940.00	105,509,765.47	0.38	-
<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>						

Table 66: Capital Expenditure 2016/2017: Human Resource Services

Capital Projects	2017/2018					R' 000
	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	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						
						T 3.26.6

Overall performance on human resources services

During the 2016/2017 financial year a number of policies and strategies relating to Human Resources were put in place.

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

3.27.1 INTRODUCTION 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.

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.

Phase 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.

Phase 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.

Phase 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.

Phase 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.

Phase 5: Perform a Technical Gap Analysis. Analysis of output of the municipal ICT analysis to determine gaps in enterprise and identify major ICT risks.

Phase 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.

Phase 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 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.

The line that was upgraded from 8MB to 12MB in the previous financial year is again taking strain due to additional satellite offices. An application to upgrade to 30MB has been submitted to Telkom and the unit is waiting for Telkom to install a router. Four remote sites have been connected to the Telkom VPN namely, Queenstown (Customer care and WSSA), Tarkastad and Cradock. The unit could not add more sites because Telkom advised that the Finance Line be upgraded before we add more sites that will cause more strain to the line.

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.

Table 67 : Human Resources Service Policy

Human Resources Service Policy Objectives as per IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2016/2017		2017/2018			2018/2019	2019/2020	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)		*Previous Year (v)	*Current Year (vi)		*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
No of ICT programmes implemented	4 ICT programmes implemented	2	2	2	4	2	4	4	4

Table 68: Employees ICT Services

EMPLOYEES ICT SERVICES 2017/2018					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3		0	0	0	
4-6	1	1	1	0	
7-9		0	0	0	

10-12	3	9	7	2	
13-15	1	2	2	0	
16-18		0	0	0	
19-20		0	0	0	
TOTALS	5	12	10	2	

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

3.28.1 INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This function is performed to provide sound legal advice to the institution and also manage administration. 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. Measurable objectives for the period under review were as follows:

- To ensure effective administration support and legal services
- To ensure effective Management of Municipal assets.
- To Ensure Proper Document Management

Key performance highlights:

Construction and maintenance of buildings

CHDM has various assets ranging from immovable property such as land and buildings to movable property such as motor vehicles and furniture. Land and buildings are generally considered to be investments. The Municipality has a duty to ensure that they not only safeguarded but also maintained to enable them to appreciate in value. The lack of office space poses a serious risk to the municipality's ability to deliver in its core mandate, which is to provide basic service delivery. A workforce that is not properly accommodated and secure often have low morale.

Key performance highlights

CHDM has established property management system implemented by IPED and Corporate services which includes 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 process 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, which is environmental friendly to water and waste, energy efficiency and smart technology that give low operating costs and efficient building operations.

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.

It is on these grounds that the CHDM earmarked its Bells Road Office premises for the purposes of refurbishment, while it is about to commence with the construction of the CHDM Village Office Park at the Tylden Street Office precinct.

The municipality adopted a 3 (three) phased approach to the refurbishment of the Bells Road premises. As per the project plan, 2 (two) phases covering the side of the Office of the Municipal Manager, except the Council Chamber and the park homes and the south eastern side of the building were already completed (except for the snags) at the end of the 2017/18 financial year. The rest of the building, as per plan, is likely to be completed at the end of February 2019. Minor repairs to various buildings has been undertaken with the assistance of the Human Settlements Unit from the IPED Directorate:

Insofar as the Chris Hani Village Office Park is concerned, though the project was delayed by a Court from one of the consultants, the construction is due to commence in the second quarter of the 2018/ 19 financial year. A consultant has already been appointed, and a construction programme shall be presented to the Building Committee in the first quarter of the 2018/ 19 financial year.

Provision of security management services to assets

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 are security breaches in the water treatment works, the municipality continue to use the services of security companies to ensure that assets and lives of officials are guarded.

There has been reported incidents of stolen diesel from the water pumps. With the above in mind, a tender for the provision of security services is in the bid processes, and the intention is to appoint 4 (four) service providers. The appointed service providers shall make assessments that will culminate in the development and implementation of 4(four) clustered sites specific security management plans. As at the end of the financial year, the following sites are being guarded:

Table 69: Sites under security management services safeguard

SITE OFFICE	TOWN	POINT	DIRECTORATE
INXUBA YETHEMBA	Cradock	Beeren Street	Finance
	Cradock	Town Pump Station, Scalyn Pump Station, Geelbooi Pump Station and Michausdal Pump Station	Infrastructure
	Middleburg	Waste Water Treatment Works	Infrastructure
	Middleburg	Midros Community Hall	Finance
	Middleburg	Municipal Technical Services Building	Finance
	Middleburg	Pump houses	Infrastructure
ENOCH MGJIMA	Molteno	Dam & Water Treatment Works	Infrastructure
	Molteno	43 Stuart Street	Finance
	Sterkstroom	57 John Vorster Drive	Finance
	Sterkstroom	Dam, Waste Water Treatment Works and Water Treatment Works	Infrastructure

	Whittlesea	Mtabaso Pump House	
	Tsolwana	Water office in Tarkastad	Finance & Infrastructure
INTSIKA YETHU	Cofimvaba	Technical Services Yard	Infrastructure
	Cofimvaba	46 Windhurse Road	Finance
	Cofimvaba	Tsojana Water Treatment Plant, Cofimvaba Water Treatment Works and Nora Water Treatment Works	Infrastructure
	Tsomo	Tsomo Water Treatment Plant,	Infrastructure
	Tsomo	Prefabs at Police Station	Infrastructure
ENGCOBO	Engcobo	Old Mutual Building, Cala Road	Finance
	Engcobo	Engcobo Oxidation Ponds, Engcobo Water Treatment Works and Nkobongo Treatment Works	Infrastructure
	Engcobo	Resource Centre and Tree Nursery	Environmental Health
SAKHISIZWE	Elliot	20 Bank Street	Finance
	Elliot & Cala	Elliot Water Treatment Works Elliot Waste Water Treatment Works Cala Water Treatment Works Cala Package Plant Xalanga Water Treatment Works	Infrastructure
	Elliot	Elliot Fire Station	Fire Services
	Cala	Cala Abbatoir	IPED
EMALAHLENI	Indwe	Cnr Xalanga & Tilny Street	Finance
	Dodrecht	1 Klip Street	Finance
	Lady Frere	42 McKenzie Street	Finance
	Dordrecht	Dordrecht Water Treatment Works Dordrecht Waste Treatment water Works	Infrastructure

	Lady Frere	Macubeni Water Treatment Works	Infrastructure
	Indwe	Indwe Water Treatment Works	Infrastructure
MAIN OFFICE	Komani	15 Bells Road – Guarding Services	Headquarters
	Komani	38-42 Cathcart Road	Finance
	Komani	Tylden Street (Disaster Management Centre, IPED & Fleet Management Services)	MHS, IPED & Corporate Services
	Komani	29 – 31 Prince Alfred Street	MHS
	Komani	63 Prince Alfred Street	Internal Audit & Labour Relations
	Komani	21 Emerald Avenue, Top Town	Mayoral Residence
	Komani	Former WSSSA Offices	Infrastructure
	Komani	42 Cathcart Road -Biometrics Access control system being installed	Infrastructure
	Komani	38 Cathcart Road – Additional CCTV cameras and gate motor being installed	Finance
	Komani	42 Cathcart Road – CCTV and computer equipment being installed	Infrastructure
	Komani	Interface and relay to link BTO gate to access system	Finance
	Komani	42 Cathcart Road – CCTV and computer equipment being installed	Infrastructure

LEGAL SERVICES

Legal support is provided to senior management, directorates and Council on the exercise of powers, functions and decision making. The objective that relate to this function is to ensure effective administration support and legal services. An assessment of legal risks within the municipality culminated in the adoption of the Litigation Management Strategy, which enables the district to manage legal risk.

The strategy has the following 5 (five) Pillars:

- a) Proactive Legal Support Services
- b) Stakeholder Consultation

- c) Litigation Risk Mitigation
- d) Capacity Building
- e) Co-operative Governance

The sub-unit planned to have 4 (four) programmes for the 2017-18 financial spread over the 4(four) quarters of the year. Of the four programmes, only the in-house training relating to Drafting of Contracts was not implemented due to lack of capacity. However, with the establishment of a Contract Management Unit within Directorate: Finance, the Legal Services sub-unit has already formed a partnership with the intention to capacitate Managers on the essentialia of contract development and drafting.

The Office of the Chief State Law Advisor, attached to the Office of the Premier, assisted in the capacity building for management and councillors in the following 3 (three) programmes:

- a) Promotion of Access to Information Act mainstreaming;
- b) Promotion of Administrative Justice Act mainstreaming; and
- c) Legislative Development

Generally, the state of the Municipality's legal matters has been stable, with all the potential legal threats having been dealt with as and when they come to the attention of the institution. However, with more infrastructure projects being advertised for invitation for tenders, there has been an upward surge in the requests for information in terms of the Promotion of Access to Information Act, and also tender appeals in terms of Rule 53 of the High Court, in conjunction with the Promotion of Administrative Justice Act.

Council Support

Council support has an objective of ensuring effective administration support and legal services. Under this objective there were four programmes that were geared to ensure that there is compliance with Rules of Order, and also that Council and its committees operate seamlessly.

Support has been provided to Council, Mayoral Committee, standing committees and the Local Labour Forum, by means of not only taking minutes, but also preparation of resolution registers, council resolution extracts and monitor the attendance of councillors in meetings. Though most of the Section 80 meetings were held, they were not held as scheduled in terms of the Council Calendar, and however there was substantial compliance with the rules and orders of Council 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.

In addition, rules and orders of Council were reviewed to provide for the section 79 committees.

Safeguarding and Maintenance of Municipal Fleet

CHDM has a total fleet of 171 vehicles of which 77 are allocated for General Use (main pool), Fire services, Disaster Management, Councillors and Billing Services. The remaining 94 are mainly dedicated for water services and are reported separately. Pool vehicles are allocated for general use and serve as relief vehicles to the entire Municipality, especially when specifically allocated vehicles break down.

The Municipality's vehicles are classified in accordance with their gross vehicle mass. Vehicles such as sedans, bakkies and other small to medium utility vehicles with Gross Vehicle Mass (GVM) of less than 3500 have the lifespan of 5 (five) years, while trucks (mostly performing water related activities) with Gross Vehicle Mass (GVM) of more than 3500 have a life span of 15 (fifteen) years. Emergency vehicles less than 3500 (GVM) have a lifespan of 7 seven years as they are underutilised for a reason, thus they only used to responds in emergencies.

THE FOLLOWING IS THE BREAKDOWN OF POOL VEHICLES AND DESCRIPTION OF VEHICLES.*Table 70: Breakdown of Pool Vehicles and Description of Vehicles*

Allocation	Description Of Vehicles	No	Condition
Water Service provision (wssa)	Ldv's,Tipper Bakkies,Half Tonne Bakkies	17	Good
Councillors	4 Executive Vehicles	7	5 Good Condition
	1 Sedan , 1 Ldv Executive		2 will be disposed due to the lifespan reached and replaced.
	1 Mini Bus		
Pool (Support East, West)	Roll back Trucks	02	NEW
When need arises			
Pool Water Trucks (Relief)	Water Tankers 14000L	06	Good
Pool TLB (Support East/West)	TLB	02	Good
Pool (Administration and relief)	7 seater sedan	01	Good
Pool	Drop side Trucks, Communication Truck	02	Good
Pool (Relief and administration)	LDV	24	Good
Pool	22 Seater Bus	1	Good

Pool (Billing)	7 Seater	4	Good
Fire Services Ldv	LDV	6	Good
Fire Services Trucks	Fire Engine Truck	1	Good
Disaster Management LDV	LDV	3	Good
Disaster Management Bus	Bus	1	Good
Total no of Vehicles		77	

SUMMARY AND CATEGORIES OF WATER SERVICES VEHICLES

Table 71: Categories Of Water Services Vehicles

Description	LDV	Water	Diesel Truck	Tractor	Sewer	Crew	TOTAL
East	33	10	1	0	4	2	50
West	28	5	0	1	4	0	38
Total	61	15	1	1	8	2	88

The CHDM is anticipating on procuring additional vehicles, due to the fact that the scope of work has increased, and more personnel have been hired in the water services department, thus performing the Municipal functions diligently and effectively.

Automation 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. Its objective is to ensure proper document management system in line with the Records Management Policy. 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. During the year under review, there has been no litigation relating to lack of access to information, however the poor record keeping is likely to be really felt when the Auditor General

expresses its opinion in this regard. The lack of a structured records management model remained an issue as at the end of the financial year.

Table 72: Property legal risk Service Policy

Property legal risk Service Policy as per IDP									
Service Indicators (i)	Outline Service Targets (ii)	2016/2017		2017/2018			2018/2019	2019/2020	2020/2021
		Target	Actual	Target	Actual		Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
Number of vehicles acquired	21 vehicles acquired	46	77	46	21	32	22	23	24
% of functional vehicles maintained	80% of functional vehicles maintained	0	50%	50%	80%	80%	80%	80%	80%
% of building constructed	5% of building constructed	0	0	0	30%	0%	70%	30%	0
% of building refurbished	50% of building refurbished	0	0	0	50%	50%	100%	100%	100%
% of security management plans implemented	5 % of security management plans implemented	0	0	0	30%	0	50%	100%	Review security management plans
Number of Programmes implemented to reduce judgment	Number of Programmes implemented to reduce judgment	Litigation strategy in place	Litigation strategy in place	Litigation strategy in place	4	3	4	4	4

EMPLOYEES PROPERTY LEGAL AND RISK 2017/2018					
Job Level	Employees	Post	Employees	Vacancies	Vacancy %
0-3		0	0	0	
4-6		0	0	0	
7-9		0	0	0	
10-12		0	0	0	
13-15	2	2	1	1	
16-18		2	1	1	
19-20		0	0	0	
TOTALS	2	4	2	2	

COMPONENT K: ORGANISATION PERFORMANCE SCORECARD

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

KPA 1: MUNICIPAL TRANSFORMTRION AND ORGANISATIONAL DEVELOPMENT

BROAD STRATEGIC OBJECTIVE 1: To Establish and Maintain a Skilled Labour Force Guided by Policies to Function Optimally Towards the Delivery of Services to Communities

Integrate d Human Resource s Manage ment	To Attrac t, Retain and Build a produ ctive workf orce	Impleme ntation of IHRM Program mes	Number of IHRM programmes implemente d	MTOD – 1	9 925 022,00	HRD Strategy in place	10 IHRM Programmes(Internship, WSP, Minimum competencies, learnership, employment equity, recruitment,st aff estabblshmen t, JD Writing,DJEC,L abour relations and LLF) by 30 June 2018	09 IHRM Programmes (Internship, WSP, Minimum competencies, learnership, employment equity, recruitment, staff establishment ,JD Writing, DJEC, Labour relations and LLF)	?	The project is a matter of mutual interest and therefore it required extensive consultation	Individua l directorat es consultat ion engagem ent plan has been develop ed	Quarterl y report on IHRM program mes	Dir ect or: Cor por ate Ser vic es
			Number of WSP programmes implemente d	MTOD- 1.1	1 590 000,00	WSP in place	15 WSP training programmes implemented by 30 June 2018	Target exceeded 18 WSP training programmes implemented	?	Over achieved by 3 training due to intensive demand of the training	N/A	Attendan ce registers; Training program me & report	Dir ect or: Cor por ate Ser vic es

						selection policy						ent report	vic es
			Number of reviewed Staff Establishment	MTOD-1.6	1 583 000,00	1 staff establishment in place	1 reviewed staff establishment and approved by 30 June 2018	Target achieved Reviewed staff establishment and approved on the 27 June 2018	?	N/A	N/A	Council resolution, Approved staff establishment	Director: Corporate Services
			Number of CHDM Job Descriptions written	MTOD-1.7		Staff establishment	Approved job architecture & 10 Job descriptions written by 30 June 2018	Target not achieved Phase 1 of the job architecture completed	?	The project is a matter of mutual interest and therefore it required extensive consultation	Individual directorates consultation engagement plan has been developed	JD writing report; Attendance register, minutes	Director: Corporate Services
			Number of Provisional Outcomes Result submitted to the Provincial Audit Committee	MTOD-1.8		District job evaluation committee exist	4 POR's submitted to Provincial Audit Committee by 30 June 2018	Target achieved 4 POR's submitted to the Provincial Audit Committee	?	N/A	N/A	Provisional Outcome Report, Final Outcome's Report	Director: Corporate Services

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			Number of Labour Relations programmes implemented	MTOD-1.9	500 000,00	Main Collective Agreement	4 Labour Relations Programmes Implemented (Discipline, Grievance & Disputes. Conflicts Management .Work place relations. Standard of conduct) by 30 June 2018	Target achieved 4 Labour Relations programmes implemented	?	N/A	N/A	Attendance registers; programme outline & reports	Director: Corporate Services
			Number of Local Labour Forum meetings convened	MTOD-1.10		Main Collective Agreement	4 LLF Meetings convened by 30 June 2018	Target achieved 4 LLF meetings convened	?	N/A	N/A	Attendance register; Minutes of the meeting	Director: Corporate Services
Integrated Health, Wellness and Safety		Implement Integrated health, wellness and safety programmes	Number of IHWS programmes implemented	MTOD-2	3 200 000,00	18 programmes	28 programmes implemented by 30 June 2018	28 programmes implemented	?	The service provider could not be appointed within the required timeframe by SCM.	The institution will investigate the inefficiencies within SCM unit.	Quarterly reports	Director: Corporate Services

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			Number of counselling and therapeutic interventions implemented	MTOD-2.1	300 000,00	wellness strategy in place,3 interventions implemented	4 interventions implemented by 30 June 2018	Target achieved 4 interventions implemented	?	N/A	N/A	Program me reports	Dir ect or: Cor por ate Ser vices
			Number employees on healthy life and health management programmes	MTOD-2.2	100 000,00	health risk assessment policy in place	500 employees vaccinated by 30 June 2018	Target exceeded 587 employees vaccinated	?	Target was exceeded due to the need for vaccinations which exceeded the planned provision	N/A	Vaccinati on report & register	Dir ect or: Cor por ate Ser vices
				MTOD-2.2.1		wellness strategy and policy in place	150 employees participating in gym are capacitated in healthy lifestyle by 30 March 2018	Target achieved 150 employees participating in gym are capacitated in healthy lifestyle.	?	N/A	N/A	Contract sSLA's,reports and attendance registers	Dir ect or: Cor por ate Ser vices
			Number of substance abuse programmes implemented	MTOD-2.3	300 000,00	Substance abuse policy and strategy in place	4 programmes implemented by 30 June 2018	Target achieved 4 Programmes implemented	?	N/A	N/A	Program me report	Dir ect or: Cor por ate Ser

													vic es
			Number of Organization al Wellness programmes implemente d	MTOD- 2.4	400 000,00	wellness strategy in place	3 Organizational Wellness Programmes Implemented by 30 June 2018	Target achieved 3 Organizational wellness programmes implemented	?	N/A	N/A	Program me report, Attendan ce registers, ToR,and SLA	Dir ect or: Cor por ate Ser vic es
			Conduct Medical Conditions Prevalence Survey	MTOD- 2.5	700 000,00	HIV/AIDS policy strategy in place	1 Medical Conditions Prevalence Survey conducted by 30 June 2018	Target achieved 1 Medical conditions prevalence survey conducted	?	N/A	N/A	Appoint ment letter; Survey report,SL A	Dir ect or: Cor por ate Ser vic es
			No of Capacity Building Programmes Implemente d	MTOD- 2.6			4 capacity Building programmes implemented by 30 June 2018	Target achieved 4 Capacity building programmes implemented	?	N/A	N/A	Attendan ce registers; Program me reports	Dir ect or: Cor por ate Ser vic es

			No of medical Conditions Mainstreaming programmes implemented	MTOD-2.7			4 medical Conditions Mainstreaming programmes implemented by 30 June 2018	Target achieved 4 Medical conditions mainstreaming programmes	?	N/A	N/A	Attendance register; Mainstreaming report	Director: Corporate Services
			No of employees provided with Personal Protective Clothing, Uniform & hygiene consumables	MTOD-2.8	8 000 000,00	OHS Policy,OHS strategy,W elness strategy in place	600 employees provided with protective clothing by 30 June 2018	Target not achieved 243 employees and traditional leaders provided with PPE	?	The service provider could not be appointed within the required timeframe by SCM.	The institution will investigate the inefficiencies within SCM unit.	Signed register of employees, Delivery control sheet and Programme reports	Director: Corporate Services
				MTOD-2.8.1			600 employees provides with hygiene consumables by 30 June 2018	Target exceeded 738 employees provided with hygiene consumables.	?	Target was exceeded due to the need which exceeded the planned provision	N/A	Signed register of employees,Delivery control sheet and Programme reports	Director: Corporate Services

			No of OHS Risk Management Programmes implemented	MTOD-2.9	500 000,00	OHS policy,OHS Strategy in place	4 OHS Risk Management Programmes implemented by 30 June 2018	Target achieved 4 OHS Risk Management Programmes implemented	?	N/A	N/A	OHS Report,c omplianc e risk assessme nt report,at tendance register	Director: Corporate Services
Asset Management	To ensure effective Management of Municipal assets.	Effective Management of Municipal Assets	No of municipal vehicles acquired	MTOD - 3	R 36 500 000,00	fleet management policy in place,transv ersal procureme nt contract RT-57 in place	21 vehicles acquired by 30 June 2018	Target exceeded 32 Vehicles acquired	?	Prioritization of the WSA Unit	N/A	Orders & Delivery notes.	Director: Corporate Services
			% of Functional vehicles maintained	MTOD - 4		fleet management policy in place,transv ersal procureme nt contract RT-46 in place	80% of functional vehicles maintained by 30 June 2018	Target achieved 99.3% of functional vehicles maintained	?	N/A	N/A	Maintain ance Report, Maintan ance reports	Director: Corporate Services
			% of building constructed or phase 1	MTOD - 5	55 000 000,00	Approved Building Plans,	5% of building constructed for phase 1 by 30 June 2018	Target not achieved Service Provider appointed	?	Court ordered that the procurement of a project management agent be started	Project Managers appointed, and facilitate	Appointment letter of Service provider	Director: Corporate

										afresh, and this delayed the procurement processes.	the commencement of the project.	Status reports,	Services
			% of building refurbished	MTOD - 6	7 000 000,00	None	50% of building refurbished by 30 June 2018	Target exceeded 59% of buildings refurbished	?	The contractor was ahead of schedule	N/A	Payment certificates; Status reports	Director: Corporate Services
			Percentage of security management plans implemented	MTOD - 7	10 500 000,00	draft security management policy exist	5 % of security management plans implemented by 30 June 2018	Target not achieved No security management plans developed and implemented	?	The service provider could not be appointed within the required timeframe by SCM.	The institution will investigate the inefficiencies within SCM unit.	Memos, Appointment letters,SLA's	Director: Corporate Services
Information and Communication Technology			No of ICT programmes implemented	MTOD - 8	4 300 000,00		4 ICT programmes implemented(Infrastructure upgrade,e-government,workstudy integration,dat	Target not achieved 4 ICT programmes implemented(Infrastructure upgrade,e-government,workstudy integration,data center)	?	Line upgrade had to be done before the actual ICT infrastructure upgrade	Application to Telkom submitted to upgrade the line, once the line is	Quarterly reports	Director: Corporate Services

			Percentage implementation of work-study on integration of systems for phase 1	MTOD-8.3			50% implementation of work-study on integration of systems for phase 1 by 30 June 2018	Target achieved 50% of phase one of work-study report implemented	?	N/A	N/A	reports on implementation of workstudy	Director: Corporate Services
			Number of data center acquired	MTOD-8.4			1 data center acquired by 30 June 2018	Target not achieved Recommendation for data center mode was made by the ICT Architecture Forum.	?	SLA expired and the project did not continue	Project rolled over to current financial year and procurement process are under way.	Reports on Replication of data to secured data center	Director: Corporate Services
Administration	Ensure effective administration support and legal	Implement litigation management strategy	Number of programmes implemented to reduce judgements	MTOD - 09	2 000 000,00	litigation management strategy in place	4 programmes implemented by 30 June 2018	Target not achieved 3 programmes implemented	?	Management planned to conducted the training internally however internal capacity	Facilitated the appointment of the training provider in conjuncti	Quarterly Reports; Attendance registers, Litigation Register	Director: Corporate Services

	services									limitations were experienced	on with the Contract management unit		
		Effective administration support	Number of administration support programmes provided	MTOD - 10	n/a	Rules of Order	4 programmes provided by 30 June 2018	Target achieved 4 programmes provided	?	N/A	N/A	Reports; Attendance registers	Director: Corporate Services
	To ensure proper documents management	Implementation of the Records Management Policy.	% Electronic Document Management System implemented	MTOD - 11	2 000 000,00	Records Management policy in place	30 % Implementation of Electronic Document Management System by 30 June 2018	Target not achieved No Electronic Document Management System implemented	?	Tender for Electronic Document Management System cancelled. Retender closed on the 29 June 2018.	To be prioritised in the 1st quarter of the next financial year.	Appointment letters, SLA, Status Report;	Director: Corporate Services

KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

BROAD STRATEGIC OBJECTIVE 2: To ensure provision of Municipal Health, Environmental Management and Basic Services in a well-structured, efficient and integrated manner.

