



2021/22

FINAL ANNUAL REPORT

1. VISION

A model municipality in partnership with its community through excellent service delivery, local economic development and public participation.

2. MISSION

Building a caring, responsive, accountable and economic viable municipality.

3. VALUES

In implementing the above, the Amahlathi Municipality subscribes to the following values

- ♦ Team work
- ♦ Trust
- ♦ Honesty
- ♦ Responsibility
- ♦ Dedication
- ♦ Value and acknowledgement of the individual.
- ♦ Integrity
- ♦ Work Ethics.
- ♦ Transparent and Clean Government.
- ♦ Tolerance
- ♦ Understanding
- ♦ Good Leadership.
- ♦ Accountability
- ♦ Value for Money
- ♦ Efficiency and Affordability
- ♦ Developmental Local Government striving for effectiveness and Performance.

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ACRONYMS

IDP- Integrated Development Plan
PDP- Provincial Development Plan
SCM- Supply Chain Management
MIG- Municipal Infrastructure Grant
SDBIP- Service Delivery & Budget Implementation Plan
MRM- Moral Regeneration Movement
MPAC -Municipal Public Accounts Committee
FMG- Finance Municipal Grant
MSIG- Municipal Systems Improvement Grant
LLF- Local Labour Forum
MM- Municipal Manager
CFO- Chief Finance Officer
MTREF- Medium Term Revenue Expenditure Framework
GRAP- General Recognised Accounting Practise
SANRAL- South African National Road Agency Limited
SALGA- South African Local Government Association
ADM- Amathole District Municipality
NER- National Electricity Regulations
SMMEs- Small Medium and Micro Enterprises
HR- Human Resource
OHS- Occupational Health and Safety
MFMA- Municipal Finance Management Act
CCLR- Councillor
PR CLLR- Proportional Representative Councillor
PMS- Performance Management System
IGR- Intergovernmental Relations
DCF- District Communicators Forum (DCF)

DEDEAT- Department of Economic Development Environmental Affairs and Tourism

DRDAR- Department of Rural Development and Agrarian Reform

NGO- Non- Governmental Organisations

AFS- Annual Financial Statements

CIPC- Companies & Intellectual Property Commission

KPI- Key Performance Indicator

KPA- Key Performance Area

TCS- Traffic Contravention System

DPSA- Department of Public Services and Administration

VAT- Value Added Tax

AOPO- Audit of Predetermined Objectives

MTEF- Medium Term Expenditure Framework

SMART - Specific Measurable Assignable Realistic Time-related

HODs- Head of Departments (HO-Ds)

ICT- Information Communication Technology

PPE- Property Plant & Equipment

FAR- Fixed Asset Register

AC- Audit Committee

MPRA- Municipal Property Rates Acts

AG- Auditor General

FY- Financial Year

COGTA- Cooperative Governance and Tradition Affairs

KKH- Keiskammahoek

SLA- Service Level Agreement

DR- Disaster Recovery

IT- Information Technology

MEC- Member of Executive Council

Q1- Quarter 1

Q2- Quarter 2

Q3- Quarter 3

Q4- Quarter 4

AO- Accounting Officer

IA- Internal Audit

PPP- Private Public Partnership

N/A- Not Applicable

ALM- Amahlathi Local Municipality

EPWP- Extended Public Work Programme

GSFPA- Greater Stutterheim Fire Protection Association

UIF- Unemployment Insurance Fund

CA- Chartered Accountant

SA- South Africa

SPU- Special Programs Unit

LTO- Local Tourism Organisation

CTO- Community Tourism Organisation

LED- Local Economic Development

SALGBC- South African local Government Bargaining Council

CWP- Community Works Programme

MCCP- Mlungisi Community Commercial Park

DSRAC- Department of Sport Recreation Arts and Culture

EAP- Employment Awareness Programme

HRD- Human Resource Development

YTD- Year to Date

EEP- Employment Equity Plan

WSP- Workplace Skills Plan

LGSETA- Local Government Sector Education Training Authority

NERSA- National Energy Regulation South Africa

BTO- Budget and Treasury Office

MVR- Motor Vehicle Registration

SDI- Service Delivery and Infrastructure Development

MFV- Municipal Financial Viability

MTI- Municipal Transformation and Institutional Development

GGP- Good Governance and Public Participation

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

MAYOR'S FOREWORD

We are almost 22 years since the amalgamation which established Amahlathi Municipality with its esteemed natural beauty featuring the Amathole Mountain Range with its natural forests and planted timber, the friendly N6 and the palatable Dohne Sourveld. The year 2021/22 also inherited conditions created by COVID19 economic woes which had a negative impact on our people's livelihoods and as such lowered our revenue base. In the financial year 2021/22 serving 15 wards with a lower revenue base proved both our political and administrative leadership to be capable. We had no choice but to use resources efficiently in all our service delivery endeavours. I am glad to announce that we registered no new irregular expenditure in the financial year. We did incur penalties from some of our creditors owing to our cash flow problems. To avert the situation for the upcoming year the council approved an extensive Revenue Enhancement Strategy which is implemented.



Once again this year we invested our efforts at improving both financial and performance oversight which translated into better financial controls by administration and performance monitoring by the Executive Committee. These improvements will establish a good foundation for an increased socio-economic emancipation to obviate the economic scourge of COVID-19 pandemic and thus unlock potential of our natural resource base such as forestry, agriculture and manufacturing. The council is committed to ensure a more conducive environment for business so that more jobs can be created.

The constitution of the republic establishes local government as the sphere of government that should provide a democratic and accountable government for local communities. As the sphere of government accountable to its people, Amahlathi Municipality will always be evaluated on its ability to meet the growing needs of its people through rendering quality services, promoting economic development, fiscal discipline, ensuring that it governs effectively and facilitating the growth of the municipality.

The Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA) commands Amahlathi Municipality to prepare an annual report for each financial year. Section 127(2) of the Act, requires that the Mayor, within seven months after the end of a financial year, to table in the municipal council the annual report of the municipality. It is against this legislative requirement that the Amahlathi Municipality has prepared this document. The Annual Report is an account of how the municipality has taken up the challenge to grow the Amahlathi area, effectively engage the community and develop partnerships with the business sector. Section 46(1) of the Municipal Systems Act (MSA) requires municipalities to prepare a performance report for each financial year, setting out the performance of the municipality and its external service providers. The report should measure current performance against targets and performance in the previous financial year and outline measures to improve performance in the year ahead. The annual performance report must form part of the annual financial report.

It is therefore my pleasure to present this Annual Report of Amahlathi Municipality for the period of 2021/22 to Council, the people of Amahlathi, the National and Provincial Treasury, the Local Government, Auditor General and other stakeholders.

Whilst the role of the Office of the Mayor is established to provide political guidance and ensuring that governance structures exist and are functional, it is also the legislative requirement enshrined in the Municipal Finance Management Act that I present this report to all Amahlathi Municipality stakeholders.

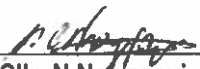
The municipality has managed against many challenges to render basic services to improve the lives of its communities even though everything done was against the backdrop of limited financial resources to fund various projects. The municipality appreciates the strides it has made to address the needs and aspirations of its communities and recognises that there is even more that still remains to be done.

Our role and responsibility as Amahlathi Municipal Council is to implement projects that have been budgeted for and translated into a Service Delivery and Budget Implementation Plan. It is in this regard that the Office of the Mayor applauds the dedication displayed to accomplish this good work when challenges mounted this high and yet production was possible.

Amahlathi Municipality is determined to achieve its strategic objectives through partnership with communities in addressing the basic services as outlined in its Integrated Development Plan (IDP). It is also important to mention that the municipality has aligned its planning to the Provincial Development Plan (PDP), through the development of targets that focuses on addressing goals identified in the PDP. This is done in order to ensure contribution to provincial vision of flourishing people in a thriving province by 2030.

I would like to thank the community of Amahlathi for continuously believing in the municipality, participating in the programmes, their willingness to be part of the collective. I would also like to extend my gratitude to my fellow Councillors, the Audit Committee, Senior Management and staff for their undivided commitment to collectively participate in Municipality's developmental Agenda. My sincere gratitude also goes to the MEC of COGTA Hon Xolile Nqatha and the Executive Mayor of ADM for their unwavering support provided to the Amahlathi Municipality. This year has proved to be a challenging one and thanks to those challenges because they have laid a good foundation for what must be done in the coming financial year. Going forward the council in solid partnership with its community must take a centre stage in developing a deliberate programme which must yield sound service delivery praxis to service all its people and stakeholders. Better service delivery is directly associated with a motivated work force. The aim is to brand Amahlathi as the employer of choice and a model agent of radical socio-economic transformation.

Thank you.


Cllr. N Nongqayi
Her Worship, the Mayor
Amahlathi Municipality

B: STATEMENT OF THE MUNICIPAL MANAGER

This Annual Report captures Amahlathi Local Municipality's strategic focus, provides an overview on its performance and sets out Council's financial position for the 2021/2022 financial year. The report also outlines the details of the various programmes managed by the Directorates of Amahlathi Local Municipality and how the municipality has performed towards meeting the set targets. The municipality firmly believe that it is on track towards meeting the growth and its set development targets although this year's challenges impacted negatively on the overall performance of the Municipality.

The Amahlathi Local Municipality consisted of five directors who reported to the Municipal Manager. The year commenced with all section 56 positions filled. During the year the director of Community Services was suspended while director of Development and Town Planning resigned. The ADM assisted the municipality by seconding Ms Andiswa Nohloza to act as director Community Services. Mr. Bukubukwana who is director Engineering Services was requested to care take the Development and Planning directorate.

As we present the annual report for the 2021/22 financial year, I confirm that the report has been compiled in line with the Local Government: Municipal Systems Act 32 of 2000 as amended, the Local Government: Municipal Finance Management Act 56 of 2003, Municipal Budget and Reporting Regulations as well as National Treasury Circular No. 63 that outlines Annual Report Guidelines.

These are the five top risks that were identified by the municipality and priorities below were set to address such risks.

- Lack of access to households and amenities
- Distribution losses on electricity
- Slow revenue collection.
- Non-adherence to SCM policies, procedures and regulations
- Slow spending on MIG

The key priority areas of the institution during the year under review find their expression in the Integrated Development Plan, Budget and Service Delivery and Budget Implementation Plan and include the following:

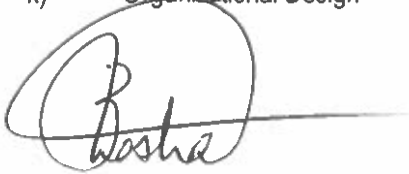
- a) Performance management
- b) Expanded Public Works Programme
- c) Provision of basic services to communities
- d) Meeting of statutory timelines and reporting frameworks.
- e) Development, review and approval of municipal policies.
- f) Enhance public participation programme
- g) Deal with administrative matters that will ensure the smooth induction of Council.

In the 2021/22 financial year, the following areas received priority

- a) Institutionalisation of outcomes approach
- b) Accelerating and improving access to basic services
- c) Internal implementation of infrastructure projects using internal plants

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- d) Continuing to review and improving financial systems and procedures.
- e) Address issues emanating from the Auditor-General's report for 2020/21 financial year.
- f) Development of municipal by-laws
- g) Public safety and law enforcement
- h) Improving reporting, monitoring and evaluation
- i) Capacitation of councillors and municipal employees.
- j) Revenue Enhancement
- k) Organizational Design

A handwritten signature in black ink, appearing to read 'Dr. Shasha', is written over a horizontal line. The signature is stylized and cursive.

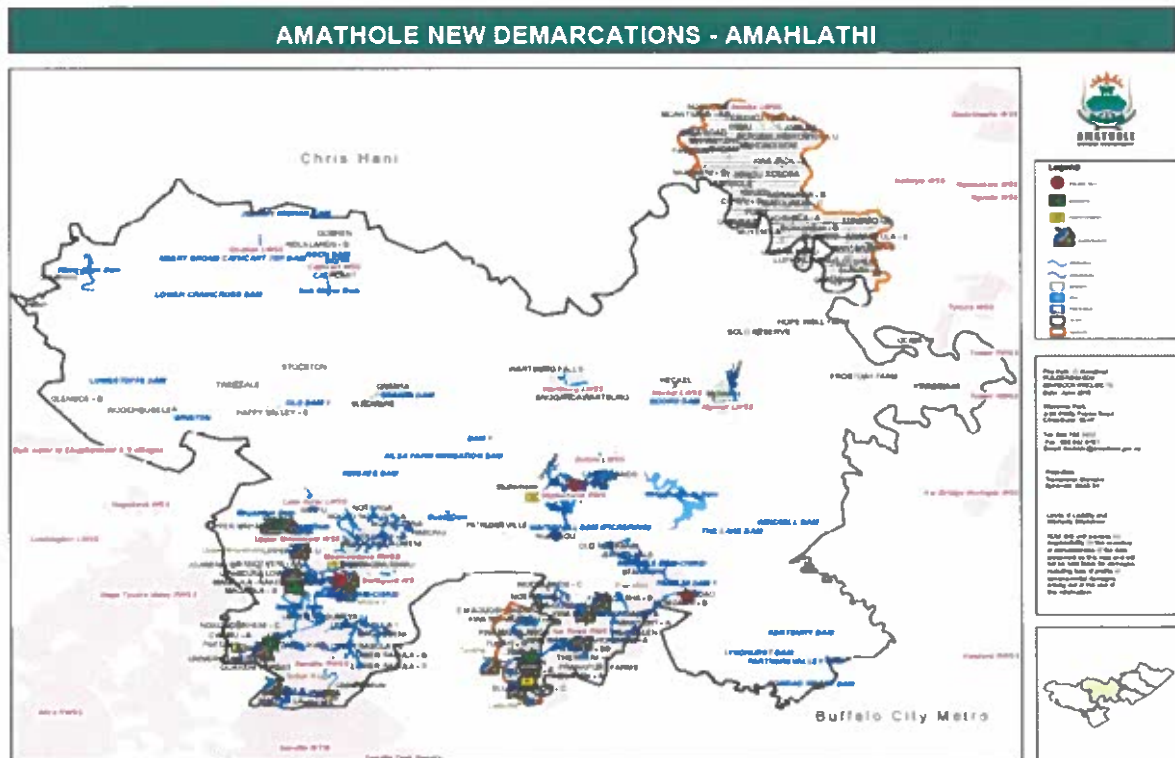
**MUNICIPAL MANAGER
DR Z. SHASHA**

C: EXECUTIVE SUMMARY

1.1 Municipal Manager's overview

Amahlathi Local Municipality is situated in the Northern part of the Amathole District Municipality, and it is 4266.21 km² in extent, the municipality's jurisdiction comprises of Stutterheim, Cathcart, Keiskammahoek and Kei Road. Strategically placed both Stutterheim and Cathcart are located along the N6 road with access to the rail and road network. Keiskammahoek is the agricultural hub with a majority of the population active within the agricultural sector. The main municipal offices are situated in Stutterheim, there are satellite offices in Cathcart, Kei road and Keiskammahoek.

The Amahlathi Local Municipal area is comprised of 15 Wards and is characterised by a range of settlement patterns and associated land uses, including formal urban areas, formal and informal rural settlement areas and extensive, privately owned farmland. The Intsika Yethu Municipality lies to the north-west, the Lukhanji Municipality lies to the north, the Mquma and Great Kei Municipalities lie to the east, the Buffalo City Metro to the south, and the Raymond Mhlaba Municipality lies to the west.



1.2 Population & Household dynamics

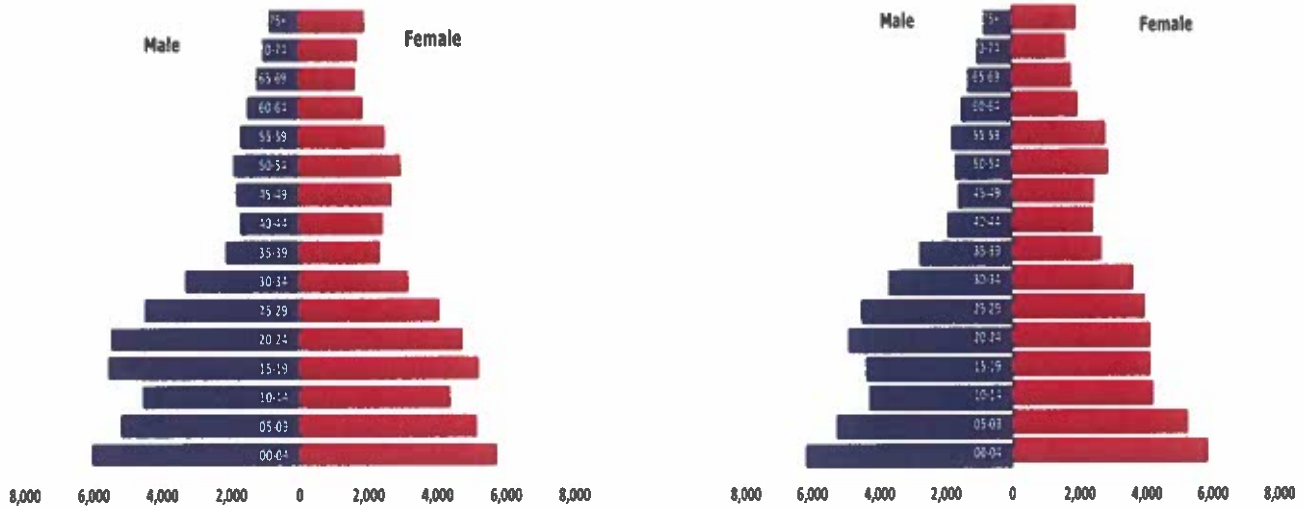
The population of Amahlathi has decreased from 122 778 to 101 826 based on the new boundaries as per the 2016 Community survey done by Statistics SA, this came as a result of the number of wards that have been reduced from 20 to 15 by the Demarcation board. The 2016 Community Survey also shows a decrease in the households from 34 159 to 29 994 households. The population is unevenly distributed among the 15 wards.

Age and Gender Distribution

- i. The gender distribution analysis of Amahlathi population reflects a similar pattern to that of the country with females accounting for 51.75% and males only 48.25%. Since females form the greater portion of the economically active population age groups 15 to 64 years, it will be strategic for the municipality to increase their participation in local governance issues.
- ii. The population pyramids below provide a breakdown of the population estimates in the municipality by age, group and gender for 2011 and makes a comparison with 2016 population estimates. The population of the municipality shows a typical age structure of a very young population distribution. The economically active population (15-64) who are willing and able to work account for 60%. Those in the age group 15-34 account 31% however by 2016, the structure changed and the population in those age cohorts grew to 60.6% and those in the 15-34 age cohort declined to 29.1%. The decline in the youth category could indicate the out-migration impact where the youth would typically seek better working and living conditions elsewhere in the region.

Population pyramid 2011

Population pyramid 2016



1.3 Household Income distribution

The ability to meet basic needs, such as for adequate food, clothing, shelter and basic amenities, is largely determined by the level of income earned by the households.

61.4% of households in Amahlathi earn between R30, 000 to R72, 000 per annum. The households with the highest income brackets falls between R30,000 – R42,000 and R18,000 – R30,000 accounting for about 18.9% and 17.0% of households respectively. In 2016, there was a significant shift in the income breakdown where certain income brackets grew while others declined. Households in the income categories of R0 to R4, 200 experienced a cumulative decline of about 18% while significant increases in the categories of R42, 000 upwards were experienced increase with those between R72, 000 to R132, 000.

1.4 Access to basic services

According to data below as presented by Statistics South Africa in their 2016 Community Survey, over 80% of households in the past 15 years have access to water and electricity. However during the two periods, access to water declined slightly although at high levels while significant increase in the provision of electricity was observed as more than 90% of households in the municipality. Access to electricity is reliant on infrastructure above ground with cables that are able to cover significant land area compared to services that are provided by infrastructure underground.

Toilet facilities remain at low levels. Challenges in providing sanitation services in most municipalities include in-ground factors and the soil type. The service is influenced also by the type of infrastructure the municipality should provide taking into consideration the topography of the municipality in terms of identifying of landmark features and vegetative land cover.

With regards to access to refuse removal much focus is required as levels are low and declining which is indication of high backlog levels. This could likely be a result of the sparsely distributed households including the access to the various wards in the municipality for the collection of the refuse. The high levels of refuse removal to a communal service indicates refuse being disposed in a central place by households as opposed to removal by the municipality or a service provider.

Table: Access to service delivery

Access to Basic Infrastructure	2011		2016	
	Households	% of households with access	Households	% of households with access
Main source of drinking water				
A Access to piped water	26 269	92.0%	22 041	89.7%
No access to piped water	2 278	8%	2 535	10.3%
Access to Sanitation				
Flush Toilets	7 640	27.5%	6 040	24.6%
Chemicals	415	1.5%	1512	6.2%
Pit Toilets	18 263	65.7%	15 235	62.0%
Buckets	67	0.2%	48	0.2%
None	1403	5.0%	1 460	5.9%
Energy for lightning				
Electricity	24 919	87.4%	22 610	92.7%
Other	3 590	12.6%	1 781	7.3%
Energy for Cooking				
Electricity	20 577	72.3%	20 840	85.9%
Other	7 880	27.7%	3 429	14.1%
Access to refuse removal				
Removed by local authority at least once a week	7 113	24.9%	3 438	14.0%
Removed by local authority less often	96	0.3%	256	1.0%
Communal refuse dump	316	1.1%	2 637	10.7%
Own refuse damp	19 789	69.3%	17 323	70.5%
No rubbish disposal	1 150	4.0%	231	0.9%

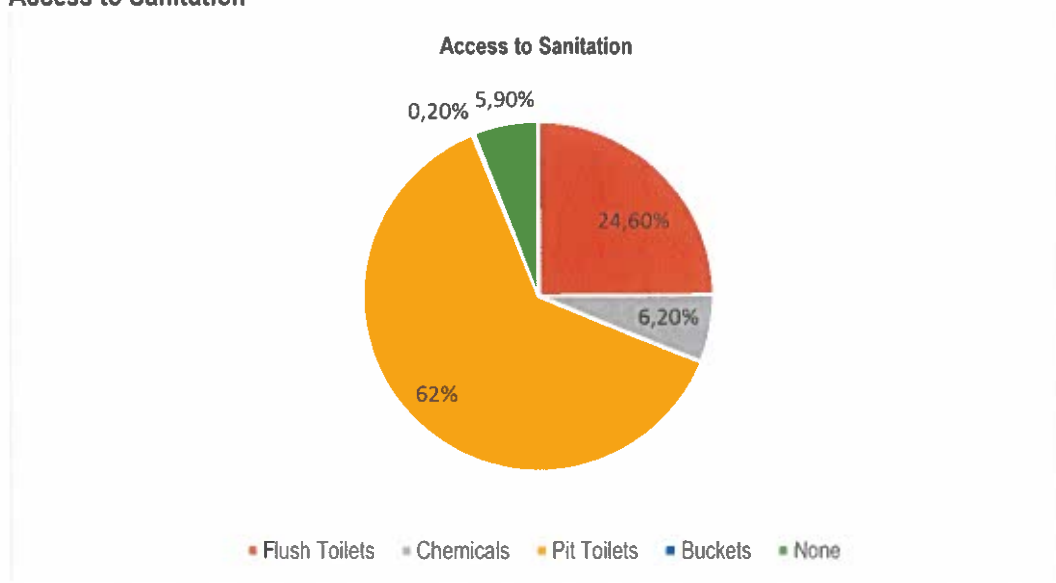
Source: Stats SA Community Survey 2016, own calculations

According to Community Survey 2016 about 89.7% of the households in Amahlathi area access water from regional/ local water scheme operated by the municipality or other water service provider and only 10.3% that does not have access to piped water.

Electricity – 2016 Community Survey as per the table above indicates that 92.7% of households at Amahlathi uses electricity for lighting compared to 87.4% calculated in the Census 2011 meaning there is a great improvement of about 5.3%.

Refuse removal - The statistics above indicate that about 70.5% of Amahlathi households uses their own refuse dump as compared to 69.32% in 2011 and only 14.0% that have access to refuse removal at least weekly. This shows that there is still huge backlog on refuse removal.

Access to Sanitation



Source: Community Survey 2016

Sanitation - Community Survey 2016 indicates that 62 % of Amahlathi households still use pit toilets ventilation, 24.6 % use flush toilets with sewerage system, 5.9 % do not have any toilets, and 6.2% uses chemical toilets and only 0.2% uses bucket system. The statistics merely indicates there's a great need for flush toilets with sewerage system in Amahlathi.

1.5 Financial Overview

Financial Overview: Year 2021/22			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants (excluding Capital)	121 545	125 751	121 776
Taxes, Levies and tariffs	75 985	75 985	76 655
Other	24 672	21 509	41 148
Sub Total	222 202	223 245	239 579
Less: Expenditure	227 188	231 027	236 287
Net Total*	(4 986)	(7 782)	3 292
* Note: surplus/(deficit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	53%
Repairs & Maintenance	1%
Finance Charges & Depreciation	11%
	T
	1.4.3

Total Capital Expenditure: Year -2019/20 to Year 2021/22			
			R'000
Detail	Year 2019/20	Year 2020/21	Year 2021/22
Original Budget	43 732 050,00	32 016 460,00	31 130 100,00
Adjustment Budget	43 932 050,00	52 729 226,00	39 667 600,00
Actual	13 649 432,32	48 808 402,00	27 192 520,00
			T 1.4.4

1.6 Auditor General Report 2021/22 Financial Year

The first half of the financial year was an audit period, where Auditor General conducted audits on both finance and performance information.

The municipality received an unqualified audit opinion with improvements on the matters of emphasis on Financial Statements and received Disclaimer on Performance management which is a regression compared to previous financial years. Following are some of matters of emphasis raised by AG;

1. **Material uncertainty relating to going concern-** the municipality inability to pay creditors within due dates, negative key financial ratio, and net current liability was realised. These events or conditions along with other matters as set out in note 44 indicate that material uncertainty exists and may cast significant doubt on the entity's ability to continue as a going concern
2. **Material impairments consumer debtors** - As disclosed in note 31 to the financial statements, material impairments for consumer debtors and other debtors of R7.5 million (2021: R26.5, million) were incurred.
 - **Material electricity distribution losses-** As disclosed in note 49 to the financial statements, material electricity losses of R15.3 million (2021: R11.7 million) was incurred, which represents 34.5% (2020: 34.2%) of total electricity purchased. The losses are attributed to normal losses and illegal connections.

A detailed report on the AG's findings is attached as part of Annual report for 2021/2022 financial period

1.7 Statutory Annual Report Process

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year Annual Report to Internal Audit and Auditor-General	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the	

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	Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	January

CHAPTER 2: GOVERNANCE

COMPONENT A. POLITICAL AND ADMINISTRATIVE GOVERNANCE

Institutional Structure of Amahlathi Local Municipality

The institutional Structure of Amahlathi Local Municipality is divided into two levels, the Political and Administrative Structures. The Administrative Structure is accountable to the Political Structure.

2.1. Political Structure of Amahlathi Local Municipality

The Principal ship of Amahlathi Local Municipality lies with the Council with the Executive Committee as its primary committee to facilitate service delivery. The Mayor is the chairperson of the Executive Committee while Speaker is the chairperson of the Council. Chief Whip chairs the committee of Whips. The mayor is the political head of the municipality vested with powers to set out priorities over the financial affairs of the municipality in terms of Chapter 7 of the Municipal Finance Management Act.



Cllr N Nongqayi (Mayor)



Cllr N Mlahleki (Speaker)



Cllr P Qaba (Chief Whip)

LISTED BELOW ARE THE COMMITTEES THAT ASSIST COUNCIL IN CARRYING OUT ITS RESPONSIBILITIES:-

i. Executive Committee.

The Mayor of Amahlathi Local Municipality, **Honourable Cllr. N Nongqayi**, assisted by the Executive Committee, heads the executive arm of the Municipality. The Mayor is at the centre of the system of governance, since powers are vested in her to manage the day-to-day affairs. This means that she has an overarching strategic and political responsibility.

The executive committee consists of the Council members (chairperson of each standing committee) listed below and the heads of departments. Meetings are convened monthly but special meetings are convened when the need arises.

No.	Names
1.	Cllr Nomakhosazana Nongqayi
2.	Cllr Xola Tokwe
3.	Cllr Phatheka Qaba
4.	Cllr Nobathembu Kato-Manyika
5.	Cllr Busisa Xongwana
6.	Cllr Thamsanqa Balindlela

iii. Municipal Public Accounts Committee (MPAC).

The Municipal Public Accounts Committee is established to assist Council to fulfil its mandate of overseeing the Executive and the Administration.

The committee sits quarterly but special meetings are convened when the need arises. The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality. Below is the list of the members of the committee;

No.	Names
1.	Cllr Zukisa Qonto
2.	Cllr Xoliswa Neti
3.	Cllr Masixole Gantsho
4.	Cllr Phathuxolo Able Simandla

iv. Standing Committees

In terms of Section 80 of the Municipal Structures Act, 1998, if a council has an executive committee; it may appoint in terms of section 79 committees of councillors to assist the executive committee or the mayor.

Section 79 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council. The meetings are held monthly meaning 12 sittings per year.

