

MUNICIPAL PROFILE - EMADLAGENI MUNICIPALITY

MUNICIPALITY		
Municipal Profile		
Population	23263	
2011 No. of Councillors	7	
2016 No. of Councillors	11	
Current Political make-up	African National Congress	6
	Democratic Alliance	1
	Economic Freedom Fighters	1
	Inkatha Freedom Party	3
2011 Registered Voters	11 317	
2014 Registered Voters	13 221	

DETAILS OF THE OFFICE BEARERS									
MUNICIPALITY	NAME OF SPEAKER	POLITICAL PARTY	ELECTION OF EXECUTIVE COMMITTEE (Formula: [number of party seats ÷ by total number of councillors] x size of exco)			NAME OF MAYOR	POLITICAL PARTY	NAME OF DEPUTY MAYOR	POLITICAL PARTY
			NO. OF MEMBERS	NAMES OF MEMBERS	POLITICAL PARTY				
Emadlangeni	F. Madi	ANC	3	N. Ndlovu	ANC	L. Mhlungu	ANC	N. Ndlovu	ANC
				L. Mhlungu	ANC				
				M. Mthethwa	IFP				

SECTION 54/56 MANAGERS			
Designation	Manager's Name	Telephone and/or Cellphone Number	Email address
Municipal Manager	Mrs. G. P. N. Ntshangase	034 331 3041/ 0726206943	gugum@emadlangeni.gov.za
Director: Corporate Services	Mr. S. B. Sikhakhane	034 331 3041/ 0780959910	sikhakhaneb@emadlangeni.gov.za
Director: Planning & Economic Development	Mr. S. F. Mtshali	034 331 3041/ 0609942522	mtshalisf2010@gmail.com
Director: Community Services	Vacant		
Director: Technical Services	Vacant		
Chief Financial Officer	Mr. W. Mtusva	034 331 3041/ 0780485032	wellingtonm@emadlangeni.gov.za

PILLAR ONE: PUTTING PEOPLE FIRST

WARD: 02

MUNICIPALITY: Emadlangeni

PERIOD: 2015

Introduction of the Ward

Location

:

Emadlangeni Municipality Ward 2

Total population

: 5290

The neighboring wards (*North, South, East, West*)

: Ward 1, 3 and 4

Name of TLC (*if any*)

: none

Ward Map (*to be inserted*)

Demography

Total Population of the ward

: 5290

Males

: 2698

Females

: 2592

Type of dwellings in the ward

: blocks houses, hut, flats and mud houses

The languages spoken

: IsiZulu, English and Afrikaans

The indication of literacy

: 80%

Education

Number of crèches

: 04

Number of primary schools

: 03

Number of secondary schools

: 02

Number of FET Colleges

: 0

Number of University of Technologies

: 0

Number of Universities

: 0

Number of any other learning institutions

: 01

Health

Number of primary health care centers

: 01

Number of community health centres

: 01

Number of hospitals

: 01

Number of General Practitioners in the ward

: 01

Number of step down facilities such as Hospice, Rehab etc.	: 0	
Number of pharmacies in the ward		: 01
Number of people receiving TB treatment		: 11
Number of people receiving Antiretroviral		: 306
Safety and Security		
Number of police stations	: 01	
Number of satellite police stations		: 0
Number of community policing forums		: 01
Number of informal safety and security structures	: 00	
Infrastructure		
What proportion of the ward has access to clean water	: 90%	
What proportion of the ward has access to sanitation (toilet)	: 100%	
What proportion of the ward has access to electricity		: 90%
Name the models (types) of transport used in the ward		: Taxis, Bus and local taxis (Ventures)
Name the type and number of recreational facilities		: 2 horse racing field, 2 swimming pool, outdoor gym park, Game Park and 1 park.
How many sport facilities	: 05	
How many community halls are in the ward		: 02
How many churches are in the ward	: 20	
Number of formal shops in the ward	: 27	
Number of informal shops in the ward	: 09	
Number of banks in the ward	: 01	
Number of informal-loan services in the ward		: 00
How many community caregivers are in the ward		: 30
How many youth ambassadors are in the ward	: 00	
How many extension officers are in the ward		: 01
How many sport volunteers are in the ward		: 05
How many sport and recreational facilities are established	: 02	
Specify how many other fieldworkers are in the ward	: 15	
How many SASSA service points are there in the ward		: 01
Social Welfare		
How many orphans are in the ward	: 90	
How many Youth-headed households are in the ward		: 07
How many people are registered to receive Social Grants	:	
Availability of gardens		
How many households have gardens which are cultivated	: 122	

Is the community aware of the one-home, one garden : Yes

How many communal gardens are established in the ward : 02

How many school gardens are in the ward : 04

How many clinics/ NGOs have gardens in their facility : 02

Community Organizations

Does the ward have:

Sporting organizations : Yes

School governing bodies : Yes

Community Policing Forums : Yes

Street forums : No

Religious organizations : Yes

Youth organizations : Yes

Burial associations : Yes

Business organizations : Yes

Taxi associations : Yes

Cultural organizations : No

Women's organizations : Yes

Organizations for people living with disabilities : Yes

Ward Meetings

How many community meetings are held per quarter : 03

How many ward task meetings are held per month : 2 per month

WARD : 3

MUNICIPALITY: EMADLANGENI

PERIOD: 2015

Introduction of the Ward

Location : Emadlangeni Municipality

Total population : 8 801

The neighboring wards (*North, South, East, and West*) : Ward 1, 2, 4 of Emadlangeni

Name of TLC (*if any*) : Amantungwa and AmaShandu TAC

Demography

Total Population of the ward

: 8 801

Males

: 40%

Females

: 60%

Type of dwellings in the ward

: block houses and mud houses

The languages spoken

: isiZulu

The indication of literacy

: 60% of population

Education

Number of crèches

: 1

Number of primary schools

: 9

Number of secondary schools

: 2

Number of FET Colleges

: Nil

Number of University of Technologies

: Nil

Number of Universities

: Nil

Number of any other learning institutions

: 2

AET Centres

Health

Number of primary health care centers

:

Mobile Health Services provided in 9 areas

Number of community health centers

: Nil

Number of hospitals

: Nil

Number of traditional healers operating in the ward

: 05

Number of General Practitioners in the ward

: Nil

Number of step down facilities such as Hospice, Rehab etc

: Nil

Number of pharmacies in the ward

: Nil

Number of people receiving TB treatment

: 119 in all

the Local Municipality

Number of people receiving Antiretroviral

: 3 219 in all

the Local Municipality

Safety and Security

Number of police stations

: 01

Number of satellite police stations

: Nil

Number of community policing forums	: 1
forum	
Crime statistics for the past three months	: The SAPS
Office Refused	
Number of informal safety and security structures	: Nil
Infrastructure	
What proportion of the ward has access to clean water	: 70% of the Ward
What proportion of the ward has access to sanitation (toilet)	: 99%
What proportion of the ward has access to electricity	: 60% of the Ward
Name the models (types) of transport used in the ward	: Barkies/Vans, Buses, taxis
Name the type and number of recreational facilities	: Soccer Grounds
How many sport facilities	
: 1 formal sport facility and 12 grounds	
How many community halls are in the ward	: Nil
How many churches are in the ward	
: 7	
Number of formal shops in the ward	
: Nil	
Number of informal shops in the ward	: 7
Number of banks in the ward	
: Nil	
Number of informal-loan services in the ward	: 2
How many community caregivers are in the ward	: 49 (DSD,
NGOs,Health)	
How many youth ambassadors are in the ward	: 2
How many extension officers are in the ward	: 2
How many sport volunteers are in the ward	: Nil
How many sport and recreational facilities are established	: 1 Berou by Amajuba District
Specify how many other fieldworkers are in the ward	: Nil
How many SASSA service points are there in the ward	: 1 at Kingsley
 Social Welfare	
How many orphans are in the ward	:
101 OVC	
How many child-headed households are in the ward	: not found
How many people are registered to receive Social Grants	: not found
 Availability of gardens	
How many households have gardens which are cultivated	: 15
Is the community aware of the one-home, one garden	: yes
How many communal gardens are established in the ward	: 2
How many school gardens are in the ward	: 12
How many clinics/ NGOs have gardens in their facility	: Nil
 Community Organizations	
Does the ward have:	
Sporting organizations	
: yes (SAFA)	

School governing bodies

: Yes

Community Policing Forums

: Yes (representatives)

Street forums

: No

Religious organizations

: Yes

Youth organizations

: No

Burial associations

: Yes

Business organizations

: No

Taxi associations

: No

Cultural organizations

: No

Women's organizations

: Yes

Organizations for people living with disabilities

: Yes

Ward Meetings

How many community meetings are held per quarter

: 1 per quarter

How many ward task meetings are held per month

: 4 per month

WARD :04

MUNICIPALITY:EMADLANGENI

Introduction of the Ward

Location

:Emadlangeni Municipality

Total coverage of the ward

:not found

Total population

:8801

The neighboring wards (*North, South, East, West*)

:Ward 01,02,03

Name of TLC (*if any*)

:Thekwane

Ward Map (*to be inserted*)

:

Demography

Total Population of the ward

:8801

Males

:25%

Females

:75%

Type of dwellings in the ward

:mud house(round and sque)

The languages spoken

:isZulu

The indication of literacy

:50%

Education

Number of crèches

:05

Number of primary schools

:06

Number of secondary schools

:2

Number of FET Colleges

:none

Number of University of Technologies

:none

Number of Universities

:none

Number of any other learning institutions

:none

Health

Number of primary health care centers

:18

Number of community health centres	:nil	
Number of hospitals	:nil	
Number of traditional healers operating in the ward	:01	
Number of General Practitioners in the ward		:nil
Number of step down facilities such as Hospice, Rehab etc	:nil	
Number of pharmacies in the ward	:nil	
Number of people receiving TB treatment		:5
Number of people receiving Antiretroviral		:236
Safety and Security		
Number of police stations	:01	
Number of satellite police stations	:nil	
Number of community policing forums	:03	
If no police station in the ward	:	
Crime statistics for the past three months		:
Number of informal safety and security structures		:nil
Infrastructure		
What proportion of the ward has access to clean water		: Vaalbank,
What proportion of the ward has access to sanitation(toilet)		:Vaalbank, Chanceni, Mange,
Reserve,		
Ngodini, Bluemountain.		
What proportion of the ward has access to electricity		: Vaalbank,Zaaihoek
and Mange.		
Name the models (types) of transport used in the ward		: Taxis,bus,iSuzu
Name the type and number of recreational facilities		: nil
How many sport facilities	: Nill	
How many community halls are in the ward		: 02
How many churches are in the ward	:06	
Number of formal shops in the ward	:nil	
Number of informal shops in the ward	: 07	
Number of banks in the ward	:nil	
Number of informal-loan services in the ward		:06
How many community caregivers are in the ward	:20	
How many youth ambassadors are in the ward	:nil	
How many extension officers are in the ward		:01
How many sport volunteers are in the ward		:01
How many sport and recreational facilities are established	:Nill	

Specify how many other fieldworkers are in the ward	:10	
How many SASSA service points are there in the ward		:01 at
Groenvlei		
Social Welfare		
How many orphans are in the ward		
:20		
How many child-headed households are in the ward	:5	
How many people are registered to receive Social Grants	:365	
Availability of gardens		
How many households have gardens which are cultivated	:22	
Is the community aware of the one-home, one garden		:yes
How many communal gardens are established in the ward	:02	
How many school gardens are in the ward		:04
How many clinics/ NGOs have gardens in their facility	:01	
Community Organizations		
Does the ward have:		
Sporting organizations		
:yes		
School governing bodies		
:yes		
Community Policing Forums		
:yes		
Street forums		
:no		
Religious organizations		
:yes		
Youth organizations		
:yes		
Burial associations		
:yes		
Business organizations		
:no		
Taxi associations		
:no		
Cultural organizations		
:yes		
Women's organizations		
:yes		
Organizations for people living with disabilities		
:yes		
Ward Meetings		
How many community meetings are held per quarter		
:once per quarter		
How many ward task meetings are held per month		:04
Ward Committee Establishment		

All 04 ward committees were established in line with the Provincial guidelines on Ward Committee Elections and Operations.

The establishment process included the following elements:

- Adoption of the ward committee establishment and operations policy
- Identification of stakeholders through a stakeholder register
- Election of ward committees
- Launch and swearing in of newly elected committees

Municipalities are continuously encouraged to conduct by elections as and when a vacancy is identified.

Functionality Status

Ward committee functionality assessments are conducted on quarterly basis to assess the functionality status of ward committees in a Municipality. According to the ward committee functionality assessment report for the 2nd quarter period April to June 2016, All 04 wards in the municipality were declared non-functional.