PMU	To ensure Universal coverage of Water and Sanitation by 2022	Implementation of WSDP	Number of households served with Quality basic water supply	SDI - 1		23096 households	7141 h/h served with quality basic water supply by 30 June 2018	Target not achieved 4174 households served with Quality basic water supply from the following projects; 1) Cluster4 Ncora zone a - practical complete 491 2) CI 6 Lokshini w/s not complete 3) CI7 Eluhwini w/s - practical complete 949 4) CI Didi w/s - practical complete 422 5)CI 8 ndunkulu w/s practical complete 327 +181 = 508 6) CI 2 Jiphutha makiki w/s not complete 7) CI 6 Mnyolo w/s practical complete 387 8) CI 6 Dulati w/s practical complete 0 9) Upper Lufhta w/s praical complete 195 10) CI 4 Upper indwana w/s - complete 543 11) CI 4 Upper Mnxe w/s -complete 92 12) CI2 Nokolonga w/s not complete 13) Vanada tenza zolo w/s -Complete 201 14)Cluster 5 Zadungeni -	22	2) Reservoir not complete and the contractor had cashflow problems 6) Contractor still completing additional work 12) Contractor had cashflow problems	2) Contractor agreed to cede work to complete outstanding works 6) Work to be completed by september 12) Contractor has cashflow problems and a meeting with them has been scheduled to address these challenges.	Business Plans and Design Reports confirming households, Households Data base, Community Consent form	PMU Manager
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								Complete - 386					
			Number of Water reticulation projects completed	SDI - 2		46 water reticulation projects completed	14 water reticulation projects constructed and completed by 30 June 2018	<p>Target not achieved</p> <p>11 Water reticulation projects constructed and completed</p> <p>1) Cluster4 Ncora zone a - practical complete</p> <p>2) CI 6 Lokshini w/s not complete</p> <p>3) CI7 Eluhwini w/s - practical complete</p> <p>Practical Completion</p> <p>4) CI Didi w/s - practical complete</p> <p>Practical Completion</p> <p>5)CI 8 ndunkulu w/s practical complete</p> <p>6) CI 2 Jiphutha makiki w/s not complete</p>		2) Reservoir not complete and the contractor had cashflow problems	2) Contractor agreed to cede work to complete outstanding works	Practical and Completion Certificate, Site/Technical Meetings, Attendance Registers	PM U Manager
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								7) CI 6 Mnyolo w/s practical complete 8) CI 6 Dulati w/s practical complete 9) Upper Lufhta completed 10) CI 4 Upper indwana w/s - complete Practical Completion 11) CI 4 Upper Mnxe w/s -complete Practical Completion 12) CI2 Nokolonga w/s not complete 90% 13) Vanada tenza zolo w/s -Complete 14)Cluster 5 Zadungeni - Complete Practical Completion			complete the work 12) Contract or has cashflow problems and a meeting with them has been scheduled to address these challenges.		
WSA			Number of Bulk water supply projects completed	SDI - 3		12 Bulk Water Supply Projects Completed	9 Bulk Water Supply Projects constructed and completed by 30 June 2018	Target not achieved 8 Bulk Water Supply Projects constructed and completed 1)Tsojana southern bulk - complete 2)Zinguthu phase 2 - complete 3) Dordretch Intermediate water supply - complete 4)Rising main east - practically complete 5) Lessyton water		7) Contractor did shoddy work and is now obliged to redo work.	7) Contract or is being monitored to complete the outstanding work.	Practical completion Certificate, Site/Technical Meetings, Attendance Registers	Director: Engineering and Technical Services

								supply practical complete 6) Rising main west - practical complete 7) Gugwini 90% not complete 8) Xonxa M&E - practical complete 9) Hofmeyer bulk water complete					
PMU			Number of water Treatment Works complying with Quality drinking water in accordance with SANS 241	SDI - 4		97% compliant	16 Water Treatment Works in compliance with SANS 241 regulation in respect of ECOLI minimum standard (0mg per Litter) by 30 June 2018	Target achieved 16 Water Treatment Works in compliance with SANS 241 regulation in respect of ECOLI minimum standard	?	N/A	N/A	Compliance ECOLI Results	Director: Engineering and Technical Services
			Number of water treatment works constructed	SDI - 5		2 Water Treatment Works	3 Water Treatment works constructed and	Target achieved 3 Water Treatment works constructed and completed	?	N/A	N/A	Practical completion Certificate, Site/Tech	Director: Engineering

							completed by 30 June 2018	(Lubisi wtw - complete Tora - practical complete Sitholeni wtw practical complete)				nical Meetings , Attendan ce Registers	and Tec hni cal Ser vic es
WSA			Number of households served with safe basic sanitation	SDI - 6		50971 household s	4589 households served with safe basic sanitation by 30 June 2018	Target achieved 6424 households served with safe basic sanitation (Region 1 - 1065 Region 2 -1976 Region 3 - 1252 Region 4 - 801 EU sanitation 475 WSIG – 855)	?	Additional funding provided	N/A	Happy Letters and Sanitatio n Register	Dir ect or: En gin eeri ng and Tec hni cal Ser vic es
PMU			Number of Waste Water Treatment works constructed	SDI - 7		6 waste water treatment works	1 Waste Water Treatment Works constructed and completed at Cala by 30 June 2018	Target not achieved 0 Waste Water Treatment Works constructed and completed due to the termination of Cala WWTW contract	??	Contractor abandoned the site	Project had to be terminat ed and the tenderin g process started afresh	Practical Completi on Certificat e, Site/Tech nical Meetings , Attendan ce Registers	Dir ect or: En gin eeri ng and Tec hni cal Ser vic es

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	e of Roads						Yethemba by 30 June 2018					Roads SLA	and Technical Services
				SDI-10.1		30 km for regravelled	10 kilometers of road regravelled at Tarkstad and Inxuba Yethemba by 30 June 2018	Target exceeded 46.70 Km Regravelled	?	Availability of resources during the year	N/A	Confirmation letter from DoRPW, Roads SLA	Director: Engineering and Technical Services
PMU	To ensure universal coverage of water and sanitation by 2022	Implementation of WSDP	Number of Waste Water Projects Completed	SDI-11		Nil	2 Waste Water Projects constructed and completed at Cala phase 2 and Molteno by 30 June 2018	Target achieved 2 Waste Water Projects constructed and completed Cala phase 2 and Molteno bulk were complete	?	N/A	N/A	Practical Completion Certificate, Site/Technical Meetings minutes, Attendance Registers, Consulta	Director: Engineering and Technical Services

												nts progress report	
HUMAN SETTLEM ENTS	To facilita te sustai nable Huma n Settle ments by 2022 as per SLA	Impleme ntation of SLA with DoHS	No of Human settlements programmes supported in all Local Municipalitie s (45 emergency houses constructed)	SDI - 12	2m	none	1 Human settlements programme supported in all Local Municipalities (45 emergency houses constructed) by 30 June 2018	Target Not achieved 0 Human settlements programme supported in all Local Municipalities however 18 slabs and 11 wall-plates were constructed.	?	The total number of slabs are 18 and 11 wall-plates constructed. CHDM withheld payments to contractors due to outstanding extension of agreement between CHDM and Regional Department of Human Settlements	Request for extensio n was submitte d in March 2018 and it was only signed in June 2018.	Appoint ment letter, certificati on of slabs from the engineer s, happy letters, completi on certificat es , Progress report	Dir ect or :IP ED
			Percentage response on CHDM support request received	SDI-12.1	OPEX	adhoc plans in place	100% response on facility management request received by 30 June 2018	Target achieved 100% response on facility management request received	?	N/A	N/A	Memos from Director Corporat e Services ,work schedule,	Dir ect or :IP ED

												progress reports	
			Number of destitute houses constructed in 6 all local municipality	SDI - 12.2	1.5m	32 destitute houses constructed	6 destitute houses constructed in 6 all local municipality (1 per local municipality) by 30 June 2018	Target Achieved: 7 destitute houses constructed.	?	N/A	N/A	Memo to LM's, appointment letter, certification of slabs from the engineers, pictures, completion certificate, Progress report	Director: IP ED
Municipal Health Services	To provide municipal health services in accordance with	Monitor compliance of waste water quality with relevant legislation	% compliance of waste water in accordance with R991 and section 39 of National Water Act	SDI - 13	1,7m	41%	100% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored by 30 June 2018	Target achieved. 100% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored, however, only 48% of samples average	?	N/A	N/A	Waste Water sample results, Sample points data base	Director: Health and Community Ser

	relevant legislation		36 of 1998 monitored					complied in this financial year.					vic es
		Monitor compliance of drinking water quality with SANS 241	% compliance of drinking water with SANS 241 monitored	SDI - 14		93%	100% compliance of drinking water with SANS 241 monitored by 30 June 2018	Target achieved. 100% compliance of drinking water with SANS 241 monitored, however, only 95% of drinking water samples average complied in this financial year.	?	N/A	N/A	Drinking Water sample results, Sample points data base	Director: Health and Community Services
		Monitor and support food premises in accordance with relevant legislations	Number of food premises monitored in line with Food, Cosmetics and Disinfectants Act of 1972	SDI - 15	500 000,00	560 food premises monitored and supported	560 food premises monitored in line with Food, Cosmetics and Disinfectants Act of 1972 by 30 June 2018	Target exceeded. 703 food premises monitored,	?	Due to the listeria out break more inspections were conducted.	N/A	Compliance notices, Data base for food premises , Compliance check list	Director: Health and Community Services

		Monitor and support funeral parlours in accordance with relevant legislations	Number of funeral parlours monitored and engaged through Funeral parlours Forum	SDI - 16	OPEX	70 funeral parlours	68 funeral parlours monitored and engaged through Funeral parlours Forum by 30 June 2018	Target achieved. 68 funeral parlours monitored and engaged through Funeral parlours	?	N/A	N/A	Compliance notices, Compliance checklist, Attendance register, Resolution register, Forum Terms of Reference	Director: Health and Community Services
		Monitor compliance with White Paper on Basic Household Sanitation of 2001	Number of sampled sanitation structures inspected in line with White Paper on Basic Household Sanitation of 2001 to ensure compliance	SDI-17	50 000,00	120 sanitation structures inspected	120 sampled sanitation structures inspected in line with White Paper on Basic Household Sanitation of 2001 to ensure compliance by 30 June 2018	Target achieved The positive variance of 12 due to high demand as a result of food outbreaks. 132 inspections were therefore conducted.	?	Positive variance of 12 due to high demand as a result of suspected food outbreaks that occurred during the first quarter.	N/A	Report on Sanitation structures inspected, Attendance register,	Director: Health and Community Services
			Number of health and hygiene awareness	SDI-17.1	201 000,00	40 health and hygiene awareness	60 health and hygiene awareness programmes	Target achieved	?	Positive variance of 4 due to extra investigations	N/A	Report on health and hygiene	Director: Health

			programmes conducted			programm es implement ed	conducted by 30 June 2018	64 health and hygiene awareness programmes conducted with a positive variance of 4 due to extra investigations conducted as a result of suspected food outbreaks.		conducted as a result of suspected food outbreaks.		awarene ss program mes, Attendan ce registers	and Co mm unit y Ser vices
		Monitor complian ce with NEM Waste Act of 2008 & National Health Act of 2003	Number of illegal dumping sites cleared and rehabilitated in local municipalitie s	SDI-17.2.	2 279 000,00	none	6 illegal dumping sites cleared and rehabilitated in local municipalities by 30 June 2018	Target achieved 6 illegal dumping sites were cleared and rehabilitated	?	N/A	N/A	Concept documen t, proof of payment ,Report, Confirma tion of service	Dir ect or: He alth and Co mm unit y Ser vices
			Number of waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003	SDI-17.2.1	OPEX	14 waste sites	14 waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003 by 30 June 2018	Target achieved, 14 waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003	?	N/A	N/A	Complian ce notice, Inspectio n Checklist Waste sites data base	Dir ect or: He alth and Co mm unit y Ser vices

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DISASTER MANAGEMENT

DISASTER MANAGEMENT	To ensure effects of disaster are prevented and/or minimised	Development and Implementation of Disaster management plan	Number of Scientific Risk Assessment developed and adopted	SDI - 18	R 500 000,00	Disaster Management Plan in place	1 Scientific Risk Assessment developed and adopted by 30 June 2018	Target not Achieved	?	Due to slow moving pace of BID committees. The process is now in the last stage of consultation proceeding to Council for adoption.	The Scientific Risk Assessment is on its way to Council meeting of August 2018 for adoption.	Appointment letter of Service Provider	Director: Health and Community Services
			Number of Disaster awareness programmes conducted	SDI-18.1	R 100 000,00	100 Awareness campaigns implemented	4 Disaster awareness programmes conducted by 30 June 2018	Target Achieved	?	N/A	N/A	Report on disaster awareness programmes, attendance registers, concept document	Director: Health and Community Services

	er preve nted or minim ised	the District Fire services status quo report.											mm unit y Ser vic es
			Number of fire services awareness programmes implemente d	SDI-19.1	R 100 000,00	24 Awareness programm es conducted	24 Fire Services Awareness programmes implemented by 30 June 2018	Target exceeded 28 fire awareness programmes achieved	?	Over achieved by 4 awareness programmes due to the high demand by community members	N/A	Attendan ce register, Report on Fire service awarene ss program me	Dir ect or: He alth and Co mm unit y Ser vic es
			Number of fire services Inspections conducted as per request by local municipalitie s and business entities	SDI-19.2	OPEX	20 Fire Services Inspection undertake n	20 fire services Inspections conducted as per request by local municipalities and business entities by 30 June 2018	Target exceeded 34 inspections was achieved with a positive variance of 14	?	Over achieved by 14 due to the high demand by community members	N/A	Inspectio n Report,In spection Certificat e	Dir ect or: He alth and Co mm unit y Ser vic es

	spatial planning by 2030							3. Cala Township establishment has been formalised. 4.Sakhisizwe SDF was not achived					
		Implementation of small town revitalization programmes	Number of small town revitalization programmes implemented	LED-2	R8M	3 small town revitalization programmes implemented	3 small town revitalization programmes implemented(1.Engcobo STR, 2.Enoch Mgijima STR,3.Intsika Yethu STR) by 30 June 2018	Target Achieved 3 Small town revitalization programmes implemented (1. Engcobo Taxi Rank Handed Over. 2. Target Achieved: Enoch Mgijima STR has been implemented. 3.Target Achieved Intsika Yethu STR has been implemented)	?	N/A	N/A	Signed SLA's,quarterly reports	Director:IPED
Agricultural Development	To improve the economic growth of the	Implementation of CHREDS	Number of Agricultural programmes implemented	LED -3	R600k	Agricultural plan in place.1 piggery programme	1 Poverty Alleviation Agricultural Programme Implemented(1.Piggery 2.Poultry) by 30 June 2018	Target Achieved 1 Poverty Alleviation Agricultural Programme Implemented	?	N/A	N/A	Attendance register,Invitation Letters,project pictures,	Director:IPED

	district by 5 percent					implemented		(1. Feed has been delivered for piggery to Zola Khaya 2. Feed and chicks delivered to Gubenxa Grain Production Co-op)				monitoring tool.	
				LED-3.1	R3.5m	Agricultural plan in place 6 LM's supported through livestock improvement programmes	1 livestock improvement programme implemented (1. Inoculation and dosing 2. Feeding support as per request received) in 6 LM's by 30 June 2018	Target Achieved 1 livestock improvement programme implemented (1. Inoculation and dosing was done 2. 1000bags of complete Ruminant Feed was delivered to all custom feeding facilities)	?	N/A	N/A	Signed SLA's, quarterly reports Monitoring report, Delivery notes, Request letters	Director :IP ED
				LED-3.2	R1.4M	Agricultural plan in place. 6 infrastructure projects supported and existing SLA with NAMC	1 infrastructure development project implemented (1. Custom feeding facility 2. Shearing shed) by 30 June 2018	Target Not Achieved 0 Infrastructure development project implemented, however Tshatshu shearing shed has been completed and the Contractor handed over the completed structure to CHDM.	?	Dispute around site identification arose at Inxuba Yethemba LM.	The dispute was later resolved and the site was subsequently identified at Cradock.	Signed SLA's, quarterly reports ,Monitoring report, completion certificate	Director :IP ED

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				LED-3.3	R4m	Agricultural plan in place.	1 Dry land cropping programme supported in 4 LM's EngcoboLM, Emalahleni LM Intsika Yethu LM and Sakhisizwe LM by 30 June 2018	Target Achieved: 1 Dry land crop production programme implemented.1. Intsika Yethu LM through grain association, 2.Emalahleni LM for Buyambo through CHDA 3. Engcobo LM (3 cooperatives supported) 4. Sakhisizwe indalo Cooperative through CDC	?	N/A	N/A	Letter of request, Signed SLA's, quarterly reports, Monitoring report	Director :IP ED
				LED-3.4	R5M	SLA with CHDA in place and 4 big irrigation schemes supported	3 irrigation schemes supported as per SLA with CHDA(Ncorha, Qamata & Shiloh Irrigation Schemes) by 30 June 2018	Target Achieved: 3 Irrigation schemes were supported through CHDA 1. Ncora2.Qamata 3. Shiloh Irrigation scheme	?	N/A	N/A	Quarterly reports, Signed SLA, Monitoring Reports	Director :IP ED
SMME SUPPORT			Number of SMME/Business programmes Implemented	LED-4	R7M	SMME development strategy in place	3 SMME programmes implemented (1. Enterprise support, 2. Incubation support, 3. Industrial support) by 30 June 2018	Target not Achieved 3 SMME programmes implemented however all Items were procured and could not all be delivered on time to the beneficiaries	?	Items were procured and could not all be delivered on time to the beneficiaries	Plans are currently underway to deliver the outstanding items between July and	Approved Funding Model, Assessment & verification reports, SLA's,	Director :IP ED

											August 2018	Hand over certificate	
			Percentage budget spent on local business benefiting through Preferential Procurement regulation	LED-5		CHDM-SCM Policy and Preferential Procurement Regulations	30% of budget spent on local businesses per preferential procurement monitored by 30 June 2018	Target Achieved	?	N/A	N/A	Contract or Development Policy, Monitoring report	Director: IPED
TOURISM & HERITAGE DEVELOPMENT			Number of tourism programmes implemented	LED-6	OPEX	1 Charto programme implemented. 1 tourism Support programme implemented. 1 destination marketing programme	3 Tourism Programmes implemented by 30 June 2018	Target Achieved 3 Tourism Programmes implemented	?	The other 2 LTO's are ineffective and therefore financial support could not be provided as planned	Plans to revive the 2 LTO's are in place	SLA, Business plan attendance register, stall visitors registration	Director: IPED

						implement ed							
			Number of LTOs supported through CHARTO	LED-6.1	R 900 000,00	Tourism sector plan in place	6 LTOs supported (1 per LM) through CHARTO by 30 June 2018	Target not achieved, 4 LTO's have been supported through CHARTO	2	The other 2 LTO's are ineffective and therefore financial support could not be provided as planned	Plans to revive the 2 LTO's are in place	Attendan ce register, SLA and proof of payment. Monitori ng reports	Dir ect or :IP ED
			Number of Tourism Establishme nts supported	LED - 6.2.1	R 400 000,00		Facilitate procurement for reviewal of feasibility study of Thompson Dam at Sakhisizwe LM by 30 June 2018	Target Not Achieved: funds have not been transferred to Sakhisizwe LM	2	A service provider appointed by Sakhisizwe LM was irregular appointed which led to delays in starting the project.	Support planned for Sakhisiz we will be reviewed and funds shall be redirecte d	Terms of referenc e, SLA, Proof of payment, Appoint ment letter of service provider	Dir ect or :IP ED

			Number of tourism SMMEs supported	LED - 6.2.2	R 500 000,00		6 Accommodation establishments supported (2 in Cradock,3 in W/sea,1 in Sterkstroom) by 30 June 2018	Target Achieved :6 Accommodation establishments supported (2 in Cradock,3 in W/sea,1 in Sterkstroom) by 30 June 2018	?	N/A	N/A	Letter of Request, Verification form, orders and pictures, acceptance register. Assessment report,	Director :IP ED
			Number of Tourism Destination Marketing Programmes conducted	LED-6.3	R 200 000,00		4 Tourism Destination marketing Programmes conducted (1. Beeld holiday show, 2. Tourism Indaba, 3.Inkubeko Yethu Fahison Show, 4. Craft Mania) by 30 June 2018	Target Achieved 4 Tourism Destination marketing Programmes conducted (CHDM Participated at the1. Beeld holiday show2. Tourism Indaba 3.Inkubeko Yethu 4. Craft Mania)	?	N/A	N/A	Attendance register, orders and pictures. Visitors register, report, Registration of stalls	Director :IP ED
			Supported Sabalele Multi purpose centre	LED-6.4	R 800 000,00	SLA and Heritage strategy in place	1 Programme implemented to support Sabalele Multi purpose	Target Achieved 1 Programme implemented to support Sabalele Multi purpose	?	N/A	N/A	SLA ,Proof of payment and Quarterly	Director :IP ED

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							centre by 30 June 2018	centre (Funds for support of Sabalele Multi Purpose have been transferred to Intsika Yethu on a quarterly basis)				reports, monitoring reports	
			Number of Chris Hani month and Heritage/tourism month programmes hosted as well as preservation of identified sites	LED-6.5	R 6 400 000,00	SLA,CHREDS, and Heritage strategy in place	2 Heritage Programmes conducted as per concept document (1.Heritage month, 2. Chris Hani month) and 1 Draft concept document for Preservation of Identified Heritage sites developed by 30 June 2018	Target Achieved 2 Heritage Programmes conducted as per concept document. (1 Chris Hani Month and Heritage Month and 1 Draft concept document for Preservation of Identified Heritage sites developed)	?	N/A	N/A	SLA, Approved Concept Document for both Heritage month and Chris Hani month, Appointment letters, Attendance register. draft concept document for Preservation of Identified	Director: IPED

												Heritage sites	
FORESTRY DEVELOPMENT			Number of Forestry programmes implemented	LED - 7	R3.5m	CHREDS, draft Forestry strategy in place	03 Forestry Programmes implemented (1. Tree Nursery 2. Afforestation 3. Charcoal) by 30 June 2018	Target achieved 03 Forestry Programmes implemented for Tree Nursery, Afforestation and Charcoal	?	N/A	N/A	Attendance register, Completion certificate, orders, quarterly reports, pictures and SLA (IYM LM & CHDM) monitoring report, GIS co-ordinates	Director: IP ED
LOCAL ECONOMIC DEVELOPMENT			Number of jobs created through EPWP Programmes	LED - 8	0	EPWP allocation	2200 Jobs created through EPWP Programmes by 30 June 2018	Target Achieved: 2833 Jobs have been created	?	N/A	N/A	EPWP Report	Director: IP ED
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT													
BROAD STRATEGIC OBJECTIVE 4: To Ensure an Effective, Efficient and Co-ordinated Financial Management that enables CHDM to deliver its mandate.													