The portfolio committee members together with their Chairpersons are as follow:

a. Infrastructure Service delivery Committee

No.	Names
1.	Cllr X.Tokwe - Chairperson
2.	Cllr N. Nyangwa
3.	Cllr N. Ncevu
4.	Cllr N. Mbulawa
5.	Cllr R.B. Pickering
6.	Cllr M. Nqini

b. Corporate Services Committee

No.	Names
1.	Cllr P. Qaba
2.	Cllr M.E. Maweni
3.	Cllr N.C. Mkiva
4.	Cllr M. Neku
5.	Cllr P.N. Onceya-Sauti
6.	Cllr N. Ngxakangxaka

c. Community Services Committee

No.	Names
1.	Cllr T. Balindlela – Chairperson
2.	Cllr A. Hobo
3.	Cllr N.Z. Klaas
4.	Cllr N.O. Sidinana
5.	Cllr M. Nqini
6.	Cllr N.V. Mjandana

d. Planning and Development Committee

No.	Names
1.	Cllr B. Xongwana - Chairperson
2.	Cllr N. Ngxakangxaka
3.	Cllr M. Busakwe
4.	Cllr M.E. Maweni
5.	Cllr. Z.A. Qonto
6.	Cllr. N. Salaze

e Budget and Treasury Committee

No.	Names
1.	Cllr N. Kato-Manyika Chairperson
2.	Cllr N. Ncevu
3.	Cllr N. Mbulawa
4.	Cllr N.nyangwa
5.	Cllr R.B. Pickering
6.	Cllr M. Busakwe

v. **Other Committees****Whips Committee**

No.	Names
1.	Cllr Moslina Ngini
2.	Cllr Agnes Hobo
3.	Cllr Nosipho Cynthia Mkiva
4.	Cllr Nonkanyiso Charlie
5.	Cllr Ntombizonke Vivian Mjandanda
6.	Cllr Neliswa Mbulawa
7.	Cllr Ndileka Ngxakangxaka
8.	Cllr Zamuxolo Emmanuel Mfulana

Rules, Ethics and Integrity Committee

No.	Names
1.	Cllr Agnes Hobo
2.	Cllr Ngenamazizi Orsmond Sidinana
3.	Cllr Mbeko Neku
4.	Cllr Nonkanyiso Charlie
5.	Cllr Ntombizonke Vivian Mjandana

Vi Other Committees**Local Labour Forum Committee**

The Local Labour Forum is a consultative structure that only takes decision within its powers and functions. The main collective agreement confers to the Local Labour Forum powers and functions of negotiating and or consulting among other things;

- On matters of mutual concern pertaining to the employer which do not form the subject matter of negotiations at the council or Division
- On such matters as may from time to time be referred to such forum by the Council or its division.
- Concluding of minimum service level agreement

The Local Labour Forum is established with equal representation from trade unions and the employer with the trade union's representation divided in proportion to their respective membership. In the year (21/22) under review the Local Labour Forum was functional. 4 LLF meetings were held as follows:

No.	Dates of Local Labour Forum
1.	12 August 2021
2.	18 November 2021
3.	11 March 2022
4.	08 June 2022

a. COMPOSITION OF LOCAL LABOUR FORUM COMMITTEE

No.	Names
1.	Cllr. N.P Mlahleki – LLF Chairperson
2.	Cllr. L. Sidinana
3.	Cllr. N. Manyika
4.	Cllr. R. Pickering
5.	Mr. L. Manjingolo
6.	Ms. N. Nqulo
7.	Ms. R. Bukubukwana
8.	Mr. V. Msindwana – Labour Relations Officer
9.	Ms. T. Magwangqana -SAMWU Rep
10.	Mr. L. Nkongo -SAMWU Rep
11.	Mr. X. Roji-SAMWU Rep
12.	Mr. Bacu - SAMWU Rep
13.	Mr. V.Bambatha – SAMWU Rep
14.	Ms. A. Matiwane- SAMWU Rep
15.	Mr. Z. Mkosi- SAMWU Rep
17.	Mr. X. Njaba – Admin Officer

b. Audit and Performance Committee

The function of the Audit and Performance Committee is primarily to assist the Municipality in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of financial reports and statements. The Audit and Performance Committee had 4 members listed below and should meet 4 times per annum as per its approved terms of reference.

NUMBER	SURNAME AND INITIAL	QUALIFICATION
1.	Smith L - AC Chairperson	CA (SA), Registered Auditor
2.	Mdani M - AC Member	Master of Business Administration

		Post Graduate Diploma Management B.Tech HRM National Diploma in HRM
3.	M. Manxiwa - AC Member	Attorney (Registered with Legal Practice Council) Bachelor of Law Corporate Law Certificate
4.	N. Hermanus-Mabuza - AC Member	Professional Internal Auditor (PIA) – (IIA) Masters in Business Administration Certificate: Advanced Business Program National Diploma: Internal Auditing Certificate: Information System Computer Auditing Accredited: Internal Quality Assurance Review (IIA)

The Audit Committee had the following meetings during the year:

Ordinary Meetings
28 July 2021
03 August 2021
25 August 2021
23 December 2021
24 January 2022
24 May 2022

c. Training and Employment Equity Committee

In terms of the regulations to the Skills Development Act, every organisation with more than 50 employees must establish an institutional forum (Training & Employment Equity Committee) for purposes of consultation with regards to skills development. The Training & Employment Equity Committee consists of the following Councillors and Officials and it sit bi-monthly. In the year (2021/22) under review the Training and Employment Equity Committee was functional and meetings were held as follows:

No.	Dates of Training & Employment Equity
1.	02 August 2022
2.	02 March 2021
3.	21 April 2021

4.	14 May 2021
5.	24 June 2021
6.	06 June 2021

d. COMPOSITION OF TRAINING AND EMPLOYMENT EQUITY COMMITTEE

No.	Names
1.	Cllr. P. Qaba – TEEC Chairperson
2.	Cllr. N. Ngxakangxaka
3.	Cllr. NC. Mkiva
4.	Cllr. NA. Kato-Manyika
5.	Cllr. MA. Bukakwe
6.	Mr. Basil Mase: Municipal Manager -
7.	Mr. L. Manjingolo – Chief Financial Officer
8.	Ms. N. Nqulo – Director: Corporate Services
9.	Manager: Human Resources Development
11.	Skills Development Facilitator/Training Coordinator
12.	Occupational Levels: Representatives: <ul style="list-style-type: none"> - Senior Management - Professionally qualified & experienced Specialists & Middle Management - Skills -technical - Semi-skilled - Unskilled
13.	• Imatu Representative
14.	• Samwu Representative
15.	• Non Union member representative
16.	Mr. X. Njaba – Admin Officer/Secretary

2.2 Administrative Structure of Amahlathi Municipality

The Municipal Manager is the head of administration. Directors as heads of departments report directly to the Municipal Manager while the Municipal Manager accounts to the Mayor and Council.



MR. BASIL MASE
ACTING MUNICIPAL MANAGER



Mr Lubabalo Manjingolo –(CFO)



Mr. Mfundo Bukubukwana – Engineering



Ms Nozuko Nqulo – Corporate Service



Ms Andiswa Noholoza – Community Services



VACANT

DIRECTOR DEVELOPMENT AND PLANNING

ROLES AND RESPONSIBILITIES OF DIRECTORATES

Role of the Chief Financial Officer:

- Is administratively in charge of the budget and treasury office.
- Must advise the accounting officer on the exercise of powers and duties assigned to the accounting officer in terms of this Act.
- Must assist the accounting officer in the administration of the municipality's bank accounts and in the preparation and implementation of the municipality's budget.
- Must advise senior managers and other senior officials in the exercise of powers and duties assigned to them in terms of section 78 or delegated to them in terms of section 79.
- Must perform budgeting, accounting, analysis, financial reporting, cash management, debt management and supply chain management.
- Financial management, review and other duties in terms of section 79 as delegated by the accounting officer.
- The chief financial officer of a municipality is accountable to the accounting officer for the performance of the duties referred to in subsection.

- Responsible for the maintenance of all Municipal roads and storm water with the limited funding and machinery that is available. This does not include roads that fall under the Department of Roads and Public Works and South African National Road Agency Limited (SANRAL).
- The goal of the Building Control Unit is to enable the Amahlathi Municipality to fulfil its role as a controller of all Building activities & maintenance of all buildings, Engineering Planning aspects of services provision of new settlement areas and ensure that municipal buildings are continuously and adequately maintained.
- The goal of the PMU Unit is to see the proper implementation and control of all projects in Amahlathi Municipality funded by Municipal Infrastructure Grant (MIG) / INEP /DMRE. MIG programme is aimed at providing all South Africans with at least a basic level of service. INEP/DMRE programme aims for all households to be provided with an electricity supply.
- Electricity provided in Stutterheim, Cathcart & Amabele Village Station under the NERSA Distribution Licence NER/D/124EC. Eskom is responsible to provides electricity supply and connections to villages not covered in terms of NERSA Distribution Licence NER/D/124EC terms and conditions.
- Distribution & Reticulation: The goal is to maintain the systems in order to provide a safe, reliable and efficient electricity supply. Meter readings & monitoring of consumption with assistance of BTO to ensure efficiency in electricity service provided.
- Public Lights (Street & High masts): All Public lights funded through the municipal rates component, the electricity section responsible for planning, installation of new lights as well as the maintenance of public lights.
- Municipal Buildings: Ensure electrical supply to premises as a customer. Guidance with compliance in terms of SANS electricity wiring of premises. Monitoring of work quality in compliance with the Occupational Health & Safety Legislation. HVAC (Air Conditioners) – guidance to other units, monitoring quality and compliance in terms of Occupational Health & Safety requirements and Legislation.

Role of the Director Development Planning

- Facilitation of Local Economic Development
- Co-ordination of agricultural programmes
- Support to SMME's and Co-operative's
- Co-ordination of Tourism development
- Promotion of Culture and Heritage sub-sectors within Amahlathi
- Development of Local Economic Development related policies
- Co-ordination of Human Settlement delivery within Amahlathi
- Management of Spatial Development and Town Planning
- Land Use Management
- Ensure effective use and management of Municipal land
- Lead the implementation of High Impact Development Initiatives
- Facilitation of Development Partnerships.

Role of the Director Corporate Services

- Plans, coordinates and manages activities of the Human Resources department to ensure the delivery of HR services such as HR Planning, Personnel Provisioning, and Administration of conditions of service, Personnel utilisation, Industrial relations and skills development.

- To develop a departmental vision and strategy and ensure implementation to provide effective service delivery.
- Manages performance of employees in the Department to ensure optimal work performance. Plans and manages utilisation of resources in order to perform activities. Develops and monitor systems, policies, procedures and processes to ensure correct working operations and practices.
- Manage the Human Resources department of the Amahlathi Council to ensure compliance with the corporate services directorate strategic plan.
- Develop, Manage and administer the recruitment and selection policy to ensure compliance with Recruitment and selection policy of the Municipality.
- Promote good and sound industrial relations environment to ensure labour stability in the municipality.
- Administer the implementation of the Employment Equity to ensure compliance with the Employment Equity Plan.
- Manage the Training and Development Function to ensure effective training system in the Municipality.
- Overall management of the Occupational Health and safety to ensure compliance with the OHS Act.
- Manage the use of Council resources to ensure economic, effective and efficient service delivery.
- Management of an administration system that is efficient and facilitates decision making and service delivery throughout the Amahlathi Municipality
- Manage the Municipality's administration in accordance with the constitution, local government municipal structures act and other applicable legislation.
- The effective management of Human Resources in order to ensure that transaction and implementation of skills development, employment equity, performance management and fleet management.

Role of the Director Community Services

- To contribute towards a safe and secure environment
- To promote a clean and healthy environment
- To promote a culture of reading and learning
- To ensure that public amenities are improved and well managed
- To reduce number of road carnages on our Public Roads
- To increase Traffic visibility in our Municipal Roads

B. INTER GOVERNMENTAL RELATIONS

2.3 INTER GOVERNMENTAL RELATIONS COMMITTEE

Chapter 3 of the Constitution Act 108 of 1996 provides for the principles that underpin the relations between the spheres of government. IGR meetings sit on a quarterly basis and are information-sharing sessions that seek to align planning between the municipality and other spheres of government.

Amahlathi Local Municipality has developed and adopted an IGR Policy Framework in 2016/17 that establishes IGR Clusters and the broader IGR to provide a platform for the meeting of minds of sector departments, stakeholders and the municipality.

All four quarterly IGR meetings sat although change of council affected the sitting in the second quarter. The broader IGR has noted with grave concern the inconsistencies of sector departments in attending the IGR. It is the view of IGR that in the upcoming financial year the cluster IGR sessions should be revived as build-up sessions towards the broader IGR Sessions.

C. PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 Public Accountability

The Municipality has a Public Participation Policy that was reviewed in 2019 and a Communication Strategy. In accordance with Municipal Systems Act 2000, the municipality should hold regular IDP/PMS/ Budget Representative Forum meeting in drafting the IDP and Budget. Forum meetings are convened 4 times per year or quarterly in preparation of each phase. The following methods are used to invite interested parties:

- Website
- Community Radio Stations
- Facebook
- Posters, pamphlets, ward councillors and announcements through community gatherings and community based organizations.
- Loud hailing

Other structures used to enhance public participation is through Ward Committee Meetings, LED Forums, SPU Forums and the Local Communication Forum.

This forum is established in terms of Chapter 4 of the Municipal Systems Act 32 of 2000 for community to participate in the matters of the Municipality. The purpose of this forum is to ensure maximized participation of different interest groups and sectors departments on IDP/PMS and Budget matters. The meetings are supposed to be convened quarterly as per legislative requirements on all IDP/PMS and Budget phases, however during the year under review there were challenges in sittings due to community unrests some areas.

Purpose	Cluster	Date	Venue	Time
	King Kei	15-12-2021	Frankfort	10:00

Priority needs Identification	Stutterheim	17-12-2021	Mlungisi Community hall	10:00
IDP/PMS Budget Rep Forum	King Kei	20-05-2022	Border post Community Hall	10:00
IDP Roadshows	King Kei	31-05-2022	Thembeni Community Hall	10:00
	Cathcart	31-05-2022	Cathcart Community Hall	10:00
	Stutterheim	31-05-2022	Mlungisi Community hall	10:00
Annual Report Roadshows	King Kei	03/05/2021	Cathcart Community Hall	10:00

The following tables reflects the roadshows that were conducted during the year under review

2.4.2 Ward Committees

In line with Chapter 4 of the Municipal Structures Act 1998, the municipality is committed to enhance democratic, open, transparent and participatory system of local governance within its area of jurisdiction. The municipality is mandated by the Municipal Structures Act to elect Ward Committees within 90 days after the local government elections.

There were 147 functional ward committees from 1 July 2021 to 30 October 2021, whereas there are supposed to have about 150 ward committees. The deficit of three ward committees is for various wards due to the resignations of other members. The ward committees were functional for the duration although the lack of tools of trade hampered the reporting of ward committees. The ward boundaries differ in nature from those that are vast, congested and those that are in the middle. The sittings differ from few to many however the number of meetings were not satisfactorily. The minimum expected for each ward was 12 meeting one in each month. The ward councillors should submit the reports and attendance registers as well as the payroll registers for the ward committees.

After the inauguration of the new Council on 22 November 2021, the establishment of ward committees commenced on 5 January and a total of 150 ward committees were elected 10 in each ward of the 15. Ward Committees were inducted by the municipality and COGTA on 10 and 11 May 2022. From 12 May the 150 ward committees commenced with their duties.

The functionality of ward committees is indicated on Appendix E of this report.

2.5 IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T 2.5.1

D. CORPORATE GOVERNANCE

The council recognises the wide range of risks to which Amahlathi Local Municipality is exposed. Amahlathi Local Municipality is committed to the effective management of risk in order to achieve our goals and objectives, as well as converting risk into opportunities that create value for our stakeholders. It is therefore a strategic objective to adopt a process of integrated risk management that will assist Amahlathi Local Municipality in meeting its key goals.

To achieve this risk policy statement, an integrated risk management programme must be implemented and is continuously reviewed in order to improve its adequacy and efficiency. The Council and Municipal Manager, being responsible for the total process of risk management, produces a formal risk assessment on an annual basis. This process is co-ordinated through the activities of the Risk Management Committee and Internal Audit Unit.

The Risk Management Committee is responsible for the assessment of risk to ensure that risk control and management efforts are not duplicated, risk identification “gaps” are avoided and that interdependencies at risk are identified and managed in a timely manner.

A Combined Assurance Model Policy is developed and adopted by Council to enhance co-ordination of managing key municipal risk to increase likelihood of achieving IDP strategies.

During risk assessment the strategic risk register and operational risk register were developed and the action plans were developed. The municipality identified and prioritized the following 13 top risks **2021/22 financial year**:

- Inadequate provision of sustainable road network within Amahlathi
- Dilapidated and ageing electrical infrastructure
- Contravention law enforcement regulations
- Poor growth of SMME' s
- Outdated LED Strategy
- High salary Bill and Bloated organisational structure
- Low productivity
- Staff turnover
- Contravention with SCM Regulations
- Unfunded budget
- Governance failure
- Inability to maximise collection from existing revenue streams
- Ineffective communication and public participation

Existence of the committee and functionality.

The municipality has IT & Risk Management Committee which consists of all section 56 managers and supported by the appointed departmental risk champions. Risk management reports are reviewed quarterly by the Committee. Both strategic and operational risk assessments were performed for 2021/22 financial year. The session was conducted on the 22nd and 24th of June 2021. The committee meetings were held on the following dates:

- 21 September 2021
- 06 December 2021
- 23 March 2022
- 30 June 2022

2.6 Anti- Corruption and Fraud

The municipality has Fraud Prevention Plan and Anti-Corruption Policy in place that were adopted by Council. The municipality is utilising Presidential Fraud Hotline number.

Financial Disciplinary Board is established to investigate alleged financial misconducts.

MPAC and Audit Committee are the oversight committees to investigate irregularities in contravention with MFMA

Legal advises and handles fraudulent matters and other related financial misconducted

CoGTA conducted fraud and corruption workshop on the 22 June 2021.

The Internal Audit Unit is conducting Fraud Awareness Campaigns within the municipality on quarterly basis and those awareness programs. .

Fraud and Corruption Risk Register is in place.

Whistle-blowing policy for protection of the whistle-blowers has been developed and approved by the Council.

Code of Conduct is signed by employees and Councillors

Conflict of interest is signed by the Audit Committee, IT & Risk Committee, Internal Auditors and contractors when signing Service Level Agreement

Strategies in place for prevention i.e. campaigns etc.

The municipality four fraud awareness campaigns during the financial year under review as follows;

- 30th September 2021
- 30th March 2022

2.7 Supply Chain Management

Section 3(1) (b) and (c) of the SCM regulations states that the accounting officer of a municipality must at least annually review the implementation of SCM policy and when necessary submit proposal for the amendments of the policy to council. The SCM policy was initially developed in 2005 and implemented to give effect to the SCM regulations and it was last reviewed in May 2021. Amahlathi has established an SCM unit which comprises of four officials. The code of conduct, oath of secrecy and declaration forms are signed by all officials involved in supply chain management. The SCM manager has reached prescribed levels as required by the Minimum Competency Regulations Guidelines and the other three officials are still in the process of completing the minimum requirements. In line with Municipal Finance Management Act (MFMA), the accounting officer has also established various bid committees that are consistent with the SCM regulations and any applicable legislation for competitive bidding i.e.

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

Range of procurement processes

STRUCTURE OF APPROVAL		
GOODS/SERVICE VALUE	PROCUREMENT METHOD MINIMUM	APPROVAL AUTHORITY
R0 – R2 000	Petty Cash	Head of Department or Delegated Authority
R2 001 – R5 000	Three Quotes	Head of Department or Delegated Authority
R5 001 – R30 000	Three Quotations	Head of Department or Delegated Official
R30 001-R200 000.00	1 Week Bulletin Notice and Advertisement via Website: Three Quotations	Chief Financial Officer
R200 001 – R2 Million	Competitive Bidding Process	Bid Adjudication Committee
R2 Million – R10 Million	Competitive Bidding Process	Bid Adjudication Committee
Above R10 Million	Competitive Bidding Process	Accounting Officer

2.8 Websites

Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (Year -2018 /19)	Yes
The annual report (Year 2018/19) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2019/20) and resulting scorecards	No
All service delivery agreements (Year 2019/20)	No
All long-term borrowing contracts (Year 2019/20)	Not Applicable
All supply chain management contracts above a prescribed value (give value) for Year 2019/20	No
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 Year 2019/20	No
Contracts agreed in Year 2019/20 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No
Public-private partnership agreements referred to in section 120 made in Year 2019/20	Not Applicable
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2019/20	Yes

2.9 BYLAWS

NO.	LOCAL AUTHORITY NOTICE	GAZETTE NO.
1.	Local Government : Municipal Systems Act (32/2000) : Municipality of Amahlathi: Street trading By-Law	1668
2.	Keeping of dogs and other animals By-Law	1668
3.	Neglected buildings and premises By-Law	1668
4.	Prevention of nuisances By-Law	1668
5.	Solid waste disposal By-Law	1668
6.	Use and hire of municipal building By-Law	1668
7.	Public open space By-Law	1668
8.	Advertising signs By-Law	1668
9.	Cemeteries and crematoria By-Law	1668
10.	Ward committees By-Law	1668
11.	Delegation of powers By-Law	1668

12.	Community fire safety By-Law	1668
13.	Standing rules for council By-Law	1668
14.	Credit control By-Law	1668
15.	Indigent support By-Law	1668
16.	Rates policy By-Law	1668
17.	Tariff policy By-Law	4076

The institution has 19 by laws, 17 are promulgated and the two are still in the process of being promulgated.

2.10 Public Satisfaction on Municipal Services

Comments from the public are received through the use of Complaints book in some buildings, and suggestion boxes which are placed at satellite offices. The municipality also procured Customer Care system that is used to logged complaints, faulty meters, high mast lights etc. The logged called are assigned and forwarded to the relevant department and closed on the system when resolved. Reports are submitted on a quarterly basis by user departments.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

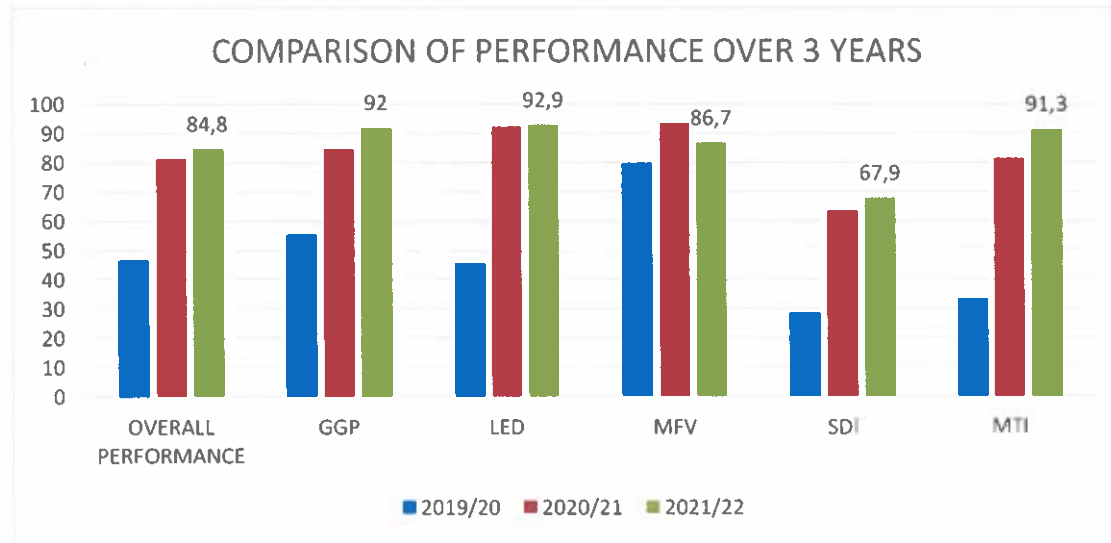
3.1 2021/22 PERFORMANCE PER KEY PERFORMANCE AREA

INSTITUTIONAL PERFORMANCE				
KPA	Total targets	Met	Not Met	Annual Performance
SDI	28	19	9	67,9%
MFV	15	13	2	86.7%
GGP	25	23	2	92%
LED	14	13	1	92,9%
MTI	23	21	2	91,30%
Overall Performance	105	89	16	84.8%

COMPARISONS OVER THREE FINANCIAL YEARS

KEY PERFORMANCE AREA	2019/20	2020/21	2021/22
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	55.56	84.62	92%
LOCAL ECONOMIC DEVELOPMENT	45.45	92.31	92,9%
MUNICIPAL FINANCIAL VIABILITY	80.00	93.33	86.7%
SERVICE DELIVERY AND INSTITUTIONAL DEVELOPMENT	28.57	63.65	67,9%
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	33.33	81.48	91,30%
OVERALL PERFORMANCE	46.53	81.55	84.8%

GRAPHICAL PRESENTATION ON ORGANISATIONAL PERFORMANCE



DEPARTMENTAL PERFORMANCE

The percentages depicted on the table below are only calculated according to the targets met and does not quantify any allocation of performance bonuses. The Core Competency Requirements (CCR's) are not included as the municipality is reflecting departmental performance based on service delivery only.

ENGINEERING SERVICES				
KPA	Total targets	Met	Not Met	%
SDI	15	11	4	73.3
MFV	2	1	1	50.00
LED	1	1	0	100.00
MTI	2	0	2	0.00
GGP	1	1	0	100.00
Overall Performance	21	14	7	66.7

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COMMUNITY SERVICES				
KPA	Total targets	Met	Not Met	%
SDI	10	7	3	70.
MFV	4	4	0	100.00
MTI	3	1	2	33.33
GGP	1	1	0	100.00
Overall Performance	18	13	5	72.22

BUDGET AND TREASURY				
KPA	Total targets	Met	Not Met	%
MFV	9	8	1	88.9.
GGP	3	3	0	100.00
LED	1	1	0	100.00
MTI	2	0	2	0.00
Overall Performance	15	12	3	80.

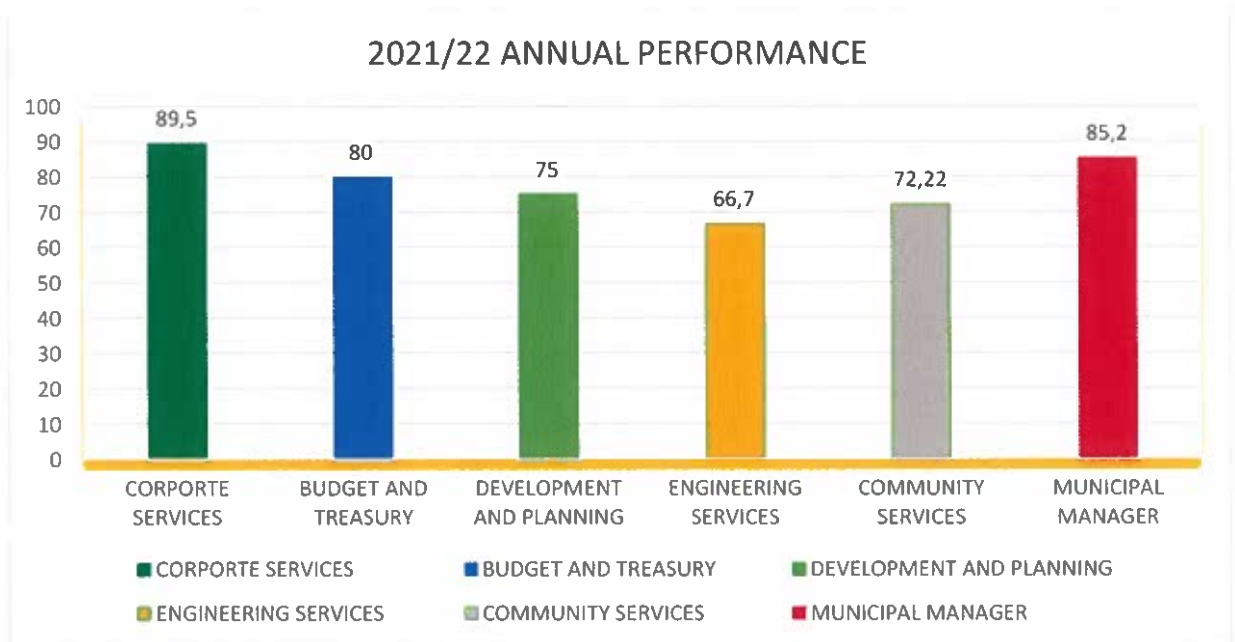
MM'S OFFICE				
KPA	Total targets	Met	Not Met	%
MTI	6	4	2	66.7
GGP	21	19	2	90.5
Overall Performance	27	23	4	85.2

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PLANNING AND DEVELOPMENT				
KPA	Total targets	Met	Not Met	%
LED	12	11	1	91.7
MTI	4	2	2	50.00
GGP	1	1	0	100
SDI	3	1	2	33.3
Overall Performance	20	15	5	75

CORPORATE SERVICES				
KPA	Total targets	Met	Not Met	%
GGP	3	3	0	100.00
MTI	16	14	2	87.5
Overall Performance	19	17	2	89.5

Graphical presentation



In 2021/22 financial year the performance of Amahlathi Local Municipality reflects a performance rate of 84.8% indicating an increase of 3.25% when compared to 81.55% achieved in 2020/21.

.Financial constraints and filling of vacant critical positions were major concerns which could have led to more improvement on institutional performance. The municipality still needs to focus on timeous submission of quarterly reports and collation of portfolio of evidence. The departments should also ensure that the information provided is credible and accurate. The head of departments need to ensure that all employees from task grade 12 and above sign accountability agreements and conduct reviews quarterly as outlined in the PMS policy.