The following table reflects the functionality status of ward committees in details:

Name LM	Total number of wards	Number functional	Number Non-functional	Comments
Emadlangeni	04	0	04	Non-submission of evidence

Out of Pocket Expense Implementation

The National Framework determining payment of out of pocket expenses for ward committee members, 2009 stipulates that in order to improve the functionality of ward committees provinces must develop provincial specific frameworks within which local councils should develop policies for the payment of out of pocket expenses for ward committee members

During the period of assessment the municipality under was receiving a grant allocation through the equitable share, to support ward committees functions. The Municipality has developed a policy for the payment of out pocket expenses and all ward committees are reimbursed for the out pocket expenses at a rate of R800 which is paid to each ward committee member per month.

Community Feedback Meeting

In terms of the legislative requirements, ward councilors have a responsibility to report to their communities on issues of service delivery. The policy on ward committee establishment and operations stipulates that a minimum of one community feedback meeting must take place in a ward within a period of three months. The following table provides the total number of community feedback meetings convened by ward councilors during the period April to June 2016 in the municipality.

Total Number of wards	Number of community report back meetings convened by ward councillors	Comments
04	0	Lack of evidence on community feedback meetings

Traditional leadership Representation and Participation

Section 8(4) of the policy on ward committee establishment and operations stipulates that during the composition of ward committees diversity of interests must be pursued by ensuring the inclusion of interest groups as identified in the municipal stakeholders register and adopted by council. In areas under the jurisdiction of Traditional Leadership it is recommended that a traditional institutions seat must be included in the ward committee.

The table below reflects the status of traditional leadership participation in ward committees of Emadlangeni Municipality

Emadlangeni	There is confirmed participation by traditional council in the following wards: 1,2,3,4
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Exit Strategy for Ward Committee.

The term of office for ward committees is five years as contemplated in S24 of the Municipal Systems Act 2000 as amended. Municipalities were expected to develop an exit strategy for serving members in preparation for the local government elections. Guidelines will be distributed to municipalities for customization and implementation before April 2016. The election plan was presented during Provincial Steering Committee Meeting held on the 20th July 2015.

CDW PROGRAMME

Emadlangeni Municipality has 3 active CDWs in three wards. CDWS support all programmes that are implemented in the ward including One Home One Garden programme, PhilaMntwana, HIV/AIDS, Luncheon Clubs and ECDs. The new placements were the results of new 2016 Demarcations.

Ward	Surname	Names	Contact Details	Email Address
Zululand	Phenyane	Ntokozo S	0782456981	ntokozo.phenyane@kzncogta.gov.za
3	Vundla	Thulani John	0832011674	thulani.vundla@kzncogta.gov.za
4	Zikalala	Thabisile R	0782464510	thabisile.zikalala@kzncogta.gpv.za
6	Buthelezi	Nokuthula O	0782441424	nokuthula.buthelezi@kzncogta.gov.za

PILLAR TWO: BASIC SERVICES

PURPOSE

The purpose of this report is to apprise on the status of infrastructure development in the Amajuba District Municipality. It must be noted that both the Newcastle and Amajuba municipalities are both *Water Services Authorities* with Amajuba servicing eMadlangeni and Dannhauser, with Newcastle being responsible for its own municipal area.

BACKLOGS AND SERVICE DELIVERY AMAJUBA DISTRICT MUNICIPALITY

The table below accounts for backlogs that have been recorded by Statistic South Africa (StatsSA) as at 2011, when the survey was conducted.

TABLE 1: ACCESS TO MUNICIPAL SERVICE IN AMAJUBA DM

AMAJUBA DM WSA							
Table one Municipality	Number of HH's	Piped water(Tap) inside dwelling or yard or on community standpipes		HH's unserved	Pit latrine Los (PIT ,Flush or chemical		HH's unserved
AMAJUBA DM WSA		HH's served	% served		HH's served	% served	% unserved
Dannhauser LM	20438	16722	81.82%	3716	17484	86%	2954
Emadlageni LM	6251	3669	58.69%	2582	4887	78%	1364

2.1 ACCESS TO WATER

Based on the 2011 Stats SA, the following emerged as a result of numerous projects that are underway within the Amajuba District Municipality.

2.2.1 Water Status Quo

While it appears that a large percentage of households have access to sources of water, it cannot be confirmed that these households have access "to a secure source of water for human consumption". Many people have to travel a distance to collect water from a public tap, based on the Basic level of service, the Strategic Framework for Water Services of the Department of Water Affairs and Forestry, September 2003, defines a basic water supply facility as "the infrastructure necessary to supply 25 litres of potable water per person per day within 200 metres of a household and with a minimum flow of 10 litres per minute (in case of communal water points) or 6000 litres of potable water supplied per formal connection per month (in case of yard or house connections)."

Despite the relatively high level of water provision, the figures hide wide disparities among the three local municipalities.

Up to 83 % of households with piped water supply either to dwelling or on site are residing in Newcastle Municipality,

Up to 81 % of households with piped water supply either to dwelling or on site is residing in Dannhauser Municipality, Unauthorized households connections are largely contributing to increased number of households with yard connections.

Up to 58 % of households with piped water supply either to dwelling or on site are residing in eMadlangeni Municipality,

While 41% of households in Emadlangeni Municipality are reliant on natural and other water supplies. Almost 19% of households in Dannhauser Municipality are reliant on natural and other water supplies.

Therefore, eMadlangeni been the most challenged municipality with a water backlog of 41%.

2.1.2 Sanitation Status Quo

According to the STATS SA (2011), about 54% of the households in Amajuba DM area have flush toilets that are connected to a sewerage system of some type, an improvement of 7% since 2007 stats. The 2011 figures also indicate only 3.0% of households in the ADM do not have any form of sanitation.

There are, however, wide variations within the district.

- 22% of households in the eMadlangeni municipality do not have access to any form of toilet ie: pit with no ventilation, other (home built or none)
- 14 % of households within the Dannhauser municipality are below the basic level of service (backlog).
- Out of the three municipal areas, the highest level of service is found in Newcastle Municipality, where over 73% of households have either flush or chemical toilets or pit latrines.
- While the statistics reflect that a substantial proportion of the households in the ADM have adequate sanitation, it has, however, been noted that analyses done within wards, are faced with unhygienic conditions due to pit latrines and are not ideal and many of them are full, thereby exacerbating the problems associated with poor sanitation.