BUDGET PLANNING	Ensure sound financial management	Compilation of Credible Budgets and financial reports	Number of credible budgets approved by Council	FMV - 1	OPEX	Budget policy in place (4 Credible Budgets 2017/18)	4 Credible budgets approved by Council by 30 June 2018	Target Achieved. 4 Credible budget approved by Council by 30 June 2018.	?	N/A	N/A	2 adjustment budgets, Council resolution approving the budget	Chief Financial Officer
		Enforcing compliance for repairs and maintenance budgeting.	% of operating budget appropriated for repairs and maintenance	FMV - 1.1	OPEX	Approved Budget	6% of operating budget appropriated for repairs and maintenance by 30 June 2018	Target exceeded 6.34% of operating budget appropriated for repairs and maintenance	?	The municipality spent more than the target as there were unanticipated repairs from water services.	N/A	Report on % spent on RM against operating budget.	Chief Financial Officer
		Prioritise projects in line with core mandate.	% deficit as a percentage of total budget (Capital and Operating Expenditure)	FMV - 1.2	OPEX	Approved Budget	15% deficit as a percentage of total budget (Capital and Operating Expenditure) by 30 June 2018	Target achieved 13% deficit as a percentage of total budget	?	The municipality was over by 0.71% on actual expenditure, this might however change upon conclusion of annual financial statements as debt impairment & depreciation are still estimates.	N/A	Report on % deficit as a percentage of total budget	Chief Financial Officer

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		Monitoring compliance with laws and regulations	Number of financial reports and quarterly report compiled and submitted	FMV - 1.3		S71 Reports	16 Financial reports and 1 Quarterly report compiled and submitted by 30 June 2018	Target Achieved. 16 Monthly Financial reports and 3 Quarterly reports compiled, 1 half yearly report submitted	?	N/A	N/A	71 reports , Quarterly submitted to the Accounting Officer	Chief Financial Officer
REVENUE MANAGEMENT													
Revenue Management	Ensure sound financial management	Development and Implementation of enhancement strategy	No of Revenue Enhancement programmes implemented	FMV-2	OPEX	credit control and debt collection policy and tariff policy in place	05 Revenue Enhancement programmes implemented by 30 June 2018	Target not achieved. 04 Revenue Enhancement programme implemented	?	The reason for not achieving is that the revenue enhancement strategy was not approved as at 30 June 2018	The programmes that were not achieved have been rolled over to the next financial year.	Progress Reports, adopted revenue strategy ,approved tariff structure	Chief Financial Officer
			% increase on revenue billed (service charges).	FMV- 2,1	205m	10% increase on revenue billed	10% increase on revenue billed (service charges) by 30 June 2018	Target not Achieved.	?	Due to ineffectiveness of smart metering system, therefore service charges could not be billed correctly.	The smart metering project has been rolled over in the next financial year.	Billing Reports	Chief Financial Officer

			Percentage increase in debt collection	FMV-2.2	OPEX	12%	8% increase in debt collection by 30 June 2018	Target Achieved. 12.2% increase in debt collection	?	Payment by government department & consistent follow ups that were made by the independent contractor & credit control officer.	N/A	Report on debt collection	Chief Financial Officer
SUPPLY CHAIN MANAGEMENT & EXPENDITURE													
SUPPLY CHAIN MANAGEMENT	Ensure sound financial management	Effective and Efficient Supply Chain & expenditure Management	No of SCM and Expenditure programmes implemented	FMV - 3	OPEX	SCM Policy in place	06 SCM & Expenditure programmes implemented 1. Procurement plan 2. Deviations/Irregular expenditure management 3. Contract management 4 .Functionality of bid committees 5. Payment of creditors within 30 days	Target Achieved.06 SCM & Expenditure programmes implemented 1. Procurement plan 2. Deviations/Irregular expenditure management 3. Contract management 4 .Functionality of bid committees 5. Payment of creditors within 30 days 6. Payment of salaries and third parties on time	?	N/A	N/A	SCM & Expenditure Quarterly reports	Chief Financial Officer

							6. Payment of salaries and third parties on time by 30 June 2018						
			Commitments Register reconciling with Contract Register	FMV - 3.1	OPEX	Commitments and contracts register	Commitments register reconciling with Contract Register by 30 June 2018	Target not Achieved	❓	Contract Register is not yet reconciled with the commitments register. The work will be completed before conclusion of the AFS.	To be done in the with 2017/2018 AFS	1. Reconciled Commitments Register 2. Contract Register	Chief Financial Officer
			Percentage decrease in deviations	FMV - 3.2	OPEX	Reduce IFW by 30% of the audited results per annum	30% Decrease in deviations by 30 June 2018	Target Achieved. 100% decrease in deviation. The municipality had improved on its planning & has ensured that deviations that are reported are those that meet the definition of deviation.	❓	N/A	N/A	Deviations report on procurement plan	Chief Financial Officer

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			% Decrease in the new IFW expenditure incurred in the 17/18 FY	FMV - 3.3	OPEX	95% adherence to contractual terms	30% decrease in the new IFW expenditure incurred in the 17/18 FY by 30 June 2018	Target not Achieved	?	None adherence to SCM process	The institution shall enforce compliance	Irregular, fruitless & wasteful Expenditure Register	Chief Financial Officer
EXPENDITURE MANAGEMENT	Ensure sound financial management	Implementation of PPPFA	% adherence to Turnaround time in payment of valid invoices	FMV - 4	OPEX	12 creditors age analysis Reports	100% adherence to 30 days payment turnaround time by 30 June 2018	Target not achieved The municipality achieved 99%(74/6647) or 96.7% (R12,900,102/R393,027, 178 in rand values of creditors within 30 days and reasons for non achievement are reflected on the report.	?	The delay of invoices from used department, incorrect banking details provided by suppliers and suppliers that were none tax complaint. Invoices submitted with insufficient budgets especially for sundry payments	Standard Operating Procedure to be developed in order to address the situation.	30 days monitoring report	Chief Financial Officer
ASSET MANAGEMENT													
ASSET MANAGEMENT	Ensure sound financial	Maintain accurate and GRAP Compliant	No of GRAP compliant Asset Registers	FMV - 5	OPEX	Asset Management policy & Inventory Management	1 GRAP Compliant asset register. by 30 June 2018	Target Achieved. 1 GRAP Compliant asset register	?	N/A	N/A	1. Annual Asset verification report 2. Grap	Chief Financial

	manag ement	t Asset Register				ent policy in place. Excel Asset Register						Complian t Asset Register 3. Reconcili ation report	Offi cer
			% Centralisanti on of inventory managemen t	FMV - 5.1	OPEX	Inventory managemen t policy in place. Decentralis ed Stores	50% Centralisatio n of inventory management by 30 June 2018	Target not Achieved	?	Unavailability of site to centralise the inventory	CHDM will embark in a process of site identifica tion	Inventor y count reports	Chi ef Fin anc ial Offi cer
AFS and Audit Coordination													
			No of GRAP Compliant AFS compiled	FMV-6	OPEX	Audited AFS 2016	4 GRAP compliant financial statements compiled by 30 June 2018	Target Achieved. 4 GRAP compliant financial statements compiled	?	N/A	N/A	Comple ted set of Financial Stateme nts, Minutes of Council Committ ee & council resolutio n	Chi ef Fin anc ial Offi cer
FINANACIAL INFORMATION SYSTEM													

FINANCIAL INFORMATION SYSTEM	Ensure sound financial management	Integration of financial system	Number of financial systems integrated	FMV - 7	OPEX	Separate Systems ;Payday & Solar System, CAT & Asset module	1 Integration of financial systems (Pay Day, Solar & Cat System) by 30 June 2018	Target Achieved. 1 Integration of financial systems (Pay Day, Solar & Cat System)	?	N/A	N/A	Quarterly reports on Integration	Chief Financial Officer
			No of System trainings conducted	FMV - 7.1	OPEX	Solar Modules	6 System Trainings conducted by 30 June 2018	Target not Achieved .5 System trainings conducted	?	Training was not done due to non-availability of asset management unit.	The programmes that were not achieved have been rolled over to the next financial year.	Attendance Registers , Training Programme & Report	Chief Financial Officer

KPA NO 5 GOOD GOVERNANCE BROAD STRATEGIC OBJECTIVE 5: To create an Efficient, Effective, Accountable and Performance-oriented Administration

Communications	To enhance communication, stakeholder Management and customer Care	Development and Implementation of an Integrated Communications Strategy and Policies	Number of Integrated Communication Strategy and Policies Developed and Implemented	GGPP - 1	R 3 400 000	1 Integrated Communication Strategy and Implementation Plan adopted	20 Communication Programmes implemented as per the Integrated Communications Strategy and I Plan (1. External communication management & media liaison 2. Internal communication management 3. Website & social media management 4. Marketing & events management 5. District communication forum) by 30 June 2018	Target achieved 20 Communication Programmes implemented as per the Integrated Communications Strategy and I Plan (4.External Communication Programs comprise 25 Stakeholder engagements supported ; 17 awareness campaigns supported; 4 Environmental Assessments conducted; 22 Newsflashes produced ; 2 Newsletters produced 4.Media Management Programs comprise : 12 Media Monitoring Reports which were produced ; 47 Media Releases produced ; 97 Responses to media enquiries; 12 Media advisories; 22 Radio talk shows conducted; 18 Radio interviews facilitated; 602 Radio advertisements; 10 Outside Broadcasts; 3 media briefings ; 4.Internal	77	N/A	N/A	News Letters, Media Releases, Distribution List, Posters, News Flashes, Radio Talk Shows schedule, banners, and quarterly reports with evidence	Director: Strategic Management Services
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								<p>Communication Management Programs comprise : These comprise : 12 Internal Newsletters which were developed; 8 internal events supported; 37 weekly diary of events produced; 204 information sharing emails distributed; 8 awareness campaigns conducted ; 3 Inductions conducted on communication ;</p> <p>4.Marketing and Events Management Programs comprise : 75 branding material produced (banners) Promotional material produced - 1200 diaries, 500 folders, 15 sign boards, 500 pens, 500 cups; 2000 posters produced; 2500 municipal flyers produced, Internally developed posters for each event; 23 Institutional Events supported with communication ;34 newspaper adverts produced 5.Website</p>					
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								and Social Media Management comprise : general maintenance and monitoring of website and social networks (Facebook and Twitter. 50712 visitors to our website; Information uploaded include Budget, Draft IDP, Customer Care Policy and Service Charter, Performance agreements, Register of received bids etc. 294 quotations, tenders, 12 vacancies uploaded, social media pages monitored for feedback and information which includes notices and statements uploaded)					
			Number of Social Media Policy developed and adopted	GGPP-1.1	OPEX	1 Draft Social Media Policy in Place.	1 Social Media Policy developed and adopted by 30 June 2018	Final draft in place	??	The policy was on the program and ready for presentation on 12 June, however,	To facilitate d and engage Corporat e	Attendan ce registers. Draft social media	Dir ect or: Str ate

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										workshop postponed.	services department on prioritizing the workshop for the approval of the policy.	policies. Adopted social media policies. Quarterly reports	gic Management Services
STAKEHOLDER MANAGEMENT		Implementation of public participation strategy	Number of stakeholder engagement programmes undertaken	GGPP - 2	556 500,00	1 Public Participation Strategy in place	4 Stakeholder engagement programmes implemented by 30 June 2018	Target achieved 4 Stakeholder engagement programmes implemented	??	N/A	N/A	Attendance register, resolution register, stakeholder mapping	Director: Strategic Management Services
		Develop public participation strategy and implementation plan	Number of public participation strategy and implementation plan developed	GGPP 2.1		public participation strategy 2011-2016 in place	1 Developed and Approved public participation strategy and implementation plan by 30 June 2018	Target not achieved Draft in place	??	The strategy was presented on 21 June 2018 to the speakers forum and will be submitted in the next workshop.	To facilitate and engage Corporate services department on prioritizing	Draft public participation strategy and implementation plan, attendance	Director: Strategic Management

											ng the workshop for the approval of the strategy.	ce registers, comments report, approved public participation strategy and implementation plan. Council resolution	Ser vices
OFFICE OF THE SPEAKER		Implementation of public participation strategy	Number of public participation programmes implemented	GGPP-3	700 000	9 programmes	18 Public participation Programmes implemented by 30 June 2018	18 Public participation Programmes implemented	??	Late identification of programme	To implement in the next financial year	Attendance registers, District speakers forum resolution register, women caucus resolution register, mpac resolution register,	Director: Strategic Management Services

												moral regenera tion moveme nt resolutio n,report,i nitiation reports,ci vic educatio n report, capacity building plan for Councillo rs	
			Number of District Speaker's forum resolutions implemente d	GGPP-3.1	50 000,00	1 District speakers forum meeting exist	4 District speakers forum meetings conducted by 30 June 2018	Target achieved 4 District speakers forum meetings conducted	??	N/A	N/A	resolutio n register, attendan ce register, minutes	Dir ect or: Str ate gic Ma nag em ent Ser vic es

			Number of MPAC resolutions adopted by Council and implemented	GGPP-3.2	200 000,00	4 MPAC Meetings exist	4 MPAC Meetings conducted by 30 June 2018	Target achieved 4 MPAC Meetings conducted	??	N/A	N/A	Resolution register, attendance register, minutes/ Reports	Director: Strategic Management Services
			Number of Women Caucus resolutions implemented	GGPP-3.3	50 000,00	None	2 Women caucus programmes implemented by 30 June 2018	Target achieved 2 Women caucus programmes implemented	??	N/A	N/A	attendance register, report	Director: Strategic Management Services
			Number of Civic education programmes implemented	GGPP-3.4	50 000,00	None	2 Civic education programmes implemented by 30 June 2018	Target not achieved 1 Civic education programme implemented	??	Late identification of programme	To implement in the next financial year	report & attendance register	Director: Strategic

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													Management Services
			Number of Moral Regeneration programmes implemented	GGPP-3.5	100 000,00	Moral Regeneration Movement in place	2 Moral Regeneration Movement programmes implemented by 30 June 2018	Target achieved 3 Moral Regeneration Movement programmes implemented	??	The excessive need educate the community on Moral Regeneration	N/A	report & attendance register	Director: Strategic Management Services
			Number of District Initiation programmes implemented	GGPP-3.6	200 000,00	2 District Initiation Programme in place	2 District Initiation Programmes Implemented by 30 June 2018	Target achieved 2 District Initiation Programmes Implemented	??	N/A	N/A	report & attendance register	Director: Strategic Management Services

							conducted by 30 June 2018					response register	Ma nag em ent Ser vic es
				GGPP-4.2		1 Customer care policy and service charter in place	1 Customer satisfaction survey conducted by 30 June 2018	Target not achieved. No customer satisfaction survey conducted, however customer care training/workshop was conducted on the 11th and 12th June to improve skills capacity	??	The service provider could not be appointed within the required timeframe by SCM.	The institutio n will investiga te the inefficien cies within SCM unit.	Copy of terms of referenc e. Sampling plan Attendan ce registers Final satisfacti on survey report, Training report	Dir ect or: Str ate gic Ma nag em ent Ser vic es
				GGPP-4.3		1 Customer care policy and service charter in place	100% Customer complaints recorded and attended by 30 June 2018	Target achieved. 100% Customer complaints recorded and attended	?	N/A	N/A	complain ts register, Complain ts resolutio n reports	Dir ect or: Str ate gic Ma nag em ent

													Services
Internal Audit	To ensure clean administration and accountable governance	Development and implementation of the risk based operational plan	Number of risk based internal audit plans developed and implemented	GGPP - 5	600 000,00	1 Risk based internal audit plan in place	1 Risk based internal audit plans developed and implemented by 30 June 2018	Target Achieved 1 Risk based internal audit plan developed and implemented with a total of Seven (7) risk based audits, Nine (9) Mandatory audits and Two (2) adhoc audits	?	N/A	N/A	Internal Audit Quarterly Reports; Approved Risk Based Internal Audit Plan	Director: Strategic Management Services
Risk Management		Implementation of Risk Management Framework	No of Risk Management Programmes Implemented	GGPP - 6	650 000,00	Risk Management Framework	4 Risk Management Programmes Implemented by 30 June 2018	Target achieved 4 Risk Management Programmes Implemented	??	N/A	N/A	attendance registers, minutes of the session, Risk Management reports	Director: Strategic Management Services
PMS		Implementation of the	Number of performance quarterly	GGPP - 7	1m	1 PMS Framework in place	4 Quarterly Performance Reviews	Target achieved	?	N/A	N/A	Performance	Director:

		PMS Framework	review conducted			conducted by 30 June 2018	4 Quarterly Performance Reviews				review reports	Strategic Management Services
			Number of SDBIP developed and submitted with in prescribed time frames	GGPP-7.1	1	2 SDBIPs developed and approved (Final SDBIP and Revised SDBIP) by 30 June 2018	Target achieved 2 SDBIPs developed and approved (Final SDBIP and Revised SDBIP)	?	N/A	N/A	Approved SDBIP, Approved adjusted SDBIP	Director: Strategic Management Services
			Number of statutory performance reports compiled and submitted to oversight structures	GGPP-7.2	2	2 statutory performance reports compiled and submitted to oversight structures by 30 June 2018	Target achieved 2 statutory performance reports (Draft Annual report, Annual Performance report) compiled and submitted to oversight structures	?	N/A	N/A	Draft annual report, annual performance report and council	Director: Strategic Management

												resolution	Services
SPECIAL PROGRAMMES	To facilitate and coordinate integrated Special Programmes	Develop and implement the District implementation plan in line with national HIV,TB and STI's Strategic plan for 2017-2022	Number of HIV,TB and STI's implementation plan developed and programmes implemented as per the SPU calendar	GGPP - 8	1 820 000,00	Existing National HIV ,TB and STI's strategy	1 HIV,TB and STI's implementation plan developed and 3 programmes implemented as per the SPU calendar by 30 June 2018	Target achieved. 1 HIV,TB and STI's implementation plan developed and 3 programmes implemented as per the SPU calendar	??	N/A	N/A	Approved implementation plan,attendance register,reports,quarterly reports	Director: Strategic Management Services
		Develop and implement Special Programmes and Mainstreaming Strategy	Number of Gender mainstreaming Strategy developed and Designated Groups programmes implemented as per the	GGPP - 8.1	R 1 200 000,00	Draft SPU mainstreaming strategy in place	1 Gender mainstreaming Strategy developed and 3 Designated Groups programmes implemented as per the SPU calendar by 30 June 2018	Target achieved. 1 Gender mainstreaming Strategy developed and 3 Designated Groups programmes implemented as per the SPU calendar	??	N/A	N/A	Attendance registers; Special Programmes Mainstreaming Strategy, SPU	Director: Strategic Management Services

			SPU calendar									calendar of events	vic es
		Develop and implement the District youth implementation plan	Number of Youth development implementation plan developed and Youth Development programmes implemented as per the SPU calendar	GGPP - 8.2	R800 000	Provincial Youth Development strategy in place	1 Youth development implementation plan developed and 3 Youth Development programmes implemented as per the SPU calendar by 30 June 2018	Target not Achieved. The youth development plan could not be developed due to delays in the Supply chain processes. 3 Youth development programme was achieved through the young women empowerment programme	212	The youth development plan could not be developed due to delays in the Supply chain processes.	To shift the target of the development of the Youth Development plan to the next financial year (2018/2019)	SPU calendar of events, attendance registers, implementation plan, reports	Director: Strategic Management Services
	To ensure integrated approach to service	Develop and implement Integrated Service Delivery Model and	Number of Integrated Service Delivery Implementation plan developed and Integrated	GGPP - 9	R1 500 000	District Antipoverty Strategy in place	1 Integrated Service Delivery Implementation plan developed and 4 Integrated Service Delivery	Target Achieved. 1 Integrated Service Delivery Implementation plan developed and 4 Integrated Service Delivery programmes implemented as per the SPU calendar	212	N/A	N/A	Quarterly reports, Attendance registers; Integrated Service Delivery	Director: Strategic Management

	delivery	impleme ntation Plan	Service Delivery programmes implemente d as per the SPU calendar				programmes implemented as per the SPU calendar by 30 June 2018					Model Plan	ement Ser vices
Municipa l Support		Develop ment and Impleme ntation of municipa l support plan	Number of Municipal support programmes undertaken	GGPP - 10	1,5m	03 Municipal Support Plans	06 municipal support programmes implemented by 30 June 2018	Target exceeded. 07municipal support programmes implemented	?	Adhoc request from LM's	N/A	support impleme ntation reports	Dir ect or: Str ate gic Ma nag em ent Ser vices
IGR		Impleme ntation of IGR strategy	Number of IGR activities implemente d	GGPP- 10.1	200 000,00	IGR strategy in place	8 IGR activities Implemented by 30 June 2018	Target not achieved. 07 IGR activities implemented	??	The Technical IGR Forum could not sit during the 1st quarter.	The Annual Calendar of meetings be adhered to as adopted.	Attendan ce register, minutes and resolutio n register	Dir ect or: Str ate gic Ma nag em ent Ser

													vic es
Internati onal Relations		Develop ment and Impleme ntation of the internati onal relations framework	Number of international relations activities implemente d	GGPP - 10.2	R300 000.00	Draft Internation al Relations Framework in place	1 International Relations Framework developed and implemented by 30 June 2018	Target not achieved	??	The International Relations Framework was still on draft stages during the 2nd quarter and therefore not yet adopted by Council.	The draft will be submitte d to council for adoption	Quarterl y Reports on the impleme ntation of the Internati onal Relations Framework	Direct or: Strate gic Manag ement Ser vices
PIANNIN G	Devel opme nt and imple menta tion of Credib le Plans aligne d to NDP 2030	Develop ment and reviewal of Credible plans	Number of Service delivery plans developed and implemente d	GGPP-11	R300.000	2017-2022 IDP	Adopted, CHDM 2018- 2019 IDP Review by 30 June 2018	Target Achieved	?	N/A	N/A	Council Resolutio ns of adoption of Process Plan and for Draft and Final IDP Review	Direct or: IP ED
WSA			Number of WSDPs developed	GGPP- 11.1			1 WSDP reviewed and approved by 30 June 2018	Target not achieved WSDP reviewed was presented to Management.	??	Due to postponed policy workshop	To facilitate d and engage Corporat e	Attendan ce registers; Approve d WSDP, Council	Direct or: En gineeri

											services department on prioritizing the workshop for the approval of the policy.	resolution, Appointment letter	ng and Technical Services
PLANNING			Number of Survive delivery plans developed and implemented	GGPP-11.2	R850.000	EC Vision 2030	Draft CHDM Vision 2030 developed by 30 June 2018	Target not achieved: Draft CHDM Vision 2030 developed	??	SLA between CHDM and the Service provider took to longer than the anticipated period to be finalised after the appointment was made, which led to delays on the actual the start by the service provider.	Daft Vision 2030 will be completed during the first quarter of 2018/2019 FY	Appointment letter	Director: IPED
HUMAN SETTLEMENTS				GGPP-11.3	510 800	CHDM LM's Human Settlement sector plans	Draft integrated Human Settlement sector plan developed by 30 June 2018	Target Achieved: Draft integrated Human Settlement sector plan developed	?	N/A	N/A	Draft integrated Human Settlement sector plan	Director: IPED