3.2 INSTITUTIONAL PERFORMANCE MANAGEMENT PROCESS OVERVIEW

In the 2021/2022 financial year, attempts were made to ensure that the municipality complies with legislation concerning the development, operation and maintenance of a performance management system that is commensurate to the institutional service delivery objectives enshrined in the IDP. The municipality has continued to maintain the effective operation of the following mechanisms:

- The 2017-2022 IDP included strategic objectives, strategies and key performance indicators (KPIs) as required by the Municipal Systems Act, 32 of 2000;
- The 2021/2022 budget for implementation of the IDP was approved within the prescribed timelines prescribed in the Municipal Finance Management Act, 56 of 2003;
- After approval of the budget, the SDBIP was developed to integrate the IDP and the budget and to ensure effective implementation of the institutional strategies. The development of the SDBIP was informed by below planning and reporting cycle in the quest to create a balance between integrated planning, reporting and accountability.

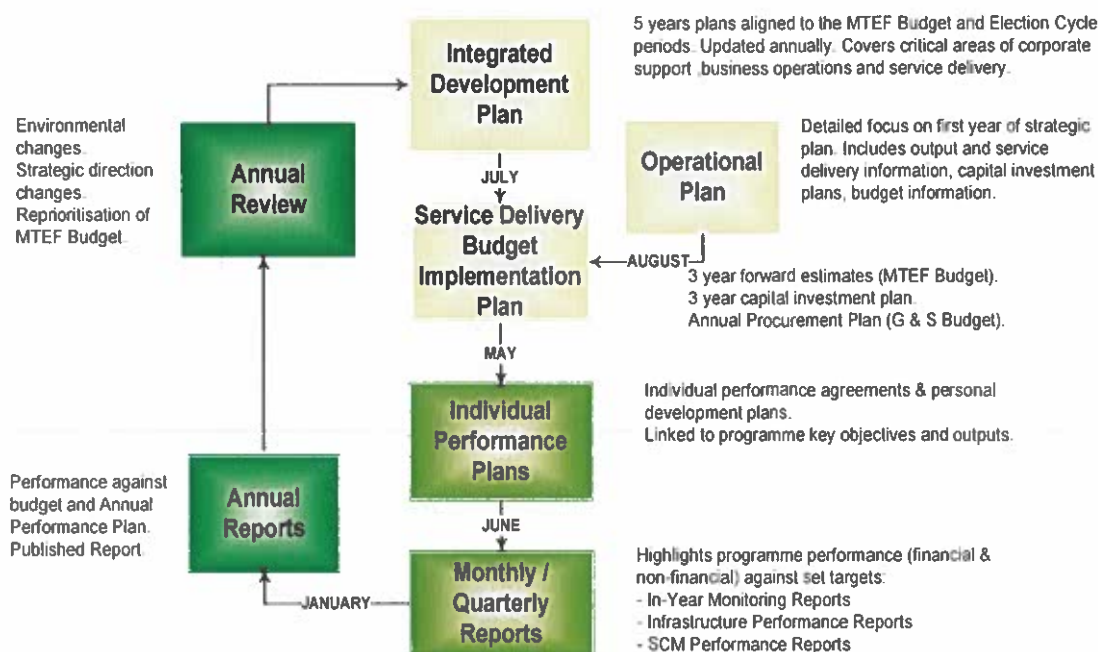


Figure 2: Planning & Reporting Cycle

- Adoption of the 2021/2022 Organizational Performance Management System and score card for monitoring and review of performance;

- Performance agreements with performance plans were developed, signed and approved by the Honorable Mayor as required by the Municipal Performance Regulations, 2006;
- Quarterly performance reports with supporting evidence were prepared by managers directly reporting to the Municipal Manager (MM); and
- Quarterly performance reports were objectively and independently audited by the Internal Audit unit to verify and to confirm performance information as reflected in the reports.

3.3 CHALLENGES FACED BY THE MUNICIPALITY

1. CHALLENGES FACED BY THE MUNICIPALITY

The following challenges were encountered in the period under review:

- Financial constraints affected the municipal performance
- Lack of Office Space and tools of trade
- Slow revenue collection
- Lack of construction plant.

STRATEGY TO OVERCOME THE CHALLENGES AND AREAS OF UNDERPERFORMANCE

- Implementation of Revenue Enhancement Strategy and implantation thereof,
- Provision of bungalows and building of building of Municipal offices
- Finalization of re-engineering of organizational Structure and filling of head of department positions
- Development of strategies to address high employee cost i.e. grading all job descriptions for both existing and vacant positions etc.

3.4 CHANGES TO PLANNED TARGETS

Section 72 (1)(a)(ii) of the MFMA states that an accounting officer of a municipality, must by 25 January of each year assess the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the SDBIP.

In preparation for the mid-year review of performance, management prepared quarterly reports, measured and analysed performance of the first six months of 2021/22. During the review management reviewed performance for the first and second quarter and also anticipated the last six months of the 2021/22 financial year incognisance of the feasibility to implement certain programmes based on priority and budget availability.

This process culminated to a **mid-year performance report** which highlighted achievements, non-achievements with reasons for non-achievement and corrective measures. The process also emerged with targets having to be amended going into the last six months of the financial year, and these amendments were duly approved by all requisite

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authorities including Council. The table below depicts the changes made on 2021/22 SDBIP financial year as alluded above.

(a) REGISTER FOR KPIS REMOVED/ AMENDED ON THE 2021/22 SCORECARD AS APPROVED ON THE 25/01/2022

KPI No	Objective	Strategy	Indicator	Proposed Change	Justification	Custodian
1	To ensure provision of a sustainable road network within Amahlathi by 2022 and beyond	Development, implementation and monitoring of the Roads Infrastructure Master plan for both tarred and gravel roads	No. of Kms of gravel roads maintained (Blading)	Annual target adjusted from 75 kilometres to 20 Kilometres (10kms – Q1 0km – Q2 1km – Q3 9km – Q4)	Lack of construction plant and machinery due to breakdowns Delays in plant repairs and payments for repaired implements have hindered performance	Director: Engineering Services
2	To ensure provision of a sustainable road network within Amahlathi by 2022 and beyond	Development, implementation and monitoring of the Roads Infrastructure Master plan for both tarred and gravel roads	No. of Kms of municipal roads re-graveled 2	Annual target adjusted from 14 kilometres to 4 kilometres	Lack of machinery. (Excavator) Lack of construction plant and machinery due to breakdowns Delays plant repairs and payments for repaired implements have hindered performance.	Director: Engineering Services
5	To ensure provision of a sustainable road network within	Development, implementation and monitoring of the Roads Infrastructure Master plan for	No. of km's of roads constructed (gravelled)	Annual target adjusted from 8 to 7 kilometres	4.18km have been gravelled at Rabe. Now the only project left to be advertise for	Director: Engineering Services

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	Amahlathi by 2022 and beyond	both tarred and gravel roads			tender is the Border Post Internal Road. 3km can be achieved with the available budget 2021/22 FY	
7	To ensure provision of a sustainable road network within Amahlathi by 2022 and beyond	Development, implementation and monitoring of the Roads Infrastructure Master plan for both tarred and gravel roads	% of kms of roads paved.	Annual Target is 100% of 1,7 kms of roads paved. (Cathcart and Amabele)	Delays in appointment of contractor due to no successful bidders in the first tender and due to the recommended contractor declining the appointment in the second bid	Director Engineering Services
24	To facilitate security of tenure	To ensure distribution of all existing title deeds	No. of Title deeds distributed	Revised Target - 100 title deeds distributed (50 in Q3 & 50 in Q4) The PoE - must also include a signed confirmation of receipt in addition to the register	149 title deeds remain & there is demand from Xholora beneficiaries	Director Development and planning
29	To maintain an accurate and complete fixed asset register that is compliant with GRAP by 2022	Maintain a fixed asset register that complies with GRAP	No. of material audit queries raised on the updated asset register by the AG.	Q2 POE: AG Report be moved to Q3 Q3 POE: Updated Asset Register be moved to Q4	Audit time frames changed which also affected other processes.	CFO
41	To ensure effective, compliant and credible financial planning, management and reporting	To ensure effective, compliant and credible financial planning, management and reporting by 2022 and beyond.	% Cost coverage $(B+C) \div D$ B represents all available cash at a particular time C represents investments	Change Quarterly and Annual Target: Maintain 0.05% Cost coverage ratio	Cash Flow Challenges	CFO

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	by 2022 and beyond.		D represents monthly fixed operating expenditure			
76	Promotion of Tourism through the establishment of Local Tourism Organisation and CTOs by 2022	Participate in marketing platforms and host events	No. of tourism marketing platforms used to promote crafters artefacts	Remove and replace it with a new KPI, which will be: KPI – Implementation of a Tourism Infrastructure Improvement Plan Objective – Tourism Access Infrastructure Improvement Quarter 3 Target – 1 Tourism Access Infrastructure Improvement Plan Developed PoE – A copy of the Tourism Infrastructure Improvement Plan Quarter 4 target – 1 Support Proposal towards the implementation of the Tourism Infrastructure Improvement Plan PoE – A copy of the support proposal	In line with continuous value addition as identified in the Directorate's Strategic Planning Session	Director Development & Town Planning
83	To attract, retain, build capacity and maximise utilisation of Amahlathi Human Capital by 2022 and beyond	Implementation of the approved organizational structure.	% of critical/vacant and funded positions filled as per the approved staff establishment	33 % of critical/vacant and funded posts filled as per recruitment plan	76% of the Annual Recruitment Plan has been filled already for Q2. From the remaining 33%, to complete the plan, 10% must be for Q3 and the remaining 14% must be for Q4.	Director Corporate Services
87	To attract, retain, build capacity	Strengthening systems and mechanisms relating to	No of activities implemented as per	Q3 Target – 1 activity (Medical Surveillance) implemented as per	Medical Surveillance and Appointment of Municipal Doctor	Director Corporate Services

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	and maximise utilisation of Amahlathi Human Capital by 2022 and beyond	governance processes, risks management and internal controls.	approved OHS plan	approved OHS plan and Q4 Target – 1 activity (Appointment of Municipal Doctor) implemented as per approved OHS plan	are critical risk management components for EAP and OHS and are not contained in the OHS plan	
92	To ensure appropriate capacity building interventions by 2022	Develop and implement programmes (for graduate re-skilling) especially linked to areas of scarce skills)	No of training intervention programs organized for Employees, Councillors and Communities implemented	Q3 Target – Add MPAC Training and Q4 Target – Add Secretary Training	MPAC Training is critical for the new council and training of secretaries is long outstanding since 2020	Director Corporate Services
93	To ensure cost efficient and economical use of council resources commensurate to effective IDP implementation by 2022 and beyond	Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of reports on implementation of fleet management systems submitted to fleet management committee	Expected POE (2) – Daily Trip Authority verification report	Expected POE (2) Fleet Monitoring checklist signed by Fleet Officer and User department does not result in strengthened internal controls as against daily monitoring of trip authority against the tracker system. Q3 and Q4 evidence no (2) will be replaced by "Daily Trip authority verification report.	Corporate Services
95	To ensure cost efficient and economical use of council resources commensurate to	Efficient and economical utilisation of council resources	% decrease in telephone usage expenditure	Q3 Expected POE (2) – Usage report must have – Removal of ex-employees from Telephone List Q4 Expected POE (2) – Usage report must have – Employees linked to their passwords to receive	Municipality is not able to efficiently pin-point telephone abusers to ensure cost effective use of its telephone system	Corporate Services

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	effective IDP implementation by 2022 and beyond			an accurate telephone report		
101		Improve the effective functionality and credulity of the performance management System	No. of individual performance reviews coordinated (Task grade 12 and upwards)	Departments should conduct their own reviews	Reminders have been sent to departments to conduct reviews but nothing was received	All HODs

3.5 PROGRESS REPORT AUDITOR GENERAL'S FINDINGS: PREDETERMINED OBJECTIVES

Refer to attached AG Action Plan in Chapter 6

3.6 FINANCIAL PERFORMANCE INFORMATION - CAPITAL EXPENDITURE 2021/22

Project	Funding	Original Budget	Adjusted Budget	YTD Exp (Excl. Vat)
Amabele Internal Roads	MIG Grant	2 500 000,00	1 760 538,00	1 609 228,97
Border Post Internal Roads	MIG Grant	2 000 000,00	500 000,00	397 526,54
Gxulu Internal Roads	MIG Grant	500 000,00	210 000,00	138 606,57
Fencing of Cemeteries	MIG Grant	1 500 000,00	2 494 682,00	2 292 501,69
KKH Firestation	MIG Grant	-	791 304,00	1 048 497,76
Lower Kologha Internal Roads	MIG Grant	1 000 000,00	280 000,00	98 113,55
Mlungisi Access Roads	MIG Grant	-	1 492 216,00	1 512 555,80
Mlungisi Sportfield	MIG Grant	-	11 289 895,00	10 490 865,39
Ngcamngeni Access Roads	MIG Grant	2 080 100,00	946 879,00	852 587,82
Nothenga Community Hall	MIG Grant	-	364 586,00	256 161,69
Paving of Matolaville Streets	MIG Grant	6 000 000,00	2 300 000,00	1 919 565,23
Khayelitsha Internal Roads	MIG Grant	500 000,00	150 000,00	-
Surfacing of Cathcart Street	MIG Grant	12 000 000,00	5 500 000,00	4 156 153,28
Landfill Site	Waste Grant	-	3 300 000,00	191 155,91
Upgrade Cathcart Substation	Own Funds	-	1 200 000,00	1 129 808,88
Electricity Project	Own Funds	-	900 000,00	872 234,21
Computer Equipment	Own Funds	100 000,00	250 000,00	196 987,00
Furniture & Office Equipment	Own Funds	-	50 000,00	4 435,00
IT Capital Spares	Own Funds	150 000,00	150 000,00	25 535,00
Vehicles	Own Funds	-	1 400 000,00	-
Buildings	Insurance	-	1 537 500,00	-
Grader & Cherry Picker	Own Funds	2 800 000,00	2 800 000,00	-
		31 130 100,00	39 667 600,00	27 192 520,29

3.7 SERVICE PROVIDER PERFORMANCE

Project Managers were requested to rate the performance of the Service Providers appointed by Council on the various projects. Service Providers and Contractors are rated in terms of the following:

- **Below Standard** - The Contractor/Service Provider did not meet the basic requirements as spelt out in the tender or contract. This may result in the contract being cancelled and/or the retention fee being withheld from the contractor. The Contractor may be asked to rectify the problem or the contract may be cancelled and another Contractor/Service Provider may be appointed to complete the contract/ project.
- **Acceptable** - The Contractor/Service Provider completed the project and met the basic requirements of the tender/contract. The standard of work was good enough, passable or adequate in terms of the requirements by the ALM.
- **Excellent** - The Contractor/Service Provider has completed the work up to the expected standard required. The requirements of the tender were achieved to the expectation of the municipality. There is a high quality of work and outstanding results were achieved.

Below is the performance rating of the municipality's service providers;

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<u>Bid No</u>	<u>Name of Service Provider</u>	<u>Project Name</u>	<u>Rating</u>	<u>Comment</u>
ALM/SCM/3-4/2020-21	Revco	Provision of Debt Collection Services	Acceptable	The project is proceeding accordingly
SCM/01/2019-20	Contour Technology	Provision of Prepaid Vending Solution	Acceptable	The project is proceeding accordingly
SCM/23/2019-20	Tshani Consulting	Conversion of Old Tennis Courtsite in KKH into shopping complex	Acceptable	The project is proceeding well though there are delays
SCM/12/2019-20	Opulentia Financial Services	Provision of Short Term Insurance for a Period of 3 Years	Acceptable	The project is proceeding as expected
SCM/32/2019-20	C-Track Mzansi	Provision Of Fleet Management, Vehicle Monitoring & Tracking System For a Period of 3 years	Acceptable	The project is proceeding as expected
ALM/SCM/16/2021-22	Xerox Eastern Cape	Leasing of Photocopying Machines a period of 36 Months	Acceptable	The project is proceeding as expected
SCM/28/2017-18	Redemption	Compilation of General Valuation Roll Together with Supplementary Valuation Roll & Maintenance for Financial Years 01 July 2018-30 June 2023	Acceptable	The project is proceeding as expected
ALM/SCM/28/2021-22	Vodacom	Provision of Cellphones, Tablets & 3G Cards on a contract of 24 Months	Acceptable	The service provider has been appointed though there were challenges in allocating tools of trade
ALM/SCM/17/2021-22	Black Mountain Zinzame JV	Provision of Professional Engineering Services for a period of 36 Months	Acceptable	The service provider has been appointed and has started with designs
ALM/SCM/17/2021-22	Beecon Holdings (Pty) Ltd	Provision of Professional Engineering Services for a period of 36 Months	Acceptable	The service provider has been appointed and has started with designs

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<u>Bid No</u>	<u>Name of Service Provider</u>	<u>Project Name</u>	<u>Rating</u>	<u>Comment</u>
ALM/SCM/17/2021-22	Kukho Consulting Engineers	Provision of Professional Engineering Services for a period of 36 Months	Acceptable	The service provider has been appointed and has started with designs
SCM/07/2019-20	SMS ICT Choice	Renewal of Cibecs End Point Data Protection Services for a Period of 36 Months	Acceptable	The project is proceeding as expected
ALM/SCM/18/2020-21	Cab Holdings (Pty) Ltd	Provision of Customer Accounts Printing & Distribution Services for a Period of 3 years	Acceptable	The project is proceeding as expected
ALM/SCM/27/2021-22	Ebusha General Trading	Supply & Delivery of Cold Pre-Mix Asphalt for a period of 24 Months	Acceptable	The service provider has been recently appointed
ALM/SCM/13/2020-21	Masiyabu Trading	Surfacing Of Mlungisi Access Roads Phase-2	Acceptable	The project has reached its practical completion stage
ALM/SCM/05/2021-22	LM Developments	Construction Of Mlungisi Sports Field Phase-2	Acceptable	The project is proceeding accordingly
SCM/11/2019-20	First rand bank limited	Provision of Banking services for a period of 60 months	Acceptable	Project is proceeding accordingly
SCM/09/2019-20	Naniswa Trading	Construction of Keiskammahoek Fire station	Acceptable	The project is complete
ALM/SCM/17/2020-21	Amabhayi Construction	Construction of Rabe Access Road	Acceptable	The project is practically complete
ALM/SCM/15/2021-22	Red Alert	Installation & Management of Alarm System / Technology for a Period of 3 Years	Below standard	Service provider is not performing and the municipality is intending to terminate the contract
ALM/SCM/33/2020-21	Delteq Web Services	Maintenance of Website / Hosting of Website	Acceptable	Project is proceeding well
ALM/SCM/04/2020-21	Konstrukt SGN (Pty) Ltd	Surfacing of Cathcart Streets	Acceptable	The project is proceeding well
ALM/SCM/12/2021-22	Sunday Kit Uniform Cc Supplies	Supply & Delivery of Traffic Uniform & Protective Clothing	Acceptable	Uniform has been delivered

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<u>Bid No</u>	<u>Name of Service Provider</u>	<u>Project Name</u>	<u>Rating</u>	<u>Comment</u>
ALM/SCM/15/2021-22	Mkhonto Wethu Trading (Pty) Ltd T/a Eco Chemical Solutions	Supply & Delivery of Covid 19 Personal Protective Clothing (Masks) Branded & Non-Branded Cloth Masks for ALM Employees	Acceptable	Service provider has delivered the PPE
ALM/SCM/01/2021-22	Taleni Godi Kupiso Inc	Provision of Legal Services for a period of 36 months	Acceptable	Service provider has been recently appointed
ALM/SCM/01/2021-22	Mabece Tilana Inc	Provision of Legal Services for a period of 36 months	Acceptable	Service provider has been recently appointed
ALM/SCM/01/2021-22	J&G Consultants group (Pty Ltd	Provision of Legal Services for a period of 36 months	Acceptable	Service provider has been recently appointed
ALM/SCM/01/2021-22	Magqabi Seth Zita Incorporated	Provision of Legal Services for a period of 36 months	Acceptable	Service provider has been recently appointed
ALM/SCM/26/2021-22	Mubesko Africa (Pty)Ltd	Provision of GRAP compliant Asset Management System & the compilation of the GRAP compliant immovable & infrastructure asset register	Acceptable	The service provider has been recently appointed

3.8 DETAILED 2021/22 PERFORMANCE RESULTS PRESENTED PER KEY PERFORMANCE AREA (KPA)

3.8.1 KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (SDI - 40)

IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 20/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
1,1	Output 2: Improving access to Basic Services	To ensure provision of a sustainable road network within Amahlathi by 2022 and beyond	Development, implementation and monitoring of the Roads Infrastructure Master plan for both tarred and gravel roads	No. of Kms of gravel roads maintained (Blading)	20 Kms of gravel roads maintained (Blading)	Target Met 117.5 Kms of gravel roads maintained	Target Met 20 Kms of gravel roads maintained	N/A	Director: Engineering Services	1
1,2				No. of Kms of municipal roads re-gravelled	4 kms of municipal roads re-gravelled	Target met 26.198km of municipal roads re-graveled	Target not Met 0.8 kms of municipal roads re-graveled	Hiring of an excavator will be done in 2022.23 Financial year.	Director: Engineering Services	2
1,3				No. of Potholes repaired as per departmental inspections	500 Potholes repaired as per departmental inspections	Target not met 705 potholes repaired as per departmental inspection reports.	Target not Met 705 potholes repaired as per departmental inspection reports.	N/A	Director: Engineering Services	3

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1,4		No. of km's of storm water drains unblocked	8 kms of storm water drains unblocked	Inspection report ,Weekly reports, expenditure report and quarterly report attached	<p><i>Inspection report ,Weekly reports, expenditure report and quarterly report attached</i></p> <p>Target Met 17.547kms of storm water drains unblocked</p> <p>Quarterly reports and inspection reports attached</p>	N/A	Director: Engineering Services	4
1,5		No. of km's of roads constructed (gravelled)	5 kms of roads gravelled (insert coordinates)	Target Met 14km gravelled (5.5km Sophumelela road, Gubevu 6.5km, 2km Border Post, service provider appointed for Rabe internal Roads.) Completion Certificates attached	<p><i>Target Met 14km gravelled Target Met</i></p>	N/A	Director: Engineering Services	5

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1.6				% of kms of roads surfaced.	100% of 1.5 km of roads surfaced. .	Target not met 0% of construction. Delays in procurement processes The variance is due to non-responsive bids received. A bid will be re-advertised during quarter 1 of 2021/22 financial year	Target not met 0% of 1.5 kms of roads surfaced	N/A	Director: Engineering Services	6
1.7		Development, implementation and monitoring of the Roads Infrastructure Master plan for both tarred and gravel roads	% of kms of roads paved.	100% of 1.7 kms of roads paved.	Target met 101.5% of 2km paved (100% of 1.1km KKH paving and 93% of 1km % constructed for Amatolaville paving Amatolaville paving	Target not met 64% of 1.7 kms roads paved	Parts of Cathcart not complete Target to be deferred to next financial year	N/A	Director: Engineering Services	7
1.8	To ensure connection of electricity to all households within the licensed areas by 2022.	Reduce electricity system losses	% of Faulty reported meters repaired per inspection report	80% of Faulty reported meters repaired as per inspection report	96% of Faulty reported meters repaired as per inspection report	Target met 80% of Faulty reported meters repaired as per inspection report	Target met 96% of Faulty reported meters repaired as per inspection report	N/A	Director: Engineering Services	8

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1.9	To ensure connection of electricity to all households within the licensed areas by 2022.	Reduce electricity system losses	No of reports on repairs and maintenance of electrical network	4 Reports on repairs and maintenance of electrical network	New Indicator	Target met 100%	N/A	Director: Engineering Services	9
1.10	To ensure provision of sustainable public facilities by 2022 and beyond	Facilitate maintenance and upgrade of sport, community halls, hawkers stalls, cemeteries and recreational facilities	% of cemeteries fenced	100% of 3 cemeteries fenced	Progress on fencing of 3 cemeteries Keiskammahok 11% Cathcart 8.7% Kei Road 0%The problem was the deficit on the supplied fencing required. Suppliers as a result of Covid 19 did not meet the demand. Contractor has been appointed and currently on	Target met 100% of cemeteries fenced Contractor appointed	N/A	Director: Community Services	10

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1.11	To ensure provision of sustainable public facilities by 2022 and beyond	Facilitate maintenance and upgrade of sport, community halls, hawkker stalls, cemeteries and recreational facilities	No of sport fields upgraded. (Mlungisi)	1 Sport field upgraded (phase 1 & 2)	Target not met 43% of sport field upgraded phase 2. The contract was terminated due to underperformance. A bid for appointment of new contractor will be issued in first quarter of 2021/22 financial year	Target not met 6 Sport field upgraded	Parts of the sports field had to be moved due to over commitments Target to be differed to next financial year.	Director: Engineering Services	11
1.11		Compliance with building regulations	% of complying submitted building plans approved	100% of complying submitted building plans approved	Target not met 78.13% of complying building plans approved Target not met due to Rezoning applications delaying due to staff shortages. Town Planner position will be advertised during quarter1 of 2021/22 financial year.	Target not met 75% No HED to approve applications of building plans and Town planner scrutiny and recommend approval of building plans during 4 th quarter	N/A	Director: Engineering Services	12

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1.12				No of reports prepared on maintenance and repairs of municipal buildings	4 reports prepared on maintenance and repairs of municipal buildings	New Indicator	N/A	Director: Engineering Services	13
1.13				No. of inspections as per national buildings regulations	40 inspections as per national buildings regulations	New Indicator	N/A	Director: Engineering Services	14
1.15	Ensure that solid waste is managed in an Integrated environmental friendly and sustainable manner	Review and Implementation of the Integrated Waste Management plan	Reviewed Integrated Waste Management plan submitted to Council for approval	Reviewed Integrated Waste Management plan submitted to Council for approval	Target not met Target not met due to financial constraints as a result of low municipal revenue streams. An allocation for the review of the plan has been made and will be implemented on 2021/22.	Target not met Due to gaps in the reviewed plan, it could not be submitted to council prior to submission to external stakeholders. The plan will be submitted to council in the 1 st quarter 2022/2023 financial year.	Target not met Due to gaps in the reviewed plan, it could not be submitted to council prior to submission to external stakeholders. The plan will be submitted to council in the 1 st quarter 2022/2023 financial year.	Director: Community Services	15
1.16			No. of households and businesses with basic waste collection	6000 households and businesses with access to basic waste collected (ward 1, 4, 5, 6, 8, 13, 14, 15)	Target Met 6418 households and businesses with access to basic waste	Target Met 6418 households and businesses with access to basic waste	N/A	Director: Community Services	16

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1.17		Conduct waste management campaigns	No of waste awareness campaigns conducted per cluster audiovisual (video) and Attendance register)	4 waste awareness campaigns conducted (audiovisual (video) and Attendance register)	collected (ward 1, 4, 5, 6, 8 13,14, 15)	<p style="background-color: #008000; color: #800000; padding: 2px;">Target met Wards 1, 4, 5, 6, 8, 13, 14, 15</p> <p style="background-color: #008000; color: #800000; padding: 2px;">Target met 4 Waste awareness campaigns conducted</p>	N/A	Director: Community Services	17
1.18	To protect life, property, environment and economy from hazards	Conduct integrated fire awareness campaigns	No of fire awareness campaigns per prioritization by the Disaster forum	4 awareness fire campaigns conducted per prioritization by the Disaster forum	Target Met 4 Fire awareness campaign held as follows Ithembelihle Primary School on the 20/09/2020, Heckel Public School 18 November 2020, Nomathamba primary Public School	<p style="background-color: #008000; color: #800000; padding: 2px;">Target Met</p> <p style="background-color: #008000; color: #800000; padding: 2px;">Fire awareness Campaign conducted</p>	N/A	Director: Community Services	18

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1.19			Implementation of an Integrated Fire Management Plan	No of quarterly reports on implementation of Integrated Fire Management Plan	4 quarterly reports on implementation of Integrated Fire Management Plan	New Indicator	<p>(Stutterheim on the 31st March 2021), 04th June 2021 at Cenyu Hall</p>	<p>4. Quarterly reports on implementation of Integrated Fire Management Plan</p> <p>1 Fire station constructed in 2021</p>	N/A	Director: Community Services	19
		To ensure effective, compliant and efficient disaster management services by 2022 and beyond	Establishment of fire stations in Amahlathi service areas	No. of fire stations constructed	1 fire station constructed	Target not met 82% of fire station constructed The problem was unavailability of steel in the market owing to COVID 19 Closures. Given the easing on regulations the steel was obtained. The project is to be completed by the end of second quarter 2021/22 FY.	N/A			Director: Engineering Services	20

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1.20	To ensure that all disaster incidents are attended	Implementation of Disaster Management Plan	No of quarterly reports on implementation of Disaster Management Plan	4 quarterly reports on implementation of Disaster Management Plan	The project is being constantly monitored. New Indicator	N/A	Director: Community Services	21
1.21	To ensure provision of compliant and efficient community safety by 2022 and beyond	Conduct road blocks	No. of road blocks conducted	36 road blocks conducted	Target not met 35 Road Blocks were conducted 9 in Q2 9 in Q3 17 in Q4 Given Shortages of staff of law enforcement planning was done in stakeholders. One road block could not be conducted due to lack of timeous response by other law enforcement agencies tasked with joint agreement	Target not met 2 Road blocks conducted in Q1 4 Road blocks in Q2 Zero roadblocks conducted in Q3 9 Road blocks conducted in Q4 15 Roadblocks conducted	Director: Community Services	22