According to Amajuba DM WSA, No buckets system currently exists within the Dannhauser and Emadlangeni Local municipalities

TABLE 2: ACCESS TO SERVICES IN AMAJUBA DM & IMPLEMENTATION PLAN

Project Name and Description	Project Duration Months	Project allocation	Status quo of the Project (Planning,Design n.Waiting for approval,Constr uction or Completed)	Names of wards/Villages Benefitting	Total backlog per ward/ village	DWA Information			Municipal Information		After Project Completion, will H/H benefit?
						Villages/w ards Identified in DWA Action List [Y/N]	Households to be reduced as per action list	Classificati on according to the DWA following classes(1	No. of H/H Benefitting After Project Completion per project design	Classificati on according to the DWA following classes(1	
MIG FUNDED PROJECTS 2013/14-2015/16											
Buffalo flats water supply_ ph 3	48	83 517 981	Construction	Dannhauser ward	2890	y	1227	1	1227	1	1227
Buffalo flats water supply_ ph 3 VO	24		Bus Plan stage	Dannhauser ward			1663	1	1663	1	1663
Buffalo flats Sanitation	48	141 559 111	Construction	Dannhauser ward 1-11	17235	y	17 235	1	17 235	1	17 235
Emadlangeni Sanitation	36	49 434 865	Construction	Emadlangeni ward 1-4	5194	y	5194	1	5 194	1	5 194
WSDP	8	1 989 000	Bus Plan stage	NDH and NUT	26689				26689		26689
TOTAL MIG FUNDED PROJECTS											
MWIG FUNDED PROJECTS 2013/14-2015/16											
Emadlangeni Rural Water Supply Phase 1 (Development of Water Sources)	12		Construction	Emadlangeni ward 1-4	5194	y		1	5194	1	5194
Emadlangeni Rural Water Supply Phase 2 (Network Reticulations)	32		planning	Emadlangeni ward 1-5	5194	n		2	5194	2	5194
Buffalo Flats Water Supply Scheme Phase 4 (Phase 1 to 3 infill)	32		planning	Dannhauser ward 1-11	1675	n		1	1675	1	1675
Buffalo Flats WCDM_ Phase 2	48		planning	Dannhauser ward 1-11		n					
TOTAL MWIG FUNDED PROJECTS											
PROPOSED MWIG RBIG FUNDED PROJECTS 2016/18											
Amajuba Regional water scheme -Feasibility	24	2 000 000.00	planning	Planning :NO Fundiig approved ,Compile b/p	26689	n		3 &4		3 &4	26689
Emad bulk pipiline :cathodic protection	6		planning	Planning :NO Fundiig approved		n		4		4	
TOTAL RBIG FUNDED PROJECTS											
ACIP FUNDED PROJECTS											
CMS				Dannhauser ward 2	1286	y		4		4	
WATER CONS WATER DEMAND				NUT	2218						
		0.00									
TOTAL ACIP FUNDED PROJECTS											
Refurbishment /Upgrade of WWTP		1 500 000.00	Planning		1286	y		4		4	
Refurbishment /Upgrade of WWTP		0.00									
UNFUNDED PROJECTS											
BULK WATER FEED DANNHAUSER			Awaiting Feasibility study outcomes		26689						
Refurbishment /Upgrade of WWTP_ NDH			Awaiting WSDP outcomes								
Refurbishment /Upgrade of WTP_ NUT			Awaiting WSDP outcomes								
Refurbishment /Upgrade of WWTP_ NDH			Awaiting WSDP outcomes	Dannhauser ward 2	1286	y		4		4	
Refurbishment /Upgrade of WWTP_ NUT				NUT	2218						

1. BACKLOGS AND SERVICE DELIVERY NEWCASTLE LOCAL DISTRICT MUNICIPALITY

The table below accounts for backlogs that have been recorded by Statistic South Africa (StatsSA) as at 2011, when the survey was conducted.

TABLE 3: ACCESS TO MUNICIPAL SERVICE IN NEWCASTLE LM

3.1 ACCESS TO WATER

Based on the 2011 Stats SA, the following emerged as a result of numerous projects that are underway within the Newcastle Local Municipality.

3.2.1 Water Status Quo

While it appears that a large percentage of households have access to sources of water, it cannot be confirmed that these households have access "to a secure source of water for human consumption". Many people have to travel a distance to collect water from a public tap, based on the Basic level of service, the Strategic Framework for Water Services of the Department of Water Affairs and Forestry, September 2003, defines a basic water supply facility as "the infrastructure necessary to supply 25 litres of potable water per person per day within 200 metres of a household and with a minimum flow of 10 litres per minute (in case of communal water points) or 6000 litres of potable water supplied per formal connection per month (in case of yard or house connections)."

Despite the relatively high level of water provision, the figures hide wide disparities among the three local municipalities.

Up to 96 % of households with piped water supply either to dwelling or on site are residing in Newcastle Municipality,

3.1.2 Sanitation Status Quo

According to the STATS SA (2011), about of the households in Newcastle LM area have flush toilets that are connected to a sewerage system of some type, an improvement of% since 2007 stats. The 2011 figures also indicate only% of households in the NLM do not have any form of sanitation.

There are, however, wide variations within the district.

-% of households in the Newcastle municipality do not have access to any form of toilet i.e.: pit with no ventilation, other (home built or none)
- While the statistics reflect that a substantial proportion of the households in the NLM have adequate sanitation, it has, however, been noted that analyses done within wards, are faced with unhygienic conditions due to pit latrines and are not ideal and many of them are full, thereby exacerbating the problems associated with poor sanitation.

2. CAPEX ALLOCATION

Amajuba DM and Newcastle LM has been allocated the following grants to address service delivery backlogs across its jurisdiction for the MTEF period, namely;

TABLE 4: AMAJUBA DM CAPEX ALLOCATION

AMAJUBA DM MTEF GRANT ALLOCATIONS				
GRANT	2014/15 FY	2015/16 FY	2016/17 FY	TOTAL ALLOCATION
RBIG	8 500 000	0	0	8 500 000
MIG	41 650 000	40 721 000	42 445 000	124 816 000
MWIG	12 040 000	19 825 000	15 133 000	46 998 000
TOTAL				179 814 000

TABLE 5: NEWCASTLE LM CAPEX ALLOCATION

NEWCASTLE LM MTEF GRANT ALLOCATIONS				
GRANT	2014/15 FY	2015/16 FY	2016/17 FY	TOTAL ALLOCATION
RBIG	8 000 000	0	0	8 000 000
MIG	106 611 942.10	115 266 000	122 104 000	124 816 000
MWIG		14 825 000		46 998 000
TOTAL				179 814 000

3.1. WATER QUALITY ASSESSMENT**3.1.1 Water Quality Amajuba DM****TABLE 6: BLUE DROP**

Year	2013	2012	2011	2010
Score	Risk rating score	83.31%	84.43%	56.4%
Risk rating scores	37.49%	48.82%		

The department is impressed with the high level of microbiological water quality compliance in the registered systems. But there are also areas that need attention namely:

Challenges

- Compliance with regulation 17 for process controllers.
- Risk Management- Establishment of the water safety plans and implementation of mitigation measures to reduce risks at the water services interface.