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							by 30 June 2018						
ENVIRONMENTAL MANAGEMENT		Develop, implement and review environmental	Number of Air Quality Management Plan developed	GGPP - 11.6	1,5M	None	1 Air Quality Management Plan developed by 30 June 2018	A service provider is currently on site and was appointed in March 2018	?	Due to slow moving pace of BID committees. The process is now in the last stage of consultation and proceeding to the Standing Committee and later to Council for adoption.	The Air Quality Management Plan is on its way to the Mayoral and later Council meeting of August 2018 for adoption.	Appointment letter	Director : Health and Community Services
ENVIRONMENTAL MANAGEMENT		Develop, implement and review environmental	Number of Alien Invasive and Bush encroaching Plant Management programmes	GGPP - 11.7	200 000,00	Alien Invasive and Bush encroaching Plant Management Strategy in place	3 Alien Invasive and Bush encroaching Plant Management programmes implemented by 30 June 2018	Target achieved Q2: The first programme was implemented on the 30th November 2018 at Nomadamba A/A within Intsika Yethu LM (Information dissemination day). Q3: The Chris Hani District Municipality is currently implementing a Wattle	?	N/A	N/A	Quarterly implementation reports submitted Standing Committee, Terms of	Director : Health and Community Services

								of herbicides. The project is expected to continue for a period of 3 Months.					
ENVIRONMENTAL MANAGEMENT	Development and implementation of Credible Plans aligned to NDP 2030	Develop, implement and review environmental	Number of Climate Change Response Strategy developed	GGPP - 11.8	500 000,00	Existing 2011-2017 Climate Change Adaptation Strategy in place	1 Climate Change Response Strategy developed by 30 June 2018	Target achieved The Climate Change Strategy was adopted by Council on the 28th of June 2018.	?	N/A	N/A	Terms of reference, Appointment letter; minutes of Bid specification Signed SLA; Council Resolution	Director : Health and Community Services
ENVIRONMENTAL MANAGEMENT	Development and implementation of Credible Plans aligned to	Develop, implement and review environmental	Number of Environmental Management Plan developed	GGPP - 11.9	500 000,00	1 Environmental Management Plan in place	1 Environmental Management Plan developed by 30 June 2018	Achieved Target The Environmental Management Plan was adopted by Council on the 28th of June 2018.	?	N/A	N/A	Terms of reference, Appointment letter; minutes of Bid specification	Director : Health and Community Ser

	NDP 2030											Signed SLA; Council Resolutio n	vic es
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CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE
(PERFORMANCE REPORT PART II)

4.1 INTRODUCTION

Chapter 7 Section 51 of the Municipal Systems Act (MSA) 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 fair, efficient, effective and transparent personnel administration.

The strategic objective of the directorate 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.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	2016/2017	2017/2018			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	154	222	163	59	36%
Waste Water (Sanitation)	27	121	80	41	51%
Electricity	n/a	n/a	n/a	n/a	n/a
Waste Management	n/a	n/a	n/a	n/a	n/a
Housing	1	3	2	1	50%
Waste Water (Storm water Drainage)	175	215	215	0	0%
Roads	28	52	26	26	100%
Transport	3	3	3	0	0%
Planning (Integrated Development)	3	3	3	0	0%
Local Economic Development	9	9	8	1	12.5%
Planning (Strategic & Regulatory)	4	4	3	1	33.3%

Community & Social Services	5	5	5	0	0%
Environmental Protection (Municipal Health & Environmental Management)	35	38	38	0	0%
Health (Emergencies)	20	20	20	0	0%
Security & Safety	6	6	6	0	0%
Sport and Recreation	n/a	n/a	n/a	n/a	n/a
Corporate Policy Offices and Other	208	335	299	36	12%
Totals	678	1036	871	165	18.9%

Vacancies Rate 2017/2018			
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	1	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	9	15%
Senior Management Levels 14 - 17 (Finance Posts)	10	0	44%
Highly Skilled Supervision Levels 9 – 13 (excluding Finance Posts)	158	17	8%
Highly Skilled Supervision Levels 9 -13 (Finance Posts)	40	10	26%
Totals	285	37	13 %

Turn Over Rate			
Details	Total Appointments	Terminations	Turn-over Rate*
2014/2015	33	39	118%
2015/2016	21	33	157%
2016/2017	65	47	157%
2017/2018	74	49	66.2%

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Workforce Management is part of the broader organisational management strategy which seeks to 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 and plans that are in place:

4.2 POLICIES

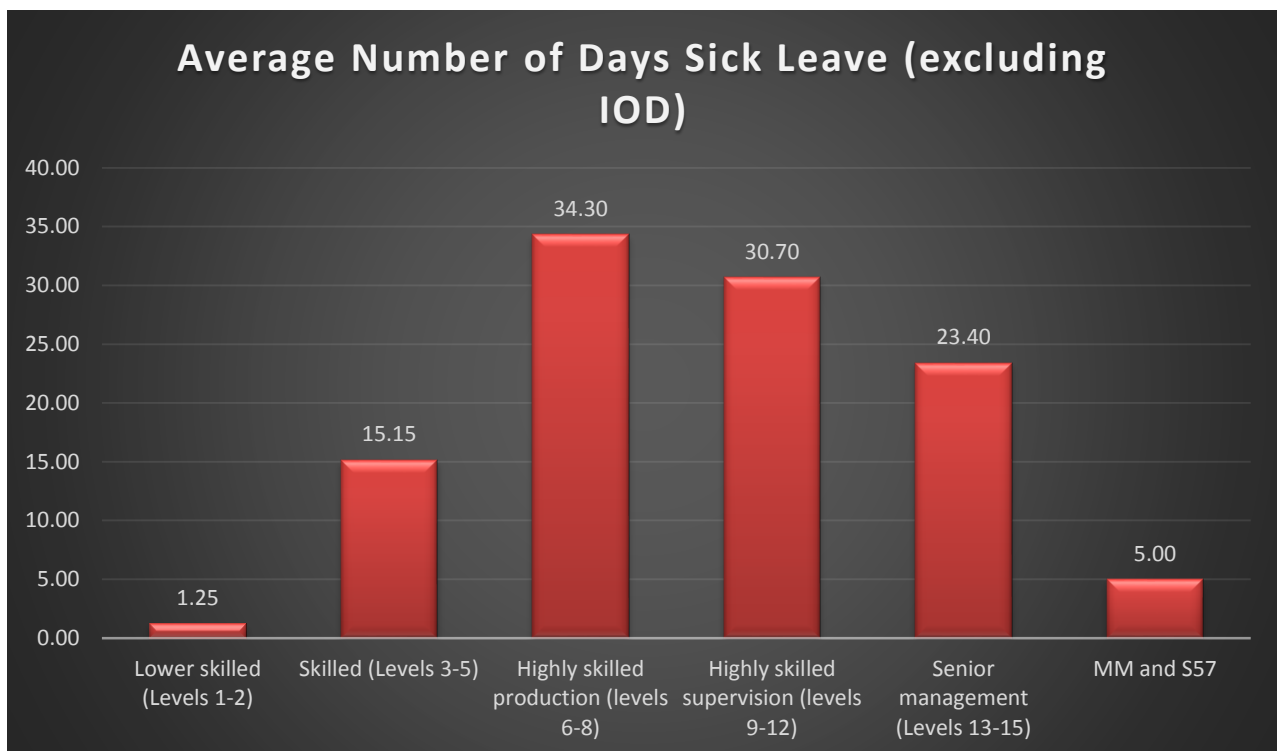
HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by Council or comment on failure to adopt
		%	%	
1	Affirmative Action			
2	Attraction and Retention			
3	Code of Conduct for employees		100%	
4	Delegations, Authorisation & Responsibility (Supply Chain Management Policy)		100%	
5	Disciplinary Code and Procedures		100%	SALGBC Main Collective Agreement on Conditions of Services Signed by SALGBC parties on 06 February 2018, effective from 01/02/18 – 31/01/2023.
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 Signed by SALGBC Parties on 09 September 2015 effective from 01 July 2015 until 30 June 2020
11	HIV/Aids Workplace	100%		26 Feb 2014
12	Human Resource and Development	100%		25 June 2015
13	Information Technology	100%		26 Feb 2014
14	Job Evaluation	100%		25 June 2013
15	Leave and Attendance		100%	25 June 2015
16	Occupational Health and Safety	100%	In process of reviewal	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. Signed by SALGBC Parties on 09 September 2015 effective from 01 July 2015 until 30 June 2020
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	At draft stage		Not yet adopted by Council
33	Other: Employee Study Assistance	100%		
34	Transport allowance Policy	100%		25 June 2015
35	Termination of Service	100%		25 June 2015

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	37	12	none	3 days	0
Temporary total disablement	none	None	none	none	0
Permanent disablement	none	none	none	none	0
Fatal					
Total	37	12		3	0

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	370	1%	10	280	1.25	
Skilled (Levels 3-5)	3500	7%	130	255	15.15	
Highly skilled production (levels 6-8)	4050	31%	101	139	34.3	
Highly skilled supervision (levels 9-12)	2500	56%	180	125	30.7	
Senior management (Levels 13-17)	980	14%	25	67	23.4	
MM and S57	30	0%	4	5	5	
Total	11430	18%	400	871		0



Number and period of suspensions			
Position	Nature of alleged misconduct	Disciplinary action taken	Date finalised
None			

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
None			T4.3.6

TABLE 51: DISCIPLINARY CASES TAKEN ON CASES OF FINANCIAL MISCONDUCT

4.4 PERFORMANCE REWARDS

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), reviewed its Performance Management System to include cascading of performance management to levels below Section 57 Managers. A draft Performance Management Policy was also developed during the year under review where engagements with all affected stakeholders were undertaken. It is anticipated that the policy will be adopted by Council in the coming financial year for implementation. 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.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION

Work Place Skills Development Plan was adopted by Council for the period under review and has been implemented. The Municipality also implemented a number of skills development-related programmes, which include:

- Implementation of the Workplace Skills Plan 2017/18
- Internships Programme
- Learnerships
- Study Assistance Programme
- National Treasury Minimum Competency Requirement

Fifty Four [54] unemployed graduates were engaged on a two-year internship programme which commenced in September 2017, December 2017 and March 2018 respectively. The contracts for internship will end on 30 September 2019, 31 December 2019 and 30 April 2020 respectively.

Twenty Six (26) employees from Engineering Services were enrolled on a Water & Waste Water Treatment Learnership at NQF level 2 with Water Academy for a period of a year ending 30 June 2018. Twenty five (25) employees completed the learnership with only one (1) employee unable to complete due to illness. The learnership is considered to be successful due to the learners achieving a 96 percent pass rate.

Thirteen [13] employees undertook a Water & Waste Water Skills Programme at NQF level 2 funded by the EWSETA.

Fourteen [14] employees undertook a Water & Waste Water Skills Programme at NQF level 3 funded by the EWSETA.

One [1] employee undertook a Water & Waste Water Supervision Skills Programme at NQF level 4 which was also funded by the EWSETA .

Twenty three [23] students received experiential training for the duration of 18 months as part of their curriculum. Environmental Health.

The municipality has implemented its approved Workplace Skills Plan in the 2017/2018 Financial Year. One hundred and Ninety Two [192] employees have received training within this financial year at a cost of R 1 916 100.00 A total of fifteen [15] training interventions were implemented.

As part of building capacity of the workforce, the District Municipality provides for a Study Assistance Programme to enable employees who wish to further their studies to do so. The Study Assistance Programme benefits both the employee and the organization in that the skills of beneficiaries are enhanced thereby improving the level of

performance and productivity. Within this current financial year thirty one [31] employees have received assistance to further their studies in the following fields:

- Finance
- Engineering
- Disaster Management
- Forestry
- Administration

WELLNESS PROGRAMMES

Employee wellness services are institutional programmes aimed at realisation of IDP objectives by improving the well-being and productivity of employees, councillors and traditional leaders. The objective of the programme is to promote and improve wellness within the organisation through implementation of the following programmes:

Counselling interventions were implemented for 166 employees, traditional leaders, councillors and their immediate family members focusing on the totality of the person which is the mind, spirit and body. Counselling services were provided in partnership with ICAS through Counselling **TOLL-FREE LINE (0800 111 329)** that provides easy access to all employees and councillors 24hrs. Notable improvements in performance, absenteeism and in behaviour in some of the participants is acknowledged.

The institution has experienced a number of traumatic events such as death and accidents and in response to these , wellness implemented group therapy sessions on how to deal with trauma, grief/loss, stress and depression for employees . These sessions contributed to improved work-life balance, improved emotional and psychological resilience to trauma , grief and other life challenges.

MESSAGE SERVICES

Massage services are aimed at assisting employees and councillors with stress, muscle tensions, stiff neck & shoulders, headaches, lower back pains that is caused by personal/work & social challenges. The services are aimed at reducing the strain and the effect these minor ailments can have on the performance and health of the employee/councillor.

The massage services provides relief from stress and restores the energy whilst reviving the body, mind and mood. The feedback received shows that the massage services revived the energy levels, improved the mood, assisted with sleep at night, and provided relaxation & reduced anxiousness.

Organizational wellness programmes

The organization has gone through political and administrative changes that has an effect on the institutional climate, performance, disengagement of teams, and employee morale, hence implementation of change management, wellness days, team building programmes was effected for employees.

HEALTHY LIFESTYLE AND HEALTH MANAGEMENT PROGRAMMES

Investing in the health and well-being of the employees and councillors is critical and essential for a productive workforce. The institution invest in the health and well being of employees through implementation of various programmes such as walking and running clubs, gym buddy & Healthy lifestyle programmes, soccer, netball, volley ball, table tennis and recreational activities.

Through the healthy lifestyle programmes, there are noticeable improvements in weight loss, improvement in management of illnesses such as diabetes and hypertension, improvement in energy and sleeping patterns.

Substance abuse programme

The key pillars of the programme are prevention & capacity building of all internal/external stakeholders, inpatient and outpatient rehabilitation, providing support and care to employees/councillors and their families. The programme was implemented in partnership with SANCA, unions, managers, families hence success stories such as reduction in alcohol abuse, reduction in absenteeism, improvement in financial management and productivity have been achieved.

Knowledge Attitudes Practises Behaviour survey & medical assessments (KAPBS)

A 3rd Anonymous Knowledge Attitude practises behaviour survey and medical assessment on HIV&AIDS, cholesterol, diabetes, hypertension, financial management and job satisfaction was conducted for 50% of the entire CHDM staff compliment inclusive of councillors and traditional leaders. The survey revealed that there is insufficient knowledge on cholesterol, diabetes and hypertension in the ages between 25-35yrs whereas the older generation from 40-60years are more aware. Furthermore the study shows that HIV & AIDS testing, stigmatization and adherence to treatment is still a challenge in all the ages and genders that needs to be addressed holistically. Financial management and planning is one of the psychosocial challenges that needs continuous education as revealed by the study. More integrated and mainstreaming programmes on management of illnesses and disease management are critical.

Mainstreaming and capacity building programmes

Capacity building programmes focused on educating employees, councillors and traditional leaders on HIV &AIDS, STI, Diabetes, hypertension, ARV treatment, side effects, treatment support, healthy lifestyle & supplements that boosts immune system and assist in taking ARV treatment, danger of using alcohol and other drugs when taking ARV'S.

Full implementation of mainstreaming strategy is still a challenge although there a minimal strides that have been implemented such as education, policy development and alignment of policies with HIV&AIDS and other related illnesses and diseases. More still needs to be done in mainstreaming.

LABOUR RELATIONS

Labour Relations unit is entrusted with harnessing sound employer-employee relations. This has been achieved through implementation of continuous capacity building programmes to broaden knowledge and skills of managers, supervisors and staff in order to promote professionalization of the institution as well as create a conducive working environment that will enhance service delivery and minimize labour unrest.

The following programmes were implemented during the year under review.

- Institute and Conduct Disciplinary and Grievance Enquiry Training
- Awareness on Standard of Conduct in the workplace
- Conflict Management and Negotiation Skills Training
- Building and Maintenance of Workplace Relations Training
- Local Labour Forum Training

The unit further promotes orderly collective bargaining with labour on matters of mutual interest affecting the employees through Local Labour Forum structure. There were five [5] ordinary LLF meetings and one [1] special LLF meeting held during the year under review. Meetings were held as follows:

- 20 July 2017
- 21 August 2017 (Special LLF)
- 15 September 2017
- 06 December 2017
- 12 April 2018
- 22 June 2018

Critical issues discussed were:

- Employment Equity Plan report
- Placement of staff from local municipalities to the District.
- Developments on Wage Curve
- SALGBC Disciplinary Code Collective Agreement
- Minimum Service Level Agreement on Essential Services
- Salary and Wage Collective Agreement
- Placement of WSSA transferred staff
- Job Architecture

Skills Matrix

Management level	Gender	Employee s in post as at 30 June Year 0 No.	Number of skilled employees required and actual as at 30 June Year 0											
			Learnership			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target
MM and s57	Femal e	3	0	0	0	0	0	0	0	0	0	0	0	0
	Male	3	0	0	0	0	0	0	0	0	0	0	0	0
Councillors, senior officials and managers	Femal e	29	0	0	0	27	12	7	0	0	0	27	12	7
	Male	35	0	0	0	21	12	9	0	0	0	21	12	9
Technicians and associate professional s*	Femal e	32	0	0	0	28	3	12	0	0	0	28	3	12
	Male	80	0	0	0	71	7	20	0	0	0	71	7	20
Professional s	Femal e	52	0	0	0	24	29	29	0	0	0	24	29	29
	Male	49	0	0	0	16	19	24	0	0	0	16	19	24
Sub total	Femal e	116	0	0	0	79	44	48	0	0	0	79	44	48
	Male	167	0	0	0	108	38	53	0	0	0	108	38	53
Total		283	0	0	0	187	82	101	0	0	0	187	82	101

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

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						
Accounting officer	0	0	0	0	0	0
Chief financial officer	1	0	1	1	1	1
Senior managers	43	0	43	35	5	40
Any other financial officials	16	0	16	1	0	1
Supply Chain Management Officials						
Heads of supply chain management units	3	0	3	2	0	2
Supply chain management senior managers	0	0	0	0	0	0
TOTAL	70	0	70	38	6	43

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

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	Actual
MM and S57	Female	3			1750000.00	1916100.00			1750000.00	1916100.00
	Male	4								
Legislators, senior officials and managers	Female	29								
	Male	35								
Professionals	Female	52								
	Male	39								
Technicians and associate professionals	Female	32								
	Male	80								
Clerks	Female	35								
	Male	9								
Service and sales workers	Female	66								
	Male	70								
Plant and machine operators and assemblers	Female									
	Male	30								
Elementary occupations	Female	36								
	Male	200								
Sub total	Female	259								
	Male	474								
Total		733	0	0	1750000.00	1916100.00	0	0	1750000.00	1916100.00

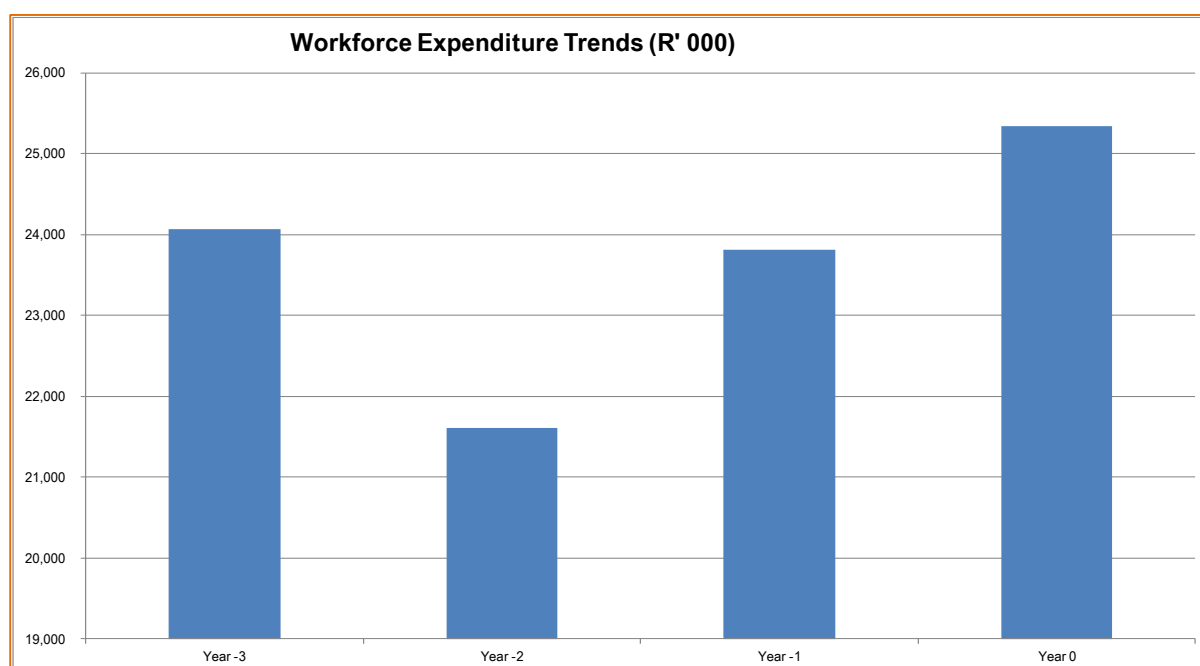
**% and *R value of municipal salaries (original budget) allocated for workplace skills plan.*

1.0%* *R
11651454.55

TABLE 54 Skills Development 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 the 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.