1.22		To promote and ensure safety on municipal and public roads	Implementation of National Road Traffic Act	No. of tickets issued on law enforcement	530 tickets issued on law enforcement	<p>with other operations. Other law enforcement agencies including police have been engaged to forge partnership in joint roadblock operations with Amahlathi law enforcement department.</p> <p>Target not met 411 Tickets issued on law enforcement The tickets were planned to be issued out on the roadblocks. Most of these roadblocks concentrated on Enforcement Covid Regulations. The focus of the future roadblocks will</p>	<p>Target not met 325 Tickets were issued on law enforcement</p>	N/A	Director: Community Services	23
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1.23		Provision of proper road marking and signage	% of inspected damaged road markings and signs maintained	100% of inspected damaged road markings and signs maintained per inspection report	Target met 100% of inspected damaged road markings and signs maintained per inspection report	be on National Road Traffic Act.	N/A	Director: Community Services	24
1.24	To promote the culture of reading and effective use of library resources	Conduct library activities that promote the culture of reading and effective use of library resource	No. of library awareness campaigns conducted (Electronic Media Communication)	4 library awareness campaigns conducted (Electronic Media Communication)	Target met 4 campaigns conducted as follows 24 th March 2021 (Mini library for the blind –braille papers handover at Ethembeni), 26/03./2021 at Zamukhanyo farm school 2 activities conducted as follows; World book day conducted on the 21/04/2021 at Daliwe Public	Target met 4 campaigns conducted as follows 24 th March 2021 (Mini library for the blind –braille papers handover at Ethembeni), 26/03./2021 at Zamukhanyo farm school 2 activities conducted as follows; World book day conducted on the 21/04/2021 at Daliwe Public	N/A	Director: Community Services	25

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1.25	To facilitate security of tenure	To ensure distribution of all existing title deeds	No. of Title deeds distributed	100 Title deeds distributed	School, Read a Thon event on the 09/06/2021 at Sikhulue Public School	New Indicator	N/A	Director Development and Planning	26
1.26		To monitor the progress and implementation on housing applications submitted to Department of Human Settlements	No of progress reports on housing applications submitted to department of housing	4 progress reports on housing applications submitted to department of housing		New indicator	N/A	Director Development and Planning	27
1.27	To enhance the management of municipal properties	To develop a property management system	Developed lease management register submitted to council	Developed lease management register submitted to council		New indicator	N/A	Director Development and Planning	28

3.8.2 KPA 2 MUNICIPAL FINANCE VIABILITY (MFV - 15)

IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
2.1	Output 6: Administrative and Financial Capacity	To ensure an equitable, economical, transparent, fair and value - add supply chain management system/function by 2022	Monitoring and reporting on the performance of service providers	No. of quarterly Service Provider performance reports submitted to the Mayor by the 15th day after the end of the quarter	4 quarterly Service Provider performance reports submitted to the Mayor by the 15th day after end of the quarter	Target met 4 Quarterly report were submitted to Mayor as follows; 09 of October 2020, 13 January 2021 07 April 2021, 05 July 2021, 08 July 2020	Target met 4 Quarterly report were submitted to Mayor as follows; 09 of October 2020, 13 January 2021 07 April 2021, 05 July 2021	N/A	Chief Financial Officer	29
2.2			Strict adherence to SCM Regulations	No. of quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15th day after the end of the quarter	4 quarterly reports on (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15th day after end of the quarter	Target met 4 Quarterly report were submitted to Mayor as follows; 09 of October 2020, 13 January 2021 07 April 2021, 05 July 2021	Target met 4 Quarterly report were submitted to Mayor as follows; 09 of October 2020, 13 January 2021 07 April 2021, 05 July 2021	N/A	Chief Financial Officer	30

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2.3	To maintain an accurate and complete fixed asset register that is compliant with GRAP by 2022.	Maintain a fixed asset register that complies with GRAP	No. of material audit queries raised on the updated asset register by the AG.	Zero material audit queries raised on the updated asset register by the AG.	Target met Asset register and audit report attached with zero material audit queries on asset register raise by AG	Target met Asset register and audit report attached with zero material audit queries on asset register raise by AG	N/A	Chief Financial Officer	31
2.4	To ensure 80% expenditure of capital budget by 2022	Monitoring and reporting on the spending	% expenditure of capital budget	100% expenditure of capital budget	Target met 101.92% expenditure capital budget incurred	Target met 101.92% expenditure capital budget incurred	N/A	Director: Engineering Services	32
2.5	To ensure 80% expenditure of capital budget by 2022	Monitoring and reporting on the spending	% expenditure of electricity repairs and maintenance budget	100% expenditure of electricity repairs and maintenance budget	New Indicator	Target not met 48.5% expenditure of electricity repairs and maintenance budget	N/A	Director Engineering Services	33
2.6	Ensure 80% collection of income due from consumer debtors by 2022	Collect 70% of billed income	% of billed income collected	70% of billed income collected	Target met 65.85 of billed income collected	Target met 74.52 of billed income collected	N/A	Chief Financial Officer	34
2.7		No. of quarterly reports on implementation of revenue enhancement strategy submitted to standing committee	4 quarterly reports on implementation of revenue enhancement strategy submitted to	Target met 3 quarterly reports on implementation of revenue enhancement strategy submitted to	Target not met 3 quarterly reports on implementation of revenue enhancement strategy submitted to	Target not met 3 quarterly reports on implementation of revenue enhancement strategy submitted to	N/A	Chief Financial Officer	35

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				standing committee	standing committee	standing committee	standing committee			
2.8	Revenue collection	% collection of revenue on motor vehicle registration and licenses	% collection of revenue on motor vehicle registration and licenses	100% collection of revenue on motor vehicle registration and licenses	Target Met 100% collection of revenue on motor vehicle registration and licenses			N/A	Director: Community Services	36
2.9		% collection of revenue on learners and drivers licenses	100% collection of revenue on learners and drivers licenses	Target Met 100% collection of revenue on learners and drivers licenses				N/A	Director: Community Services	37
2.11		% collection of revenue on cemetery management	100% collection of revenue on cemetery management	Target met 100% collection of revenue on cemetery management.				N/A	Director: Community Services	38
2.12		% collection of revenue hall hiring	100% collection of revenue hall hiring	Target met 100% collection of revenue hall hiring. No revenue collected in 4 th				N/A	Director: Community Services	39

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2.14	To ensure unqualified audit opinion	Preparation and submission of credible and GRAP compliant annual financial statements	No. of Monthly financial reports (Sec 71 and sec 52 reports) submitted to Mayor and Treasury on the 10th working day of each month	12 Monthly financial report submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to Mayor and Treasury)	quarter due to Covid-19 pandemic that led national lock	Target met 12 Monthly financial reports were submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to Mayor and Treasury)	N/A	Chief Financial Officer	40
2.15	To ensure unqualified audit opinion	Preparation and submission of credible and GRAP compliant annual financial statements	Date on which GRAP compliant annual financial statements prepared and submitted to the Auditor-General	GRAP compliant annual financial statements prepared and submitted to the Auditor-General and Treasury (Provincial & National) by 31 August 2021	Target met GRAP Compliant AFS and proof of submission to AG and Treasury (Provincial and National) attached. Date: 31 October 2020	Target met GRAP Compliant AFS and proof of submission to AG and Treasury (Provincial and National) attached.	N/A	Chief Financial Officer	41
2.16	To prepare a realistic and compliant budget in line	Coordinate and develop Amahlathi municipality's	2022/2023 budget prepared and submitted to council for	2022/2023 budget prepared and submitted to council for	Target Met Proof of submission of	Target met Proof of submission of	N/A	Chief Financial Officer	42

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2.17		with the objectives and strategies in the IDP by 2022	budget in line developmental imperatives in the IDP	approval on by 31st May 2022	approval on by 31st May 2022	Item dated 20/05/2021 Final 2021/22 budget submitted	<p>Submitted dated 15 May 2022 submitted</p> <p>Submitted 15 May 2022 submitted</p>		Chief Financial Officer	43
		To ensure effective, compliant and credible financial planning, management and reporting by 2022 and beyond.	To ensure effective, compliant and credible financial planning, management and reporting by 2022 and beyond.	<p>% Cost coverage (B+C)÷D</p> <p>B represents all available cash at a particular time</p> <p>C represents investments</p> <p>D represents monthly fixed operating expenditure</p>	To maintain a cost average ratio of 0.05% by June 2022	<p>Target Not Met</p> <p>0.07 cost coverage ratio maintained by June 2021</p> <p>Cash flow challenges.</p> <p>The following strategies are being implemented:</p> <p>1. Revenue Enhancement Strategy;</p> <p>2. Financial Recovery Plan;</p> <p>3. Cost containment measures policy to improve revenue collection and minimize operational costs</p>				

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3.8.3 KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION DETAILED PERFORMANCE (15)

IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3,1	Output 5: Deepen democracy through a refined ward committee model.	To deepen democracy through public participation	Implementation of Public Participation Policies	No. of quarterly petition Management status reports submitted to Council	4 Quarterly reports on the status of petitions received and submitted to Council	Target Met 4 Quarterly petition status report signed by Hod, Proof of submission to Council dated : 28 August 2020 29 October 2020 30 March 2020 29 April 2021 attached. attached.	Target Met 4 Quarterly petition status report signed by Hod, Proof of submission to Council dated : 28 Aug 2020 29 October 2020 30 March 2020 29 April 2021 attached.	N/A	Municipal Manager	44
3.2				No. of civic awareness campaigns conducted	4 civic awareness campaigns conducted	Target Met The office of the speaker organized a civic Education programme session as follows. Q 1 Mlungisi Community	Target Met 4 awareness campaigns conducted as follows: 1. September 2021 2. December 2021 3. February 2022 4. March 2022	N/A	Municipal Manager	45

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
						Hall on the 30 September 2020 at 10h00. Q2 - King Kei Cluster on the 24 th /1/2020 Q3 - Cenyu on 31 st March 2021 Q4 - Report indicating electronic awareness on street trading by-law. Poster signed By HOD and Screenshot of the website and Report signed by HOD has been submitted	<p>Quarterly Report on Sustainability 1 April 2022</p> <p>31 March 2021</p> <p>Quarterly Sustainability</p>			
3.3				No. of reports on functionality of ward committees	4 quarterly reports on functionality of ward committees	Target met 4 quarterly report on functionality of ward committees Signed by HOD attached	<p>Target met 4 quarterly report on functionality of ward committees Signed by HOD attached</p>	N/A	Municipal Manager	46

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3.4		Coordination and integration of Stakeholder engagement by 2022	Strengthening of IGR structures	No. of IGR Forum meetings coordinated	4 broader IGR Forum meeting coordinated	Target met 15 JOC meetings were held with ALM stakeholders as follows: 10 in Quarter 1, 1 in Quarter 2, 4 in Quarter 3, and 1 broader IGR convened in Quarter 4	<p>Target met</p> <p>15 JOC meetings were held with ALM stakeholders as follows: 10 in Quarter 1, 1 in Quarter 2, 4 in Quarter 3, and 1 broader IGR convened in Quarter 4</p>	N/A	Municipal Manager	47
3.5				No. of quarterly report on implementation of IGR resolutions	4 quarterly report on implementation of IGR resolutions	Target met Reports attached on implementation resolutions	<p>Target not met</p> <p>Reports attached on implementation resolutions</p>	N/A	Municipal Manager	48
3.6		To develop and implement effective and compliant frameworks to improve planning and performance management by 2022	Strengthening the satellite operations and monitoring	No of Quarterly reports on implementation of satellite model.	4 Quarterly reports on implementation of satellite model	Target not met The plan was submitted to EXCO. The integrated report was submitted to Mayor. Mayor presented to the EXCO and certain issues	<p>Target not met</p> <p>Reports attached on implementation resolutions</p>	N/A	Municipal Manager	49

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
						were raised for rectification. Rectification took longer and was completed by end of financial year. The plan to be implemented in 2021.22.				
3.7				No quarterly consolidated reports on functionality of satellite offices	4 quarterly consolidated reports on functionality of satellite offices	Target met 4 consolidated report on implementation of Satellite Operation Model	Target met 4 quarterly consolidated reports on functionality of satellite offices	N/A	Municipal Manager	50
3.8	To promote effective Communication of Amahlathi business by 2022		Functionality of B2B/ war room approach	No of reports on functionality of war rooms submitted to Council	4 reports on functionality of war rooms submitted to Council	Target Met 4 reports And Proof of submission to Council submitted: 30/07/2020, 29/10/2020, 30/03/2021 and 29/04/2021	Target Met 4 reports And Proof of submission to Council submitted: 30/07/2020, 29/10/2020, 30/03/2021 and 29/04/2021	N/A	Municipal Manager	51

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3.9		To ensure a clean and accountable governance in Amahlathi by 2022	Strengthening council oversight and mechanisms relating to governance processes, risks management and internal controls	No. of MPAC Meetings coordinated	4 MPAC meetings coordinated	Target not met Annual report Roadshows arrears due to poor attendance. Due to MPAC inadequate composition of the committee required capacitation. The council improved the composition and workshops were conducted to capacitate the MPAC could not take place in all	Target not met 2 MPAC meetings held 11/05/2021 28/01/2022		Municipal Manager	52
3.10				No. of quarterly reports on the Functioning of the Executive Committee submitted to Council	4 quarterly reports on the Functioning of the Executive Committee submitted to Council	Target met 4 Reports submitted to Council on the functioning of Executive Committee as follows; 28/08/2020,	Target met 4 Reports submitted to Council on the functioning of Executive Committee as follows; 28/08/2020,	N/A	Municipal Manager	53

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3.11				No. of quarterly Reports on the Functioning of all Council Structures submitted to Council	4 quarterly Reports on the Functioning of all Council Structures submitted to Council	29/10/2020, 30/03/2021, 29/04/2021 Target met 4 Reports submitted to Council on the functioning of Council Structures as follows 28/08/2020, 29/10/2020, 30/03/2021, 29/04/2021	29/10/2020, 30/03/2021, 29/04/2021 Target met 4 Reports submitted to Council on the functioning of Council Structures as follows 28/08/2020, 29/10/2020, 30/03/2021, 29/04/2021	N/A	Municipal Manager	54
3.12				No. of risk management reports submitted to the Risk Committee	4 quarterly risk management reports submitted to Risk Committees	Target met 4 quarterly risk management reports submitted to Risk Committee on the 11/10/2020 13/11/2020 26/03/2021	Target met 4 quarterly risk management reports submitted to Risk Committee on the 11/10/2020 13/11/2020 26/03/2021	N/A	Municipal Manager	55

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3.13				% implementation of the 2021/2022 risk-based internal audit plan (all scheduled audits implemented)	80% implementation of the 2021/2022 risk-based internal audit plan	30/06/2021	Target not met 93% implementation of the internal audit assignments scheduled for 2021/2022. There was a problem of staff turnover in the unit. The municipality has since improved staff complement.	N/A	Municipal Manager	56
3.14				No. of Anti-corruption and Fraud programs conducted per implementation plan	2 Anti-corruption and Fraud programs conducted per implementation plan	Target met 4 fraud workshops conducted on the 29/03/2021, 30/03/2021, 22/06/2021 and 30/06/2021.	Target met 4 fraud workshops conducted on the 29/03/2021, 30/03/2021, 22/06/2021 and 30/06/2021.	N/A	Municipal Manager	57

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3.15				No. of reports submitted to the Audit Committee regarding implementation of AC resolutions	4 reports submitted to the Audit Committee regarding implementation of AC resolutions	Target met 4 reports submitted to the Audit Committee regarding implementation of AC resolutions as follows; 26 October 2020, 09 Dec 2020, 22 Jan 2021, 26 May 2021	Target met 4 reports submitted to the Audit Committee regarding implementation of AC resolutions as follows; 26 October 2020, 09 Dec 2020, 22 Jan 2021, 26 May 2021	N/A	Municipal Manager	58
3.16		Ensure effective & efficient resolution of legal matters	Develop of compliance register and compliance plan	% Implementation of compliance plan	100% Implementation of compliance plan	Target met 100% Implementation of compliance plan.	Target met 100% Implementation of compliance plan.	N/A	Municipal Manager	59
3.17			Resolve legal matters of the municipality	No. of reports on legal matters and their status with financial implications	4 reports on legal matters and their status with financial implications and legal opinion	Target met 4 reports on legal matters and status with financial implications attached	Target met 4 reports on legal matters and status with financial implications attached	N/A	Municipal Manager	60
3.18		To ensure mainstreaming of special programmes	Development, review and implementation	No. of SPU designated groups	4 SPU designated groups	programme (Transportation of track suits)	0/2 programmes implemented	N/A	Municipal Manager	61

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
		into Amahlathi Municipality programmes by 2022	n of the Special programmes unit action plan	supported (Youth, Women, Elderly, Disabled, Children, HIV/AIDS and Sport)	capacitated (Youth, Women, Elderly, Disabled, Children, HIV/AIDS and Sport)	for Cheap town Callies FC from EL-Stutterheim) on the 08/08/2020, 3. HIV program on the 08/10/2020, 4. International Disability day 10/12/2020, 5. Programs conducted, 6. Capacity building of HIV/AIDS support group at Ndakana at 26th March 2021. 7. Visit at Ungakhohobi Elderly centre in Keiskammahok on the 12 March 2021 8. Children's program 20/11/2020, 9	for Cheap town Callies FC from EL-Stutterheim) on the 08/08/2020, 3. HIV program on the 08/10/2020, 4. International Disability day 10/12/2020, 5. Programs conducted, 6. Capacity building of HIV/AIDS support group at Ndakana at 26th March 2021. 7. Visit at Ungakhohobi Elderly centre in Keiskammahok on the 12 March 2021 8. Children's program 20/11/2020, 9			

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3.19		To promote effective Communication of Amahlathi's business by 2022	Effective implementation of the Public Communication Action Plan to revive public trust and confidence	No of Media statements on Service Delivery highlights	4 Media statements on Service Delivery Highlights	21-25 June 2021 (handing over of PPE to Sinekamva ECDC) Target Met Q1 – 1 radio interview held on 19 August 2020 with Forte FM Q2-1 radio interview on the 09/12/2020 with Forte FM Q3-1 radio interview held on 24 th February 2021 interview with Forte FM Q4 – municipal community engagements on 25/05/2021 Keith Ngesi, Ngqushwa FM, Khaya FM.		N/A	Municipal Manager	62

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
3.20				No of Audio-visuals on Municipal Programs	12 Audio-visuals on Municipal Programs compiled	Target met 12 Screenshots For Mandela Day 23/07/2021. Handing over sanitary towels with Sisonke Foundation at Sikhulule Public School 06/08/2021, Clean-up Campaign at Kologha 31/08/2021, For audio visuals on 1. Book launch at Nomathemba Public School on the 05 th of November 2021 2. Handover of Amatholaville paving and surfacing and Nothenga Community Hall on the 22/10/2021	Target met 12 Screenshots For Mandela Day 23/07/2021. Handing over sanitary towels with Sisonke Foundation at Sikhulule Public School 06/08/2021, Clean-up Campaign at Kologha 31/08/2021, For audio visuals on 1. Book launch at Nomathemba Public School on the 05 th of November 2021 2. Handover of Amatholaville paving and surfacing and Nothenga Community Hall on the 22/10/2021	N/A	Municipal Manager	63

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
						3. Inauguration of Council Meeting on the 22/11/2021, For audio visuals on 1. Stakeholder engagement on the 09/02/2022 at Stutterheim 2. Official launch of election of ward committees on the 05/01/2022 3. Handover of Keiskammahok Fire Station on the 04/03/2022 & For audio visuals on 1. MRM elective conference on the 21 April	Target met 2 Newsletters developed	Target met 2 Newsletters developed		
3.21				No of Newsletters developed	2 Newsletters developed	Target met 2 Newsletters developed	Target met 2 Newsletters developed	N/A	Municipal Manager	64

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Reason/Comment and Corrective Action	Custodian	KPI NO
3,22		Strengthening Amahlathi ICT systems and networks for future generations by 2022	Improvement of ICT infrastructure for efficiency and data recovery	% information for municipal users backed up	80% information for municipal users backed up	Target not met 64.5% information for municipal users backed up Most end-users/ employee where working from home during the quarter due to the national lockdown cause by the covid 19 pandemic and the number of employee that were connecting to the municipal network was low and the 80% information backed up was not reach from 1 July-30 September 2020. Planning will	N/A	Director Corporate Services	65

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Actual 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
						be done to accommodate covid-19 regulations. The employees will be required to connect to the server on a weekly basis.				
3.23		Strengthening Amahlathi ICT systems and networks for future generations by 2022	Improvement of ICT infrastructure for efficiency and data recovery	Turnaround time to attend to logged faults by users	10 working hours to attend to logged faults	Target met An average of 2:04:15 time taken to attend to logged faults	Target met An average of 2:04:15 time taken to attend to logged faults	N/A	Director Corporate Services	66
3.24		To ensure compliant, effective and efficient customer management by 2022 and beyond.	Provide ongoing support to users on system related queries	% of reported system related queries resolved	95% of reported system related queries resolved	Target met 100% of system related queries resolved	Target met 100% of system related queries resolved	N/A	Chief Financial Officer	67
3.25		To ensure business continuity in the event of a disaster by 2022 and beyond	Implementation and monitoring of controls to ensure security of information and business continuity	Daily backups done on Financial system, Payroll and HR system	Daily backups done on Financial system, Payroll and HR system	Target met Daily backups done on Venus and Pay day systems	Target met Daily backups done on Venus and Pay day systems	N/A	Chief Financial Officer	68

3.8.4 KPA 4: LOCAL ECONOMIC DEVELOPMENT (LED)

IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
4,1	Output No 3: Implementation of Community Work Programmes	To improve implementation of the government intervention programme to eliminate poverty by 2022.	Implementation of the EPWP and municipal job creation programme	No. of jobs created through EPWP	200 jobs created through public works grant	Target met 250 jobs created through public works grant	250 jobs created through public works grant	N/A	Director Engineering Services	69
4,2		To stimulate growth of the local economy through robust programmes by 2022.	Support and development of SMMEs around Amahlathi Local Municipality.	% of Amahlathi procurement expenditure should benefit SMMEs	10% of Amahlathi procurement expenditure should benefit SMMEs	Target met 47.75% of Amahlathi procurement expenditure should benefit SMMEs	Target met 53% of Amahlathi procurement expenditure should benefit SMMEs	N/A	Chief Financial Officer	70
4.3				No of SMMEs supported to access government Relief Support Measures	20 SMMEs supported to access SMME Relief Measures	Target met 53 SMMEs supported on accessing relief measures	Target met 62 SMMEs supported to access SMME support program	N/A	Director: Development and Planning,	71

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
4,4			Capacitation of SMMEs and Co-ops through various interventions	No of Businesses that comply with Municipal business regulations	20 Businesses that comply with Municipal business regulations	Target Met 92 temporary permits were issued to informal food traders and Spaza shops 8 in quarter 1, 10 in Q2 and 32 in quarter 3.	Target met 22 businesses that comply with Municipal business regulations. Company were issued with permits	N/A	Director: Development and Planning	72
4,5				No of Trading By-law compliance monitoring intervention	3 By-law Compliance monitoring interventions	New Indicator	Target met 3 compliance monitoring interventions were conducted	N/A	Director development and Planning	73
4,6				Development of public advertising by-law	Developed public advertising by-law submitted to Council	New Indicator	Target not met Varieties sport submitted Public by law was submitted to Standing Committee June 2021 for voting	N/A	Director: Development and Planning	74
4,7			Projects of R4million and above to subcontract local contractors	No. of interventions made on subcontracting of local contractors	2 interventions made on subcontracting of local contractors	New Indicator	Target met 2 interventions made on subcontracting of local contractors	N/A	Director: Development and Planning	75

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
4.8			Stimulate and Strengthen relationship between Amahlathi and other municipalities	No. of twinning engagement programs commissioned	3 reports on implementation of signed twinning agreements with strategic institutions	Target not met 1 signed twinning agreements with Fort Cox college on 21/05/2021 One Twinning Agreement was not formalized by DRDAR. The parties agreed that the existing arrangements be utilized.	<i>Target not met as the twinning agreement signed and submitted</i>	N/A	Director: Development and Planning	76
4.9		Promotion of Tourism through the establishment of Local Tourism Organization and CTOs by 2022	Participate in marketing platforms and host events	No. of trainings conducted for LTOs and CTOs	2 support interventions for LTOs and CTOs	Target met 2 signed reports on the support For LTOs and CTOs	<i>2 twinning twinning reports submitted by twinning partners on 19 June 2022</i>	N/A	Director: Development and Planning	77
4.10				No. of tourism marketing platforms used to promote crafters artefacts	4 tourism marketing platforms to promote crafters artefacts	New Indicator	<i>Target not met as twinning partners twinning reports submitted</i>	N/A	Director: Development and Planning	78

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
4.11		Promotion of Tourism through identification of Tourist areas	Promotion of identified tourism sites.	No. of tourist attractions promoted	6 tourist attractions promoted	Target Met 6 tourist attractions promoted (1. Dohne Agricultural Institute 2. Fort Cox Agricultural College 3. James Arthur Calata profile 4. Gubu 5. Tree project in Kwazidenge 6. Goshen Moravian church)	Target Met 6 tourist attractions promoted (1. Dohne Agricultural Institute 2. Fort Cox Agricultural College 3. James Arthur Calata profile 4. Gubu 5. Tree project in Kwazidenge 6. Goshen Moravian church)	N/A	Director: Development and Planning	79
4.12		To Stimulate local economy through Agricultural development by 2022	Provision of capacity building programs to support existing farmers	No. of farmers supported with capacity building	15 farmers to be supported with capacity building	Target met 13 farmers trained (Training conducted on the 17-18 September 2020 and 13 October 2020 By Rasiz For 13 farmers on poultry meat, cropping 7 farmers and	Target Met 13 Farmers trained for the year	N/A	Director: Development and Planning	80

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
4.13		To ensure value-maximization of the forestry natural resource in line with local economic development by 2022.	% Implementation of a forestry strategy in a Co-ordinated manner	% Implementation of the Forestry Strategy	50% implementation of the Forestry Strategy	Piggery 4 farmers Target met 100% implementation of the Forestry Strategy	Target met 100% implementation of the Forestry Strategy	N/A	Director: Development and Planning	81
4.14		To ensure development of the economic infrastructure required to enable increased economic growth	Source funding through development of business plans	No. of Business plans or proposal developed.	4 Catalytic Projects packaged	Target Met 3 Catalytic Projects packaged 1. Keiskammahoek shopping Complex 2. Stutterheim Master and Precinct Plan 3. Management of Municipality Property's Portfolio	Target Met 4 Catalytic Projects packaged	N/A	Director: Development and Planning	82

3.8.5 KPA 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (MTI - 15)

IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.1	Output 1: Implement and differentiate approach to Municipal Finance, Planning and support	To attract, retain, build capacity and maximize utilization of Amahlathi Human Capital by 2022 and beyond	Implementation of the approved organizational structure.	No. of Reviewed institutional policies adopted by council	62 Reviewed institutional policies adopted by council	Target Met 63 policies were submitted to Council for adoption together with Plans, Strategies and Framework	Target Met 63 policies were submitted to Council	N/A	Director: Corporate Services	83
5.2				No. of Reports on the Implementation of process plan on re-engineering project submitted to Standing Committee	4 Reports on the process plan on re-engineering project Standing Committee	Target not Met Structure was submitted to LLF before submission to council and the session was scheduled for 23 June and was never convened. The target not met due to meeting postponement on 23 June 2021. Submission of	Target not Met Structure was submitted to LLF before submission to council and the session was scheduled for 23 June and was never convened. The target not met due to meeting postponement on 23 June 2021. Submission of	N/A	Director: Corporate Services	84

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.3				% of critical/vacant and funded positions filled as per the approved staff establishment	100 % of critical/vacant and funded posts filled as per recruitment plan	the organizational structure report will be done during first quarter of 2021/22 financial year.	Target Met 100% of new and funded posts filled as per recruitment plan	N/A	Director: Corporate Services	85
5.4				No of implemented programs per Human Resource Strategy implementation plans	4 implemented programs per Human Resource Strategy implementation plans	Target Met 4 implemented programs per Human Resource Strategy implementation plans 1. Cathcart offices on the 28/09/2020. 2. 28 October 2020 (Held in KKH) 3.	Target Met 4 implemented programs per Human Resource Strategy implementation plans 1. Cathcart offices on the 28/09/2020. 2. 28 October 2020 (Held in KKH) 3.	N/A	Director: Corporate Services	86

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.5			Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of EAP programmes implemented as per approved plan	4 EAP programmes implemented per approved plan (Cancer awareness, World Aids day, Sexual health and TB awareness and Candle Light)	Virtual meeting conducted 25 March 2021 4. 14/06/2021	Target met 4 EAP programmes implemented (Cancer awareness and financial wellness programme was conducted on the 10/09/2020), 2. World Aids day conducted on 1st December 2020 at Stutterheim. 3 TB and sexual transmitted diseases awareness and financial wellness programme	N/A	Director: Corporate Services	87

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.6					Development and implementation of Amahlathi LM COVID-19 containment strategy and compliance plan	4 Reports on implementation of Amahlathi LM COVID-19 containment strategy and compliance plan submitted	was conducted on the 11/02/2021 at Cathcart, 4. Candle light memorial at Keiskammahok on the 06 May 2021	N/A	Director: Corporate Services	88
5.7			Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No of activities implemented as per approved OHS plan	4 activities implemented as per approved OHS plan	Target met OHS plan reviewed and implemented, 1. Site visits conducted in Keiskammahok 28/10/2020 2. capacity building session conducted at	Target met 4-5 per approved and implemented 1. Site visits conducted 2. Capacity building session conducted at	N/A	Director: Corporate Services	89