Interventions for the challenges

- There are plans in place to beef up the number of process controllers and there are on-going trainings to capacitate and train them to comply with regulation 17.
- Assistance in developing the water safety plans has been given by the Department of Water and Sanitation.

Wastewater Quality

TABLE 7: GREEN DROP

Year	2013	2011	2009
Score	60.36%	59.10%	47.00%
Year	2013	2012	
Risk rating scores	54.41%	58.83	

Overall the municipality is operating on average with points of strengths evident in the monitoring and submission of compliance results. Three out four treatment systems reside in low risk positions. Attention should be given to drafting and implementation of the wastewater risk abatement plan and compliance with regulation 17 at the level of process controllers, implementation of bylaws and carrying out of process audits.

Challenges

- Absence of O and M manuals.
- No. of process controllers.
- Absence of as built design drawings.
- Effluent quality compliance.
- No flow data

Interventions on the challenges

- There are plans to beef up the staff and meet the required numbers as per regulation 17.
- Inlets and outlets flow meters are at the procurement stage.
- Attention is given to effluent quality by enforcement of disinfection methods at the outlet points.

3.1.2 Water Quality Newcastle LM

TABLE 8: BLUE DROP

Year	2013	2012	2011	2010
Score	Risk rating score	96.50%	75.61%	74.80%
Risk rating scores				

The municipal compliance for microbiological water quality is relatively high and is registered systems. However there are challenges municipality encounters. the listed as follows:

Challenges

- Compliance with regulation 17 for process controllers.
- Risk Management- Establishment of the water safety plans and implementation of mitigation measures to reduce risks at the water services interface.

Interventions for the challenges

- There are plans in place to beef up the number of process controllers and there are on-going trainings to capacitate and train them to comply with regulation 17.
- Assistance in developing the water safety plans has been given by the Department of Water and Sanitation.
- Risk assessment philosophy has been drafted and risk register have been adopted and is monitored on monthly basis

Wastewater Quality

TABLE 9: GREEN DROP

Year Score	2013	2011	2009
Year	2013	2012	
Risk rating scores			

Overall the municipality is operating on average with points of strengths evident in the monitoring and submission of compliance results. All 3 treatment systems reside in low risk positions. Attention should be given to drafting and implementation of the wastewater risk abatement plan and compliance with regulation 17 at the level of process controllers, implementation of bylaws and carrying out of process audits.

Challenges

- Absence of O and M manuals.
- Very few. of process controllers.
- Absence of as built design drawings.
- Effluent quality compliance.
- No flow data.

Interventions on the challenges

- There are plans to beef up the staff and meet the required numbers as per regulation 17.
- Inlets and outlets flow meters are at the procurement stage.
- Attention is given to effluent quality by enforcement of disinfection methods at the outlet points.
- Risk assessment philosophy has been drafted and risk register have been adopted and is monitored on monthly basis

3.2 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

TABLE: 10 EXPENDITURE AND COMMITMENT

MIG PERFORMANCE AS AT JULY 2015		2014/2015		2015/2016		2016/2017	
MUNICIPALITY	%EXPENDITURE	%Commitment	ALLOCATIONS	%Commitment	ALLOCATIONS	%Commitment	ALLOCATIONS
Amajuba DM	99.93	100	40 721 000	100%	41 119 000	100	43 906 000
Newcastle LM	100	100	101 611 942.18	100%	112 554 000	100	117 742 000
Dannhauser LM	100	100	20 422 000	100%	21 074 000	100	21 767 000
Emadlangeni LM	100	100	9 050 000	100%	9 364 000	88.02	9 364 000

4.2.1 Amajuba DM

The Amajuba District Municipality has been allocated R125 746 million from the Municipal Infrastructure Grant (MIG) over the MTEF period. The municipality is 100% committed with the following projects implemented in the Amajuba area. The Table below reflects all the projects being implemented by the District. The District has spent 99.93% of its allocation as at end of July 2015.

TABLE:11 MIG FUNDED PROJECTS

Provincial Reference Number	Project Title (<i>as per MIG 1 form</i>)	Project Status	Approved MIG Funding [=NOR + AFAs]
DC25 PMU	PMU		0.00
2007MIGFDC25153355	Buffalo Flats Water Supply Scheme Phase 2	Construction	34 800 553.00
2008MIGFDC25157145	Buffalo Flats Water Supply Scheme Phase 3a MIS 230852	Registration	142 187 352.00
2011MIGFDC25205246	Buffalo Flats Sanitation Project (AFA) MIS 215970	Construction	141 559 111.00
2012MIGFDC25211225	Emadlangeni Sanitation project	Construction	49 434 865.00
2014MIGFDC25224588	Amajuba Disaster Management Centre Phase 1	Registered	13 664 236.68
	Total		381 646 117.68

4.2.2 Newcastle LM

The Newcastle Local Municipality has been allocated R 331 907 942.2 from the Municipal Infrastructure Grant (MIG) over the MTEF period. The municipality is 100% committed with the following projects implemented in the Newcastle area. The Table below reflects all the projects being implemented by the District. The District has spent 100% of its allocation as at end of July 2015.