4.6 EMPLOYEE EXPENDITURE

Graph 14: employee expenditure

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

INTRODUCTION

This Chapter contains information regarding financial performance and highlights specific accomplishments. It comprises three components viz:

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

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

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

5.1 STATEMENT OF FINANCIAL PERFORMANCE

Reconciliation of Table A1 Budget Summary

Description	2018											2017			
	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	187,500	187,500	219,642			219,642	275,036		(55,394)						223,923
Investment revenue	33,154	33,154	33,154			33,154	40,192		(7,038)						36,321
Transfers recognised - operational	629,804	632,036	632,036			632,036	549,167		82,869						532,896
Other own revenue	188,936	188,936	91,854			91,854	3,296		88,558						2,573
Total Revenue (excluding capital transfers and contributions)	1,039,393	1,041,625	976,686			976,686	867,691		108,994						795,714
Employee costs	349,187	349,187	325,660			325,660	(293,468)		619,129						(249,004)
Remuneration of councillors	12,578	12,578	10,544			10,544	(11,162)		21,706						(9,577)
Debt impairment	200,000	200,000	200,000			200,000	(267,392)		467,392						(177,156)
Depreciation & asset impairment	180,000	180,000	180,000			180,000	(140,521)		320,521						(121,363)
Finance charges	1,200	1,200	1,200			1,200	(117)		1,317						(271)
Materials and bulk purchases	24,894	24,894	24,894			24,894	(16,178)		41,072						(21,589)
Transfers and grants	20,198	20,198	179,165	–		179,165	(192,209)		371,374						(246,619)

Contracted Services	32,956	32,956	106,836			106,836	(96,771)		203,607						(78,783)
Other expenditure	464,868	476,427	248,702			248,702	(184,018)		432,720						(224,652)
Bad debts written off	—	—	—			—			—						—
Total Expenditure	1,285,881	1,297,440	#####			1,277,002	(1,201,835)		2,478,837						(1,129,015)
Surplus/(Deficit)	(246,487)	(255,814)	(300,316)			(300,316)	(334,144)		33,828						(333,301)
Transfers recognised - capital			—			—	539,240		(539,240)						756,557
Contributions recognised - capital & contributed assets			—			—	(107)		107						891
Actuarial gain/loss							(12,418)		12,418						6,098
							(12,524)		12,524						6,989
Surplus/(Deficit) after capital transfers & contributions	(246,487)	(255,814)	(300,316)			(300,316)	192,572		(492,887)						430,244
Share of surplus/ (deficit) of associate			—			—	—		—						—
Surplus/(Deficit) for the year	(246,487)	(255,814)	(300,316)			(300,316)	192,572	—	(492,887)						430,244
Capital expenditure & funds sources															
Capital expenditure	611,254	661,522	619,367			619,367	415,168		204,199						655,832
Transfers recognised - capital	514,254	562,415	540,260			540,260	539,240		1,020						756,557
Public contributions & donations							—		—						—
Borrowing							—		—						—
Internally generated funds	97,000	99,107	79,107			79,107	—		79,107						—
Total sources of capital funds															
Cash flows															
Net cash from (used) operating	540,959	543,191	451,025			451,025	467,771		(16,747)						289,764
Net cash from (used) investing	(580,691)	(598,536)	(598,536)			(598,536)	(415,059)		(183,477)						(451,901)
Net cash from (used) financing	—	—	—			—	6,195		(6,195)						5,906
cash and cash @ beginning							201,939		(201,939)						358,171
Cash/cash equivalents at the year end	393,117	377,504	285,337			285,337	260,846		24,491						201,939
						(148)									

T 5.1.1

Notes

3 = sum of colum 1 and 2

2 represents movements in original budget to get to final adjustmenst 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 unauthroised 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						
						R '000
Description	2017	2018		Year 0 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water & Waste Water (Sanitation)	646,014	151,560	168,466	304,472	50.22%	44.67%
Waste Water (Sanitation)		35,940	51,176	466,265	92.29%	89.02%
Electricity		–	–	–	0.00%	0.00%
Waste Management		–	–	–	0.00%	0.00%
Housing		–	–	–	0.00%	0.00%
Component A: sub-total	646,014	187,500	219,642	770,736	75.67%	71.50%
Waste Water (Stormwater Drainage)		–	–	–	0.00%	0.00%
Roads	30,520	29,000	29,000	29,657	2.22%	2.22%
Transport		–	–	–	0.00%	0.00%
Component B: sub-total	30,520	29,000	29,000	29,657	2.22%	2.22%
Planning	60,964	69,796	68,585	57,819	0.00%	0.00%
Local Economic Development	–	–	–	–	0.00%	0.00%
Component B: sub-total	60,964	69,796	68,585	57,819	-20.72%	-18.62%
Planning (Strategic & Regulatory)	–	–	–	–	0.00%	0.00%
Local Economic Development	–	–	–	–	0.00%	0.00%
Component C: sub-total	–	–	–	–	0.00%	0.00%
Community & Social Services	–	–	–	–	0.00%	0.00%
Enviromental Protection	–	–	–	–	0.00%	0.00%
Health	31,199	64,478	69,408	60,194	-7.12%	-15.31%
Security and Safety	–	–	–	–	0.00%	0.00%
Sport and Recreation	–	–	–	–	0.00%	0.00%
Corporate Policy Offices and Other	–	–	–	–	0.00%	0.00%
Component D: sub-total	31,199	64,478	69,408	60,194	-7.12%	-15.31%
Total Expenditure	768,696	350,774	386,634	918,406	61.81%	57.90%
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

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.

5.2 GRANT PERFORMANCE

Grant Performance						R' 000
Description	2017	2018		Year 0 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	807,459,665	593,804	593,804	797,753		
Equitable share	484,455,262	507,459	507,459	507,459		
Municipal Systems Improvement	–	–	–	–		
Department of Water Affairs	34,529,643	–	–	–		
Levy replacement	–	–	–	–		
FMG, EPWP, MIG, Rural Road Asset,WSIG	288,474,760	86,345	86,345	290,294		
Provincial Government:	478,404,356	36,000	43,242	290,290		
Health subsidy	–	–	–	–		
Housing	23,862,132	2,000	2,000	–		
Ambulance subsidy	–			–		
Sports and Recreation	–			–		
Roads subsidy	27,800,000	29,000	29,000	29,266		
cogta	21,700,000			9,994		
Water service Infra grant	69,987,029	5,000	12,242	74,118		
RBIG	335,055,195			176,911		
District Municipality:		–	850	–		
COGTA			850			
Other grant providers:	3,588,938	–	6,662	364		
LG SETA	435,478		462	364		
EQUITABLE SHARE	–					
DEDEAT	3,153,460	–	6,200	–		
Total Operating Transfers and Grants	1,289,452,959	629,804	644,557	1,088,407		

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.

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The Asset Management Unit 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.

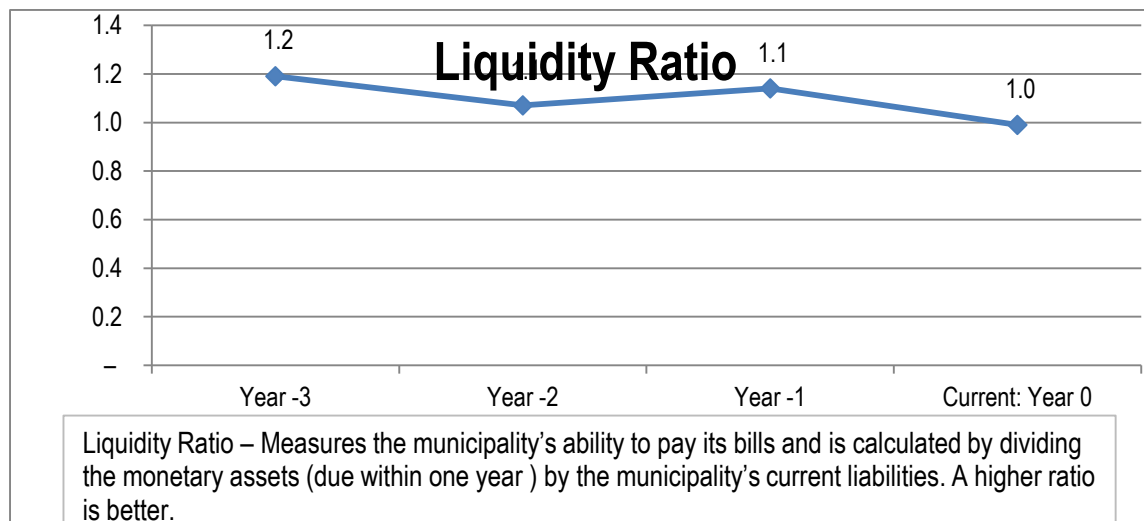
The asset management functions of the Accounting Officer in terms of Chapter 8 of the MFMA as well as those of the Chief Financial Officer in terms of Chapter 9 of the MFMA are implemented by this division. This division also monitors the insurance profile of the municipality and loss of assets.

Repair and Maintenance Expenditure: 2018				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	60,407	76,625	70,399,086.00	-17%
				T 5.3.4

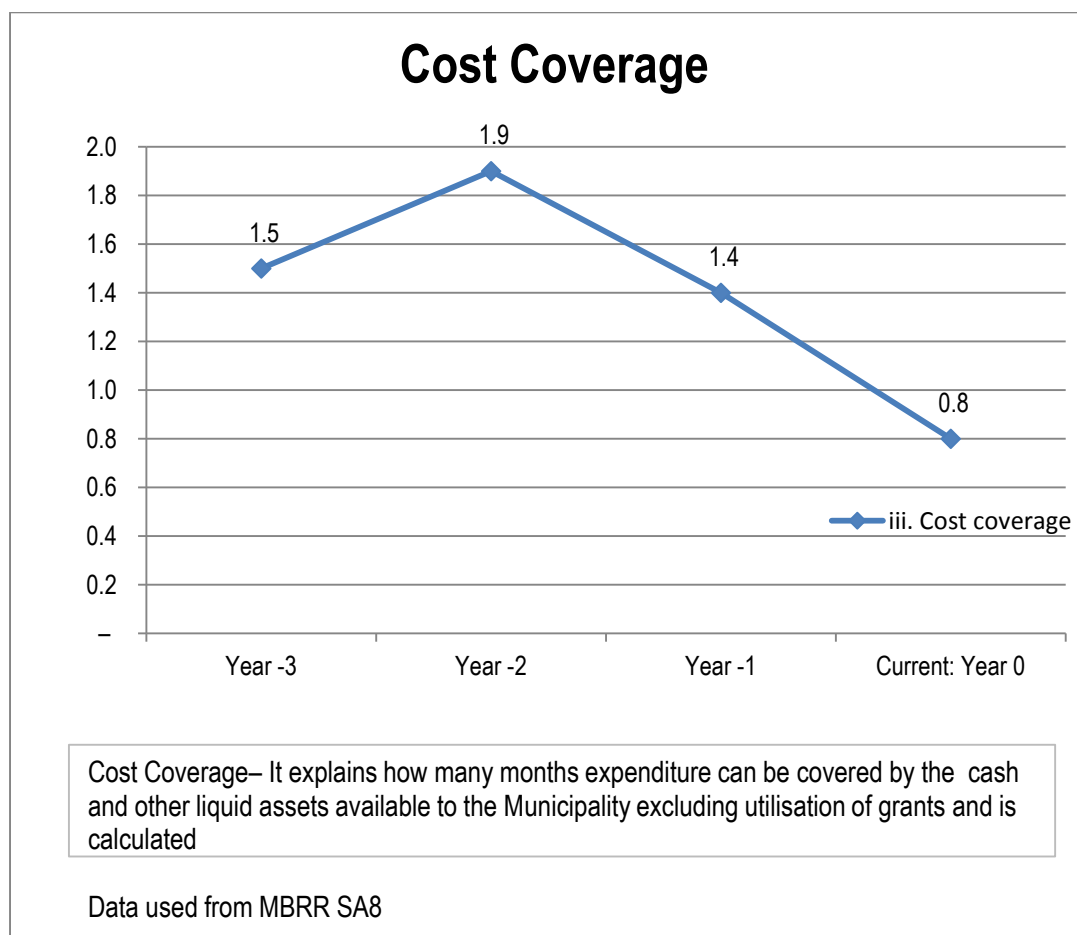
The Chris Hani District Municipality spent slightly more than the original budget resulting in a variance of -2% which is regarded as insignificant.

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

T 5.4.1

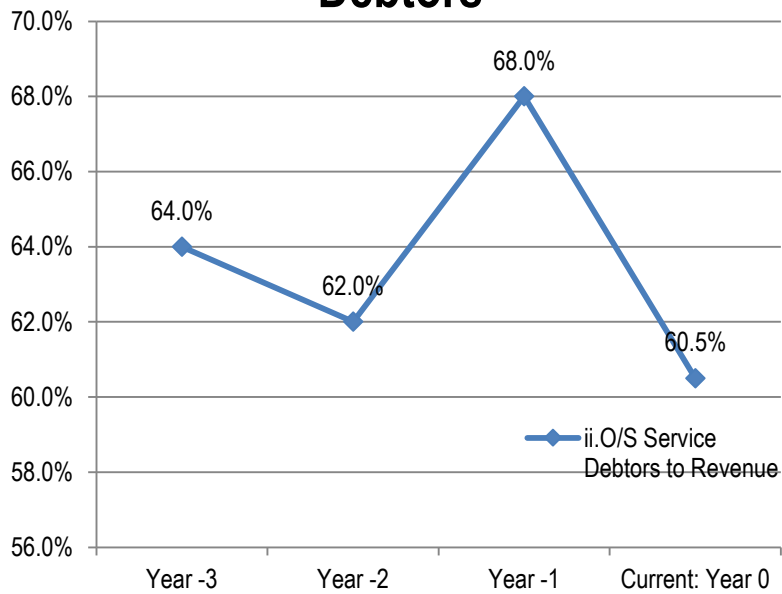


T 5.4.2



T 5.4.3

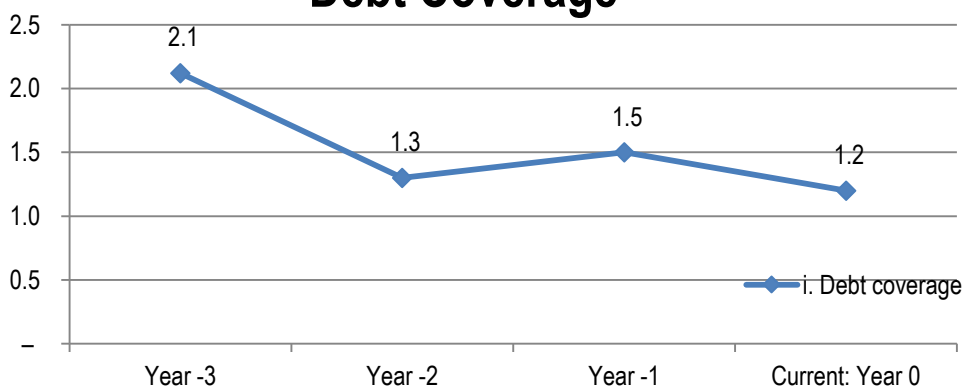
Total Outstanding Service Debtors



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.

T 5.4.4

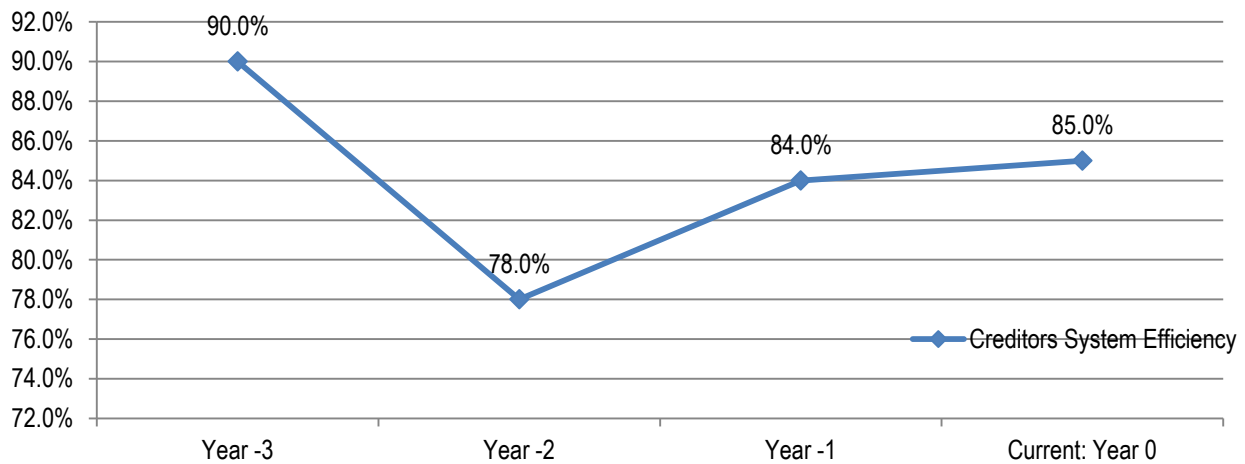
Debt Coverage



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

T 5.4.5

Creditors System Efficiency

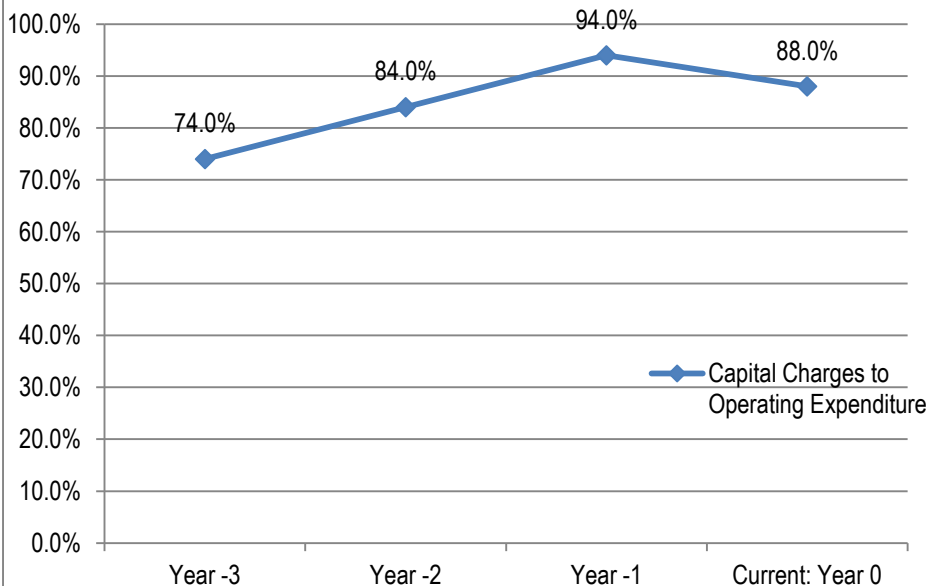


Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

T 5.4.6

Capital Charges to Operating Expenditure

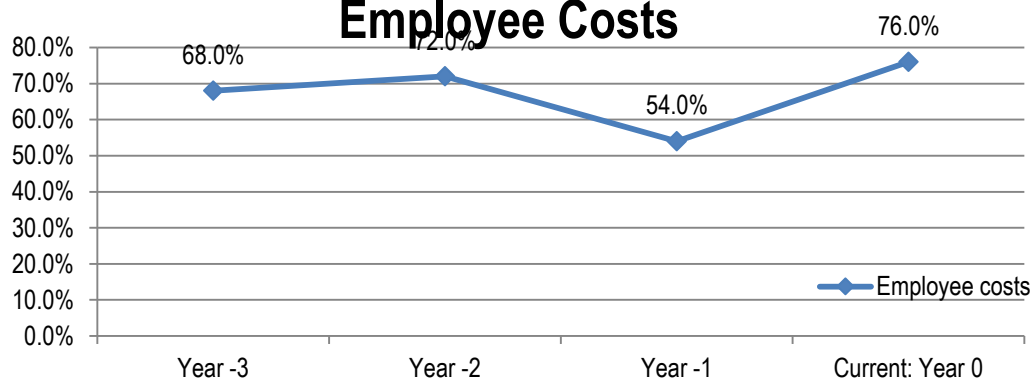


Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

T 5.4.7

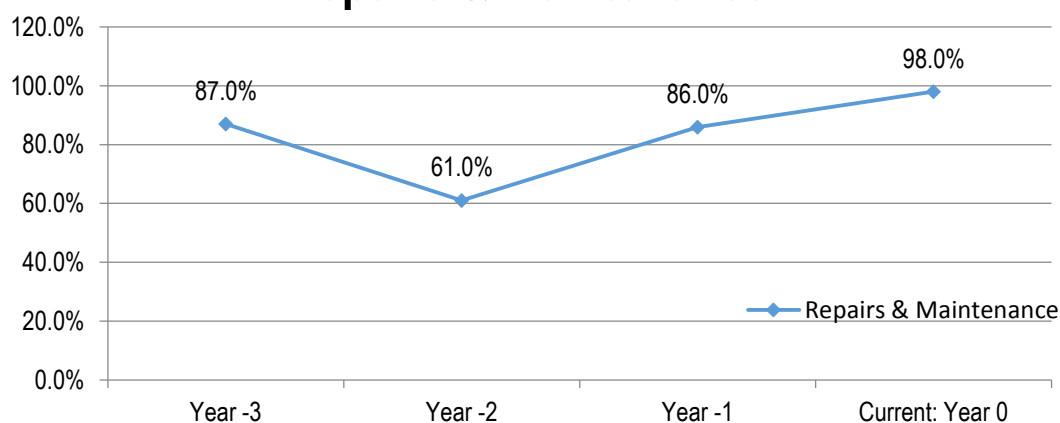
Employee Costs



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.

T 5.4.8

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

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Component B deals with capital spending indicating where the funding comes from and whether Chris Hani District Municipality was able to spend the funding as planned. Capital expenditure is funded from grants, borrowing, operating expenditure and surpluses.