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.10			LLF meetings held	No of LLF meetings	4 LLF meetings	Cathcart on the 11/02/2021, meetings and site visits 06/05/2021	<p>Target met</p> <p>LLF meetings were held as follows:</p> <p>13/08/2020,</p> <p>25/09/2020</p> <p>05/11/2020</p> <p>21/01/2021</p> <p>12/03/2021</p> <p>09/06/2021</p>	N/A	Director: Corporate Services	90
						<p>Target met</p> <p>4 quarterly reports prepared on compliance with EEP annual targets</p>	<p>Target met</p> <p>4 quarterly reports prepared on compliance with EEP targets</p>	N/A	Director: Corporate Services	91
5.11			Implementation of the approved EEP	No. of quarterly reports prepared on compliance with EEP annual targets	4 quarterly reports prepared on compliance with EEP annual targets	Target met 4 quarterly reports prepared on compliance with EEP targets	<p>Target met</p> <p>4 quarterly reports prepared on compliance with EEP targets</p>	N/A	Director: Corporate Services	91

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.12		Promotion of Community safety	Development of Liquor by-laws	Gazette and Implementation of the By Law	Gazette and Implementation of the By Law	Target met' Liquor By-law Proof of submission to Council held 28 May 2021	Target met' Liquor By-law Proof of submission to Council held 28 May 2021	N/A	Director: Community Services	92
5.14		To ensure appropriate capacity building interventions by 2022	Develop and implement programmes (for graduate re-skilling) especially linked to areas of scarce skills)	No of training intervention programs organized for Employees, Councilors and Communities implemented	4 trainings intervention programs implemented	Target Met Trainings done outside training plan no budget for trainings conducted as follows 1. Housing and Development for councilors by Human Settlements 10 October 2020, 2. Bid Committee Trainings, 3. Digitalization training, 4 Annual Local Government Labour seminar 5. 08-09/04/2021 at	Target met' Trainings done outside training plan no budget for trainings conducted as follows 1. Housing and Development for councilors by Human Settlements 10 October 2020, 2. Bid Committee Trainings, 3. Digitalization training, 4 Annual Local Government Labour seminar 5. 08-09/04/2021 at	N/A	Director: Corporate Services	93

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
						Dohne for LLF and 6. additional training conducted on 02/06/2021 on	<p>1. Training conducted in the 2021/22 financial year.</p> <p>2. Training conducted in February 2022.</p> <p>3. Training conducted in the 2021/22 financial year.</p> <p>4. Training conducted in the 2021/22 financial year.</p> <p>5. Training conducted in the 2021/22 financial year.</p> <p>6. Training conducted in the 2021/22 financial year.</p> <p>7. Training conducted in the 2021/22 financial year.</p> <p>8. Training conducted in the 2021/22 financial year.</p> <p>9. Training conducted in the 2021/22 financial year.</p> <p>10. Training conducted in the 2021/22 financial year.</p> <p>11. Training conducted in the 2021/22 financial year.</p> <p>12. Training conducted in the 2021/22 financial year.</p> <p>13. Training conducted in the 2021/22 financial year.</p> <p>14. Training conducted in the 2021/22 financial year.</p> <p>15. Training conducted in the 2021/22 financial year.</p> <p>16. Training conducted in the 2021/22 financial year.</p> <p>17. Training conducted in the 2021/22 financial year.</p> <p>18. Training conducted in the 2021/22 financial year.</p> <p>19. Training conducted in the 2021/22 financial year.</p> <p>20. Training conducted in the 2021/22 financial year.</p> <p>21. Training conducted in the 2021/22 financial year.</p> <p>22. Training conducted in the 2021/22 financial year.</p> <p>23. Training conducted in the 2021/22 financial year.</p> <p>24. Training conducted in the 2021/22 financial year.</p> <p>25. Training conducted in the 2021/22 financial year.</p> <p>26. Training conducted in the 2021/22 financial year.</p> <p>27. Training conducted in the 2021/22 financial year.</p> <p>28. Training conducted in the 2021/22 financial year.</p> <p>29. Training conducted in the 2021/22 financial year.</p> <p>30. Training conducted in the 2021/22 financial year.</p> <p>31. Training conducted in the 2021/22 financial year.</p> <p>32. Training conducted in the 2021/22 financial year.</p> <p>33. Training conducted in the 2021/22 financial year.</p> <p>34. Training conducted in the 2021/22 financial year.</p> <p>35. Training conducted in the 2021/22 financial year.</p> <p>36. Training conducted in the 2021/22 financial year.</p> <p>37. Training conducted in the 2021/22 financial year.</p> <p>38. Training conducted in the 2021/22 financial year.</p> <p>39. Training conducted in the 2021/22 financial year.</p> <p>40. Training conducted in the 2021/22 financial year.</p> <p>41. Training conducted in the 2021/22 financial year.</p> <p>42. Training conducted in the 2021/22 financial year.</p> <p>43. Training conducted in the 2021/22 financial year.</p> <p>44. Training conducted in the 2021/22 financial year.</p> <p>45. Training conducted in the 2021/22 financial year.</p> <p>46. Training conducted in the 2021/22 financial year.</p> <p>47. Training conducted in the 2021/22 financial year.</p> <p>48. Training conducted in the 2021/22 financial year.</p> <p>49. Training conducted in the 2021/22 financial year.</p> <p>50. Training conducted in the 2021/22 financial year.</p> <p>51. Training conducted in the 2021/22 financial year.</p> <p>52. Training conducted in the 2021/22 financial year.</p> <p>53. Training conducted in the 2021/22 financial year.</p> <p>54. Training conducted in the 2021/22 financial year.</p> <p>55. Training conducted in the 2021/22 financial year.</p> <p>56. Training conducted in the 2021/22 financial year.</p> <p>57. Training conducted in the 2021/22 financial year.</p> <p>58. Training conducted in the 2021/22 financial year.</p> <p>59. Training conducted in the 2021/22 financial year.</p> <p>60. Training conducted in the 2021/22 financial year.</p> <p>61. Training conducted in the 2021/22 financial year.</p> <p>62. Training conducted in the 2021/22 financial year.</p> <p>63. Training conducted in the 2021/22 financial year.</p> <p>64. Training conducted in the 2021/22 financial year.</p> <p>65. Training conducted in the 2021/22 financial year.</p> <p>66. Training conducted in the 2021/22 financial year.</p> <p>67. Training conducted in the 2021/22 financial year.</p> <p>68. Training conducted in the 2021/22 financial year.</p> <p>69. Training conducted in the 2021/22 financial year.</p> <p>70. Training conducted in the 2021/22 financial year.</p> <p>71. Training conducted in the 2021/22 financial year.</p> <p>72. Training conducted in the 2021/22 financial year.</p> <p>73. Training conducted in the 2021/22 financial year.</p> <p>74. Training conducted in the 2021/22 financial year.</p> <p>75. Training conducted in the 2021/22 financial year.</p> <p>76. Training conducted in the 2021/22 financial year.</p> <p>77. Training conducted in the 2021/22 financial year.</p> <p>78. Training conducted in the 2021/22 financial year.</p> <p>79. Training conducted in the 2021/22 financial year.</p> <p>80. Training conducted in the 2021/22 financial year.</p> <p>81. Training conducted in the 2021/22 financial year.</p> <p>82. Training conducted in the 2021/22 financial year.</p> <p>83. Training conducted in the 2021/22 financial year.</p> <p>84. Training conducted in the 2021/22 financial year.</p> <p>85. Training conducted in the 2021/22 financial year.</p> <p>86. Training conducted in the 2021/22 financial year.</p> <p>87. Training conducted in the 2021/22 financial year.</p> <p>88. Training conducted in the 2021/22 financial year.</p> <p>89. Training conducted in the 2021/22 financial year.</p> <p>90. Training conducted in the 2021/22 financial year.</p> <p>91. Training conducted in the 2021/22 financial year.</p> <p>92. Training conducted in the 2021/22 financial year.</p> <p>93. Training conducted in the 2021/22 financial year.</p> <p>94. Training conducted in the 2021/22 financial year.</p> <p>95. Training conducted in the 2021/22 financial year.</p> <p>96. Training conducted in the 2021/22 financial year.</p> <p>97. Training conducted in the 2021/22 financial year.</p> <p>98. Training conducted in the 2021/22 financial year.</p> <p>99. Training conducted in the 2021/22 financial year.</p> <p>100. Training conducted in the 2021/22 financial year.</p>			
5.15		To ensure cost efficient and economical use of council resources commensurate	Strengthening systems and mechanisms relating to governance processes, risks	No. of reports implementation of fleet management systems.	4 reports on implementation of fleet management systems submitted to fleet management committee	Target Met 4 reports on implementation of fleet management systems.	<p>Target Met 4 reports on implementation of fleet management systems.</p> <p>4 reports on implementation of fleet management systems submitted to fleet management committee</p>	N/A	Director: Corporate Services	94

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.16		to effective IDP implementation by 2022 and beyond	management and internal controls	No reports implementation of fleet and fuel management plan	4 reports on implementation of fleet and fuel management plan	Developed fleet and fuel monitoring strategy submitted proof of submission to Council 25 January 2021 for adoption submitted	Target met 100% implementation of fleet and fuel management plan	N/A	Director: Corporate Services	95
5.17			Efficient and economical utilization of council resources	% decrease in telephone expenditure	20% decrease in telephone expenditure	Target met 71.99% decrease in telephone expenditure	Target met 71.99% decrease in telephone expenditure	N/A	Director: Corporate Services	96
5.18		To ensure compliant and prudent safeguarding and preservation of institutional memory by 2022 and beyond	Establishment of legal frameworks, standards and ethical principles to protect the confidentiality of data	No. of reports prepared on implementation with the file plan	4 reports prepared on implementation with the file plan	Target met 4 reports prepared on compliance with file plan.	Target met 4 reports prepared on compliance with file plan	N/A	Director: Corporate Services	97
5.19		To develop and implement effective and compliant	Integrated Planning and Development	Date on which the 2022/23 IDP is submitted to	2022/23 IDP submitted to Council for approval approved by	Final 2021/22 IDP submitted to Council 31 May 2021	Final 2021/22 IDP was submitted to Council on the 31 May 2021	N/A	Municipal Manager	98

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.20		frameworks to improve planning and performance management by 2022	Improve the effective functionality and credulity of the performance management System	Council for approval	Council on 31st May 2022					
				No. of days by which the 2022/23 SDBIP is submitted to the Mayor for approval	2022/23 SDBIP submitted to the Mayor for approval by the 28th day after approval of the budget	Copy of Final 2021/22 SDBIP And Proof of submission Approval by Mayor dated 24 June 2021 submitted.	Final 2022/23 SDBIP was Submitted by the Mayor on 24 June 2022	N/A	Municipal Manager	99
5.22				Date on which departmental quarterly reports with evidence files submitted to IDP/PMS Unit	Departmental quarterly reports with evidence files submitted to IDP/PMS Unit within 6 working days of the next month after the end of each Quarter	New Indicator	Target not met, not all departments submitted PDE on time	N/A	All HODs	100
				No. of individual performance reviews coordinated by each HOD (Task grade 12 and upwards)	4 Quarterly individual Performance Reviews coordinated by each HOD (Task grade 12 and upwards)	Target not met 1 department conducted reviews during the year under review	Target not met Not all departments conducted reviews for the quarter	N/A	All HODs	101

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.23				No. of quarterly organizational performance reports submitted to Council	4 quarterly organizational performance reported submitted to Council	Target met 4 Organizational Performance assessment report; 30/07/2020, 30/10/2020 25/01/2021, 30/04/ 2021	Target met 4 Organizational Performance assessment report; 30/07/2020, 30/10/2020 25/01/2021, 30/04/ 2021	N/A	Municipal Manager	102
5.24				Date on which the 2020/21 final and audited Annual Report is submitted to Council and AG	2020/21 Annual report submitted to AG on 31 August 2021	Target met 2019/20 Unaudited Annual report submitted to AG on 31 October 2020	Target met 2019/20 Unaudited Annual report submitted to AG on 31 October 2020	N/A	Municipal Manager	103
5.25	To promote sustainable Local economic development by 2022		Development and implementation of the Spatial Development Framework	Reviewal of the SDF and submitted to council	Reviewal of the SDF and submission to council	Target not met Directorate has not secured internal town planning capacity to drive project Appointment of Town Planner will be made during	Target not met Directorate has not secured internal town planning capacity to drive project Appointment of Town Planner will be made during	N/A	Director Development and Planning	104

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IDP Ref	Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2021/22	Annual Actual 2020/21	Annual Actual 2021/22	Reason/Comment and Corrective Action	Custodian	KPI NO
5.26			Ensure effective and efficient land administration within Amahlathi Local Municipality	Developed SPLUMA Compliant Wall to Wall Scheme and submitted to Council for adoption	Developed SPLUMA Compliant Wall Scheme and submitted to Council for adoption	2021/22 financial year to drive the review of SDF.	Target not met SPLUMA Compliant Wall to Wall Scheme submitted to Council for adoption during 2021/22		Director Development and Planning	105

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE**4.1 INTRODUCTION**

According to the Amahlathi Local Municipality organisational structure, the Municipality suppose have six (6) section 56 managers who supposed to sign performance agreements and submitted to the Department of Local Government and Traditional Affairs within the required time frames.

Three of the directors left the municipality. The positions have been advertised to fill in the vacant positions through recruitment processes and the recommended candidates will assume their duties on 01 July 2021.

The 6 section 56 managers lead the following departments:

DEPARTMENT	FILLED/NOT FILLED
Municipal Managers Office	Municipal Manager suspended and Mr. Mase BP (Secondment from COGTA) acting in a position of the Municipal Manager
Budget and Treasury Office	Filled
Development and Town Planning	Vacant due to resignation and not filled yet.
Engineering Services	Filled
Community Services	Director Community Services suspended and Ms. Noholoza A (secondment from Amathole District Municipality) acting in a position of Director Community Services
Corporate Services	Filled

Full time staff complement per functional area

Employees				
Description	Year 19/20	Year 2020/21		Total No Employees
	Employees	2020/2021	Current year 2021/22	
	No.			
Corporate Services	21	21	27	27
Development and Planning	19	19	17	17
Engineering Department	84	81	78	78
Community Services	115	106	100	100
Executive Services	39	37	28	28
BTO	31	27	31	31
Totals	309	291	281	281

Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.

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Vacancy Rate: Year 2021/22			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S56 Managers (excluding Finance Posts)	4	1	66.7%
Senior Manager Levels 17-19	5	0	100%
Highly skilled supervision levels 12-16	69	3	4,3%
Skilled Technical & Academically Qualified Workers, Junior Management 9-11	65	4	6.15%
Total	145	8	5.51%

Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Employees				
Description	Year 19/20	Year 2020/21		
	Employees	2020/2021	Current year 2021/22	Total No
	No.			Employees
Corporate Services	21	21	27	27
Development and Planning	19	19	17	17
Engineering Department	84	81	78	78
Community Services	115	106	100	100
Executive Services	39	37	28	28
BTO	31	27	31	31
Totals	309	291	281	281

Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.

4.2 MANAGING THE MUNICIPAL WORKFORCE

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	.	
1	Code of conduct for councillors	100	March 2021	30 June 2022
2	Council Rules of order	100	March 2021	30 June 2022
3	Delegations of Authority	100		30 June 2022
4	Expanded Public Works Programme Policy	100		30 June 2022
5	Petitions Policy	100	March 2021	30 June 2022
6	Code of conduct for ward committees	100	March 2021	30 June 2022
7	Career Management policy	100	March 2021	30 June 2022
8	Experiential training policy	100	March 2021	30 June 2022
9	Scarce Skills Policy	100	March 2021	30 June 2022
10	Employee study assistance policy	100	March 2021	30 June 2022
11	Training and development policy	100	March 2021	30 June 2022
12	Acting allowance policy	100	March 2021	30 June 2022
13	Bereavement Policy	100	March 2021	30 June 2022
14	Leave Policy	100	March 2021	30 June 2022
15	Policy on policy development	100	March 2021	30 June 2022
16	Fleet management Policy	100	March 2021	30 June 2022
17	Subsistence and Travelling Policy	100	March 2021	30 June 2022
18	Official transport to attend Funerals (Bereavement Policy)	100	March 2021	30 June 2022
19	Job Evaluation review policy	100	March 2021	30 June 2022
20	Occupational health and safety policy	100	March 2021	30 June 2022
21	Overtime and shift allowance policy	100	March 2021	30 June 2022
22	Performance Management and Development	100	March 2021	30 June 2022
23	Recruitment and Selection policy	100	March 2021	30 June 2022
24	Code of conduct for staff members	100	March 2021	30 June 2022
25	Long Service Allowance Policy	100	March 2021	30 June 2022
26	Code of conduct for councillors	100	March 2021	30 June 2022
27	Grievance procedure	100	March 2021	30 June 2022

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28	Skills Development policy	100	March 2021	30 June 2022
29	Staff retention policy	100	March 2021	30 June 2022
30.	Telephone usage and cellular allowance phone	100	March 2021	30 June 2022
31.	Records Management Policy	100	March 2021	30 June 2022
32.	Uniforms and Protective Clothing (Health and Safety Policy)	100	March 2021	30 June 2022
32.	Placement Policy	100	March 2021	30 June 2022
33.	Covid 19 Management Policy	100	March 2021	30 June 2022
Use name of local policies if different from above and at any other HR policies not listed. T 4.2.1				

4.3 SICK LEAVE

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	0	0	0%	0	0	
Temporary total disablement	0	0	0%	0	0	
Permanent disablement	0	0	0%	0	0	
Fatal	0	0	0%	0	0	
Total	0	0		0	0	
T 4.3.1						
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 /Unskilled (Levels 2-5)	198	9.9%	37	81	45.68	94686,02
Semi-Skilled (Levels 6-11)	886	5.98%	67	118	56.78	864456,96
Highly skilled production (levels 12-19)	613	6.99%	53	75	70.67	1144339,10
Interns	4	25%	1	3	33.33	1212,16
Other (task grade pending)	0	0%	0	0	0	0
MM and S57	8	0%	1	4	25	27272,32
Total	1709	47.87%	159	281	231.46	2131 966,55
* - Number of employees in post at the beginning of the year						T 4.3.2

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Number and Period of Suspensions			
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised
Senior Manager Community Services	Gross Misconduct	Suspended	Disciplinary hearing will be held on 27 July 2022.
Senior Electrician	Three Counts of Gross Misconduct	Not Suspended	Disciplinary tribunal finalised.
Artisan Assistant	Gross Misconduct	Not Suspended	Disciplinary tribunal finalised.
Unit Manager Cathcart satellite	Gross Misconduct	Suspended	Disciplinary tribunal finalised.
Corporate services	Insolent behaviour	Not Suspended	Disciplinary tribunal finalised and she lodged a dispute of unfair labour practice
HRD Manager			
Community services	Gross dishonest	Not suspended	Disciplinary tribunal finalised.
Fire fighter			
Community Services	Absconson	Not Suspended	Disciplinary tribunal finalised.
General worker			
Engineering Services	Dereliction of Duty	Not Suspended	Disciplinary tribunal finalised. Chairperson imposed written warning valid for 12 months
Keiskammahoek			
Community Services	Insubordination		Disciplinary tribunal finalised. Chairperson imposed written warning valid for 12 months
Keiskammahoek			

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Community Services	Dereliction of duty	Not suspended	Disciplinary tribunal finalised. Chairperson imposed written warning valid for 12 months
Keiskammahoek BTO	Dereliction of duties	Not suspended	Disciplinary hearing will be held on the 11 August 2022
Senior Manager Finance BTO	Dereliction of duties	Not suspended	Disciplinary hearing will be held on the 11 August 2022
Senior Manager Finance	Gross misconducts	Suspended	Handled external
Community Services Director	Gross misconduct	Not suspended	Suspension uplifted and the disciplinary hearing will be held on August 2022
Executive Services	Dereliction of Duty	Not Suspended	
General Manager Engineering Services	Unauthorised absence from work	Not suspended	Pending
Keiskammahoek Engineering Services (Stutterheim)	Unauthorised absence from work	Not Suspended	Pending
Community Services (Stutterheim)	Unauthorised absence from work	Not suspended	Pending
Engineering Services (Stutterheim)			

4.4 CAPACITATING THE MUNICIPAL WORKFORCE - SKILLS DEVELOPMENT AND TRAINING

SKILLS DEVELOPMENT MATRIX

Skills Matrix														
Management Level	Gender	Employees in post as at 30 June Year 2022	Learnerships			Skills programmes & other short courses			Actual: End of Year 2022	Actual: End of Year 2022	Actual: End of Year 2022	Year 2022 Target	Year 2022 Target	Actual: End of Year 2022
			Actual: End of Year 2022	Actual: End of Year 2022	Actual: End of Year 2022	Actual: End of Year 2022	Actual: End of Year 2022	Actual: End of Year 2022						
MM and s56	Female	0	0	0	0	MM and s56	Female	3	1	1	1	1	2	
	Male				0		Male	2	1	1	1	1	2	
Councillors, senior officials and managers	Female	0	0	0	0	Councillors, senior officials and managers	Female	18	0	1	1	1	2	
	Male	0	0	0	0		Male	14	1	1	1	1	3	
Technicians and associate professionals*	Female	0	0	0	0	Technicians and associate professionals*	Female	1	1	1	1	1	2	
	Male	0	0	0	0		Male	1	1	1	1	1	1	
Professionals	Female	0	0	0	0	Professionals	Female	2	1	1	1	1	2	
	Male	0	0	0	0		Male	1	1	1	1	1	1	

Semi-Skilled and Unskilled	Female	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub total	Female	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24
	Male	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17
Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	14	41

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

1.5 MANAGING THE WORKFORCE EXPENDITURE

Designation	Wages and benefits 2020/21	Wages and benefits 2021/22
Municipal Manager	R1 386 637	R1421 892
Corporate Services Manager	Vacant	R 828 088
Planning and Development Manager	R894 447	R690 252
Engineering Services Manager	Vacant	R973 174
Community Services Manager	Vacant	R919 079
Finance Manager (CFO)	R1 022 226	R1047 804

EMPLOYEE RELATED COSTS	2020/21	2021/22
Basic	85 046 071	R90 286 762
Bonus	7 176 306	R730 8771
Medical aid contributions	6 579 487	R6693 754
UIF	527 433	R581 158
Travel, motor car, accommodation, subsistence and other allowances	3 149 186	R1402 424
Overtime payments	1 453 755	R787 713
Acting allowance	761 858	R382 048
Travel allowance	5 710 776	R4985 162
Housing benefit and allowances	2 976 180	R2819 450
Industrial Council Levy	35 737	R35 845
Pension fund contributions by Council	15 328 292	R1486 7498

REMUNERATION OF COUNCILLORS	2020/21	2021/22
Mayor	R840 313	R809 156
Speaker	R681 131	R657 583
Council Salaries	R7 094 938	R6985 416
Councilor allowances	R2 963 438	R3080 412

CHAPTER 5: FINANCIAL PERFORMANCE

5.1 INTRODUCTION

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

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

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COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

Reconciliation of Table A1
Budget Summary

Description	Year 2021/22										Year -2020/21					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	Original Budget	Budget Adjustments (i.l.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.l.o. s31 of the MFMA)	Virement (i.l.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	
Financial Performance																
Property rates	23 785	-	23 785			23 785	22 178		-7%	93%	93%				20 576	
Service charges	52 200	-	52 200			52 200	54 477		4%	104%	104%				49 583	
Investment revenue	1 845	(1 355)	490			490	269		-82%	55%	15%				1 001	
Transfers recognised - operational	121 545	4 206	125 751			125 751	121 995		-3%	97%	100%				137 729	
Other own revenue	22 827	(1 808)	21 019			21 019	15 887		-32%	76%	70%				27 527	
Total Revenue (excluding capital transfers and contributions)	222 202	1 043	223 245			223 245	214 806								236 417	
Employee costs	129 931	-	129 931			129 931	125 340		-4%	96%	96%	19 513			132 726	
Remuneration of councillors	11 996	-	11 996			11 996	11 533		-4%	96%	96%				11 599	
Debt impairment	20 000	-	20 000			20 000	(7 489)		367%	-37%	-37%	16 485			26 485	
Depreciation & asset impairment	26 000	-	26 000			26 000	26 055		0%	100%	100%				25 570	
Finance charges	3 117	-	3 117			3 117	2 536		-23%	81%	81%	802			3 802	
Materials and Bulk	36 868	134	37 002			37 002	43 061	6 052	14%	116%	117%	2 884			312	
Transfers and grants	-	-	-			-	-		0%	0%	0%	-			-	

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Other expenditure	37 870	(1 622)	36 248	-	36 248	35 251	9 249	-3%	97%	93%	7 420	75 471
Total Expenditure	265 782	3 839	264 294	-	264 294	236 287	15 301				47 104	275 965
Surplus/(Deficit) Transfers recognised - capital	(43 581)	460	(41 049)	-	(41 049)	(21 481)						(39 548)
Contributions recognised - capital & contributed assets	28 080	-	28 080		28 080	28 080			100%	100%		53 144
Surplus/(Deficit) after capital transfers & contributions	(15 501)	460	(12 969)	-	(12 969)	6 599						13 596
Loss on disposal of assets							1 215					
Fair value gain on biological assets												
Loss on disposal of biological assets												
Surplus/(Deficit) for the year	(15 501)	460	(12 969)	-	(12 969)	6 599						13 596
Capital expenditure & funds sources												
Capital expenditure												
Transfers recognised - capital	28 080	-	28 080		28 080	24 772		-13%	88%	88%		45 105
Public contributions & donations	-	-	-		-	-						-
Borrowing	2 800	-	2 800			-						-
Internally generated funds	250	8 538	8 788		8 788	2 420		-263%	28%	0%		3 703
Total sources of capital funds	31 130	8 538	39 668	-	36 868	27 193	-	-276%	116%	88%	-	48 808
Cash flows												
Net cash from (used) operating	35 504	(2 473)	33 031		33 031	22 340		-48%	68%	63%		21 433
Net cash from (used) investing	(31 130)	(8 538)	(39 668)		(39 668)	(26 160)		-52%	66%	84%		(54 762)
Net cash from (used) financing	-	-	-		-	(606)						(177)
Cash/cash equivalents at the year end	31 431	(24 641)	6 790		6 790	10 232						13 426
												13 596

T 5.1.1

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Notes

3 = sum of column 1 and 2

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

Virements must offset each other so that virements in

Total Expenditure equals zero

6 = sum of column 3, 4

and 5

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

9 = 7 - 6

10 = (7/6)*100

11 = (9/1)*100

14 = 13 - 12

15 in revenue equals Audited Outcome plus funds actually recovered

15 in expenditure equals Audited

Outcome less funds actually recovered

15 in Cash Flow equals Audited

Outcome plus funds recovered

This schedule must be part of the financial statements of the municipality (all other schedules, A2 - A7, should form part of the annexures to the financial statements. These schedules do not directly form part of the audit opinion)

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Financial Performance of Operational Services						
R '000						
Description	Year -2020/21	Year 2021/22			Year 2021/22 Variance	
	Actual	Original Budget	Adj Budget	Actual	Original Budget	Adj Budget
Operating Cost						
Electricity	6 297	(5 664)	(3 075)	(8 761)	35%	65%
Waste Management	(5 653)	4 857	3 822	(2 236)	317%	271%
Housing	13	(2 948)	81	18	16722%	-358%
Component A: sub-total	656	(3 754)	829	(10 979)		
Roads	(35 225)	(54 645)	(54 087)	(55 094)	1%	2%
Component B: sub-total	(35 225)	(54 645)	(54 087)	(55 094)		
Planning & Development	56 212	19 806	20 908	21 062	6%	1%
Component C: sub-total	56 212	19 806	20 908	21 062		
Community & Social Services	(3 690)	(9 633)	(10 442)	(10 633)	9%	2%
Public Safety		3 543	1 508	1 837	-93%	18%
Sport and Recreation	2 177	2 860	2 028	1 994	-43%	-2%
	(1 513)	(3 230)	(6 906)	(6 802)		

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

Grant Performance						
R' 000						
Description	Year -2020/21	Year 2021/22			Year 2021/22 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adj Budget (%)
Operating Transfers and Grants						
National Government:	136 385	120 345	120 478	120 478		
Equitable share	131 642	115 504	115 504	115 504	0%	0%
FMG Grant	2 200	2 100	2 100	2 100	0%	0%
EPWP Grant	1 000	1 263	1 263	1 263	0%	0%
PMU 5%	1 399	1 478	1 478	1 478	0%	0%
Disaster Relief Grant	145	-	134	134	100%	0%
Provincial Government:	1 200	1 200	1 200	1 200		
Sports and Recreation	1 200	1 200	1 200	1 200	0%	0%
District Municipality:	-	-	-	-	-	-
Other grant providers:	-	-	4 073	317		

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Waste Grant	-	-	3 300	220	100%	-1401%
Seta Grant	-	-	773	97	0%	0%
Total Operating Transfers and Grants	137 585	121 545	125 751	121 995		

*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.*

T 5.2.1

Grants Received From Sources Other Than Division of Revenue Act (DoRA)

Details of Donor	Actual Grant Year - 2020/21	Actual Grant Year 2021/22	Year 2021/22 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"	-	-	-	N/A	N/A	N/A
Foreign Governments/Development Aid Agencies						
A - "Project 1"	-	-	-	N/A	N/A	N/A
Private Sector / Organisations						
A - "Project 1"	-	-	-	N/A	N/A	N/A
<i>Provide a comprehensive response to this schedule</i>						T 5.2.3

5.2. ASSET MANAGEMENT

The Amahlathi Local Municipality believes that an Asset Management Policy is essential to ensure effective and efficient utilization of public monies and accountability thereof is heavily dependent on accurate recording and accounting with the compilation of the Asset Register that is GRAP compliant. The policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The prime objectives of the policy is to ensure that the assets of Amahlathi Municipality are properly managed and accounted for by:-

- Ensuring the accurate recording of asset information
- The accurate recording of asset movements
- Exercising strict control over all assets
- Providing correct and meaningful management information
- Affecting adequate insurance of all assets
- Maintenance of Council's Assets

The policy is reviewed and amended by council annually during IDP and Budget process. The last review was done in May 2021.