TABLE: 12 MIG FUNDED PROJECTS

Provincial Reference Number	Project Title (<i>as per MIG 1 form</i>)	Project Status	Approved MIG Funding [=NOR + AFAs]
KZ252 PMU	PMU		0.00
2005MIGFK252 0017	Osizweni E & F Waterborne Sewage (AFA) MIS 206908 (AFA) MIS 224706	Construction	36 819 277.00
2007MIGFK252 149556	Viljoenpark Bulk Services	Construction	81 340 000.00
2008MIGFK252 153184	Staffordhill Waterborne Sewage Phase 3	Construction	52 210 570.00
2008MIGFK252 164990	Mndoza Urban Roads and Stormwater	Construction	57 868 065.00
2009MIGFK252 166246	Madadeni-Johnstown Link Road (AFA) MIS 205719	Construction	27 363 307.30
2010MIGFK252 191034	Madadeni Roads and Stormwater Rehabilitation Phase 2	Construction	68 671 326.00
2010MIGFK252 194628	Closure of Newcastle Landfill	Registered	57 872 583.00
2011MIGFK252 197662	Provision of Basic San Serv to Johnstown, Blaauwbosch and Craven	Construction	86 056 272.00
2011MIGFK252 199363	Water Conservation and Demand Management Programme	Construction	24 618 550.00
2011MIGFK252 192327	Upgrade of Madadeni Wastewater Treatment Works	Construction	64 513 842.00
2011MIGFK252 204193	Osizweni Urban Access Raods Phase 3	Construction	62 056 000.00
2011MIGFK252 204251	Provision of Basic Sanitation services to Normandien, Ingogo and Charlestown	Design & Tender	29 874 293.00
2012MIGFK252 212863	KwaMathukuza Road and Stormwater plus Sidewalks	Construction	26 825 587.90
2013MIGFK252 215614	Construction of Sidewalks in Madadeni and Osizweni	Registered	41 422 800.00
2014MIGFK252 222718	Emergency Upgrade of Ngagane Water Purification Plant and Associated Infrastructure	Construction	63 286 000.00
2014MIGFK252 212918	Widening and Rehabilitation of Asiphephe Drive	Construction	63 152 689.00
2014MIGFK252 222067	Rehabilitation and Widening of Nelson Mandela Road (Madadeni)	Design & Tender	38 874 000.00
2014MIGFK252 226030	Blaauwbosch Bulk Water Project	Registered	69 448 946.00
2014MIGFK252 223384	Siyahlala IA Bulk Sewer	Construction	38 599 721.74
2014MIGFK252 215455	H39 Housing Project Bulk Infrastructure	Design & Tender	21 673 031.02
2015MIGFK252	Osizweni Urban Access Road Phase 4	Registered	130 000

222715			000.00
2015MIGFK252 224671	Madadeni Urban Access Roads and Stormwater Phase 3	Registered	130 000 000.00
2015MIGFK252 231709	Construction of Charlestown Community Hall	Registered	9 690 000.00
2015MIGFK252 229048	Pipe Replacement and Upgrade Project	Registered	33 432 096.00
Total		R 1 315 668 956.96	

4.2.3 Dannhauser LM

The Dannhauser Local Municipality has been allocated R 247 263 000.00 from the Municipal Infrastructure Grant (MIG) over the MTEF period. The municipality is 100% committed with the following projects implemented in the Dannhauser area. The Table below reflects all the projects being implemented by the District. The District has spent 100% of its allocation as at end of July 2015.

TABLE: 13 MIG FUNDED PROJECTS

Provincial Reference Number	Project Title (<i>as per MIG 1 form</i>)	Project Status	Approved MIG Funding [=NOR + AFAs]
KZ254 PMU	PMU		0.00
2009MIGFK254183766	Rural Roads Phase 3	Construction	25 000 000.00
2008MIGFK254165213	Dannhauser Bus Ranking System	Construction	2 360 291.72
2010MIGFK254192104	Ward 9 Community Hall	Construction	3 300 000.00
2010MIGFK254195122	Community Sports Centre (AFA) MIS 223758	Construction	15 699 703.96
2012MIGFK254208162	Community Hall Ward 6	Registered	5 000 000.00
2012MIGFK254208146	Rural Roads Phase 4	Registered	40 000 000.00
2013MIGFK254214301	Rehabilitation of Dannhauser Internal Roads	Registered	20 800 000.00
2013MIGFK254216145	Construction of Dannhauser Testing Ground	Registered	12 603 896.00
2014MIGFK254222396	Construction of Dannhauser Taxi Rank	Registered	14 611 704.31
Total		R 139 375 595.99	

4.2.3 Emadlangeni LM

The Dannhauser Local Municipality has been allocated R 247 263 000.00 from the Municipal Infrastructure Grant (MIG) over the MTEF period. The municipality is 100% committed with the following projects implemented in the Emadlangeni area. The Table below reflects all the projects being implemented by the District. The District has spent 100% of its allocation as at end of July 2015.

TABLE: 13 MIG FUNDED PROJECTS

Provincial Reference Number	Project Title (<i>as per MIG 1 form</i>)	Project Status	Approved MIG Funding [=NOR + AFAs]
KZ253 PMU	PMU		0.00
2009MIGFK2531 80463	BLUE MOUNTAIN CRECHE	Registered	550 100.00
2009MIGFK2531 80536	VAALBANK CRECHE	Registered	725 000.00

Provincial Reference Number	Project Title (<i>as per MIG 1 form</i>)	Project Status	Approved MIG Funding [=NOR + AFAs]
2009MIGFK2531 80560	NDLAMLENZE CRECHE - WARD 1	Registered	550 100.00
2009MIGFK2531 80585	KWA-MABASO CRECHE - WARD 1	Registered	550 100.00
2009MIGFK2531 80597	KWA-NZIMA CRECHE - WARD 1	Registered	550 100.00
2009MIGFK2531 80766	PENSION POINT MARKET STALLS - UTRECHT	Construction	1 070 000.00
2009MIGFK2531 80773	BALGRAY 1 & 2: ACCESS ROAD REHABILITATION (GRAVEL)	Registered	1 500 000.00
2009MIGFK2531 80796	WIT MFOLOSI : ROADS REHABILITATION (GRAVEL)	Registered	4 275 000.00
2009MIGFK2531 80797	BERROUW : ROADS REHABILITATION (GRAVEL)	Registered	11 850 000.00
2009MIGFK2531 81693	EHLANZENI VALLEY ACCESSs GRAVEL ROAD REHABILITATION- WARD 1	Registered	4 500 000.00
2009MIGFK2531 81753	LENZ LINK GRAVEL ROAD - REHABILITATION	Registered	3 375 000.00
2009MIGFK2531 81784	KHAYALETSHU / NORTH HILL GRAVEL ROAD -	Construction	6 225 000.00
2009MIGFK2531 81918	VAALBANK 1 & 2 GRAVEL ROADS - REHABILITATION	Registered	18 975 000.00
Provincial Reference Number	Project Title (<i>as per MIG 1 form</i>)	Project Status	Approved MIG Funding [=NOR + AFAs]
2009MIGFK2531 81945	GROENVLEI GRAVEL ROADS - REHABILITATION	Registered	4 125 000.00
2009MIGFK2531 81995	RONDAVEL ACCESS GRAVLE ROAD- REHABILITATION	Construction	2 250 000.00
2009MIGFK2531 82047	FENCING UTRECHT(Emadlangeni)MUNICIPAL SERVICES	Construction	4 421 250.00
2009MIGFK2531 85474	MLWANE GRAVEL ROAD - REHABILITATION	Construction	3 375 000.00
2009MIGFK2531 85541	MNUGUNDENI LINK ACCESS ROAD- REHABILITATION	Construction	3 375 000.00
2009MIGFK2531 85567	SITHOLE LINK GRAVEL ROAD - REHABILITATION	Registered	4 800 000.00
2009MIGFK2531 85571	KWA-THUTHUKA GRAVEL ROAD - REHABILITATION	Registered	3 375 000.00
2009MIGFK2531 85658	ISIHLAHLA ROAD EXTENSION - REHABILITATION	Registered	450 000.00
2009MIGFK2531 85666	ESITELENGA GRAVEL ROAD - REHABILITATION	Registered	4 800 000.00
2009MIGFK2531 85670	Kwa-Malambana (Nhlezadolo) Gravel Road Rehabilitation	Construction	3 375 000.00