5.5 CAPITAL EXPENDITURE

T.5.5.1

R million	Original Budget	Adjustment Budget	Audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	666,254,155.15	619,366,892.06	415,899,161.00	37.6%	32.9%
	666,254,155.15	619,366,892.06	415,899,161.00	37.6%	32.9%
Operating Expenditure	1,214,242,858.35	1,329,863,390.57	1,201,835,200.00	1.0%	9.6%
	1,285,880,783.44	1,277,001,513.41	1,201,835,200.00	6.5%	5.9%
Total expenditure					
Water and sanitation	706,088,237.93	781,407,203.00	395,885,329.00	43.9%	49.3%
Electricity	-	-	-		
Housing	-	-	-		
Roads, Pavements, Bridges and storm water	-	-	-		
Other	-	-	-		
	-	-	-		
External Loans	-	-	-		
Internal contributions	-	-	-		
Grants and subsidies	1,144,058,000.00	1,184,817,445.83	1,088,406,807.00	4.9%	8.1%
Other					
	-	-	-		
External Loans	-	-	-		
Grants and subsidies	-	-	-		
Investments Redeemed	-	-	-		
Statutory Receipts (including VAT)	-	-	-		
Other Receipts	-	-	317,162,950.00		
Salaries, wages and allowances	349,186,660.03	325,037,964.55	293,468,166.00	16.0%	9.7%
Cash and creditor payments	556,694,123.41	571,341,131.41	152	72.7%	73.4%
Capital payments	611,254,155.00	619,366,891.00	415,899,161.00	32.0%	32.9%
Investments made	-	-	-		
External loans repaid	-	-	-		
Statutory Payments (including VAT)	-	-	-		
Other payments	-	-	-		

Property rates	-	-	-		
Service charges	187,499,902.70	219,641,742.92	275,035,828.00	-46.7%	-25.2%
Other own revenue	85,501,655.34	85,183,655.34	43,488,437.00	49.1%	48.9%
	273,001,558.04	304,825,398.26	318,524,265.00	-16.7%	-4.5%
Employee related costs	349,186,660.03	325,660,382.00	304,629,942.00	12.8%	6.5%
Provision for working capital	-	-	-		
Repairs and maintenance	60,407,410.00	76,624,880.00	70,399,086.00	-16.5%	8.1%
Bulk purchases	24,893,843.40	24,893,843.40	16,178,054.00	35.0%	35.0%
Other expenditure	464,868,390.01	248,701,932.01	810,628,118.00	-74.4%	-225.9%
	899,356,303.44	675,881,037.41	1,201,835,200.00	-33.6%	-77.8%
Service charges: Electricity	-	-	-		
Grants & subsidies: Electricity	-	-	-		
Other revenue: Electricity	-	-	-		
Employee related costs: Electricity	-	-	-		
Provision for working capital: Electricity	-	-	-		
Repairs and maintenance: Electricity	-	-	-	%	
Bulk purchases: Electricity					
Other expenditure: Electricity	-	-	-		
Service charges: Water	151,559,606.00	168,466,053.77	221,807,577.00	-46.4%	-31.7%
Grants & subsidies: Water	514,254,155.00	540,260,017.00	415,899,161.00	19.1%	23.0%
Other revenue: Water	-	-	158,068.00		
	665,813,761.00	708,726,070.77	637,864,806.00	4.2%	10.0%
Employee related costs: Water	168,863,056.00	160,354,211.00	86,292,782.95	48.9%	46.2%
Provision for working capital: Water	-	-	-		
Repairs and maintenance: Water	41,705,371.00	54,668,464.00	68,653,775.05	-64.6%	-25.6%
Bulk purchases: Water	24,893,843.40	24,893,843.40	16,178,054.00	35.0%	35.0%
Other expenditure: Water	461,435,656.60	500,720,413.60	115,017,242.50	75.1%	77.0%
	696,897,927.00	740,636,932.00	286,141,854.50	58.9%	61.4%
T.5.5.1					

5.6 SOURCES OF FINANCE

T.5.6.1

Capital Expenditure - Funding Sources: Year 2016-2017 to Year 2017-2018							
R' 000							
Details		2017	2018				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	0	0	0	0	0.00%	0.00%
	Public contributions and donations	0	0	0	0	0.00%	0.00%
	Grants and subsidies	1,289,453	1,144,058	1,184,817	1,088,406,807.00	3.56%	-4.86%
	Other	-	-		0	0.00%	0.00%
Total		1,289,453	1,144,058	1,184,817	1,088,407	3.56%	-4.86%
Percentage of finance							
	External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Grants and subsidies	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital expenditure							
	Water and sanitation	732,695	514,254	540,260	395,885,329.00	5.06%	-23.02%
	Electricity	0	0	0	0	0.00%	0.00%
	Housing	23,862			0	0.00%	0.00%
	Roads and storm water	0	0	-	0	0.00%	0.00%
	Other	33,769	42,000	42,000	0	0.00%	100.00%
Total		790,326	556,254	582,260	395,885	5.06%	123.02%
Percentage of expenditure							
	Water and sanitation	92.7%	92.4%	92.8%	100.0%	100.0%	18.7%
	Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Housing	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Roads and storm water	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	4.3%	7.6%	7.2%	0.0%	0.0%	81.3%

T 5.6.1

Funding is mainly from Grants received.

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 0	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Cala Waste Water Treatment works	25,109,876	25,658,203	25,658,203	-2%	-2%
Custer 8 Tora Water Treatment Works	23,355,457	19,625,405	19,625,405	16%	16%
Cluster 6 Sitholeni Water Treatment Works	71,972,526	42,896,881	42,896,881	40%	40%
Cluster 6 Gqaga Rising Main West	19,113,036	19,078,935	19,078,935	0%	0%
Cluster 9 Water Backlog	62,684,787	57,375,047	57,375,047	8%	8%
* Projects with the highest capital expenditure in Year 0					
Name of Project - A	Cala Waste Water Treatment works				
Objective of Project	Provide waste water treatment plant treat sewerage of Cala town				
Delays	Contractor performance				
Future Challenges	Project to be retendered increase in cost to complete project				
Anticipated citizen benefits	Cala town				
Name of Project - B	Cluster 8 Tora water treatment works				
Objective of Project	Provide quality treated water to provide community of cluster 8 in long term				
Delays	Delays was the appointment smme contractor				
Future Challenges	Funding to services the communities short to meduim term				
Anticipated citizen benefits	2756 households to benefit in longterm on completion full scope of project				
Name of Project - C	Cluster 6 Sitholeni Water treatment works				
Objective of Project	Provide quality treated water to provide community of cluster 6 in long term				
Delays	Weather delays, extension additional work				
Future Challenges	Funding to services the outline communities				
Anticipated citizen benefits	7821 people will benefit on completion of full scope of work				
Name of Project - D	Cluster 6 Gqaga rising main west				
Objective of Project	Provide bulk supply to communities				
Delays	Weather delays, extension additional work				
Future Challenges	Funding to further extend the network				
Anticipated citizen benefits	4791people will benefit on completion of full scope of work				
Name of Project - E	Cluster 9 Water Backlog				
Objective of Project	Provide treated quality water to communities to Cluster 9, tsomo town, Cluster 8 ADM cross border villages				
Delays	Contract performance in terms completing project timeously				
Future Challenges	Securing additional funds to complete overall project				
Anticipated citizen benefits	13013 households on completion of full scope of project				
T 5.7.1					

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

5.8.1 INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The mandate of Chris Hani District Municipality is to deliver water and sanitation to the district.

Service Backlogs 2016/2017				
Households (HHs)	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	147946	66	76061	34
Sanitation	152616	71	62249	29
Electricity	198517	86	31069	14
Waste management	69080	33	142833	67
Housing	133598	60	89729	40
				T 5.8.2

MIG Grants were utilised extensively by Chris Hani District Municipality during 2016/2017 to reduce the water and sanitation backlogs in the district.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Managing the cash resources as Chris Hani District Municipality remains a key requirement to ensure liquidity of the Municipality in order to meet its financial obligations, both currently and into a sustainable future.

Cash flow is actively monitored to enable the municipality to meet its obligations as they become due. Both major revenue (grants, equitable share etc.) and expenditure (purchases and loan repayments) categories have been identified and accounted for appropriately to ensure that repayments are made on time and that surplus funds are invested in order to earn a favourable return on investment.

5.9 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	2017	2018		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts	1,352,617	1,319,788	1,172,296	1,213,204
sale of goods and services	27,043	65,625	65,625	84,605
Grants	1,289,253	1,144,058	1,172,296	1,088,407
Government - operating	–	629,804	632,036	–
Government - capital	–	514,254	540,260	–
Interest	36,321	33,154	33,154	40,192
Other revenue	–	76,951	76,951	–
Payments	(1,063,054)	(529,642)	(751,279)	(745,433)
Employees	(257,723)	(249,187)	(144,523)	(304,630)
Finance charges	(271)	(1,200)	(1,200)	(117)
Suppliers	(805,060)	(508,244)	(572,114)	(440,686)
other payments	–	(20,198)	(179,165)	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	289,564	790,146	421,017	467,771
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts	(2,585)	–	–	–
Proceeds on disposal of PPE	(2,585)	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–
Payments	(449,316)	(598,536)	(598,536)	(415,059)
Capital assets	(449,316)	(598,536)	(598,536)	(415,059)

NET CASH FROM/(USED) INVESTING ACTIVITIES	(451,901)	(598,536)	(598,536)	(415,059)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments	–	–	–	–
Repayment of borrowing	–	–	–	6,195
NET CASH FROM/(USED) FINANCING ACTIVITIES	–	–	–	6,195
NET INCREASE/ (DECREASE) IN CASH HELD	–	(39,732)	(147,512)	58,907
Cash/cash equivalents at the year begin:	358,171	432,849	432,849	201,939
Cash/cash equivalents at the year-end:	201,939	393,117	285,337	260,846
<i>Source: MBRR A7</i>				<i>T 5.9.1</i>

The cash flow summary clearly indicates an increase in cash and cash equivalent at year end from R 363 492 in 2015/2016 to R 952 194 in 2016/2017.

5.12 COMPONENT D: OTHER FINANCIAL MATTERS

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 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 adopted 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

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS 2017/2018

6.1 AUDITOR GENERAL REPORT 2017/2018

Report of the auditor-general to the Eastern Cape Provincial legislature and the council on the Chris Hani District Municipality

Report on the audit of the consolidated and separate financial statements

Qualified opinion

1. I have audited the consolidated and separate financial statements of the Chris Hani District Municipality set out on pages ... to ..., which comprise the consolidated and separate statement of financial position as at 30 June 2018, and the consolidated and separate statement of financial performance, consolidated and separate statement of changes in net assets and consolidated and separate cash flow statement and consolidated and separate statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Chris Hani District Municipality as at 30 June 2018, and the group's financial performance and cash flows for the year then ended, in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No.3 of 2017) (DoRA).

Basis for qualified opinion

Receivables from exchange transactions

3. The municipality did not bill all consumers in the financial year under review. As a result, revenue and receivables from exchange transactions as disclosed in the consolidated and separate statement of financial performance, consolidated and separate statement of financial position was understated by R254,9 million (2016-17: R309,4 million), respectively. Notes 24 and 14 to the consolidated and separate financial statements were also understated by the same amount.
4. In addition, sufficient appropriate audit evidence was not available to support receivables and revenue from exchange transactions. This was due to the poor status of the accounting records for revenue and receivables. I was unable to confirm these balances and transactions by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to receivables from exchange transactions of R113,4 million (2016-17: R160,4 million) disclosed on the consolidated and separate statement of financial position, service charges included in revenue from exchange transactions of R275 million (2016-17: R223,9 million) disclosed in the consolidated and separate statement of financial performance, gross receivables of R1,3 billion (2016-17: R1,1 billion), the allowance for impairment of R1,2 billion (2016-17: R954,7 million) disclosed in note 14 to the consolidated and separate financial statements and the debt impairment expense of R267,4 million (2016-17: R177,2 million) disclosed in the consolidated and separate statement of financial performance.

5. The municipality did not record in the notes to the consolidated and separate financial statements an analysis by class of the age of financial assets that are past due but not impaired as required by GRAP 104: *Financial instruments*. I was unable to confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the amounts recorded in note 14 to the consolidated and separate financial statements.

Commitments

6. GRAP 17, Property, plant and equipment requires disclosure of contractual commitments for the acquisition of property, plant and equipment. The municipality did not fully comply with this requirement as the manual commitments register prepared was found to have numerous deficiencies in that commitments were included in the commitments register at the incorrect amounts. As a result, commitments of R890,4 million disclosed in note 41 to the consolidated and separate financial statements was understated by R125,3 million (2016-17 R 283,8 million).

Irregular expenditure

7. Sufficient appropriate audit evidence was not available to support irregular expenditure. This was due to the municipality not having adequate systems in place to identify and disclose all irregular expenditure incurred during the year as required by section 125(2)(d)(i) of the MFMA. I was unable to obtain evidence required by alternative means. As a result, I was unable to determine whether any adjustments to the irregular expenditure of R1,4 billion (2016-17: R1,2 billion) disclosed in note 49 to the consolidated and separate financial statements were required.

Water distribution losses

8. Section 125(2)(d)(i) of the MFMA requires the notes to the financial statements of a municipality to include particulars of any material losses. Water distribution losses of R119,3 million (2016-17: R110, 7 million) which represents 59% (2016-17: 55%) of the total water distribution losses were disclosed in note 52 to the consolidated and separate financial statements. I was unable to obtain appropriate audit evidence that distribution losses that should have been recorded, were recorded and that distribution losses were recorded at an appropriate amount. This was as a result of the municipality not being able to provide sufficient appropriate audit evidence to support these amounts. I was unable to perform alternative procedures due to a lack of controls over the recording of these losses. Consequently, I was unable to determine whether any adjustments were necessary to the water distribution losses disclosed in note 52.

Context for the opinion

9. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of this auditor's report.
10. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the

ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

11. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

12. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

13. As disclosed in note 44 to the consolidated and separate financial statements, the corresponding figures for 30 June 2017 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2018.

Underspending of budget

14. As disclosed in the statement of comparison of budget and actual amounts, the municipality materially underspent the budget by R87,9 million.

Other matter

15. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure note

16. In terms of section 125(2)(e) of the MFMA, the entity is required to disclose particulars of non-compliance with this legislation. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and, accordingly, I do not express an opinion thereon.

Responsibilities of accounting officer for the consolidated and separate financial statements

17. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA standards of GRAP and the requirements of the MFMA and the DoRA, and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
18. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the Chris Hani District Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

19. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.
20. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

21. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected key performance areas (KPA's) presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
22. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators/ measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
23. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance areas (KPA's) presented in the annual performance report of the municipality for the year ended 30 June 2018:

Key performance area	Pages in the annual performance report
KPA 2: Basic service delivery and infrastructure development	x – x
KPA 3: Local economic development	x – x

24. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
25. The material findings in respect of the usefulness and reliability of the selected KPA's are as follows:

KPA 2: Basic service delivery and infrastructure development

Usefulness

Indicators were not well defined

26. The source information, evidence and method of calculation for the achievement of the planned indicators in the table below were not clearly defined:

Indicator No	Indicators	Target
SDI 13	% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored	100% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored by 30 June 2018
SDI 14	% compliance of drinking water with SANS 241 monitored	100% compliance of drinking water with SANS 241 monitored by 30 June 2018

Targets were not specific:

27. The planned targets in the table below were not specific in clearly identifying the nature and required level of performance:

Indicator No	Indicators	Target
SDI 2	Number of Water reticulation projects completed	14 water reticulation projects constructed and completed by 30 June 2018
SDI 3	Number of Bulk water supply projects completed	9 Bulk Water Supply Projects constructed and completed by 30 June 2018
SDI 4	Number of water Treatment Works complying with Quality drinking water in accordance with SANS 241	16 Water Treatment Works in compliance with SANS 241 regulation in respect of ECOLI minimum standard (0mg per Litter) by 30 June 2018
SDI 5	Number of water treatment works constructed	3 waste treatment works constructed
SDI 6	Number of households served with safe	Number of households served

	basic sanitation	with safe basic sanitation
SDI 8	Number of Waste Water Treatment works complying with Quality Effluent in accordance with R991	16 Waste Water Treatment Works in compliance with R991 in respect of ECOLI minimum standard (1000mg per Litter) by 30 June 2018
SDI 9	Number of Water Schemes refurbished	10 Water Schemes refurbished by 30 June 2018
SDI 12	No of Human settlements programmes supported	1 Human settlements programme supported in all Local Municipalities (45 emergency houses constructed) by 30 June 2018
SDI 12.1	Percentage response on CHDM support request received	100% response on facility management request received by 30 June 2018
SDI 13	% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored	% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored
SDI 14	% compliance of drinking water with SANS 241 monitored	% compliance of drinking water with SANS 241 monitored
SDI 17.2	Number of illegal dumping sites closed and rehabilitated in local municipalities	6 illegal dumping sites cleared and rehabilitated in local municipalities by 30 June 2018
SDI 17.2.1	Number of waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003	14 waste sites inspected in line with NEM Waste Act of 2008 & National Health Act of 2003 by 30 June 2018

Targets were not measurable

28. The planned targets for the indicators in the table below were not measurable:

Indicator No	Indicators	Target
SDI 13	% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored	100% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored by 30 June 2018
SDI 14	% compliance of drinking water with SANS 241 monitored	100% compliance of drinking water with SANS 241 monitored by 30 June 2018

Reliability

SDI 18.2: percentage response to disaster management incidents

29. The achievement for target SDI 18.2: percentage response to disaster management incidents reported in the annual performance report was 100% response to disaster management incidents reported. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 56%.

Various indicators

30. I was unable to obtain sufficient appropriate evidence for the reported achievements listed in the table below. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the annual performance report of the indicators listed below:

Indicator number	Indicator	Target
SDI 12.1	Percentage response on CHDM support request received	100% response on CHDM support request received (facility management)
SDI 13	% compliance of drinking water with SANS 241 monitored	% compliance of waste water in accordance with R991 and section 39 of National Water Act 36 of 1998 monitored
SDI 14	% compliance of drinking water with SANS 241	% compliance of drinking water with SANS 241 monitored

KPA3: Local economic development

Usefulness

Indicators were not well defined:

31. The source information, evidence and method of calculation for the achievement of the planned indicators in the table below were not clearly defined:

Indicator No	Indicators	Target
LED 3	Number of Agricultural programmes implemented	1 Poverty Alleviation Agricultural Programme Implemented (1.Piggery 2.Poultry) by 30 June 2018
LED 3.1	Number of Agricultural programmes implemented	1 livestock improvement programme implemented (1.Innoculation and dosing 2.Feeding support as per request received) in 6 LM's by 30 June 2018
LED 3.2	Number of Agricultural	1 infrastructure development project

	programmes implemented	implemented (1. Custom feeding facility 2. Shearing shed) by 30 June 2018
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Reliability

32. The reported achievement in the annual performance report did not agree to the supporting evidence provided for the indicators listed below. The supporting evidence provided indicated that the achievements of these indicators were as follows:

Indicator number	Indicator	Target	Actual reported performance	Audited result
LED 3.1	Number of Agricultural programmes implemented	1 livestock improvement programme implemented (1. Innoculation and dosing 2. Feeding support as per request received) in 6 LM's by 30 June 2018	1. Target Achieved: Programme is being implemented on the LM'S with CHDM. 2. Target Achieved: 1000bags of complete Ruminant Feed was delivered to all custom feeding facilities	Zero livestock improvement programme implemented
LED 3.2	Number of Agricultural programmes implemented	1 infrastructure development project implemented (1. Custom feeding facility 2. Shearing shed) by 30 June 2018	Target Not Achieved: construction has not commenced at Inxuba Yethemba 2. Target achieved: Tshatshu shearing shed has been completed and the Contractor handed over the completed structure to CHDM, the shed will be handed over to the Tshatshu community on the 18 th July 2018 (Mandela Day)	Two infrastructure development projects implemented
LED 3.4	Number of Agricultural programmes implemented	3 irrigation schemes supported as per SLA with CHDA (Ncorha, Qamata & Shiloh Irrigation Schemes) by 30 June 2018	Target Achieved: 3 Irrigation schemes were supported through CHDA 1. Ncora 2. Qamata 3. Shiloh Irrigation scheme	One irrigation schemes supported as per SLA with CHDA by 30 June 2018
LED 4	Number of SMME / Business programmes Implemented	3 SMME programmes implemented (1. Enterprise support. 2. Incubation support, 3. Industrial support) by 30 June 2018	Target not Achieved 1. Enterprise support: 32 enterprises supported. 2. Incubation support; (1 training conducted	Zero SMME programmes implemented by 30 June 2018

			and 1 incubation support done.) 3. Industrial support: (2 small industrialists supported)	
LED 5	Percentage budget spent on local business benefiting through Preferential Procurement regulation	30% of budget spent on local businesses per preferential procurement monitored by 30 June 2018	Target Achieved	Not achieved

Other matters

33. I draw attention to the matters below.

Achievement of planned targets

34. Refer to the annual performance report on pages x to x and x to x for information on the achievement of planned targets for the year and explanations provided for the under and overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 26 to 32 of this report.

Adjustment of material misstatements

35. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA 2 and KPA 3. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

36. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

37. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements

38. The consolidated and separate financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. A material misstatement of non-current assets identified by the auditors in the submitted consolidated and separate financial statements was subsequently corrected, but the

uncorrected material misstatements and supporting records that could not be provided resulted in the consolidated and separate financial statements receiving a qualified audit opinion.

Expenditure management

39. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
40. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R657 381, as disclosed in note 47 to the consolidated and separate financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by the overspending of repairs and maintenance and general expenses in the roadworks vote of the municipality.
41. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain management (SCM) regulations. Irregular expenditure amounting to R31,9 million and R25,7 million was incurred on the eliminating of rural sanitation backlogs in Intsika Yethu and Engcobo projects, respectively.

Revenue management

42. An adequate management, accounting and information system which accounts for revenue and debtors was not in place, as required by section 64(2)(e) of the MFMA.
43. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.
44. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

Asset management

45. An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2)(c) of the MFMA.

Consequences management

46. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
47. Irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
48. Allegations of financial misconduct against a senior manager was not tabled before the council, as required by regulation 5(2) of the disciplinary regulations for senior managers.

Strategic planning and performance

49. The performance management system and related controls were not maintained as it did not describe how the performance planning, monitoring, measurement and reporting processes should be conducted and managed, as required by municipal planning and performance management regulation 7(1).

Human resource management

50. The municipal manager was appointed without the post have been advertised, as required by section 54A(4)(a) of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) and regulation 10(2) on the appointment and conditions of employment of senior managers.
51. Appropriate systems and procedures to monitor, measure and evaluate the performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

Conditional grants

52. Performance in respect of programmes funded by the water services infrastructure, municipal infrastructure and regional bulk infrastructure grants was not evaluated, as required by section 12(5) of DoRA.

Procurement and contract management

53. Sufficient appropriate audit evidence could not be obtained that all contracts and quotations were awarded in accordance with the legislative requirements as the required supporting documentation could not be provided for audit purposes. Similar limitations were also reported in the prior year.
54. Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value of below R200 000 were procured using price quotations as required by SCM regulation 17(a) and (c). Similar non-compliance was also reported in the prior year.
55. Some of the contracts were extended or modified without the approval of a properly delegated official, in contravention of SCM regulation 5.
56. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. Similar non-compliance was also reported in the prior year.
57. The contract performance and monitoring measures and methods were not sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA. Similar non-compliance was also reported in the prior year.
58. Persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e).

Other information

59. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported in this auditor's report.
60. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
61. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected key performance areas presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
62. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

63. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
- There was insufficient oversight from leadership to ensure consistent implementation and monitoring of controls over financial, performance information and compliance with legislation. This was mainly due to a lack of capacity and accountability as well as inadequate communication between departments within the municipality. The inadequate performance information reporting prevented the municipality from adequately monitoring the achievement of its objectives.
 - Consequence management was not implemented against officials who were responsible for incurring irregular and fruitless and wasteful expenditure.
 - The municipality did not have a proper system of records management for the financial environment as a whole as material misstatements were identified, resulting in a qualified audit opinion. In addition, inadequate integration between the budget and treasury office and other departments within the municipality also contributed to material misstatements identified during the audit process.
 - The supporting information was not maintained for performance reporting. There was a lack of information relating to the collection, collation, verification, storing and reporting of actual performance information and the setting of performance targets. This was due to the municipality not having approved standard operating procedures to ensure that all

documentation is properly maintained for performance management and not preparing complete, accurate and reliable monthly and quarterly performance reports. As a result, the municipality did not identify errors timeously, resulting in material misstatements not corrected.

- The municipality did not have adequate systems to monitor compliance with all applicable legislation, and as a result, non-compliance with legislation was not prevented. There was inadequate supervision, monitoring and consequence management in respect of management of the operations of the municipality.
- The reporting with recommendations provided by the internal audit unit was not implemented timeously and adequately by management to address or reduce findings raised through the external audit process. In addition, although the audit committee reviews the municipality's performance management system on a quarterly basis, the reviews were not adequate as they did not have a positive impact on the improvement in internal controls, as material findings were still identified through the audit process.
- The fraud prevention plan was last reviewed and updated during May 2015 and therefore controls were not designed and implemented timeously to mitigate risks that exist over financial, service delivery and compliance processes for the year under review.