An asset tracking system using bar-coded discs and scanners is implemented. The system allows for regular audits of all assets to be completed in a shorter time frame and therefore allowing for more regular updates of the register.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2021/22				
Asset 1				
Name	Mlungisi Sportfield			
Description	Construction of Mlungisi Sportfield			
Asset Type	Community Assets			
Key Staff Involved	2			
Staff Responsibilities	Monitoring, Managing & Reporting on the implementation of the Project			
Asset Value	Year 23/24	Year 22/23	Year 21/22	Year 20/21
			12 064 495,19	11 559 922,00
Capital Implications	11 559 922,00			
Future Purpose of Asset	To provide the community with at least a basic level of service			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			
Asset 2				
Name	Paving of Matollaville Streets			
Description	Construction of Matolaville Streets			
Asset Type	Road Infrastructure			
Key Staff Involved	2			
Staff Responsibilities	Monitoring, Managing & Reporting on the implementation of the Project			
Asset Value	Year 23/24	Year 22/23	Year 21/22	Year 20/21
			2 207 500,02	6 532 008,00
Capital Implications				

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Future Purpose of Asset	To provide the community with at least a basic level of service			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			
Asset 3				
Name	Mlungisi Access Road			
Description	Construction of Mlungisi Access Road			
Asset Type	Roads Infrastructure			
Key Staff Involved	2			
Staff Responsibilities	Monitoring, Managing & Reporting on the implementation of the Project			
	Year 23/24	Year 22/23	Year 21/22	Year 20/21
Asset Value			1 739 439,17	6 000 000,00
Capital Implications				
Future Purpose of Asset	To provide the community with at least a basic level of service			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy, Roads Maintenance Policy			
<i>T 5.3.2</i>				

Repair and Maintenance Expenditure: Year 2021/22				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	7 963	6 069	2 327	-6166%
<i>T 5.3.4</i>				

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Financial Ratios

FINANCIAL VIABILITY ASSESSMENT			
		As at 30 June 2022	As at 30 June 2021
Expenditure management			
1.1	Creditor-payment period	409,1 Days	291,8 Days
Revenue management			
2.1	Debt-collection period (after impairment)	154,4 Days	64,9 Days
2.2	Debt-impairment provision as a percentage of accounts receivable	71,1%	86,3%
	· Amount of debt-impairment provision	R 91 737 792,00	R 99 226 832,00
	· Amount of accounts receivable	R129 018 866,00	R115 032 771,00
Asset and liability management			
3.1	A deficit for the year was realised (total expenditure exceeded total revenue)	No	No
	· Amount of the surplus / (deficit) for the year	R3 291 532	R5 556 837
3.2	A net current liability position was realised (total current liabilities exceeded total current assets)	Yes	Yes
	· Amount of the net current assets / (liability) position	R96 704 740	R95 120 848
3.3	A net liability position was realised (total liabilities exceeded total assets)	No	No
	· Amount of the net asset / (liability) position	R271 782 313,00	R268 490 775,00
Cash management			
4.1	The year-end bank balance was in overdraft	No	No
	· Amount of year-end bank balance (cash and cash equivalents) / (bank overdraft)	R10 231 908,00	R13 426 476
4.2	Net cash flows for the year from operating activities were negative	No	No
	· Amount of net cash in / (out)flows for the year from operating activities	R22 340 187,00	R21 433 404
4.3	Creditors as a percentage of cash and cash equivalents	1153,60%	767,40%
	· Amount of creditors (accounts payable)	R118 034 373,00	R103 028 739,00
	· Amount of cash and cash equivalents / (bank overdraft) at year-end	R10 231 908,00	R13 426 476
4.4	Current liabilities as a percentage of next year's budgeted resources **	102,20%	116,80%
	· Amount of current liabilities	R147 737 470,00	R127 826 179,00
	· Amount of next year's budgeted income	R10 231 908,00	R13 426 476,00

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital Expenditure - Funding Sources: Year -2020/21 to Year 2021/22							
R' 000							
Details		Year -2020/21	Year 2021/22				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adj to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans						
	Public contributions and donations						
	Grants and subsidies	45 105	28 080	31 380	24 964	12%	-11%
	Other	3 703	3 050	8 288	2 229	0%	0%
Total		48 808	31 130	39 668	27 193	12%	-11%
Percentage of finance							
	External loans	-	-	-			
	Public contributions and donations	-	-	-			
	Grants and subsidies	92,4%	90,2%	79,1%	91,8%	88%	102%
	Other	7,6%	9,8%	20,9%	8,2%	0%	0%
Capital expenditure							
	Electricity	576	-	2 100	2 002	0%	0%
	MIG Projects	47 705	28 080	28 080	24 772	0%	-12%
	Other	527	3 050	9 488	418	211%	-86%
Total		48 808	31 130	39 668	27 193	211%	-98%
Percentage of expenditure							
	Electricity	1,2%	0,0%	5,3%	7,4%	0%	0%
	Roads	97,7%	90,2%	70,8%	91,1%	0%	12%
	Other	1,1%	9,8%	23,9%	1,5%	100%	88%
T 5.6.1							

COMPONENT C: CASH FLOW STATEMENT

Municipal Infrastructure Grant (MIG)* Expenditure Year 2021/22 on Service backlogs						
						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adj Budget	
Infrastructure - Road transport	26 580	13 140	10 684	-149%	-23%	
<i>Roads</i>	26 580	13 140	10 684	-149%	-23%	
<i>Road Structures</i>						
Infrastructure - Electricity						
<i>Power Plants</i>						
<i>Capital Spares</i>						
<i>LV Networks</i>						
Infrastructure - Water						
<i>Dams & Reservoirs</i>						
<i>Water purification</i>						
<i>Reticulation</i>						
Infrastructure - Sanitation						
<i>Reticulation</i>						
<i>Sewerage purification</i>						
Infrastructure - Other						
<i>Landfill Sites</i>						
<i>Waste Transfer Stations</i>						
<i>Capital Spares</i>						
Other Specify:	1 500	14 940	14 088	89%	-6%	
Sports fields	–	11 290	10 491	100%	-8%	
Fire, Safety & Emergency	–	791	1 048	100%	25%	
Hawker Stalls	–	–	–	-	-	
Other	1 500	2 859	2 549	41%	-12%	
Total	28 080	28 080	24 772			

* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.8.3

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Cash Flow Outcomes				
R'000				
Description	Year -2020/21	Current: Year 2021/22		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts	254 284	250 287	251 325	227 930
Ratepayers and other	55 351	88 817	88 690	69 307
Government - operating	137 729	121 545	125 751	121 776
Government - capital	53 144	28 080	28 080	28 300
Interest	8 059	11 845	8 803	8 548
Dividends	-	-	-	-
Payments	(232 850)	(214 782)	(218 294)	(205 590)
Suppliers and employees	(229 048)	(211 665)	(215 177)	(203 054)
Finance charges	(3 802)	(3 117)	(3 117)	(2 536)
Transfers and Grants	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	21 433	35 504	33 031	22 340
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	(54 762)	(31 130)	(39 668)	(26 160)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(54 762)	(31 130)	(39 668)	(26 160)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing	(177)	-	-	625
NET CASH FROM/(USED) FINANCING ACTIVITIES	(177)	-	-	625
NET INCREASE/ (DECREASE) IN CASH HELD	(33 505)	4 374	(6 636)	(3 195)
Cash/cash equivalents at the year begin:	46 931	27 056	13 426	13 426
Cash/cash equivalents at the yearend:	13 426	31 431	6 790	10 232

Source: MBRR A7

T 5.9.1

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Actual Borrowings: Year -2019/20 to Year 2021/22			
R' 000			
Instrument	Year 2019/20	Year 2020/21	Year 2021/22
Municipality			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit	-	-	-
Financial Leases	-	-	-
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	-	-	-
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	-	-	-

T 5.10.2

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Municipal and Entity Investments			
Investment* type	Year 2019/20	Year 2020/21	Year 2021/22
	Actual	Actual	Actual
R' 000			
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	46 339	12 959	8 509
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
Municipality sub-total	46 339	12 959	8 509
Municipal Entities			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	-	-	-
Consolidated total:	46 339	12 959	8 509

T 5.10.4

5.3 SUPPLY CHAIN MANAGEMENT

Section 3(1) (b) and (c) of the SCM regulations states that the accounting officer of a municipality must at least annually review the implementation of SCM policy and when necessary submit proposal for the amendments of the policy to council. The SCM policy was initially developed in 2005 and implemented to give effect to the SCM regulations and it was last reviewed in May 2017. Amahlathi has established an SCM unit which comprises of four officials. The code of conduct, oath of secrecy and declaration forms are signed by all officials involved in supply chain management. The SCM manager has reached prescribed levels as required by the Minimum Competency Regulations Guidelines and the other three officials are still in process. In line with Municipal Finance Management Act (MFMA), the accounting officer has also established various bid committees that are consistent with the SCM regulations and any applicable legislation for competitive bidding i.e.

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

5.4 GRAP COMPLIANCE

The municipality is required by legislation to report on its financial affairs using GRAP Reporting Framework. The Annual Financial Statements and Fixed Asset Register have been prepared and submitted using applicable GRAP standards. In the current year, the municipality has not adopted any new standards and interpretations as there are none effective in the current financial year. The municipality also became aware that it had to comply with the requirements of GRAP 27 (Biological Assets) due to the identification of plantations under its control. The Asset Register and the Annual Financial Statements have been updated through restatements.

CHAPTER 6: AUDITOR GENERAL FINDINGS

6.1. AUDITOR GENERAL OPINION 2021/22

The Amahlathi Local Municipality received an unqualified audit opinion in 2021/2022 audit and the following issues were raised;

3. **Material uncertainty relating to going concern-** the municipality inability to pay creditors within due dates, negative key financial ratio, and net current liability was realised. These events or conditions along with other matters as set out in note 44 indicate that material uncertainty exists and may cast significant doubt on the entity's ability to continue as a going concern
4. **Material impairments consumer debtors** - As disclosed in note 31 to the financial statements, material impairments for consumer debtors and other debtors of R7.5 million (2021: R26.5, million) were incurred.
- **Material electricity distribution losses-** As disclosed in note 49 to the financial statements, material electricity losses of R15.3 million (2021: R11.7 million) was incurred, which represents 34.5% (2020: 34.2%) of total electricity purchased. The losses are attributed to normal losses and illegal connections.

Amahlathi Local Municipality – 2021/22 Annual Report

AUDIT ACTION PLAN TO ADDRESS 2021/22 FINDINGS

Exc. No.	COAF No.	Audit Finding	Nature of the Finding	Classification	Number of Times Reported in Previous 3 years	Action Plan	Progress	Time Frame	Responsible Director	Line Manager	Status
1	ISS.2 COAF 04	Planning: Internal Audit control deficiency	During the assessment of the internal audit function, the following internal control deficiencies were identified: 1. External Quality assurance review/assessment was not performed on the internal audit function as required by IIA standard 1312. 2. Internal auditor's membership for the IIA has lapsed	Internal control deficiency	1	1. The internal quality assurance will be performed during the year in preparation for external quality assurance review. 2. To request funds for internal auditor's membership to be paid.	1. In-progress	2022/23 FY June	General Manager	Z Goba	In progress

Amahlathi Local Municipality – 2021/22 Annual Report

16	ISS.10	COAF 10	Planning: Compensation of employee control deficiency	and has not been renewed and therefore not all the members are members of relevant professional bodies.	1. During the completion of the business process for employee costs, it was noted that the competencies of the following existing officials were not assessed: Head of supply chain and All financial officials and SCM officials 2. During the completion of a business process for employee costs, it was noted that the HR plan is	Internal control deficiency	0	1. The finding was resolved. 2. HR Plan will be signed off before end of Q4 in preparation for new financial year implementation.	1. In progress	30-Jun-22	Director Corporate Services	N/A	In progress
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Amahlathi Local Municipality – 2021/22 Annual Report

17	ISS.39	COAF 15	Employee Related Cost: Over payment of travel allowance	During the testing of employee cost, it was identified that there were overpayments made relating to travel allowance.	Misstatements in financial statements	0	1. Matter to be tabled to council for investigation.	1. Matter is currently being investiga ted by MPAC.	30-Mar-22	Chief Financial Officer	N/A	In progress
22	ISS.19	COAF 10	Planning: There are no investigations done for UIFW expenditure	During the completion of the consequences management business process, it was noted that there are no investigations done for unauthorized, irregular or fruitless and	Non- compliance with legislation	2	1. Training of MPAC members. 2. Investiga tions to be conducted by end of June 2022.	1. Training has been requeste d from PT.	30-Jun-22	General Manager	N/A	In progress

Amahlathi Local Municipality – 2021/22 Annual Report

34	ISS.6	COAF 04	AOPO -KPI 08 - The municipality does not keep a compliant register -Internal control deficiency	wasteful expenditure.	Misstatements in financial statements	0	1. Create a complaint register to capture the query forms. 2.Query forms for the faulty meters to be numbered	1. The complain t register has been created and the query forms for faulty meters are being captured. 2. We have started to number the query forms as they come.	30-Jun-22	Director Engineerin g Services	N/A	In progress
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Amahlathi Local Municipality – 2021/22 Annual Report

55	ISS.8	COAF 04	AOPO -KPI 019 &20 - Pictures are not dated - Internal control deficiencies	During the completion of the business process of the key performance indicator:AOPO (Basic service delivery), it was noted that the pictures submitted for the following indicators are not dated, as a result, we could not confirm whether there was work performed in the current year for the following indicators:KPI 019 -Number of roadblocks conducted and KPI 020 –Number of tickets issued	Misstatements in annual performance report	0	1. Ensure that pictures taken on roadblocks conducted are dated. 2. To do quality check on tickets issued as these have dates when being issued.	1. Camera with date is used for roadmar kings	22-Jun-22	Director Community Services	In progress
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Amahliathi Local Municipality – 2021/22 Annual Report

57	ISS.18	COAF 06	AOPO-The indicators and its targets are not properly presented and disclosed	During the completion of the CMRPD working paper, it was noted that measures taken to improve performance are not disclosed in the APR.	Misstatements in annual performance report	3	1. Proper review of quarterly performance reports.	1. Quarterly performance reports are being reviewed thoroughly before submission.	30-Jun-22	Director Engineering Services	B Mguni	In progress
58	ISS.26	COAF 09	AOPO - Limitation of scope for KPI 1 to 4	During the testing of KPI 1-4, the following were noted: Some inspection forms submitted are blank. Some weekly reports do not have inspection forms. There are only six pictures submitted for the entire work performed in the 2020/21 financial year and three out of the pictures	Misstatements in annual performance report	0	1. Inspection forms to be completed for each assessment of the roads to be maintained.	1. The team has started completing the inspection forms during the assessment of the roads.	30-Jun-22	Director Engineering Services	B Mguni	In progress

Amahlathi Local Municipality – 2021/22 Annual Report

59	ISS 49	COAF 19	KPI 021-Not all the inspected and maintained road markings and signs are included in the inspection and marking report	submitted do not indicate the location of where the work was performed. In addition, there is no time stated in all the submitted pictures.	During the testing of KPI 21- KPI 021- % of inspected damaged road markings and signs maintained , it was identified that some of the road markings and signs maintained during the year , are not included in the inspection reports.	Misstatements in annual performance report	0	1. Ensure inspection report tallies with the pictures taken for quality purposes	1. Road marking currently being done during the month of March 2022.	22-Jun-22	Director Community Services	N/A	In progress
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Amahlathi Local Municipality – 2021/22 Annual Report

63	ISS.60	COAF 25	Provision for Landfill Site: Non compliance with Closure licence	During the testing of provisions, it was noted that a closure license, signed by Ms L Macanda: Director - Air Quality & Waste management on the 18 July 2013, was issued for the Cathcart landfill site by the Department of Economic Development, Environmental Affairs & Tourism. Further, from inspection of the expert report on landfill site, it was noted that the site is still in use and the requirement of the closure licence have not been adhered to.	Misstatements in financial statements	0	1. Secure funding for the appointment of Consultants for closure and rehabilitation of the Cathcart landfill site.	1. In progress	23/24	Director Community Services	N/A	In progress
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69	ISS:67	COAF 27	Landfill Site: Substantial harm to a public sector	During the audit of provisions on landfill site an expert report was inspected. From the inspection of the report it was noted that the Cathcart landfill site operates illegally, receiving general waste form Cathcart areas despite being licenced for closure in 2013. From a site visit it was noted that the public continues to use the site and are burning waste products on site and thus the site poses threats to the health and safety of the public in the surrounding areas. It is noted	Non-compliance with legislation	0	1. Explore utilisation of the Transfer station in Cathcart to minimise dumping at the Cathcart landfill site	1. Consultation planned with DEDEAT on 31st March 2022	22-Jun-22	Director Community Services	N/A	In progress
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70	ISS.14	COAF 03	Eskom Invoices not paid within 30 days	that animals can also be harmed on the landfill site as there is no secure fencing or gates or any kind of securing surrounding the area preventing the public or even stray animals from accessing the waste site. Substantial harm can be caused to the public by the operations of an unlicensed.	Some of the Eskom invoices were not paid within 30 days during the financial year period of 2019/20, as a result interest for late payment were charged.	Misstatements in financial statements	3	1. Invoices will be paid within 30 days provided that the cash flow allows.	1. Invoices are paid within 30 days where cash flow allows. 2. Payment	N/A	Chief Financial Officer	B Mashiya	In progress
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71	ISS.11	COAF 09	AOPO - Difference between the listing and the APR	During the completion of a lead schedule of the AOPO, it was noted that the listing and the APR do not agree with each other.	Misstatements in annual performance report	3	Regular review of reports and portfolio of evidence	The reports are reviewed and submitte d to Internall Audit for review quarterly	N/A	General Manager	Z Mashologu	In progress
72	ISS.20	COAF 06	AOPO-The target set is not specific	During the completion of the usefulness (CMRPD) working paper, it was noted that the target set for some indicators are not specific (i.e. the actual percentage of the 2 kms).	Misstatements in annual performance report	3	Review will be strengthened in the current SDBIP.	The SDBIP was revised and approved by Council	N/A	General Manager	Z Mashologu	In progress

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73	ISS.25	COAF 19	AOPO-KPI 05- Difference between the close-out report and the APR	During the testing of KPI 05, it was identified that the kms per the closeout report and the APR do not agree for Gubevu road.	Misstatements in annual performance report	1	Regular review of consultant reports will be closely monitored strengthened in 2021/22	Consultant reports reviewed	N/A	General Manager	Z Mashologu	In progress
74	ISS.27	COAF 19	KPI 09 Firestation constructed in Keiskammahoek- Difference between APR and the progress report	During the testing of KPI 09, it was noted that the progress report dated 30 June 2021 and the APR do not agree.	Misstatements in annual performance report	0	1. Regular review of consultant reports will be closely monitored in 2021/22 to correct the mistakes/errors	1. Consultant reports are being reviewed	30-Jun-22	Director Engineering Services	B Mguni	In progress
75	ISS.28	COAF 09	AOPO- Difference between quarterly reports and the listings	During testing of KPI 01 - 4, it was noted that the quarterly reports and the listing do not agree and the listing are used to prepare the APR.	Misstatements in annual performance report	0	1. The creation of complain register and accurate capturing of query forms for faulty meters will improve the reporting	1. The complain register has been created and the query forms for faulty meters	30-Jun-22	Director Engineering Services	N/A	In progress

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76	ISS.37	COAF 19	AOPO-KPI 08- There are no customer query forms	During the testing of KPI 08, it was identified that the faulty meters included in the report do not have supporting customer query forms, as a result, we could not confirm the validity and accuracy of the faulty meters reported in the report.	Misstatements in financial statements	3	1. The creation of complain register and accurate capturing of query forms for faulty meters will improve the reporting	1. The complain register has been created and the query forms for faulty meters are being captured.	30-Jun-22	Director Engineerin g Services	N/A	In progress
77	ISS.42	COAF 19	AOPO-KPI 08- Total number of faulty meters included in the POE file and the reports are different	During the testing of KPI 08, it was identified that the total number of faulty meters included in the POE file and the reports are different.	Misstatements in annual performance report	3	1. Create a complaint register to capture the query forms will address the number of faulty meters attended.	1. The capturing of the faulty meters into complain register has	30-Jun-22	Director Engineerin g Services	N/A	In progress

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78	ISS.44	COAF 19	AOPO-KPI 08- Limitation of scope on completeness on the faulty meters	During the testing of the faulty meters repaired indicator, the following issues were identified. The municipality has a register for the first six months of 2020/21 financial year (Jul -Dec 2020) only. The customer query forms are not sequentially number. And the customer query forms included in the POE relates to	Misstatements in annual performance report	3	2. The numbering of query forms for the faulty meters will eliminate the improper capturing of the report	1. The started and will improve reporting	30-Jun-22	Director Engineerin g Services	N/A	In progress
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79	ISS 48	COAF 19	KPI 021-There are no pictures for the 4 way stop in Keiskammahoek	During testing of KPI 021 - % of inspected damaged road markings and signs maintained, it was identified that there are no pictures to support the 4 way stop painted in Keiskammahoek that is included in the inspection report.	Misstatements in annual performance report	0	1. Ensure that pictures taken on road markings including signage conducted are dated.	To be assessed on submissions done	22-Jun-22	Director Community Services	D Minqangeni	In progress
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Report of the auditor-general to Eastern Cape Provincial Legislature and the council of Amahlathi Local Municipality

Report on the audit of the financial statements

Opinion

5. I have audited the financial statements of the Amahlathi Local Municipality set out as volume ii (page 217) of this report, which comprise the statement of financial position as at 30 June 2022, statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Amahlathi Local Municipality as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).

Basis for opinion

7. 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 financial statements section of my report.
8. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants* (including International Independence Standards) (IESBA code) as well as other 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.
9. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty relating to going concern

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.
11. I draw attention to note 44 to the financial statements, which indicates that the municipality's inability to pay creditors on due dates, negative key financial ratios and net current liability were realised. These events or conditions, along with other matters as set out in note 44, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

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 42 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Material impairment of consumer debtors

14. As disclosed in note 31 to the financial statements, material impairments of consumer debtors of R7,5 million (2021: R26,5 million) were incurred.

Material electrical distribution losses

15. As disclosed in note 49 to the financial statements, material electricity losses of R15,3 million (2021: R11,7 million) were incurred, which represented 34,5% (2021: 34,2%) of total electricity purchased. The losses are attributed to normal losses and illegal connections.

Other matter

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

Unaudited disclosure note

17. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

18. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

19. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the 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 financial statements

20. My objectives are to obtain reasonable assurance about whether the 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 financial statements.

21. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report Introduction and scope

22. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against

predetermined objectives for selected key performance area (KPA) presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

23. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
24. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected KPA presented in the municipality's annual performance report for the year ended 30 June 2022:

Key performance area	Pages in the annual report
KPA 1 – Service delivery and infrastructure development	52-63

25. 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.
26. The material findings on the usefulness and reliability of the performance information of the selected KPA are as follows:

KPA 1 – service delivery and infrastructure development
% of km of roads paved (key performance indicator (KPI) 7)

27. The measures taken to improve performance against target of 100% of 1,7 km of roads paved were not reported in the annual performance report.

No. of km of gravel roads maintained (blading) (KPI 1)

28. The achievement of 47,1 km of roads bladed was reported against the target 20 km of roads bladed in the annual performance report. However, the supporting evidence provided did not agree with the reported achievement and indicated an achievement of 9,643 km of roads bladed.

No. of km of municipal roads re-gravelled (KPI 2)

29. The achievement of 0,8 km of roads re-gravelled was reported against the target 4 km of roads re-gravelled in the annual performance report. However, the supporting evidence provided did not agree with the reported achievement and indicated an achievement of 0,3 km of roads re-gravelled.

No. of km of roads constructed (gravelled) (KPI 5)

30. The achievement of 21,17 km of roads constructed (gravelled) was reported against the target of 5 km of roads constructed (gravelled) in the annual performance report. However, the supporting evidence provided did not agree with the reported achievement and indicated an achievement of 4,18 km of roads constructed (gravelled).

No. of households and businesses with basic waste collection (KPI 16)

31. The achievement of 8 200 households and businesses with basic waste collected was reported against the target 6 000 of households and businesses with basic waste collected in the annual performance report. However, the supporting evidence provided did not agree with the reported achievement and indicated an achievement of 4 967 households and businesses with basic waste collected.

Various indicators – limitation misstatement on reliability

32. I was unable to obtain sufficient appropriate audit evidence that systems and processes were established to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. This was due to a lack of measurement definitions and processes. I was unable to validate the existence of systems and processes by alternative means.

Indicator number	Indicator description	Target
KPI 6	% of km of roads surfaced	100%
KPI 7	% of km of roads paved	64%
KPI 10	% of cemeteries fenced	100%
KPI 24	% of inspected damaged road markings and signs maintained	100%

% of faulty reported meters repaired per inspection report (KPI 8)

33. The achievement of 88,84% of faulty reported meters repaired per inspection report was reported against target 80% of faulty reported meters repaired as per inspection report in the annual performance report. However, I was unable to obtain sufficient appropriate audit evidence due to the lack of accurate and complete records. I was also unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievement.

Other matters

34. I draw attention to the matters below.

Achievement of planned targets

35. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 23 to 29 of this report.

Adjustment of material misstatements

36. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of KPA 1: service delivery and infrastructure development. 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

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

38. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements, annual performance report and annual report

39. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, current liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Strategic planning and performance management

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

41. Performance targets set for each of the KPIs for the financial year were not well defined with measurable outputs, as required by section 41(1)(b) of the MSA and municipal planning and performance management regulation 12(1).

Expenditure management

42. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

43. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R2,1 million, as disclosed in note 47 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.

44. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R15,3 million, as disclosed in note 46 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.

Procurement and contract management

45. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service (SARS) to be in order, in contravention of SCM regulation 43.

Consequence management

46. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person was liable for the expenditure, as required by section 32(2)(a) of the MFMA.

47. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.

48. Some of the irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

49. Fruitless and wasteful expenditure were certified by the council as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure, in contravention of section 32(2)(b) of the MFMA.

Other information

50. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected KPAs presented in the annual performance report that have been specifically reported in this auditor's report.

51. My opinion on the 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 on it.

52. 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 financial statements and the selected KPA presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work performed, I conclude there is a material misstatement, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

53. I considered internal control relevant to my audit of the 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 findings on the annual performance report and the findings on compliance with legislation included in this report.

54. Leadership of the municipality did not adequately discharge its oversight responsibilities with regard to the implementation and monitoring of internal controls to ensure sound performance reporting and compliance with legislation.

55. In addition, management did not always implement daily and monthly financial controls to ensure that the financial statements are supported by accurate and complete underlying records. This resulted in material misstatements in the financial statements that were subsequently corrected, material findings on annual performance report and findings on the audit of compliance with laws and regulations.

Material irregularities

56. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of the material irregularities reported in the previous year's auditor's report.

Material irregularities identified during the audit

57. The material irregularities identified are as follows:

Interest paid to Eskom due to late payment of invoices

58. The municipality paid interest to Eskom on invoices that were not paid within 30 days. The payments not made within 30 days constitute non-compliance with section 65(2)(e) of the MFMA, which requires the accounting

officer to take all reasonable steps to ensure that all money owing by the municipality are paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.

59. The non-compliance resulted in a material financial loss of R5 million in the form of interest, which is included as fruitless and wasteful expenditure in note 47 to the financial statements.

60. The accounting officer was notified of the material irregularity on 18 November 2021 and was invited to make a written submission on the actions taken and those that will be taken to address the matter. The accounting officer responded by providing evidence of investigation concluded on 15 December 2021. The investigation concluded that there were insufficient funds to make the payment on time and no persons were identified to be responsible. The investigation further found that there was no breakdown in controls and that the unavailability of funds was the main root cause.

61. The following actions have been taken to respond to the material irregularity:

- Steps have been taken to reduce the procurement of less critical services or goods through development and implementation of cost containment policy.
- The debt incentive scheme has been implemented
- The municipality applied for exemption in the salary increase for 2021-22

62. The following actions are planned to be taken to respond the material irregularity:

- The municipality has engaged the High Court to set it aside, the council decision for standardisation of salaries and impact of this decision will have to be adjusted retrospectively. Quarterly progress reports on the court litigation must be process to be provided.
- The council will initiate and lead a process of organisational re-alignment to achieve a balance between human capital and the size of the municipality by 30 June 2023.
- The council will initiate and lead a legal process of recovering some of the capital laid out in procuring the fleet. Quarterly progress report on the litigation process must be provided as evidence.
- The municipality will propose new payment arrangement with Eskom by 30 November 2022.
- The municipality has implemented the following policies: the financial recovery plan, revenue enhancement strategy and cost containment policy in order to mitigate its financial crisis.