Provincial Reference Number	Project Title (<i>as per MIG 1 form</i>)	Project Status	Approved MIG Funding [=NOR + AFAs]
2010MIGFK2531 85674	HOOGENOEG GRAVEL ROAD (WARD 3)- REHABILITATION	Constructi on	4 026 000.00
2010MIGFK2531 85634	SLAGVELD GRAVEL ROAD - REHABILITATION	Registere d	825 000.00
2010MIGFK2531 85641	ENZIMANE GRAVEL ROAD (WARD 1) - REHABILITATION	Registere d	900 000.00
2010MIGFK2531 85642	KWA-MAKHOMBA GRAVEL ROAD (WARD 1)- REHABILITATION	Constructi on	1 875 000.00
2010MIGFK2531 85665	EZINGODWENI GRAVEL ROAD - REHABILITATION	Registere d	3 900 000.00
2010MIGFK2531 85661	KWA-NTABA & EKHASHINI GRAVELACCESS ROAD (WARD 1)- REHABILITATION	Registere d	4 984 400.00
2010MIGFK2531 93595	EZIHLABATHINI (KWA-NZIMA) GRAVEL ROAD - REHABILITATION (WARD 1)	Constructi on	3 336 997.50
2010MIGFK2531 95910	Enchuba - Pedestrian Bridge Ward 2 (Bloem / Kloppe r) (AFA) MIS 219866	Constructi on	1 994 974.03
2011MIGFK2532 00213	Inkululeko Yomphakathi Rural Area Roads	Constructi on	3 769 940.00
	Total	R 114 653 961.53	

3. ACCESS TO ELECTRICITY

Community queries have been referred back to the municipality's technical director office, where it was agreed that the issues raised would be included in the Integrated Development Plan (IDP) and individuals would be informed accordingly by their respective councilors.

First priority has been given to those areas which have sufficient bulk capacity in their proximity. Where the bulk capacity is inadequate at present, the provision of additional bulk capacity has been prioritized, before the individual household connections will be address.

5.1 IDENTIFIED ELECTRIFICATION PROJECTS

5.1.1. Eskom Electrification projects

TABLE 14: ESKOM ELECTRIFICATION PROJECTS FOR AMAJUBA AND IT'S LOCAL MUNICIPALITY 2015/2016

Project Name	Fundi ng	Municipality Code & Name	District Council	Proje ct Type	DoE TOTAL Planned CAPEX	DoE TOTAL Planned CAPEX as per National Treasury Allocation (Including VAT)	TOTAL Planned Connections	Cost per Connection
NWC Bulk Infills	DoE	KZN254_Dannhauser	DC25 Amajuba	Infills	R 28 705 931	R 32 724 760,79	8 207	R3 987,42

5.1.2 DOE Electrification Projects

TABLE 15: SCHEDULE 6 ELECTRIFICATION PROJECTS 2015

District	Code	Municipal name	Project name	Project type	Allocation	Recommended cost/ connection	Number of connections
AMAJU BA	KZN 252	Newcastle	Siyahlala la - settlement	HH	R8, 000, 000.00		
			Ingogo -Nokwelo	HH			
			Madadeni H39	HH			
	KZ 253	Emadlangeni	Utrecht central	HH	R13, 000, 000.00		
			Blue mountain	HH			
			Slageveld	HH			
			Ophokweni	HH			
			Ndlazadolo	HH			
			Kwa-Lembe	HH			
			Willies electrification	HH	R5, 000, 000.00		
			Skobaren	HH			
	KZ 254	Dannhauser	Gardens	HH			
			Hattingspruit	HH			
			Emafusini	HH			
			Kwa Ngasana	HH			
			Perth	HH			
			Milford	HH			
			Dorset	HH			
			Nyanyadu	HH			
			Ladybank	HH			

5.1.3. Newcastle Electrification projects

4. MASSIFICATION GRAN

There are only two municipalities that are currently recipient of Massification grant, namely Dannhauser LM and Newcastle Local municipality. In both municipalities only one project is funded by the massification Grant. The projects are Electrification In-fill (R 8 000 000.00) 2014/2015 and Water conservation & Demand Management (R 2 000 000.00) 2012/2013 in Dannhauser LM & Newcastle LM respectively.

Provinci al Referen ce Number	Project Name	Implem enting Agent	Regist ration Year	Project Status	Project Category	MASSIFIC A-TION Funds	Total Expendi -ture	MASSIFI CATION value BALANC E left to spend on project	Expendi ture as a PERCEN TAGE (%) of Total Allocati on
2012MA SKZ2520 02	Newcast le : Water conserv ation and demand manage ment	Newcast le Municip ality	2012	In- Progres s	Water	R 2 000 000,00	R 1 655 100	R 344 890	82.75%
2014MA SKZ2540 01	Infills	Dannha user Municip ality	2014	Registe red	Electricit y	R 8 000 000,00	R 1 045 928,50	R 6 954 071,50	13,07%

The In-fill electrification project in Dannhauser LM will benefit 203 houses holds in wards NO: 3, 4, 5, 7,8 and 10.

The massification grant dedicated to the water Conservation & Demand management in Newcastle LM shall be used to purchase Flow meters in order to held them monitor and bill their respective clients accurately.

























DISASTER MANAGEMENT

The Amajuba District Disaster Management Centre was established and is headed by Mr. Otty Tshabalala together with 5 permanent staff members and 4 Control Room Operators seconded to technical services whilst the Centre is under construction. The stand-alone district disaster management centre is currently under construction. The anticipated completion date was January 2016, now the anticipated extension period is August 2017 and currently the centre is 90% complete. The district disaster management advisory forum (DDMAF) has been established, meets quarterly and is well supported by all stakeholders. The DDMAF is supported by the Technical Task Teams which address specific issues such as Fire and Climate Change.