Auditor-General

East London

13 December 2018



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements, and the procedures performed on reported performance information for selected key performance areas and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the consolidated and separate financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the consolidated and separate financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chris Hani District Municipality ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the consolidated and separate financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation
 - obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

Auditor Generals Audit Action Plan for 2017/2018 F/Y

N o	Section	Transaction Type	Audit Findings 2017/18	Numb er of Time Raised	Management Root cause	AG Root Cause	Responsib le Person	Recommendation by AGSA	Action by management	PROGRE SS	POE
1	BTO	Revenue	1. COAF 11: (ISS.7) Revenue from service charges was calculated incorrectly (Tariff) .2 The municipality did not charge Interest on overdue account and incorretly charge based on the prime rate.	Multipl e	1.Incorrect database on debtors 2. Lack of property management unit.	If risks are not addressed, they will negatively impact the municipality's ability to meet their performance objectives.	Director: BTO		1. Link all consumers debtors that are unmetered and unbilled stand to fixed tariff. 2. Run the population of overdue account for all debtors and charge interest and the backdating of interest charge will be done. 3. Run and review final billing report. 4. Establishment of Revenue Steering Committee.		1. List of unmetered and unbilled stand. 2 Journal prepared in the syatem on overdue debtors. 3 Final reviewed billing report. 4. Report on establishme nt of revenue steering committtee
2	BTO	Procurement	COAF 13: (Iss. 77) P&C: Quotation R2 000 to R10 000, no declaration of interest was done	Once	Lack of oversight by management and internal controls	There are inadequate controls over quotation process in ensuring that all supply chain management regulation	Director: BTO	Management should implement adequate controls over quotation process to ensure that all supply chain management regulation requirements have been met.	Implementati on of SCM Compliance check list		SCM Compliance check list with supporting documents

					requirements have been met.					
3	Technical Services	Water Losses	COAF 23: Water losses - Scope limitation	Once		This is due to a lack of management oversight, as management did not ensure that the expert was provided with complete information.	Director: Technical Services	Management should ensure that all information used and generated by the responsible official for the calculation of water losses, in respect of the disclosure note in the annual financial statements are properly reviewed and filed for reporting purposes before submission to the Auditor-General South Africa.	1.Consumer Meters: <ul style="list-style-type: none"> • <u>Implementation of a domestic consumer water meter reading programme – Monthly readings on consumer meters</u> • <u>Implementation of a consumer water meter replacement programme.</u> 2.Bulk Water Meters: <ul style="list-style-type: none"> • <u>Implementation of bulk meter replacement programme</u> • <u>Implementation of a bulk water meter reading strategy and reporting programme</u> • <u>Zoning of</u> 	1. Consumer water meter replacement report. 2. Bulk water meter replacement report. 3. All costs related to water treatment 4. Project completion Certificate 5. Draft Bylaws

								<p>towns to determine the installation position of additional bulk water meters to locate and monitor losses more accurately, as well as to confirm the operation of the water supply systems.</p> <p>3. Financial:</p> <ul style="list-style-type: none"> • Accurate record keeping of all expenses for the purchasing, treating, as well as distribution costs of water. To add project line item on water treatment for expenditure incurred. <p>4. Infrastructure</p> <p>re:</p> <ul style="list-style-type: none"> • Infrastructure upgrade dealing with pipe replacement 	
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									<u>and system refurbishment to ensure minimum downtime thus improving customer satisfaction .This will also contribute to water loss management caused by frequent bursts and leaks in the system</u> <u>5.Bylaws Development of water and sanitation bylaws.</u>		
4	BTO	Procurement /Contract Mgt	1. COAF 25: (Iss. 64) P&C: Scope limitation on bid specification and bid adjudication & evaluation	Once	Lack of oversight by management and internal controls	There are no adequate monitoring controls over the filing of the information that will enable information be readily available.	Director: BTO	Management should implement monitoring controls over the filing of the information so that the information will be readily available.	To review and update Bid Committees Check list to include checking of the Specification before it is placed in the		Updated Bid Committees Check list

						recommendations made on prior audits.			false declaration		
9	BTO	Procurement /Contract Mgt	3. COAF 28: (Iss. 113) P&C: Bidder awarded contract without submitting Bank letter for rating	Once	Lack of oversight by management and internal controls	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations made on prior audits.	Director: BTO	Management should implement controls to ensure that the municipality complies with the relevant laws and regulations.	Implementation of Bid Committees Check list.		Completed and signed check list for all bid committee meetings
10	BTO	Procurement	1. COAF 34: (Iss. 122) Commitments: Commitments with negative balances noted.	Once	Non compliance with SCM guidelines and policies	This is due to insufficient reviews performed on the annual financial statements.	Director: BTO	Management need to ensure that supporting documentation submitted for audit is adequately reviewed for completeness and includes evidence of adequate advertisement of the invitation for bids.	To review commitment register on a monthly basis		Updated Commitment register
11	BTO	Procurement	2. COAF 34: (Iss. 123) Commitments: Differences noted on specifically selected items	Once	Non compliance with SCM guidelines and policies	This is due to insufficient reviews performed on the annual financial statements	Director: BTO	Management should sufficiently review the commitments register before transferring the amount to the annual financial statements	To review commitment register on a monthly basis		Updated Commitment register
12	BTO	Procurement	3. COAF 34: (Iss. 124) Commitments: Differences noted on commitment sample.	Once	Non compliance with SCM guidelines and policies	This is due to insufficient reviews performed on the annual financial statements	Director: BTO	Management should sufficiently review the commitments register before transferring the amount to the annual financial statements	To review commitment register on a monthly basis		Updated Commitment register

13	BTO	Revenue	1. COAF 36: (ISS.105) Receivables from Exchange Existence of debtors in the municipality system 2. Revenue / Receivables completeness (erf numbers and consumer names as per valuation rolls were not included	Once	1. Non implementation of credit control policy. 2. Incorrect database on debtors	This is caused by management not implementing appropriate processes relating to making follow ups on overdue debtors.	Director: BTO	It is recommended that management ensures that paragraph 8 of the debt collection policy is consistently and appropriately applied.	1. Establishment of Credit Control Unit. 2. Continuing the implementation of datacleansing project phase 2 (data collection). 3. Compare billing database with the valuation roll for completeness. Development of revenue bylaws	1. Report on establishment of credit control unit. 2. Data collection Phase 2 progress reports. 3. Reconciliation of billing database and valuation roll. 5. Developed Bylaws
14	BTO	Irregular Expenditure	1. COAF 46: (Iss. 140.) Irregular expenditure - Disagreements and Cut off issues noted	Once	Non compliance with Section 32 of the MFMA		Director: BTO		To be consistent in recording of payment vouchers	Updated Irregular register
15	BTO	Irregular Expenditure	2. COAF 46: (Iss. 135) Irregular expenditure – Differences noted on restatement	Once	Non compliance with Section 32 of the MFMA	1. This is due to lack of reviews of the financial statements together with the underlying source documents. 2. Lack of proper consideration of the factors resulting in irregular expenditure.	Director: BTO	1. Management should ensure that the amounts recorded in the Irregular register are accurate. 2. Management must also ensure that all expenditure included in the IER actually meet the definition of irregular expenditure.	To review irregular register on a monthly basis	Updated Irregular register

16	BTO	Commitments	1. COAF 47: (Iss. 153) Commitments: Comparative figure negative amount	Once		This is due to insufficient reviews performed on the annual financial statements.	Director: BTO	Management should sufficiently review the commitments register before transferring the amount to the annual financial statements	To review commitment register on a monthly basis and reconciled to contract register		Reconciled Updated Commitment register with Contract Register
17	BTO	Commitments	2. COAF 47: (Iss. 154) Commitments: Duplicate items noted on the comparative figure	Once		This is due to insufficient reviews performed on the annual financial statements	Director: BTO	Management should sufficiently review the commitments register before transferring the amount to the annual financial statements	To review commitment register on a monthly basis and reconciled to contract register		Reconciled Updated Commitment register with Contract Register
18	BTO	Commitments	3. COAF 47: (Iss. 156) Commitments: Differences noted on restatement figures	Once		This is due to insufficient reviews performed on the annual financial statements	Director: BTO	Management should sufficiently review the commitments register before transferring the amount to the annual financial statements	To review commitment register on a monthly basis and reconciled to contract register		Reconciled Updated Commitment register with Contract Register
19	BTO	Procurement /Contract Mgt	4. COAF 50: (Iss. 158) P&C: No declaration made by winning bidders regarding past 5 years'	Once	Lack of internal controls	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations made on prior audits.	Director: BTO	Management should implement controls to ensure that the municipality complies with the relevant laws and regulations.	Implementation of Bid Committees Check list.		Completed and signed check list for all bid committee documents
20	BTO	Procurement /Contract Mgt	5. COAF 50: (Iss. 163) P&C: Deficiencies noted on tender	Once	Lack of internal controls	This is as a result of lack of internal controls over the procurement processes. This is also due to management not	Director: BTO	Management should implement controls to ensure that the municipality complies with the relevant laws and regulations.	To review quarterly all awarded tender documents		Completed and signed check list for all bid committee documents

			documentati on			implementing recommendations made on prior audits.					
21	BTO	Procuremen t /Contract Mgt	1. COAF 57: (Iss. 29) P&C: Competitive process not followed for procurement over R200k	Once	Lack of internal controls	This is due to the municipality adopting a policy that is not in line with the SCM regulations.	Director: BTO		1. To test the market for suppliers who can have suitable chemicals for water treatment.		Report on market chemical market test
22	BTO	Procuremen t /Contract Mgt	2. COAF 57: (Iss. 132) P&C interest in the state: No declarations and false declarations	Once	CSD is not able to identify false declarations	1. There is a lack of management oversight to ensure that all documents required by legislation are submitted by the client. 2. . Management did not do thorough checks on the suppliers before awarding the projects to them	Director: BTO	1. Management is advised to thoroughly scrutinise all documents submitted by the prospective suppliers in order to ensure that all required documents are submitted. 2. Management is advised to perform thorough checks on the Treasury CSD in order to ascertain that prospective suppliers are not in the employ of the state.	1. To request CAATS data from AG for the first semester. 2. To analyse CAATS data by Demand manager and liaise with the service providers listed in the report in order to clear their name with supporting document		1.AG proof of submission. 2. Analysis report and proof from service providers
23	BTO	Procuremen t /Contract Mgt	3. COAF 57: (Iss. 162) P&C: Awarding tender to bidder that did not submit financial rating	Once	Lack of internal controls	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations	Director: BTO	Management should implement controls to ensure that the municipality complies with the relevant laws and regulations.	Implementati on of Bid Committees Check list.		Completed and signed check list for all bid committee documents

						made on prior audits.					
24	BTO	Procurement /Contract Mgt	4. COAF 57: (Iss. 145) P&C: Deficiencies noted in contract management relating to monthly monitoring of projects	Once	Lack of internal controls	This is due to inadequate monitoring controls in ensuring that the municipality complies with SCM regulations	Director: BTO	Management should implement controls that will ensure that CHDM complies with SCM regulations.	To monitor contract register and on-going projects on a monthly basis		Updated contract register
25	BTO	Procurement /Contract Mgt	5. COAF 57: (Iss. 148) P&C: Deficiencies noted on variation orders	Once	Lack of internal controls	This is caused by inadequate monitoring controls over contract management. This is also due to management not implementing recommendations made on prior audits.	Director: BTO	Management should implement adequate controls over contract management. Management should also implement controls to ensure that the municipality complies with the relevant laws and regulations.	To review quarterly all awarded tender documents		Report on review of tender documents awarded.
26	BTO	Procurement /Contract Mgt	1. COAF 60 (Iss. 59) P&C: Sourcing one quote	Once	Non compliance with SCM guidelines and policies	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations made on prior audits.	Director: BTO		To comply with SCM guidelines and policies		Report on one quote solicited with the reason why is one instead of three quotes

27	BTO	Procurement /Contract Mgt	2. COAF 60: (Iss. 58) P&C: Payment made to a supplier who is not tax compliant	Once	Lack of internal controls	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations made on prior audits.	Director: BTO	Management should ensure that they exercise their oversight responsibility relating to internal controls to ensure that internal controls are implemented continuously and are effective	Implementation of Bid Committees Check list.		Completed and signed check list for all bid committee documents
28	BTO	Procurement /Contract Mgt	3. COAF 60: (Iss. 94) P&C: Bidder awarded B-BBEE points but no B-BBEE certificate attached	Once	Lack of internal controls	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations made on prior audits.	Director: BTO	Management should ensure that they exercise their oversight responsibility relating to internal controls to ensure that internal controls are implemented continuously and are effective	Implementation of Bid Committees Check list.		Completed and signed check list for all bid committee documents
29	BTO	Procurement /Contract Mgt	4. COAF 60: (Iss. 147) P&C: Delays noted in the project	Once	Lack of internal controls	This is caused by inadequate monitoring controls over contract management	Director: BTO	Management should ensure that they exercise their oversight responsibility relating to internal controls to ensure that internal controls are implemented continuously and are effective	To monitor the progress of projects that are ongoing		Monitoring report on ongoing projects
30	BTO	Procurement /Contract Mgt	5. COAF 60: (Iss. 151) P&C: Scope limitation on contract management	Once	Lack of internal controls	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations made on prior audits.	Director: BTO	Management should ensure that they exercise their oversight responsibility relating to internal controls to ensure that internal controls are implemented continuously and are effective	To review quarterly all awarded tender documents		Report on review of tender documents awarded.

31	BTO	Procurement /Contract Mgt	1. COAF 75: (Iss. 180) Irregular expenditure: Scope limitation on current year irregular expenditure	Once	Non compliance with Section 32 of the MFMA	This is due to the municipality not having adequate record management systems	Director: BTO	Management should implement controls to ensure that the municipality complies with the relevant laws and regulations.	To review irregular register on a monthly basis		Updated contract register
32	BTO	Procurement /Contract Mgt	2. COAF 75 (Iss. 181) Irregular expenditure: Limitations noted on prior year irregular expenditure	Once	Non compliance with Section 32 of the MFMA	This is due to the municipality not having adequate record management systems	Director: BTO	Management should implement controls to ensure that the municipality complies with the relevant laws and regulations.	To review irregular register on a monthly basis		Updated contract register
33	BTO	Procurement /Contract Mgt	3. COAF 75: (Iss. 155) P&C: Deficiencies noted on quotations	Once	Non compliance with SCM guidelines and policies	This is as a result of lack of internal controls over the procurement processes. This is also due to management not implementing recommendations made on prior audits.	Director: BTO	Management should implement controls to ensure that the municipality complies with the relevant laws and regulations.	To comply with SCM guidelines and policies		Report on one quote solicited with the reason why is one instead of three quotes
34	BTO	Procurement /Contract Mgt	4. COAF 75: (Iss. 179) P&C - Deficiencies identified within contract management	Once	Lack of internal controls	This is due to inadequate monitoring controls in ensuring that the municipality complies with SCM regulations. This also is due to a lack of management oversight to ensure that a retention is withheld for all the projects that do not	Director: BTO	Management is advised to ensure that the monitoring of contractors is done on a monthly basis, by reviewing the minutes to the meetings every month. Management should also review the processing of retentions in order to ensure that retentions are withheld for all construction contracts or that there are active	To monitor contract register and on-going projects on a monthly basis		Updated contract register

						have a retention guarantee.		guarantees on the contracts.			
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No	Section	Transaction Type	Audit Findings 2017/18	Number of Time Raised	Management Root cause	AG Root Cause	Responsible Person	Recommendation by AGSA	Action by management	Progress	POE
1	OMM/User Departments	AOPO	CoAF 07 (Iss. 40) Pro-active auditing - Indicators/targets not well defined	Once	There are insufficient reviews of the performance planning documents to ensure that indicators are set out in a manner that is well defined	Inadequately defined indicators impact negatively on the usefulness of predetermined objectives and this finding is elevated to the audit report.	OMM/User Departments	Control measures should be reviewed or implemented to ensure that the information reflected in the municipality's strategic documents is well defined. Consider obtaining appropriately qualified municipal staff to proof-read relevant sections of these documents to detect errors in consistency of wording and/or terminology prior to publication.	1. Review of 2018/2019 SDBIP 2. Review of 2018/2019 SOPs 3. Consultations with Departments		1. Reviewed of 2018/2019 SDBIP 2. Report on reviewed SOP's 3. Attendance register
2	OMM/User Departments	AOPO	CoAF 32 (Iss.55) Targets not specific	Once	Management did not prepare regular, accurate and complete performance reports that are supported and evidenced by reliable information	The revised SDBIP and APR were not reviewed properly	OMM/User Departments	Performance planning information should be properly reviewed to ensure that the nature and required level of performance is clearly documented.	1. Review of 2018/2019 SDBIP 2. Review of 2018/2019 SOPs 3. Consultations with Departments		1. Reviewed of 2018/2019 SDBIP 2. Report on reviewed SOP's 3. Attendance register

3	OMM/User Departments	AOPO	CoAF 33 (Iss.24) AOPO - The targets not measurable or specific	Once	Management did not prepare regular, accurate and complete performance reports that are supported and evidenced by reliable information	The usefulness of performance information is impacted by the targets not measurable and not specific.	OMM/User Departments	Management should exercise sufficient oversight regarding the implementation of internal controls.	1. Review of 2018/2019 SDBIP 2. Review of 2018/2019 SOPs 3. Consultations with Departments		1. Reviewed of 2018/2019 SDBIP 2. Report on reviewed SOP's 3. Attendance registered
4	OMM/User Departments	AOPO	CoAF 48 (Iss.107) Reported performance misstated	Once	Management did not implement controls reconciling of performance information	Reported performance must be supported by evidence on POE	OMM/User Departments	Reported performance must be supported by evidence on POE	1. Establish PMS champion for all departments 2. Conduct training for all PMS champions		1. Reviewed of 2018/2019 SDBIP 2. Report on reviewed SOP's 3. Attendance registered
5	OMM/User Departments	AOPO	CoAF 22 (Iss.89) Reported performance misstated	Once	This is due to deficiencies in internal controls	Performance report was not reviewed and reconciled with POE	OMM/User Departments	Reported performance must be supported by evidence on POE	1. Establish PMS champion for all departments 2. Conduct training for all PMS champions		1. Appointment letter 2. Attendance registered
6	OMM/User Departments	AOPO	COAF 66 (Iss.170) Draft annual report review	Once	Exercise oversight responsibility regarding financial and performance reporting and	Incomplete reporting in the annual report.	OMM/User Departments	The draft annual report should be reviewed and it should be ensured that all required information is	1. Review the Annual Report before submission to the Auditor General for audit		Council resolution

					compliance and related internal controls.			included in the final annual report.				
7	OMM/User Departments	AOPO	CoAF 01 (Iss.22) Planning: Budget per KPA has not been reflected in the SDBIP	Once	This resulted from the indicator not being removed from the SDBIP, when it was revised.	This is due to management not aligning its budget per key performance indicator (KPI) for KPA	OMM/User Departments	It is recommended that management ensures that proper record keeping procedures are implemented, to ensure that information requested by auditors is easily retrievable, timeously.	Resolved	Resolved	Resolved	
8	OMM/User Departments	AOPO	COAF 22 AOPO - Quarterly report do not agree to APR	Once	Performance report was not reviewed and reconciled with POE	Performance information may be materially misstated	OMM/User Departments	Management should implement and monitor processes to review annual performance report	1. Establish PMS champion for all departments 2. Conduct training for all PMS champions 3. . Review of 2018/2019 SOPs		1. Appoint ment letter 2. Attendance register 3. Report on reviewed SOP's	
9	OMM/User Departments	AOPO	COAF 32 AOPO - Reported achievement is not consistent with planned and reported indicator or target	Once	Performance report was not reviewed and reconciled with POE	Performance information may be materially misstated	OMM/User Departments	The performance report should be reviewed to ensure consistency				

10	OMM/User Departments	AOPO	COAF 22 Pro- active auditing: Differences between IDP 2017-22 vs SDBIP 2018-19	Once	The revised SDBIP and APR were not reviewed properly	Performance areas as agreed in the IDP might not be measured by the municipality	OMM/User Departments	Control measures should be reviewed or implemented to ensure that the municipality's planning documents and templates remains consistent throughout the planning and reporting phases unless amendments have been properly approved and authorised.	Resolved	Resolved	Resolved
11	OMM/User Departments	AOPO	COAF 22 Target not relevant	Once	Lacked of reviewed Standard Operating Procedures	The usefulness of the reported performance information maybe misstated	OMM/User Departments	Before the indicators are added they should be reviewed for relevance			

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution 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 “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation

Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE
APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance				
Council Members	Full Time / Part Time	Committees Allocated	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT		%	%
M C Koyo	FT	Rules and Ethics Committee	100	0
K Vimbayo	FT	Mayoral Committee	92	8
M Jack	FT	Finance And Fiscal Committee	83	17
N Matiwane	FT	Women's Caucus	58	42
W Gela	FT	Municipal Public Accounts Committee	62	38
B G van Heerden	FT	Whips Committee	92	8
S Zangqa	FT	Infrastructure Committee	100	0
N C Goniwe	PT	Municipal Public Accounts Committee	67	33
S Mbotshane	FT	Integrated Planning And Economic Development Committee	67	33
T W Bikwana	PT	Finance And Fiscal Committee	75	25
N.F. Koni	FT	Governance And Institutional Transformation Committee	50	50
N September-Caba	FT	Health And Community Services Committee	85	15
S B Nxawe	PT	Integrated Planning And Economic Development Committee	75	25
M Adonisi	PT	Governance And Institutional Transformation Committee	75	25
R W Venske	PT	Municipal Public Accounts Committee	92	8
G E Bomela	PT	Infrastructure Committee	85	15
C Z Deliwe	PT	Municipal Public Accounts Committee	75	25
M Xhelisilo	PT	Finance And Fiscal Committee	67	33
A N Hendricks	PT	Governance And Institutional Transformation Committee	50	50
S. Kula	PT	Integrated Planning And Economic Development Committee	0	0
L.E. Gubhula	PT	Finance And Fiscal Committee	58	42
S.E. Mvana	PT	Infrastructure Committee	67	33
Z.N.E. Ralane	PT	Health And Community Services Committee	75	25
X.P. Xelo	PT	Integrated Planning And Economic Development Committee	42	58
N.A. Dayisi	PT	Infrastructure Committee	67	33
L.N. Tyali	PT	Infrastructure Committee	33	66
M. Kondile	PT	Governance And Institutional Transformation Committee	33	66
K. Bizana	PT	Finance And Fiscal Committee	75	25
K. Mjezu	PT	Health And Community Services Committee	92	8

N. Mtyobile	PT	Health And Community Services Committee	83	17
N. Nyukwana	PT	Infrastructure Committee	67	33
N.C. Lali	PT	Integrated Planning And Economic Development Committee	75	25
S. Tame	PT	Governance And Institutional Transformation Committee	83	13
S. Myataza	PT	Integrated Planning And Economic Development Committee	67	33
Z. Qayiya	PT	Infrastructure Committee	83	13
N. Nkota	PT	Health And Community Services Committee	75	25
J. Cengani	PT	Finance And Fiscal Committee	67	33
Z.R. Shweni	PT	Infrastructure Committee	50	50
M. Desha	PT	Health And Community Services Committee	42	58
S. A. Nxosi	PT	Governance And Institutional Transformation Committee	58	42
B. Ntsere	PT	Municipal Public Accounts Committee	58	42
Z. N. Njoli	PT		100	0
M. Papiyana	PT		100	0
N. Makanda	FT	Finance And Fiscal Committee	86	14

Note: * Councillors appointed on a proportional basis do not have wards allocated to them

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APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Municipal Public Accounts Committee	Oversight of municipal accounts
Rules and Ethics Committee	To establish rules for Council and Committees
Audit Committee	Oversight of financial reporting and disclosures
Women's Caucus	The voice of women to advocate for gender equality and equity and seeks to ensure women representation in strategic position to achieve 50/50
Performance Audit committee	Oversees performance of the municipality in achieving the KPAs
Fraud and Risk committee	Prevention and mitigation of risk
Whippery	Oversees political party council relations and cooperation

APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE

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

Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).