63. I will follow up on the implementation of the planned actions during the next audit.

Interest and penalties charged by SARS due to late payments

64. The municipality did not pay employees' tax that was deducted from employees over to SARS within seven days after the end of the month during which the amount was deducted. This was in contravention of section 2(1) of the Fourth Schedule of the Income Tax Act and section 210 of Tax Administration Act. The municipality was required to pay penalties to SARS due to non-compliance with the Income Tax Act.

65. The non-compliance resulted in a material financial loss of R3,8 million in the form of interest, which is included as fruitless and wasteful expenditure in note 47 to the financial statements.

66. The accounting officer was notified of the material irregularity on 26 November 2021 and was invited to make a written submission on the actions taken and those that will be taken to address the matter. The accounting officer responded by providing evidence of investigation concluded on 22 January 2022. The investigation concluded that there were insufficient funds to make the payment on time and no persons were identified to be responsible. The investigation also found that there was no breakdown in controls and that the unavailability of funds was the main root cause.

67. The following actions have been taken to respond to the material irregularity:

- Application to SARS to waive the interest on 10 May 2022
- The municipality applied for exemption in the salary increase for 2021-22
- Steps have been taken to reduce the procurement of less critical services or goods through development and implementation of the cost containment policy
- Implementation of the debt incentive scheme

68. The following actions are planned to be taken to respond to the material irregularity:

- The municipality has engaged the high Court to set it aside, the council decision for standardisation of salaries and impact of this decision will have to be adjusted retrospectively
- The council will initiate and lead a process of organisational re-alignment to achieve a balance between human capital and the size of the municipality by 30 June 2023.
- The council will initiate and lead a legal process of recovering some of the capital laid out in procuring the fleet. Quarterly progress report on the litigation process must be provided as evidence.
- The municipality has implemented the following policies: the financial recovery plan, revenue enhancement strategy and cost containment policy in order to mitigate its financial crisis.

69. I will follow up on the implementation of the planned actions during the next audit.

Other reports

70. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

71. The president of South Africa promulgated that an investigation be conducted by the Special Investigating Unit (SIU) based on the allegation of possible procurement irregularities. This investigation has been finalised at the date of this report.

Auditor General

East London
30 November 2022



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 financial statements and the procedures performed on reported performance information for selected KPA 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 financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the 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 financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Amahlathi Local Municipality 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 financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the 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 operating as a going concern
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where

REPORT OF THE AUDIT COMMITTEE

Purpose

The function of the Audit Committee (hereinafter referred to as the Committee) is primarily to assist the Amahlathi Municipality (hereinafter referred to as the Council) in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of financial reports and statements.

Legal / Statutory Requirements

The Committee operates in terms of Section 166 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003 and has endeavoured to comply with its responsibilities arising from those requirements. Other pieces of legislation that regulates function of the Committee are:-

- Municipal Structures Act
- Municipal Systems Act 32 of 2000

BACKGROUND

An audit committee is an independent advisory body which must meet at least four times a year in order to perform the following duties:

Advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters relating to—

- a) internal financial control and internal audits;
 - b) risk management;
 - c) accounting policies;
 - d) the adequacy, reliability and accuracy of financial reporting and information;
 - e) performance management;
 - f) effective governance;
 - g) compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
 - h) performance evaluation; and
 - i) Any other issues referred to it by the municipality or municipal entity;
- a. review the annual financial statements to provide the council of the municipality or, in the case of a municipal entity, the council of the parent municipality and the board of directors of the entity, with an authoritative and credible view of the financial position of the municipality or municipal entity, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
 - b. respond to the council on any issues raised by the Auditor-General in the audit report;
 - c. carry out such investigations into the financial affairs of the municipality or municipal entity as the council of the municipality, or in the case of a municipal entity, the council of the parent municipality or the board of directors of the entity, may request; and
 - d. Perform such other functions as may be prescribed.

Role and Responsibility of the Audit Committee

The function of the Audit Committee is primarily to assist the Amahlathi Municipality (hereinafter referred to as the Council) in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes, the preparation of financial reports and statements and ensuring good governance.

Audit Committee Members and Attendance

The audit committee consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. In terms of the Audit Committee Charter, the committee should consist of a minimum of 3 members. Ms L. Smith was appointed as the Chairperson of the Audit Committee. The audit committee held 3 ordinary meetings and 1 special meeting during the year under review.

Name of Member	No of ordinary meetings attended
----------------	----------------------------------

Ms. L. Smith (Chairperson)	4
Mr. M. Mafani	4
Mr. M Mdani	3

Dates of Audit Committee Meetings

- 26 October 2020
- 09 Dec 2020
- 22 Jan 2021
- 26 May 2021

The ordinary audit committee meetings are also attended by the Municipal Manager, Section 56 Managers, internal and external auditors and other relevant stakeholders.

The effectiveness of internal controls

The audit committee has assessed the internal controls for the municipality through the Internal Audit unit on a quarterly basis. Below there are some of the findings that have been identified regarding the internal controls for the municipality.

REVIEW OF THE ANNUAL FINANCIAL STATEMENTS

Annual Financial Statements were reviewed by both the Internal Audit Unit and the Audit Committee. There were no major issues that were found on the draft Financial Statement. The following were some of the findings that were identified:

- Differences between the prior year amounts and the restated amounts;
- Differences between the Annual Financial Statements and the Trial Balance; and
- Differences between the notes of the Annual Financial Statements and the face of the Statement of the Financial Position and the Statement of the Financial Performance.

PERFORMANCE MANAGEMENT

It was noted that the municipality has not fully implemented the Performance Management System indicating the process of monitoring, measuring and reviewing performance on a quarterly basis. 2019/20 Annual Performance information report was reviewed and the committee noted that information was prepared appropriately with regressed performance rate of 46.53% when compared to the previous financial year (2018/19). Service delivery, local economic development and municipal transformation key performance areas had poor performance results.

During the 2020/21 mid-term review the performance of the municipality is currently sitting at 63.94%. Management were advised to address recommendations from internal audit for compliance, reliability and usefulness before the report is escalated to Council for adoption.

The municipality has been adversely affected by the community protests that have been ongoing since the 16 October 2018. This has caused inefficiencies in the operations of the municipality.

FOLLOW-UP ON THE INTERNAL AUDIT REPORTS ISSUED

It was noted that the municipality has implemented satisfactory recommendations from previous internal audit reports. Management needs to monitor the implementation of audit action plans for continuous improvement in the control environment. Robust monitoring of audit action plans needs to take place particularly on high risks areas that were identified on fleet management. Furthermore control mechanisms need to be instituted and extensive investigation need to be conducted on the misuse of fuel.

AUDITOR GENERAL REPORT

The municipality has not addressed audit findings relating to the Office of the Auditor General as only 15% of the findings were implemented and in-progress at 69%. Improvement was noted as compared to previous financial

year. This has affected the municipality negatively as there might be repeat findings that will be raised by the Office of the Auditor General.

The quality of In-year management and monthly/quarterly reports

The Municipal Manager submitted reports during the year under review with regard to financial and non-financial performance. It was noted that the municipality is adversely affected financially as the result majority of the targets relating to service delivery were not met.

Developed process plans for both IDP and Budget have not been adhered to, which resulted in non-compliance on the implementation of the plan.

Internal Audit

The Internal Audit Unit managed to assess control environment during the financial. 100% planned audits were executed completely and the reports were discussed with management. There was a delay in developing risk based internal audit plan for 2020/21 financial year. During 2020/21 mid-term the emerging risks were reported and management need to ensure that risk mitigation plans developed:

Auditor General South Africa

It must be noted that the municipality needs to put more controls in terms of implementing and monitoring the AG and internal audit action plans including risk mitigation plans. There is a sound and professional relationship between the Audit Committee and the Office of the Auditor General so as to ensure compliance.

SIGNED BY:



Chairperson of the Audit Committee

CHAPTER 7 APPENDICES

APPENDIX A: COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE

Council Members	23-Jul-20	28-Aug-20	30-Sep-20	07-Oct-20	22-Oct-20	27-Oct-20	29-Oct-20	13-Nov-20	19-Nov-20	15-Dec-20	17-Dec-21	25-Jan-21	24-Feb-21	11-Mar-21	16-Apr-21	30-Apr-21	31-May-21	01-Jun-21	no of meetings	percentage of council meetings	percentage of council meetings	percentage attendance
1. Cllr. Mxolisi Mjikelo	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	100	0	0
2. Cllr. Agnes Hobo	P	P	P	P	P	P	P	P	P	P	P	P	P	P	AB OL SE NT	AB SE NT	P	AP OL OG Y	18	83	11	6
3. Cllr. Neliswa Busika	P	P	P	P	P	P	P	P	P	P	P	D							18	100	0	0
4. Cllr. Nicholas Monti	P	P	AB SE NT	P	AP OL OG Y	AP OL OG Y	P	P	P	AB SE NT	AB SE NT	P	P	AP OL OG Y	P	P	P	P	18	67	16,5	16,5
5. Cllr. Nobathembu Manyika	P	P	P	P	P	P	P	P	P	P	P	P	AB SE NT	P	P	AB SE NT	P	P	18	89	0	11
6. Cllr. Pateka Qaba	P	P	P	AP OL OG Y	P	P	P	P	AB SE NT	P	P	AP OL OG Y	AP OL OG Y	AP OL OG Y	P	P	P	P	18	67	27	6
7. Cllr. Nosiphiwo Pose	P	P	AP OL OG Y	AP OL OG Y	P	P	P	P	AB SE NT	P	AB SE NT	P	P	P	AB SE NT	AB SE NT	P	P	18	67	11	22

8. Cllr. Nomakosazana Calpurnia Nonggayi	AB SE NT	AP OL OG Y	AP OL OG Y	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	67	22	11
9. Cllr. Nokuzola Mlahleki	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	94	0	6
10. Cllr. Dumisa Sivaret Gxekwa	P	AB SE NT	P	AB SE NT	P	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	18	39	0	61
11. Cllr. Mlungiseleli Ngcote	P	AB SE NT	AP OL OG Y	P	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AP OL OG Y	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	18	33	11	56
12. Cllr. Xhanti Mngxaso	P	AB SE NT	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	78	0	22
13. Cllr. Xola Moses Tokwe	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	83	0	17
14. Cllr. N. Klaas	P	P	P	AB SE NT	P	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	18	56	0	44
15. Cllr. Noluuyo Jikazayo	P	P	P	AP OL OG Y	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	88	6	6
16. Cllr. Busisa Xongwana																				4	50	0	50
17. Cllr. Xola Nqata	P	P	AP OL OG Y	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	83	6	11

18. Cllr. Moslina Nqini	P	AB SE NT	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	0	94	18	6
19. Cllr. Vuyani Winston Tshaka	P	P	P	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	0	56	18	44
20. Cllr. Siphwo Godfrey Venkile	P	AP OL OG Y	P	AP OL OG Y	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	44	44	18	12
21. Cllr. Robert Thanduxoto Desi	P	P	P	P	P	P	P	P	AP OL OG Y	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	17	72	18	11
22. Cllr. Pakamile Griffiths Noxeke	AB SE NT	P	P	P	AB SE NT	P	P	P	P	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	0	78	18	22
23. Cllr. Nosiphiwo Arina Mtati	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	11	72	18	17	
24. Cllr. Thamsanqa Balindlela	P	P	P	P	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	AP OL OG Y	22	61	18	17
25. Cllr. Robert Brennand Pickering	P	P	P	P	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	22	39	18	39
26. Cllr. Ndileka Ngxakangxaka	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	6	83	18	11	

27. Cllr. Gcobani Dumalisile Mxosa	P	P	AP OL OG Y	P	P	P	P	P	P	P	P	P	P	P	P	P	18	77	17	6
28. Cllr. Cythia Thembeka Ngxingolo	AP OL OG Y	AB SE NT	AB SE NT	P	AB SE NT	P	AB SE NT	P	AP OL OG Y	P	P	P	P	P	P	P	18	50	11	39
29. Cllr. Phumla Ntwanambi	AB SE NT	AB SE NT	AB SE NT														4	0	25	75
30. Cllr. Neliswa Mbulawa				P	P	P	P	P	P	P	P	P	P	P	P	P	14	79	0	21
31. Cllr. Nicholas Ncevu					P	P	P	P	AB SE NT	P	P	P	P	P	P	P	10	80	0	20
32. Cllr. Nosipho Cynthia Mkiva					P	P	P	P	AB SE NT	P	P	P	P	P	P	P	10	80	0	20
33. Cllr. Sizeka Mqwebedu																	2	50	0	50
34. Traditional Leader: Mr. K. Sandile	P	P	AB SE NT	P	P	P	P	P	P	P	P	P	P	P	P	P	18	89	0	11
35. Traditional Leader: Mr. Z. Ngudle	AB SE NT	AB SE NT	AB SE NT	P	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	AB SE NT	18	33	0	67
36. Traditional Leader: Mr. S.N. Mdledle	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	83	0	17

37. Traditional Leader: Mr. A.T. Daka	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	AB SE NT	P	18	89	0	11
38 Traditional Leader: Mrs. N.G. Mekuto	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	83	0	17
39. Traditional Leader: Mr. X. Zake	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	18	83	6	11

APPENDIX B: COUNCIL COMMITTEES (Other than Mayoral Executive Committee) and Purposes of the Committees

Municipal Committees	Purpose of Committee
Budget and Treasury	The purpose of the Budget and Treasury Standing Committee as a Section 79 Committee of Council is to:- Provide Political Leadership by being responsible for Policy outcomes, oversight and holds the Chief Financial Officer accountable for Performance by regular and consistent reporting to Council through the Committee.
Service Delivery	Report on Progress and Challenges on Capital Projects. Report on work done as per the Maintenance programme of Roads, also alerting the committee of the repairs done on Machinery That might have caused delays in the Programme. Challenges in the Department in General. Amount of Jobs created. The response time in repairing any complaints from the Community. Report on Budget Expenditure.
Development and Planning	To create a conducive environment for business to invest at Amahlathi area. To encourage business to create jobs in order to reduce unemployment. To promote SMME's and co-operatives within Amahlathi. To promote tourism as a vehicle for Job creation within Amahlathi. To support emerging farmers that are within Amahlathi and link them with business in order to sell their products.
Community Services	To provide accessible, affordable, equitable and sustainable service as well as a healthy environment to residents and business operating in the Amahlathi Local Municipality. To contribute towards a safe and secure environment.

Municipal Committees	Purpose of Committee
	To promote a clean and healthy environment.
	To promote a culture of reading and learning.
	To ensure that Public Amenities are improved and well managed.
Corporate Services	To oversee the proper, efficient and effective operations of Human Resources and Administration Department.
	To ensure that Policy Formulation and recommendation from both Sections are in line with vision and mission of the municipality as well as
	Compliant with National and Provincial Legislation.
	To represent employer component in Provincial Institution Cluster of SALGA, Amathole District Municipality
	To champion good working relations between the employer and employee component of the municipality.
	To ensure that Departmental goals and Departmental Budget are aligned.
	To devise programs for imparting of skills to Stakeholders within the municipal area.
	To oversee that proper employment procedures are undertaken without disadvantaging anyone.

APPENDIX C: THIRD TIER STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
BUDGET AND TREASURY OFFICE	MR L MANJINGOLO
CORPORATE SERVICES DEPARTMENT	MS. N. NQULO
ENGINEERING SERVICES DEPARTMENT	MR. M.R BUKUBUKWANA
COMMUNITY SERVICES DEPARTMENT	MS. L ROJI (SUSPENDED) A NOHOLOZA (SECONDED AS AT 15 FEBRUARY 2022-AUGUST 2022)
PLANNING AND DEVELOPMENT DEPARTMENT	VACANT
STRATEGIC SERVICE DEPARTMENT	DE ESTABLISHED
<i>Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).</i>	

TC

APPENDIX E: WARD REPORTING

Ward Name (Number)	Name of Ward Councillor and elected Ward Committees 2016-2021	Name of Ward Councillor elected November 2021 and elected Ward Committees May 2022	Committee established (Yes /NO)	Number of Committee meetings held during the year	Number of quarterly reports submitted to the Speaker on time	Number of quarterly public meeting held during year
WARD 1	Cllr N.Mkiva 1.Lindela Manyakanya 2.Nokrisimesi Mbande 3.Nozolile Mfuleni 4.Lulama Kwankwa 5.Cynthia Vane 6.Phumla Bobo 7.Nokuthula Madlokazi 8.Mzolisi Ndlangalavu 9.Vuyokazi Bikitsha 10.Vuyisile Mandla	Cllr N.Mkiva 1.Phila Zini 2.Sandla Soka 3.David Nkosinathi Mzili 4.Loyiso Bazi 5.Yoliswa Fikelepi 6.Noluthando Gwane 7.Nosibusiso Vumindaba 8.Ovayo Ndlangalavu 9.Sandisiwe Nzwanana 10.Thembakazi Gege	YES			
WARD 2	Cllr D.S.Gxekwa 1.Veliswa Mhluzi 2.Vuyelwa Nkovo 3.Siyabulela Mpayipheli 4.Siseko Cawa 5. 6.Cebo Madlokazi 7.Kungeka Sixholo 8.Ndodomzi Manyakanyaka 9.Mongameli Rode 10.Nomataru Mhlauli	Cllr Z.Qonto 1.Khanyisa Khumbaca 2.Nobesuthu Zolidayi 3.Nomalulama Manyika 4.Sophumelela Mfecane 5.Gcobani Matutu 6.Simphiwe Kulati 7.Aviwe Rolisisu 8.Kwakhanya Mpange 9.Mongameli Rode 10.Athenkosi Ganjana	YES			
WARD 3	Cllr M.Ngcofe 1.Sikelelwa Tamba 2.Alfred Veto 3.Phiweka Socishe 4.Thozama Madlokazi 5.Zimasa Mthi 6.Akhona Tweni 7.Mfuyo Jumba 8.Nkosabantu Busika 9.Fundiswa Luthuli 10.Makhi Manentsa	Cllr N.Nyangwa 1.Ayanda Faniso 2.Thozama Sweetness Mhluzi 3.Alias Thembaletu Sam 4.Nomakholwa Petronela Zotsha 5.Kwandiwe Gida 6.Zimasa Mti 7.Mfuyo Jumba 8.Nkosabantu Busika 9.Nandipha Sweetness Nyovane	YES			

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		10.Luleka Nonzame Matsoyiyane				
WARD 4	Cllr M Mjkelo 1.Nocwaka Nonyongo 2.Portia Mbesi Nancy Cofa 4. 5.Ntombizakhe Nkwentsha 6.Veronica Vellem 7.Ali Sautana 8.Thandiswa Tshali 9.Nonzuzo Mahlathi 10.Nonkanyiso Charlie	Cllr N.Charlie 1.Nocwaka Nonyongo 2.Bongeka Phendu 3.Wandile Lalo 4.Sikhumbuzo Gqaliwe 5.Sibusiso Nojoko 6.Melikhaya Nqaba 7.Kholiwe Mabunzane 8.Thabiso Mohautse 9.Wanga Lihleli Dlai	Y E S			
WARD 5	Cllr Klaas 1.Sakhumzi Lubengu 2.Ntombizanele Nono 3.Nomakorinte Ngcaku 4.Thobigunya Kolobile 5.Vukaphi Mpumelelo 6.Neliswa Nyathi 7.Vivian Sajini 8.Phindiwe Blom	Cllr N.Klaas 1.Thobeka Mevi 2.Sixolile Mehlwana 3.Mninawa Richard Mbolekwa 4.Yoliswa Mancam 5.Zukile Tadeus Madolwana 6.Mlindeli Thandiwe 7.Ntombekhanyo Rululu 8.Sihle mpahla 9.Zinzi Ngalo 10.Nomakhosazana Sili	Y E S			
WARD 6	Cllr Tokhwe 1.Olwethu Booi 2.Nosango Manoni 3.Luyanda Sindi 4.Hussein Wayne Mopp 5.Nontekelelelo Xiniwe 6.Siphokazi Funani 7.Gudiswa Matomela 8.Nosiphiwo Nogqala 9.Bonele Patsa 10.Veliswa Mondeleki	Cllr M.Busakwe 1.Zimasa Patricia Sokuyeka 2.Lukhanyo Jaji 3.Ntombekhaya Manoni 4.Marlon Curtis Jacobs 5.Naomi Rebecca Webster 6.Nontekelelo Josephine Xiniwe 7.Ntomboxolo Gqwaka 8.Gudiswa Matomela 9.Zoliswa Mpangise 10.Zukiswa Jongitanga	Y E S			
WARD 7	Cllr N Jikazayo 1.Sihlalo Magibizela 2.Phatheka Nojoko 3.Nontuthuzelo Damane 4.Nozukile Felem 5.Nosithile Momeni 6.Nwabisa Mbelwana 7.Nokona Bacela 8.Norah Toyiya 9.Kholiwe Sindaphi 10.Nomsa Balindlela	Cllr Z.Mfulana 1.Akhona Geza 2.Babalwa Bhuqekile 3.Fundile Gebe 4.Nozipho Manyonga 5.Phumza Jaji 6.Zuziwe Lwana 7.Neliswa Nyhwagi 8.Lubabalo Mbeki 9.Sondezwa Mxayiya 10.Zoleka Mabetha	Y E S			

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WARD 8	<p>Cllr X.Nqatha</p> <ol style="list-style-type: none"> 1.Lulama Kama 2.Vusiwe Nkunzi 3.Lee Fletcher 4.X.Mbiko 5.Mthuthuzeli Mkefu 6.Bulelwa Pinana 7.Mlamli Dabi 8.Thenjiwe Vena 9.Wonke Ntlombe 10.Nosiphiwo 	<p>Cllr X.Neti</p> <ol style="list-style-type: none"> 1.Bulelwa Tela 2.Sydney Mbekeni 3.Londoza Lillian Cengani 4.Nelson Kondile 5.Thobeka Veronica Songololo 6.Nomasixole Ngangelizwe 7.Nosiphiwo Mvolontshi 8.Bayanda Mketshana 	Y E S			
WARD 9	<p>Cllr M.Nqini</p> <ol style="list-style-type: none"> 1.Vuyo Mdutywa 2.Athini Somana 3.Zukisani Tancu 4.Khanya Sotyantsi 5.Msa Madliwa 6.Mzolisi Jwaqu 7.Thandeka Ntsasa 8.Zoleka Mbekeni 9.Zameka Sotyantsi 10.Nobekaphi Wawa 	<p>Cllr M.Nqini</p> <ol style="list-style-type: none"> 1.Lazola Myoli 2.Thobani Roji 3.Zukisani Tshudu 4.Zukisani Tancu 5.Thumeka Mdishwa 6.Sinethemba Thomas Fawule 7.Nandipha Maneli 8.Busisiwe Miranda Mzondi 9.Zoleka Mbekeni 10.Zameka Sotyantsi 	Y E S			
WARD 10	<p>Cllr V.Tshaka</p> <ol style="list-style-type: none"> 1.Aviwe Qakana 2.Lungisa Tyanase 3.Ntombizakhe Jaza 4.Bukelwa Soyi 5.Buntu Mpondo 6.Unathi Potose 7.Ndileka Magwaxaza 8.Nomfanelo Fikilane 9.Ntombizanele Sodzeme 10.Veliswa Bongoza 	<p>Cllr M Neku</p> <ol style="list-style-type: none"> 1.Simpiwe Majiki 2.Sinoxolo Wilberforce Dyantyi 3.Bukelwa Sooi 4.Buntu Masonwabe Mpondo 5.Thabisa Mhlahlo 6.Nomalizo Mkhefe 7.Phumzile Mbaza 8.Mamela Makhongolo 9.Nomfusi Sthetho 10.Siphamandla Qaba 	Y E S			
WARD 11	<p>Cllr S.Mati</p> <ol style="list-style-type: none"> 1.Nonkosi Mcothshana 2.Nontando Kasba 3.Ntsikane Mesele 4.Lusanda Habule 5.Andile Ngwalangwala 6.Nomsebenzi Lantu Charles 7.Nontyantyambo 8.Mzwamabhele Norushe 9.Sindiswa Lunge 10.Bukiwe Madikane 	<p>Cllr N.Sidinana</p> <ol style="list-style-type: none"> 1.Cordelia Nosipho 2.Makuzeni 3.Mhleli Hejane 4.Mazande Ndesi 5.Cornia Nontando Kasba 6.Nomsebenzi Gloria Lantu 7.Zamekile Blom Simon Feni 8.Yandiswa Ngemntu 9.Nozuko Ngamlana 10.Thandiwe Virginia Magwaca 	Y E S			

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WARD 12	Cllr R.Desi 1.Thandeka Blom 2.Thumeka Nobavu 3.Nomvuyo Ntsudushe 4.Cebo Kotsobe 5.Phelisa Zipindile 6.Fanelwa Ngese 7.Luvuyo Mtila 8.Nosicelo Tishala 9.Lote Nosipiwo 10.Zukiswa Komani	Cllr P.Simandla 1.Khanyiswa Mazosiwe 2.Anele Tole 3.Mhlangabezi Nyandeni 4.Norah Ntshante 5.Thembelani Makisi 6.Velisani Dumezweni 7.Charles Sibuyile Maqaqa 8.Nopinki Gloria Skeyi 9.Yandiswa Mhanya 10.Thozamile Ascension Khumbaca	Y E S			
WARD 13	Cllr N.Ncevu 1.Sivuyile Cetwayo 2.Lindelwa Mbandezi 3.Mandeli Gobodwana 4.Tshona Caswell 5.Bonelwa Nikani 6.Zingaphi Sawuti 7.Vuyelwa Nyamakazi 8.Vuyo Jakuja 9.Veliswa Lamana 10.	Cllr N.Ncevu 1.Sivuyile Cetwayo 2.Monde Mzimba 3.Lindelwa Mbandezi 4.Sipho Patric Ntuthu 5.Bonelwa Nikani 6.Yandiswa Thembani- Siswana 7.Vuyelwa Veronica Nyamakazi 8.Vuyo Jakuja 9.Veliswa Lamana 10.Lindelani Bhobhotyana	Y E S			
WARD 14	Cllr D.Noxeke 1.Sibulele Vuso 2.Lina Busika 3.Victoria Poni 4.Zukile Jaqula 5.Yoliswa Mapukatha 6.Noziuko Mbiko 7.Mlingiseleli Cetywayo 8.Mziyanda Mtsewu 9.Bulelani Ndoloshe 10.Nomsa Jeremiah	Cllr M.Maweni 1.Caciswa Portia Mjali 2.Zandile Mavela 3.Mangaliso Bhatayi 4.Thembile David Tyelentombi 5.Siphokazi Sinoxolo Hlanganise 6.Desmond Dyosi 7.Luxolo Magalela 8.Nomthandazo Mbolani 9.Fundiswa Patricia Sofatsha 10.Zukiswa Silere	Y E S			
WARD 15	CLLR Mtati 1.Vulindlela Mvandaba 2.Zoliswa Kweleta 3.Mandeli Mbende 4.Desmond Dyosi 5.Mbulelo Ndinisa 6.Vusumzi Foslara 7.Sintombi Frans 8.Mzikayise Dyosi 9.Asanda Tyira 10.Yolanda Mampangashe	Cllr N.Salaze 1.Luxolo Ncumani 2.Zola Gavini 3.Gcobani Gwebushe 4.Zimasa Nodopi 5.Thembisile Mavela 6.Babalwa Kwanini 7.Makhwenkwe Gwebani 8.Thembela Siloti 9.Thembisa Nkangala 10.Luzuko Mbutana	Y E S			

APPENDIX F: MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS

ITEM	RESPONSIBLE	PROGRESS
<p><u>Attendance of AC Meetings by COGTA</u> 1. It was resolved that going forward COGTA should form part of AC Meetings, invitations should be sent through to their office.</p> <p><u>Support given by External Stakeholders to the Municipality</u> It was resolved that Provincial Treasury should set up meeting with ADM Municipal Support and prepare presentation in order to avoid duplication of support functions.</p> <p>It was further emphasised that going forward Treasury, COGTA and ADM should make representations on AC Meetings about support provided to ALM so that:</p> <ul style="list-style-type: none"> • The Committee can recognise and commend support provided , • Improvement plans or impact on the support services can be identified and reported • Duplication of efforts can be reduced 	<p>Municipal Manager IAM External Stakeholders</p>	<p>The following external stakeholders were invited to and attended all ordinary AC meetings:</p> <ul style="list-style-type: none"> • Office of the Auditor General • Provincial Treasury • CoGTA • Amathole District Municipality <p>Treasury and ADM have worked partnership to ensure that Amathole Audit & Risk Forum is capacitated through trainings.</p> <p>Training were jointly conducted by Provincial Treasury, CoGTA at CAE Forum</p> <p>ADM managed to organised trainings for the District during the year. There was also a training from the Institute of Internal Auditing on Quality Assurance and Improvement Plan.</p> <p>Presentation by Treasury was done to the Committee.</p>