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AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 30 JUNE 2018

The Committee is pleased to present its report for the financial year ended 30 June 2018.

Composition & Attendance

Council established its own separate committees for Performance and Audit Committee with effect from January 2017 following a shared service arrangement comprising two local municipalities (IntsikaYethu and Ngcobo). Four independent members for both Audit and Performance committee were appointed. The table below illustrates meetings convened and attendance thereof for the 2017/18 financial year:

No.	Member Name	Meetings 17/18	Convened	Meetings Attended
1.	Mr. Z J Mbawuli (Chairperson- Audit Committee)	28/07/2017 18/08/2017 27/08/2017 27/10/2017 26/01/2018 * (16/02/2018) 20/04/2018* (17/05/18) 21/06/2018		7
2.	Mr. A M Langa (Chairperson- Performance Audit Committee)	28//07/2017 18/07/2017 27/10/201 26/01/2018*(16/02/2018) 20/04/2018*(17/05/2018) 21/06/2018		6
3.	Mr. L Galada	28/07/2017 18/08/2017 27/08/2017 27/10/2017 26/01/2018 *(16/02/2018) 20/04/2018*(17/05/2018) 21/06/2018		7
4.	Dr. W Plaatjes	28/07/2017 18/08/2017 27/08/2017 27/10/2017 26/01/2018 *(16/02/2018) 20/04/2018*(17/05/2018) 21/06/2018		7

5.	Mrs F Mushohwe	17/05/2018 21/06/2018	2
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* Scheduled meetings had to be moved to other dates due to a myriad reasons

APPENDIX I – MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

CONTRACT DESCRIPTION	TENDER NO.	AWARD LETTER	SERVICE PROVIDER	TENDER AWARD VALUE (incl VAT)	RESPONSIBLE DEPARTMENT	PERFORMANCE
UPGRADE OF THE WATER RETICULATION AT POLAR PARK, ELLIOT PHASE 4	51/2016/MD (BL)	18/Aug/17	IVIWE ENGINEERING SOLUTIONS	R 9,537,767.90	TECHNICAL SERVICES	NOT YET COMPLETED
PROVISION OF INTERGRATED COUNSELLING AND THEURAPETIC SERVICES FOR CHDM EMPLOYEES AND COUNCILLORS	CHDM/CS24/2017/YD (SS)	8-Aug-17	ICAS EMPLOYEE AND ORGANISATION ENHANCEMENT SERVICES	RATE BASED APPOINTMENT	CORPORATE SERVICES	COMPLETED
PROVISION OF INTERGRATED SUBSTANCE ABUSE REHABILITATION AND TREATMENT PROGRAMME FOR CHDM EMPLOYEES AND COUNCILLORS	CHDM/CS23/2017/YD (SS)	8-Aug-17	SANCA ALCOHOL AND DRUG CENTRE	RATE BASED APPOINTMENT	CORPORATE SERVICES	COMPLETED
CLUSTER 2 WATER BACKLOG: NOLUTHANDO / LUKHAVALA EXTENSIONS - PHASE 2	57/2016/MD(BL)	18-Sep-17	NHANHE TRADING CC	R 2,710,988.92	TECHNICAL SERVICES	NOT YET COMPLETED
OCCUPATIONAL MEDICAL PRACTITIONER FOR THE MANAGEMENT OF INJURIES ON DUTY, OCCUPATIONAL DISEASES AND INCAPACITY	CHDM/CS28/2017/YD (SS)	8-Sep-17	OSHEQS HEALTH AND SAFETY SOLUTIONS	RATE BASED APPOINTMENT	CORPORATE SERVICES	NOT YET COMPLETED
WELLNESS PROGRAMME FOR EMPLOYEES OF CHRIS HANI DISTRICT MUNICIPALITY	CHDM/CS27/2017/YD (SS)	4-Sep-17	TYRONMILAS BUSINESS ENTERPRISE (PTY) LTD	R 199,999.00	CORPORATE SERVICES	NOT YET COMPLETED
VERIFICATION OF DETAILS OF INDIGENT SUPPORT APPLICATIONS (PERSON VERIFICATION) FOR INDIGENT REGISTER	CHDM/BTO40/2017/N F(ZD)	30-Nov-17	CROSS CHECK INFORMATION BEREAU (PTY) LTD	RATE BASED APPOINTMENT	BUDGET AND TREASURY	NOT YET COMPLETED
PREVALENCE SURVEY AND KAPB STUDY	CHDM/CS41/2017/YD (SS)	14-Nov-17	MEDICORE GROUP (PTY) LTD	R 199,500.00	CORPORATE SERVICES	COMPLETED
CHRIS HANI DISTRICT SPATIAL DEVELOPMENT FRAMEWORK 2018 - 2022	14/2017/ZS(NN)	10-Jan-18	TSHANI CONSULTING CC	R 343,653.00	IPED	NOT YET COMPLETED
CLUSTER 4 WATER SUPPLY ERADICATION PROJECT: MTHINGWEVU SCHEME	03/2016/MD(BL)	21-Dec-17	EAST OF EDEN TRADING 691 (PTY) LTD T/A MUSCON CIVILS	R 30,390,788.43	TECHNICAL SERVICES	NOT YET COMPLETED
UPGRADE OF TSOMO WASTE WATER TREATMENT WORKS: CIVIL MECHANICAL AND INSTRUMENTATION WORK	29/2016/MD (TN)	13-Dec-17	BICACON (PTY) LTD	R 86,055,521.51	TECHNICAL SERVICES	NOT YET COMPLETED
WATER BACKLOG IN CHDM-CLUSTER 1 -MHLANGA WATER SUPPLY	16/2015/MD (BL)	15-Jan-18	MAZANGWA	R 32,951,635.05	TECHNICAL SERVICES	NOT YET COMPLETED

FOR THE DEVELOPMENT OF CHRIS HANI DISTRICT MUNICIPALITY INTERGRATED HUMAN SETTLEMENTS SECTOR PLAN	25/2017/ZS (NM)	24-Jan-18	COMPLAN TOWN	R 706,800.00	IPED	NOT YET COMMNECED
DEVELOPMENT OF CHDM VISION 2030	13/2017/ZS(MP)	28-Feb-18	NKLN HOLDINGS (PTY)	R 682,632.00	IPED	NOT YET COMMNECED
PROVISION OF REFERENCE FOR REVITALIZATION, PLANNING AND SURVEY OF UMTHATHA ROAD (CALA TOWNSHIP FORMALIZATION)	29/2017/ZS(NN)	28-Feb-18	UMHLABA CONSULTING GROUP (PTY) LTD	R 331,220.00	IPED	NOT YET COMMNECED
FOR THE DEVELOPMENT OF CHRIS HANI DISTRICT MUNICIPALITY INTERGRATED HUMAN SETTLEMENTS SECTOR PLAN	33/2017/YS(VY)	28-Feb-18	GONDWANA ENVIROMENTAL SOLUTIONS INTERNATIONAL	R 392,103.00	MUNICIPAL HEALTH SERVICES	NOT YET COMMNECED
REQUEST FOR PROPOSAL TO DEVELOP A DISTRICT WIDE ENVIROMENTAL MANAGEMENT PLAN	34/2017/YS(QM)	28-Feb-18	IKAMVA CONSULTING	R 546,516.00	MUNICIPAL HEALTH SERVICES	NOT YET COMMNECED
SUPPLY AND DELIVERY OF EQUIPMENT'S FOR THE CHRIS HANI DISTRICT MUNICIPALITY	20/2017/ZS(MD)	28-Feb-18	DICLA TRAINING AND PROJECTS	R 357,217.86	IPED	NOT YET COMMNECED
SUPPLY LUCERNE EQUIPMENT'S FOR CHRIS HANI DISTRICT MUNICIPALITY	30/2017/ZS(MD)	28-Feb-18	KOMANI DISCOUNT CENTRE (PTY) Ltd t/a KDC TRADING	R 515,850.00	IPED	NOT YET COMMNECED
A DISTRICT WIDE SCIENTIFIC RISK ASSESSMENT OF THE CHDM, UPDATING OF THE DISASTER MANAGEMENT PLANS AND THE CHRIS HANI DISASTER MANAGEMENT POLICY FRAMEWORK	18/2017/YS™	28-Feb-18	DISASTER RISK MANAGEMENT PLAN (PTY) LTD	R 598,829.00	MUNICIPAL HEALTH SERVICES	NOT YET COMPLETED
APPOINTMENT OF CIVIL/STRYUCTURAL CONSULTING ENGINEERS FOR THE REPLACEMNT OF TEMPORAL SHELTERS BY PERMANENT STRUCTURES: CHRIS HANI EMERGENCY HOUSES	36/2015/BM(NM)	31-Jan-18	ELEMENT CONSULTING ENGINEERS	R 1,024,318.07	IPED	NOT YET COMPLETED
CONSTRUCTION OF CHRIS HANI DISTRICT MUNICIPALITY EMERGENCY HOUSES FOR EMALAHLENI LOCAL MUNICIPALITY	40/2015/BM (NM)	22-Mar-18	KZI CLEANING AND CATERING and PHURRAZ BUILDING CIVIL CONSTRUCTION	R 5,933,929.57	IPED	NOT YET COMPLETED
CONSTRUCTION OF CHRIS HANI DISTRICT MUNICIPALITY EMERGENCY HOUSES FOR NGCOBO LOCAL MUNICIPALITY	43/2015/BM (NM)	22-Mar-18	BNG CIVIL AND BUILDING, MAYOLI TRADING ENTERPRISE	R 19,661,557.20	IPED	NOT YET COMPLETED
CONSTRUCTION OF CHRIS HANI DISTRICT MUNICIPALITY EMERGENCY HOUSES FOR INTSIKA YETHU LOCAL MUNICIPALITY	52/2015/BM (NM)	22-Mar-18	LAMATU BUILDERS AND MABIJA BUILDING & CIVILS	R 7,746,607.00	IPED	NOT YET COMPLETED
CLUSTER 2 WATER BACKLOG RS2 PHASE 1: WATER SUPPLY TO ESIQIKINI, DLAKAVU, MKHONJANA, EQINENI AND ESIGXENI	35/2016/MD(TN)	8-Mar-18	CZAR CONSTRUCTION	R 44,120,423.80	TECHNICAL SERVICES	NOT YET COMPLETED

HOFMEYER UPGRADE OF WATER AND BULK SEWER SERVICES IN ELUXOLWENI	30/2016/MD(AM)	22-Mar-18	BATALALA CONSTRUCTION (PTY) LTD	R 11,855,720.59	TECHNICAL SERVICES	NOT YET COMPLETED
CALL FOR PROPOSALS FOR THE PROVISION OF BANKING SERVICES FOR CHRIS HANI DISTRICT MUNICIPALITY	36/2017/NF(ZD)	22-Mar-18	FIRST NATIONAL BANK	RATE BASED APPOINTMENT	BTO	NOT YET COMPLETED
DETERMINATION OF COST REFLECTIVE TARRIEFS FOR THE CHRIS HANI DISTRICT MUNICIPALITY	37/2017/NF(ZD)	22-Mar-18	JOAT CONSULTING (PTY) LTD	R 483,400.00	BTO	NOT YET COMPLETED
CLUSTER 8 WATER BACKLOG: RE - TENDER FOR LUNDA VILLAGE RETICULATION	03/2015/MD(TN)	22-Mar-18	AMLO TRADING	R 3,430,898.58	TECHNICAL SERVICES	NOT YET COMPLETED
CLUSTER 8 WATER BACKLOG: EMQONCI VILLAGE RETICULAION	08/2017/MD(TN)	22-Mar-18	IVIWE ENGINEERING SOLUTIONS	R 3,873,501.30	TECHNICAL SERVICES	NOT YET COMPLETED
CLUSTER 4 : LUBISI SUPPLY SCHEME : SPPLY , DELIVERY AND STORAGE OF COATED AND LINED STEEL PIPES FOR BULK WATER MAINS	09/2018MD(BN)	26-Jun-18	HALL LONGMORE INFRASTRUCTURE (PTY) LTD	R 26,348,144.59	TECHNICAL SERVICES	NOT YET COMPLETED
CLUSTER 4 WATER SUPPLY BACKLOG NCORA SCHEME : BULK SUPPLY AND RETICULATION FOR GASINI B (VUYISILE MINI)	03/2018/MD(TN)	26-Jun-18	CAPE KEI CONSTRUCTION	R 17,878,287.09	TECHNICAL SERVICES	NOT YET COMPLETED
CLUSTER 4: WATER SUPPLY BACKLOG NORTHEN SCHEME: PRIMARY MAINS AND 1.8ML RESERVOIR FROM SIKUNGWINI TO LADY FRERE AND UPPER NDONGA	10/2018/MD(BN)	26-Jun-18	DIPHATSE TRADING AND PROJECTS	R 61,220,548.72	TECHNICAL SERVICES	NOT YET COMPLETED
A TEAM/CONSORTIUM OF CONSULTANTS FOR THE PROVISION OF PROFESSIONAL SERVICES FROM WORK STAGE 5 INCORPORATING CONTRACT ADMINISTRATION & SUPERVISION TO WORK STAGE 6, COMPRISING OF PROJECT CLOSE OUT FOR THE CONSTRUCTION OF NEW CHRIS HANI VILLAGE OFFICE PARK INCLUDING THE DECANTING PLAN	38/2017/ZS(NM)	25-Jun-18	IMBONO CONSORTIUM	R 18,746,202.69	IPED	NOT YET COMMNECED
SUPPLY, DELIVERY AND INSTALLATION OF FOUR (4) SKID UNITS AT CHDM PREMISES	12/2018/YS(EB)	25-Jun-18	ALSSD CONSORTIUM TECHNOLOGY & GENERAL TRADING	R 394,280.80	FIRE	NOT YET COMMNECED
THE CUSTOMER SATISFACTION SURVEY FOR THE CHRIS HANI DISTRICT MUNICIPALITY	15/2018/BM(PL)	25-Jun-18	MALPRO TRADING (PTY) LTD / JV UBUNTU CARE & DEVELOPMENT ORGANISATION JV	R 1,039,217.00	CUSTOMER CARE	NOT YET COMMNECED

VERIFICATION AND UNBUILDING OF 2018/2018 AND 2018/2019 COMPLETED PROJECTS, COMPILATION OF INFRASTRUCTURE AND IMMOVABLE FIXED ASSET REGISTERS AND A REVIEW OF MOVABLE AND INTANGIBLE ASSET REGISTERS.	16/2018/NF(MJ)	25-Jun-18	SONDLO CHARTED ACCOUNTANTS INC. JV ZWANE FINANCIAL SOLUTIONS	R 1,943,067.60	BTO	NOT YET COMMNECED
POVISION OF RELIEF ITEMS DURING DISASTER FOR CHDM	18/2018/YS(ZY)	25-Jun-18	QUMANCO TRADING	RATE BASED APPOINTMENT	DISASTER	NOT YET COMMNECED
PROVISION OF SUPPORT SERVICES FOR THE CHRIS HANI DISTRICT MUNICIPALITY IN THE COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND THE AUDIT PROCESS FOR 2017/2018	01/2018/NF(AM)	10-Jul-18	PRICE WATERHOUSE COOPERS INC.	R 2,445,300.00	BTO	NOT YET COMMNECED
CLUSTER 4 WATER SUPPLY BACKLOG ERADICATION: UPPER MNXE PHASE 2 INTERIM WATER SUPPLY	02/2018/MD(BN)	10-Jul-18	AST AFRICA TRADING 99 CC T/A CAPE KEI CONSTRUCTION SERVICES	R 8,913,343.52	TECHNICAL SERVICES	NOT YET COMPLETED

APPENDIX K (i) – REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
R' 000						
Vote Description	Year -2017	Current: 2018			Year 0 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Example 1 - Vote 1	223,923,199	187,499,903	219,641,743	275,035,828		
Example 2 - Vote 2						
Example 3 - Vote 3						
Example 4 - Vote 4						
Example 5 - Vote 5						
Example 6 - Vote 6						
Example 7 - Vote 7						
Example 8 - Vote 8						
Example 9 - Vote 9						
Example 10 - Vote 10						
Example 11 - Vote 11						
Example 12 - Vote 12						
Example 13 - Vote 13						
Example 14 - Vote 14						
Example 15 - Vote 15						
Total Revenue by Vote	223,923	187,500	219,642	275,036	–	–
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3</i>						

T K.1

APPENDIX K (ii) – REVENUE COLLECTION PERFORMANCE BY SOURCE

Appendix K.2

Revenue Collection Performance by Source						
						R '000
Description	Year -2017	Year 2018			Year 0 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	–	–	–	–	0%	0%
Property rates - penalties & collection charges	–	–	–	–	0%	0%
Service Charges - electricity revenue	–	–	–	–	0%	0%
Service Charges - water revenue	174,291,107.00	151,560	168,466	221,807,577.00	32%	24%
Service Charges - sanitation revenue	49,453,692.00	35,940	51,176	53,070,183.00	32%	4%
Service Charges - refuse revenue	–	–	–	–	0%	0%
Service Charges - other	178,400.00	–	–	158,068.00	100%	100%
Rentals of facilities and equipment	–	–	–	–	0%	0%
Interest earned - external investments	34,139,833.00	33,154	33,154	27,268,026.00	-22%	-22%
Interest earned - outstanding debtors	–	103,234	6,471	11,355,471.00	-809%	43%
Dividends received	–	–	–	–	0%	0%
Fines	–	–	–	–	0%	0%
Licences and permits	–	–	–	–	0%	0%
Agency services	–	–	–	–	0%	0%
Transfers recognised - operational	532,895,960.00	629,804	632,036	549,167,000.00	-15%	-15%
Other revenue	5,297,400.00	85,502	85,184	4,864,940.00	-1658%	-1651%
Gains on disposal of PPE	891,155.00	200	200	–	0%	0%
Enviromental Protection	–	–	–	–	0%	0%
Total Revenue (excluding capital transfers and contributions)	797,148	1,039,393	976,686	867,691	-19.79%	-12.56%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						
						T K.2

APPENDIX L – CONDITIONAL GRANTS RECEIVED

Conditional Grants: excluding MIG R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget		Adjustments Budget
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
Other Specify:	-	-	-			
Regional Bulk Infrastructure-RBI	207 815	332 906	245 638	15%	-36%	
Municipal Water Infrastructure Grant		34 530	34 355	100%	-1%	
DHS Unblocking		30 000	18 900	100%	-59%	
Rural Road Asset Management Grant	3 097	3 097	1 266	-145%	-145%	
Water Services Infrastructure Grant	97 097	97 097	45 218	-115%	-115%	
Finance Management Grant	1 500	1 500	1 500	0%	0%	
Total	309 509	499 130	346 877	11%	-44%	
T L						

APPENDIX M (i) – CAPITAL EXPENDITURE: NEW ASSETS

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	–	298,634		277,392	–	–	–
Infrastructure: Road transport - Total	–	–		–	–	–	–
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	–	–		–	–	–	–
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	–	236,665	205,759	191,559	–	–	–
Dams & Reservoirs		11,786,968	11,786,968	11,646,849			
Water purification		72,868,165	57,766,802	56,967,735			
Reticulation		152,009,957	136,205,298	122,944,341			
Infrastructure: Sanitation - Total	–	61,969	88,806	85,833	–	–	–
Reticulation		61,968,844	88,805,821	85,832,706			
Sewerage purification							
Infrastructure: Other - Total	–	–		–	–	–	–
Waste Management							
Transportation							
Gas							
Other							
Community - Total	–	–		–	–	–	–
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							

Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							

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Capital Expenditure - New Assets Programme*							
							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<u>Capital expenditure by Asset Class</u>							
<u>Heritage assets - Total</u>	-	-		-	-	-	-
Buildings							
Other							
<u>Investment properties - Total</u>	-	-		-	-	-	-
Housing development							
Other							
-							
<u>Other assets</u>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<u>Agricultural assets</u>	-	-		-	-	-	-
List sub-class							

Biological assets							
<i>List sub-class</i>	-	-		-	-	-	-
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (<i>list sub-class</i>)							
Total Capital Expenditure on new assets	-	298,634		277,392	-	-	-
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)							T M.1

Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	Year -1	Year 0		Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport -Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							

<i>Sewerage purification</i>							
Infrastructure: Other - Total	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
Community	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	-	-		-	-	-	-
Buildings							
Other							

Table continued next page

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Capital Expenditure - Upgrade/Renewal Programme*

R '000

Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	-		-	-	-	-
General vehicles							
Specialised vehicles							

Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<u>Agricultural assets</u>	–	–		–	–	–	–
<i>List sub-class</i>							
<u>Biological assets</u>	–	–		–	–	–	–
<i>List sub-class</i>							
<u>Intangibles</u>	–	–		–	–	–	–
Computers - software & programming							
Other (<i>list sub-class</i>)							
Total Capital Expenditure on renewal of existing assets	–	–		–	–	–	–
<u>Specialised vehicles</u>	–	–		–	–	–	–
Refuse							
Fire							
Conservancy							
Ambulances							
<i>* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)</i>							<i>T M.2</i>

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 0	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Cala Waste Water Treatment works	25,109,876	25,658,203	25,658,203	-2%	-2%
Custer 8 Tora Water Treatment Works	23,355,457	19,625,405	19,625,405	16%	16%
Cluster 6 Sitholeni Water Treatment Works	71,972,526	42,896,881	42,896,881	40%	40%
Cluster 6 Gqaga Rising Main West	19,113,036	19,078,935	19,078,935	0%	0%
Cluster 9 Water Backlog	62,684,787	57,375,047	57,375,047	8%	8%
* Projects with the highest capital expenditure in Year 0					
Name of Project - A	Cala Waste Water Treatment works				
Objective of Project	Provide waste water treatment plant treat sewerage of Cala town				
Delays	Contractor performance				
Future Challenges	Project to be retendered increase in cost to complete project				
Anticipated citizen benefits	Cala town				
Name of Project - B	Cluster 8 Tora water treatment works				
Objective of Project	Provide quality treated water to provide community of cluster 8 in long term				
Delays	Delays was the appointment smme contractor				
Future Challenges	Funding to services the communities short to meduim term				
Anticipated citizen benefits	2756 households to benefit in longterm on completion full scope of project				
Name of Project - C	Cluster 6 Sitholeni Water treatment works				
Objective of Project	Provide quality treated water to provide community of cluster 6 in long term				
Delays	Weather delays, extension additional work				
Future Challenges	Funding to services the outline communities				
Anticipated citizen benefits	7821 people will benefit on completion of full scope of work				
Name of Project - D	Cluster 6 Gqaga rising main west				
Objective of Project	Provide bulk supply to communities				
Delays	Weather delays, extension additional work				
Future Challenges	Funding to further extend the network				
Anticipated citizen benefits	4791people will benefit on completion of full scope of work				
Name of Project - E	Cluster 9 Water Backlog				

Objective of Project	Provide treated quality water to communities to Cluster 9, tsomo town, Cluster 8 ADM cross border villages
Delays	Contract performance in terms completing project timeously
Future Challenges	Securing additional funds to complete overall project
Anticipated citizen benefits	13013 households on completion of full scope of project

VOLUME II: ANNUAL FINANCIAL STATEMENTS

CHRIS HANI DISTRICT MUNICIPALITY

Consolidated Annual Financial Statements for the year ended 30 June 2017

Notes to the Consolidated Annual Financial Statements