<p><u>Budget vs Actual Expenditure</u></p> <ul style="list-style-type: none"> To make presentation on Revenue Enhancement Strategy to Council It was recommended that the Municipality's Revenue Enhancement Strategy should also include electricity distribution losses that are incurred by the municipality. CFO was requested by AC to prepare a report to AC on implications for not paying main suppliers like ESKOM, Department of Transport, AG & other suppliers. 	<p>Chief Financial Officer</p>	<ul style="list-style-type: none"> Revenue Enhancement Strategy was presented to and adopted by Council. Electricity distribution losses incurred by the municipality are incorporated in the Revenue Enhancement Strategy The report on the was prepared and reported to the Committee
<p><u>Fraud Awareness Report</u></p> <ul style="list-style-type: none"> It was resolved that the Municipal Manager should give detailed actions on how to deal with the protection of whistle-blowers. It was resolved that the Municipal Manager should develop policy on Protection of Whistle blowers so as to give assurance to the Whistle-blowers. 	<p>Municipal Manager</p>	<ul style="list-style-type: none"> Whistleblowing policy was developed by management and communicated to internal stakeholders before submission to Council for adoption The Audit Committee reviewed the policy for adoption by Council.
<p><u>Financial Misconduct</u></p> <p>When the municipality suffered losses or damage through criminal acts or possible criminal acts or omissions, the matter must be reported in writing to the Accounting Officer and the SAPS (Treasury regulations).</p> <p>In cases of financial misconduct, the MM to compile and forward SAPS Register in respect of reported cases to AC Members.</p>	<p>Municipal Manager</p>	<p>There were no cases of fraud or financial misconduct during the financial year, however the MM has started to obtain information from the SAPS.</p>
<p><u>Fraud Risk Register</u></p> <p>MM to compile and forward Fraud Register to AC Members</p>	<p>Municipal Manager</p>	<p>2020/21 Fraud risk register in place has been reviewed by the Committee</p>

<p><u>Municipal Re-engineering</u> On 22nd November 2019, it was indicated that Corporate Services Department needs to present the solution regarding unavailability of job descriptions and the issue of Institutional organogram.</p> <p>COGTA has assisted the municipality in conducting an organisational analysis, report will be presented to Management and the Council.</p> <p>AC proposed that Municipal approved SDBIP should be taken into consideration when tackling the issue of re-engineering.</p>	<p>Municipal Manager/Director - Corporate Services</p> <p>The structure was adopted by Council on 13 July 2021 Implementation/Process Plan was developed with clear timelines The job descriptions were last reviewed in 2014. The process of reviewing will resume again during August 2021 Job Description Writing Committee (JDWC) is in place. It consists of two employees from each department. Training of the JDWC was conducted by SALGA on 29-30 July 2021. Terms of reference are also in place ADM 7 SALGA provided ALM with the generic job descriptions On the developed Implementation/Process plan development of job descriptions is one of the key action that need urgent attention. In the event of unavailability of job descriptions and there's a critical position that need to be advertised a benchmarking with the municipality which is on the same Category should be done.</p>
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<p><u>Fleet Management Report</u> On the 22nd November 2019, it was resolved that Director Corporate Services should provide detailed actions to address the findings that were raised on the Fleet Management Audit Report and present those actions in the AC Meeting due to the fact that the findings that were raised were of serious nature with huge financial implications.</p> <p><u>Leave Management Report</u> It was resolved that a comprehensive management action plans to address the findings raised on the Leave Management Audit Report should be compiled and be presented by Director – Corporate Services in the AC Meeting.</p>	<p>Director Services</p> <p>Corporate</p>	<p>Detailed Management Action plan was prepared by Acting Director – Corporate Services The following risk mitigation strategies to address internal control weaknesses were developed and monitored during the year:</p> <ul style="list-style-type: none"> • Appointment of service provider and ensure proper functioning of the tracker system • Review of daily notifications from Wesbank (Petrol Cards); • Vehicle checklist will be done on daily basis; Report with regard to the driving behaviours will be submitted to the fleet management committee to recommend findings to the MANCO. • Log books will be monitored on a weekly basis; • Trip authorisation forms will be issued by the HODs on a daily/weekly basis; • Coordinate sitting of Fleet Management committee
<p><u>Supply Chain Management Report</u> It was resolved that SCM should develop action plans on findings raised on the report and these actions will be discussed in the next AC Meeting.</p>	<p>Chief Financial Officer</p>	<p>Action Plans have been prepared by CFO and submitted to internal Audit for periodic monitoring</p>
<p><u>Municipal Commonage</u> It was resolved that the Director Community Services should write a letter to Provincial Treasury and Environmental Affairs and seek advice regarding Municipal Commonages.</p>	<p>Director Community Services</p>	<p>Draft Tariff Structure was developed and submitted to Council for adoption. The MM reported that a letter was drafted and submitted, site visits were conducted</p>

<p><u>Risk Management</u></p> <p>It was resolved that ALL Directors should also have a Risk Management KPA as per Instruction note by Treasury Regulations.</p> <p>It was further resolved that Risk Register should be monitored regularly by management.</p>	<p>MM's Office</p>	<ul style="list-style-type: none"> • All Directors have KPI for risk management included in the 2021/22 SDBIP • Risk management activities were discussed with management in October.
<p><u>Recommendations of the AC / Matters arising from the minutes that:</u></p> <ul style="list-style-type: none"> • The word "ongoing" must not be used again on the action plans so that progress can be evaluated appropriately. • The structure of the SCM reports to improve and report should be detailed. • AG management report to be issued on February 2021. • Internal Audit Manager to write a letter to COGTA- Integrity Management for assistance with Fraud and Corruption awareness • CoGTA or Treasury to assist in Fraud Awareness and review risk register. • MM to support IA Manager when communicating with COGTA so that the process can be fast tracked • IA Manager to email the Whistleblowing Policy to the Committee for review and approval • Risk tolerance and appetite must be included in the risk management policy and presented to Council for adoption • Register for Legal Matters needs to be reviewed and be more detailed. • Register must also include the closed previous matters and indicate whether the municipality won the case or not. • That the report should include a schedule of pay-outs per case and also include the dates on the progress per case • The amount that was paid for Travel Agency should be added on the Fruitless and Wasteful Expenditure. 	<p>All Managers</p>	<ul style="list-style-type: none"> • AG Report and management letter and audit improvement plan was reviewed by the Committee. • Fraud awareness was conducted by CoGTA on the 22nd of June 2021. • Whistleblowing policy was reviewed by the Committee before submission to Council for approval. • The risk management policy was reviewed. Risk tolerance and appetite levels and control effectiveness were included in the policy

<p><u>2021/22 Integrated and Development Plan</u></p> <ul style="list-style-type: none"> • The recommended that: In relation to the crafting of the IDP and its implementation have been made not only for the current financial year but also for the following year because the planning periods of municipalities and province/national are different. • In the development of indicators management should ensure that where the one indicator is developed, that indicator should be broken down into two separate indicators to minimize ambiguity, for example; <ul style="list-style-type: none"> -No of households with basic waste collection; -No of businesses with basic waste collection; • The municipality should consider developing an M&E framework to serve as an early warning system. It is important to determine if there is value add (return on investment) made by the implementation of these projects (both municipal and provincial projects) to the lives of the people in the Amahlathi Local Municipality. • To evaluating the impact on the implemented projects and consider using the National Evaluation Framework (approved by national cabinet in 2011) and it guidelines. • To consider getting into MoU or SLA to enhance the implementation of provincial projects in different wards of the municipalities. The implementation of the M&E framework would be enabled by the existence of the MoU/SLA, • That there should be clear and strategically aligned operations or project plans to enable the drafting of individual performance agreements that will be able to contribute to the overall departmental and organizational performance and by extension address the identified social and economic problem • The fundamental issues raised in Chapter Two: Demographic Profile of the ALM need the attention of municipality and are, inter alia, as follows: <ul style="list-style-type: none"> - Large scale poverty and consequences thereof, including increased crime levels; - Lack of knowledge off/sources of financing of SMME's; 	<p>Municipal Manager</p>	<p>The recommendation were implemented and some of the targets will be reviewed during the revision of strategies in January 2022</p>
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<p>- Inadequate access of subsistence/emerging farmers to agricultural implements.</p> <ul style="list-style-type: none">● It is recommended that the current chapter two of the IDP be used to inform the planning process of relevant departments (i.e., DRDAR, DEDEAT, and DoE) that will be starting in September for the following year. This is intended to address the parallel planning processes that are taking place between municipality and the province		
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APPENDIX G: DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2021 to 30 June of Year 2022		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Cllr N Nongqayi	Nil
Member of EXCO	Cllr. P Qaba	Nil
	Cllr. NP Mlahleki	Nil
	Cllr. B Xongwana	Nil
	Cllr. XM Tokwe	Nil
	Cllr. NA Kato-Manyika	Nil
	Cllr. T Balindlela	Nil
Councillor	Cllr. ZA Qonto (MPAC Chair)	Nil
	Cllr. PM Onceya-Sauti	Nil
	Cllr. A Hobo	Nil
	Cllr. N Ngxakangxaka	Nil
	Cllr. RB Pickering	Nil
	Cllr. N Mbulana	Nil
	Cllr. M Gantsho	Nil
	Cllr. NV Mjandana	Nil
	Cllr. NC Mkiva	Nil
	Cllr. N Nyangwa	Nil
	Cllr. N Charlie	Nil
	Cllr. NZ Klaas	Nil
	Cllr. M Busakwe	Nil
	Cllr. ZE Mfulana	Nil
	Cllr. X Neti	Nil
	Cllr. M Nqini	Nil
	Cllr. M Neku	Nil
	Cllr. NO Sidinana	Nil
	Cllr. PA Simandla	Nil
	Clr. N Ncevu	Nil
	Cllr. ME Maweni	Nil
	Cllr. N Salaze	Nil
	Cllr. O Mgunculu	Nil
Municipal Manager	Dr. Z Shasha	Nil
Chief Financial Officer	Mr. L Manjingolo	Nil
Directors	Mr. S Mnweba	Nil
	N Roji	Nil
	N Nqulo	Nil

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	B Mguni (Acting)	Nil
Other S57 Officials		
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A		
T J		

APPENDIX H: REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote							R' 000
Vote Description	Year 2020/21	Current: Year 2021/22			Year 2021/22 Variance		
	Actual	Original Budget	Adj Budget	Actual	Original Budget	Adj Budget	
Vote 1 - Executive & Council	138 490	124 435	121 588	115 327	-8%	-5%	
Vote 2 - Budget & Treasury Office	31 196	29 191	31 996	33 202	12%	4%	
Vote 3 - Corporate Services	-	-	773	97	0%	0%	
Vote 4 - Planning & Development	47 712	29 608	29 608	29 577	0%	0%	
Vote 5 - Community & Social Services	1 315	1 497	1 446	2 276	0%	0%	
Vote 6 - Housing	14	100	100	21	-375%	-375%	
Vote 7 - Public Safety	251	4 657	4 657	4 764	0%	0%	
Vote 8 - Sport & Recreation	-	-	-	-	-100%	-100%	
Vote 9 - Waste Management	19 249	15 000	16 069	11 209	-100%	0%	
Vote 10 - Road Transport	4 826	5 551	5 501	4 156	-34%	-32%	
Vote 11 - Electricity	39 289	40 200	39 565	38 857	-3%	-2%	
Vote 12 - Environmental Protection	22	42	22	91	54%	76%	
Total Revenue by Vote	282 364	250 282	251 325	239 579			

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3

T K.1

APPENDIX I: LONG TERM CONTRACTS

Long Term Contracts (20 Largest Contracts Entered into during Year 2020/21)					
					R' 000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
None					
					TH.1

Public Private Partnerships Entered into during Year 2020/21					
					R' 000
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value 2018/19
None					
					TH.2

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APPENDIX K: REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
Description	R '000					
	Year 2020/21	Year 2021/22			Year 2021/22 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adj Budget
Property rates	20 796	23 785	23 785	22 178	-7%	-7%
Property rates - penalties & collection charges	–	–	–	38 857	0%	0%
Service Charges - electricity revenue	37 467	40 200	39 565	–	0%	0%
Service Charges - water revenue	–	–	–	–	0%	0%
Service Charges - sanitation revenue	–	–	–	–	0%	0%
Service Charges - refuse revenue	12 115	12 000	12 635	10 856	-11%	-16%
Service Charges - other	–	–	–	–	0%	0%
Rentals of facilities and equipment	58	171	100	171	0%	42%
Interest earned - external investments	1 001	1 845	490	366	-404%	-34%
Interest earned - outstanding debtors	7 057	10 000	8 313	8 182	-22%	-2%
Dividends received	–	–	–	–	0%	0%
Fines	6	105	55	12	-773%	-357%
Licences and permits	2 389	2 340	2 340	1 780	0%	-31%
Agency services	1 394	1 758	1 758	1 059	-66%	-66%
Transfers recognised - operational	137 729	121 545	125 751	121 995	0%	-3%
Other revenue	62 349	8 453	8 452	5 037	-68%	-68%
Gains on disposal of PPE	–	–	–	1 005	0%	0%
Total Revenue (excluding capital transfers and contributions)	282 364	222 202	223 245	211 499	-5,06%	-5,55%

Variations 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 EXCLUDING MIG

Conditional Grants: excluding MIG							R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	
				Budget	Adj Budget		
Neighbourhood Development Partnership Grant							
Public Transport Infrastructure and Systems Grant							
Other Specify:							
FMG Grant	2 100	2 100	2 100	0%	0%	Yes	
MSIG Grant	-	-	-	0%	0%	Yes	
EPWP Grant	1 263	1 263	1 263	0%	0%	Yes	
Equitable Share	115 504	115 504	115 504	0%	0%	Yes	
PMU 5%	1 478	1 478	1 478	-	-	Yes	
Disaster Relief Grant	-	134	134	1,00	-		
Provincial							
Library Grant	1 200	1 200	1 200	0%	0%	Yes	
Waste Grant	-	3 300	220	0%	0%	Yes	
Total	121 545	124 978	121 898				
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.							

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Capital Expenditure - New Assets Programme*							R '000
Description	Year 2021/22			Planned Capital expenditure			
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2022/23	FY + 2023/24	FY + 2024/25	
Capital expenditure by Asset Class							
Infrastructure - Total	26 580	18 540	12 878	-	-	-	
Infrastructure: Road transport - Total	26 580	13 140	10 684	-	-	-	
Roads	26 580	13 140	10 684				
Capital Spares							
Infrastructure: Electricity - Total	-	2 100	2 002	-	-	-	
Power Plants							
LV Networks	-	2 100	2 002				
Capital Spares	-	-	-				
Infrastructure: Water - Total	-	-	-	-	-	-	
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-		-	-	-	-	
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	3 300	191	-	-	-	
Waste Management							
Transportation		3 300	191				
Gas							
Other							

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Community - Total	1 500	13 440	14 088	-	-	-
Halls	-	365	256			
Centres						
Crèches						
Clinics/Care Centres		791	1 048			
Fire/Ambulance Stations						
Testing Stations						
Museums						
Galleries						
Theatres						
Libraries						
Cemeteries/Crematoria	1 500	995	2 293			
Police						
Purirs						
Public Open Space	-	11 290	10 491			

Table continued next page

Capital Expenditure - New Assets Programme*							R '000
Description	Year 2021/22			Planned Capital expenditure			
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2022/23	FY + 2023/24	FY + 2024/25	
Capital expenditure by Asset Class							
Heritage assets - Total	-	-	-	-	-	-	
Buildings							
Other							
Investment properties - Total	-	-	-	-	-	-	
Housing development							

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Other	-	-	-	-	-	-
Other assets	3 050	7 688	227	-	-	-
General vehicles						
Specialised vehicles						
Plant & equipment	100	250	197			
Computers - hardware/equipment						
Furniture and other office equipment						
Abattoirs						
Markets						
Civic Land and Buildings						
Other Buildings						
Other Land						
Surplus Assets - (Investment or Inventory)	2 950	7 438	30			
Other	-	-	-	-	-	-
Agricultural assets						
<i>List sub-class</i>						
Biological assets						
<i>List sub-class</i>						
Intangibles						
Computers - software & programming						
Other (list sub-class)						
Total Capital Expenditure on new assets	31 130	39 668	27 193	-	-	-

<u>Specialised vehicles</u>	-	-	-	-	-	-
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 2021/22			Planned Capital expenditure			
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2022/23	FY + 2023/24	FY + 2024/25	
<u>Capital expenditure by Asset Class</u>							
<u>Infrastructure - Total</u>	-	-	-	-	-	-	
Infrastructure: Road transport - Total	-	-	-	-	-	-	
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-	-	-	-	-	
Power Plants							
LV Networks							
Capital Spares							
Infrastructure: Water - Total	-	-	-	-	-	-	
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-	-	-	-	-	
Reticulation							

Sewerage purification	-	-	-	-	-	-	-
Infrastructure: Other - Total	-	-	-	-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
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							

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Capital Expenditure - Upgrade/Renewal Programme*

R '000

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Description	Year 2021/22			Planned Capital expenditure		
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2022/23	FY + 2023/24	FY + 2024/25
<u>Capital expenditure by Asset Class</u>						
<u>Investment properties</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						
<u>Biological assets</u>						
List sub-class						

<u>Intangibles</u>									
Computers - software & programming									
Other (list sub-class)									
Total Capital Expenditure on renewal of existing assets									
<u>Specialised vehicles</u>									
Refuse									
Fire									
Conservancy									
Ambulances									
* Note: information for this table may be sourced from MBRR (2009: Table SA34b)									T M.2

APPENDIX N: CAPITAL PROGRAMME

Capital Programme by Project: Year 2021/22						R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %	
Executive & Council						
Buildings	-	1 400	-	0%	0%	
Budget & Treasury						
Other Assets	-	50	4	-1027%	100%	
Corporate Services						
Other Assets	250	400	223	-80%	-12%	
Planning & Development						
Other Assets						
MIG Projects	28 080	28 080	24 772	-13%	-13%	
Community & Social Services						
Buildings	-	1 538	-	0%	0%	
Housing						
Other Assets						
Public Safety						
Other Assets						
Sports & Recreation - Parks & Gardens						
Other Assets						
Refuse						
Other Assets	-	3 300	191	-1626%	100%	
Road Transport						
Other Assets	2 800	2 800	-	0%	0%	
Electricity						

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Electricity Projects	-	2 100	2 002	-5%	100%
Environmental Protection					
Other Assets	-	-	-		
	31 130	39 668	27 193		

APPENDIX O: Capital Programme by Project by Ward:

Capital Programme by Project by Ward: Year 20/21		
		R27 672 000
Capital Project	Ward(s) affected	Works completed (Yes/No)
Surfacing Of Mlungisi Access Road Phase 2	14 and 15	In progress 60%
Mlungisi Sport Complex Phase 2	15	In progress 40%
Fencing Of Cemeteries	4, 8 and 15	In progress 30%
Amabhele Internal Roads	9	In progress 35%
Rabe Internal Roads	10	In progress 45%
Surfacing Of Amatolaville Streets	6	In progress 85%
Surfacing Of Cathcart Streets	4	In progress. Tender Stage
Capital Programme by Project by Ward: Year 19/20		
Gubevu Internal Roads	12	Complete
Border Post Internal Roads Phase 1	8	Complete
Sophumelela Internal Roads	1	Complete
Keiskammahoek paving	1	Complete
Keiskammahoek Fire Station	1	In progress 85%
Capital Programme by Project by Ward: Year 18/19		
Ethembeni Internal Roads Phase 3	7	Not Complete
Kei Road Internal Roads	8	Complete
Nothenga Internal Roads	12	Complete
Rhawini Internal Roads	5	Complete
Langdrai Internal Roads	4	Complete
Zingcuka Internal Roads	1	Complete
Rabhula Internal Roads	3	Complete
Cata Internal Roads	2	Complete
Surfacing Of Mlungisi Access Road Phase 1	14	Complete
Gxulu Internal Roads	1	In progress
Khayelitsha Internal Roads	8	In progress
Lower Xholorha Surfacing	13	In progress
Water		
"Project A"		
"Project B"		
Sanitation/Sewerage		

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Electricity		
Amahlahi Highmast Lights	1 and 5	Complete
Bushpig Sub Station Upgrade	13	In progress
Covid 19 Emergency Electricity Network Repairs	13	In progress 95% Complete
Housing		
Refuse removal		
Storm water		
N/A		
Economic development		
Sports, Arts & Culture		
Mlungisi Sports field Ph1	15	In progress (Outstanding Scope has been included in Phase 2)
Mlungisi Sports field Phase 2	15	In progress 40% Complete
Environment		
Health		
Safety and Security		
ICT and Other		
		T O

APPENDIX Q: Service Delivery Backlog experienced by the community where another sphere of government is responsible for service provision

Services by Sector Departments	Services Implemented/Provided	Service Backlogs
Access to Sanitation	93%	5,9%
Access to Water	89,7%	10,3%
Electricity	85,9%	10,3% (New extensions)
Housing	459	3 172
Refuse Removal	30,8%	69,2%
Roads	18%	82%

ANNEXURE R: COGTA KEY PERFORMANCE INDICATORS

RE: REQUEST FOR THE CONSIDERATION OF KEY PERFORMANCE INDICATORS IN THE ANNUAL REPORT FOR 2021//22 FINANCIAL YEAR

The following is the list of indicators that were agreed upon and on how the performance information should be populated:-

CHAPTER: ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT –KPA 1

Annual performance as per key performance indicators in municipal transformation and organizational development

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	16	100	100%	All the positions were filled which appeared on the recruitment plan of 2021/2022 financial year
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	3	100%	The three directors have resigned and positions have been filled
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	0	0	0	Due to financial constraints no training was conducted for section 57 including Municipal Manager
4	Percentage of Managers in Technical Services	2	0	100%	There are no gaps identified

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	with a professional qualification				
6	Level of effectiveness of PMS in the LM – (LM to report)	PMS has been cascaded to employees from TG12 and above.			
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	142	None		No new changes for the current financial year
8	Percentage of councillors who attended a skill development training within the current 5 year term	10	None		No training has been conducted internally in the current financial year. COGTA assisted the municipality with other workshops conducted for councillors during induction of councillors
9	Percentage of staff complement with disability	1	3	33.33%	No changes
10	Percentage of female employees	101	4	35.94%	1 female employee in electricity department have been appointed and 3 female employees as interns financial management
11	Percentage of employees that are aged 35 or younger	44		15.65%	
12	Adoption and implementation of a				

District Wide/ Local Performance Management System				
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CHAPTER: BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS (KPA 2)

Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customer expected to benefit Total House Holds=34159	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	24 269	3 429	20 840	20 840	100
2	Percentage of indigent households with access to basic electricity services	24 269	3 429	24 269	20 840	86
3	Percentage of indigent households with access to free alternative energy sources	24 269	886	886	886	100

Electricity – 2016 Community Survey as per the table above indicates that 92.7% of households at Amahlathi uses electricity for lighting compared to 87.4% calculated in the Census 2011 meaning there is a great improvement of about 5.3%.

Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads	24 269	14 561	3 000	3 000	100
2	Percentage of road infrastructure requiring upgrade	980 km	487 km	4 km	2 km	50
3	Percentage of planned new road infrastructure actually constructed	980 km	493 km	12 km	12 km	100
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	R 522 m	R 522m	R 26.2 m	R 26.2 m	100

Annual performance as per key performance indicators in waste management services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
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Percentage of households with access to refuse removal services	No. of households and businesses with basic waste collection	29 994 House Holds	23 536 households and businesses with access to basic waste. (29 994- 6458 =23 536)	6458 households and businesses with access to basic waste	21,53% in the Amahlathi Municipality (6458 / 29 994 X 100= 21.53%)	Percentage of households with access to refuse removal services 21.53%
2	Existence of waste management plan	<ul style="list-style-type: none"> Integrated Waste Management Plan is currently under review awaiting final Draft from Service Provider so that it is tabled to Council for approval prior being submitted to Department of Economic Development & Environmental Affairs (DEDEA) 				

Annual performance as per key performance indicators in housing and town planning services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	4,4%	1527	N/A	N/A	0%
2	Percentage of informal settlements that have been provided with basic services	N/A	N/A	N/A	N/A	N/A
3	Percentage of households in formal housing that conforms to the minimum building	57%	19950	N/A	N/A	N/A

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	standards for residential houses				
4	Existence of an effective indigent policy	There is Indigent policy that has been adopted and it is reviewed annually.			
5	Existence of an approved SDF	There is an approved Amahlathi Municipality Spatial Development Framework (2012) which is valid up until 2015/2016 FY. This SDF is currently being reviewed to make it SPLUMA compliant, but the process was delayed due to the Municipality's cash flow position that affected the payment of the Service Provider. The reviewed SDF will be ready for implementation by the 4 th Quarter of 2021/22 as the review process has resumed			
6	Existence of Land Use Management System (LUMS)	Land Use Surveys (determination of land uses within Amahlathi Local Municipality), informed by Land Use Ordinance of 15 1985 was conducted in August 2012 and Zoning Maps were created. However a completed Zoning Scheme to regulate land development/ to control land use rights was not finalised, due to the fact that the Municipality was awaiting on the Implementation of Spatial Planning and Land Use Management Act No 13 of 2013. The development of a SPLUMA compliant Wall to Wall Land Use Scheme is under way and will be submitted to Council for approval by Quarter 3 of 2021/22.			

CHAPTER: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

Annual performance as per key performance indicators in LED

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	None	- No new recruitments	0%
2	Percentage of LED Budget spent on LED related activities.	100%	100%	100%
3	Existence of LED strategy	LED strategy was adopted by Council in 2012 and it is being reviewed with assistance from COGTA, which has stalled due to the limitations of this support process.		
4	Number of LED stakeholder forum meetings held	8	<ul style="list-style-type: none"> - 2 Contractors meeting held - 4 Agricultural Forum Meeting held - 2 CTO's and LTO's meetings - 3 Hawkers meeting held - 3 Cooperative meeting held (Amahlathi Wethu Secondary Co-Op). 	100%

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No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
5	Plans to stimulate second economy	<ul style="list-style-type: none"> -3 business plans developed for 3 cluster towns - Target 2 twinning agreements with Strategic-Institutions in the EC 	<ul style="list-style-type: none"> - Developer for the Keiskammahoek shopping complex has been appointed - MOU has been concluded with Fort Cox College 	50%
6	Percentage of SMME that have benefited from a SMME support program	<ul style="list-style-type: none"> -Sub-contracting resolution has been taken by Council and is being implemented - 30% of Amahlathi budget allocated to local SMME's - 3 trainings conducted for Community Tourism Organisation (CTO) and Local Tourism Organisations (LTO'S) 	<ul style="list-style-type: none"> - 19 Contractors trained through a Department of Human Settlements intervention which was designed to enable them to sub-contract in two new Housing Projects - % of Amahlathi budget allocated to local SMME's (BTO should provide the figure) - 3 training session conducted for CTOs & LTOs - 11 contractors met requirements for subcontracting on Cenyulands and Cenyu Village housing project implemented by the Department of Public Works. -SMME business training by IDC at Mgwali Village - Farmers supported on Capacity building. 	80%

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
		-3 contractors subcontracted and benefited. - 5 farmers to be supported with capacity building -4 tourism event attended to provide access to market for Crafters	- 2 Tourism Events attended to market Amahlathi craft artefacts	
7	Number of job opportunities created through EPWP	100 people to be employed by 30 June 2020	249 people were employed under EPWP Programme	249%
8	Number of job opportunities created through PPP	n/a	n/a	n/a

CHAPTER: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

Annual performance as per key performance indicators in financial viability

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	R 38 132 050	R 13 649 432.32	31%
2		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
3	Salary budget as a percentage of the total operational budget	R121 381 334	R135 993 101	112%

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4	<i>(Including Councillor Allowances)</i>	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
5	Total municipal own revenue as a percentage of the total actual budget	R112 607 793	R112 596 526	99.9%
6		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
7	Rate of municipal consumer debt reduction	10 000 000	R32 643 558	326%
8	Percentage of MIG budget appropriately spent	R38 132 050	R12 317 096	32%
9	Percentage of MSIG budget appropriately spent	R 0	R 0	0%
10	AG Audit opinion	Unqualified	Unqualified	
11	Functionality of the Audit Committee	4 meetings	4 meetings	100%
12	Submission of AFS after the end of financial year	31 October 2020	31 October 2020	100%

CHAPTER: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% war room	12 meetings	12	100%
3	Existence of an effective system to monitor CDWs	Currently there is no tool to motor CDWs. Only assisting them administratively (i.e. venue and communicating their meetings to relevant stakeholders)		
5	Effective of IGR structural meetings	Amahlathi Political IGR forum meetings sit on a quarterly basis and are led by the Honourable Mayor. All the Executive Committee members of the Council also form part of the forum as required by the terms of reference of the committee. The IGR is currently coordinated in the Office of the MM and is attached to the Office Administrator.		
6	Existence of an effective communication strategy	Communication Strategy adopted by council February 2015, and it is reviewed on an annually basis by reviewing the Communication Action Plan		
6	Existence of an effective communication strategy	Communication Strategy adopted by council February 2015, and it is reviewed on an annually basis by reviewing the Communication Action Plan		
7	Number of mayoral imbizos conducted	2	2	100%

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
8	Existence of a fraud prevention mechanism	<p>The Internal Audit Unit is conducting Fraud Awareness Campaigns within the municipality on quarterly basis and those awareness programs are included on the Approved Risk Based Internal Audit Plan for 2015/16 financial year.</p> <p>Employees are workshopped on what constitutes Fraud and what they should do when they suspect that fraud is happening within the municipality.</p> <p>The Internal Audit Unit has also developed Fraud Prevention Plan and Whistle-blowing policy for protection of the Whistle blowers. Policy was submitted to the Council and was adopted in April 2015.</p>		

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