All Local Municipalities (Newcastle, Emadlangeni and Dannhauser) have established disaster management units. Newcastle and Emadlangeni have also established advisory forums. All the Local Municipalities have developed draft disaster management plans and are due for adoption by Council. Newcastle has registered an item with the Council to adopt the District disaster Management Framework and plan, whilst Emadlangeni and Dannhauser have disaster management frameworks.

Municipal fire services are lacking (or limited) in Dannhauser and Emadlangeni while Newcastle has a functional fire services.

SUMMARISED STATUS OF DISASTER MANAGEMENT AT AMAJUBA DISTRICT MUNICIPALITY

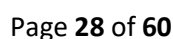
Municipality	Disaster Management Unit Established	Fully Functional	Forums Established	Disaster Management Plans	Disaster Management Framework	Status of Municipal Fire Services	Number of Staff
Amajuba							D-11 F- 0
Newcastle							D-0 F- 55
Emadlangeni							D-1 F- 6
Dannhauser							D-2 F- 6

- Section 52 / 53 of the DMC Act – Have you conducted comprehensive disaster risk assessment in your area of jurisdiction? have you prepared a disaster management plan for your municipality? Do you have disaster risk reduction measures in place, in line with the identified risks? Is the plan incorporated into the IDP and budgeted for? Yes

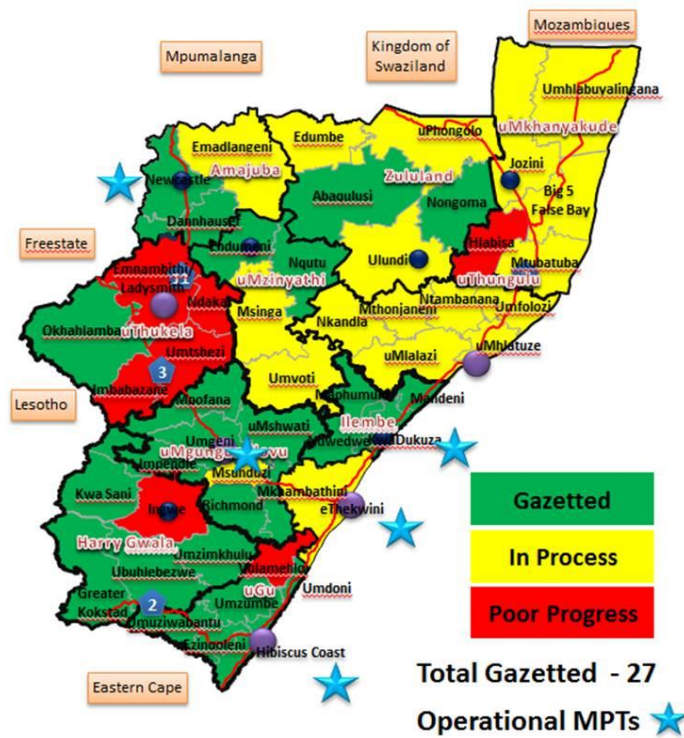
IDP CO-ORDINATION

- 2016/17 IDP credibility score: 58.70%
- Credibility to be updated when the MEC report is finalized in September 2017.
- Status of District Growth & Development Plan:
 - Amajuba DGDP has been developed and adopted.
 - The implementation processes and structures are set in place.
- IDP Co-ordination and / municipal strategic planning challenges:
 - Lack of provincial IGR support to deal with Trans-boundary alignment of IDP with DrPixleyKaisemeand Mkhondo Municipality.
 - Sector department participation in IDP representative forums.
 - Alignment of IDP and DGDP will be verified again during 2017/18 MEC panel.

SPLUMA IMPLEMENTATION



By-Laws



DMs	LMs
Amajuba	Dannhauser
	Newcastle
Harry Gwala	Greater Kokstad
	KwaSani
	Ubuhlebezwe
	uMzikhulu
iLembe	KwaDukuza
	Mandeni
	Maphumulo
	Ndwedwe
Ugu	Ezingoleni
	Hibiscus Coast
	Umdoni
	Umwabantu
	Umkhumbini
uMgungundlovu	Mpofana
	Richmond
	uMngeni
	uMshwati
uMzinyathi	Endumeni
	Nquthu
uThukela	Okhahlamba
	AbaQulusi
Zululand	Nongoma

SPATIAL PLANNING

- Spatial Planning Capacity (availability and access to registered Town & Regional Planners)

The eMadlangeni municipality is part of the Amajuba Planning Shared Services Centre for GIS. The municipality has appointed a Manager Planning who has a professional registration with SACPLAN.

The table below summarises the Shared Services and municipal planning capacity:

District	Municipality	Name	Type	Employment	SACPLAN Category
Amajuba	District	Udiv Badul	GIS	Permanent	PLATO
Amajuba	eMadlangeni	Sinethemba Mtshali	Planner	Permanent	Professional
Amajuba	eMadlangeni	NBN Mokoena	Planner	Permanent	Technical
Amajuba	eMadlangeni	Sibusiso Hadebe	Acting Planner	Contract	None
Amajuba	eMadlangeni	Bongiwe Zondo	Planner (LED)	Intern	None
Amajuba	eMadlangeni	Vusimusi Zulu	Planner (IDP)	Intern	None
Amajuba	eMadlangeni	Noxolo Nbaba	Planner	Contract	Technical

- Status of Spatial Development Frameworks

The municipality reviewed its SDF during the 2016/17 financial year with internal funding and focussed on legal compliance and other issues identified in the previous year's SDF assessment. COGTA: Spatial Planning has recently provided technical support to the municipality to address three areas, namely: better cross- border alignment with neighbouring municipalities, better alignment of PGDS/ P and DGDP capital projects with the municipal capital investment framework, and improved strategies for public participation.

The following elements requiring attention (as part of the review of the SDF) have been identified and form part of the MEC comments to the Municipality.

NAME	SUBMISSION REMARK	AREAS FOR IMPROVEMENT
eMadlangeni	<p>A detailed SDF was submitted as an Annexure to the IDP. It is presented in six chapters but does not follow the structure suggested in the Guidelines for the Preparation of SDFs as introduced by the Department of Rural Development and Land Reform.</p> <p>The SDF seeks to address a number of the issues raised in the previous MEC comments and has achieved this with support from the Amajuba DM and COGTA Spatial Planning.</p>	<p>The Municipality is commended for making good progress in undertaking a comprehensive SDF review for the past financial year. The Municipality is encouraged to continue refining the SDF to clearly show how the comments from the previous assessments have been addressed and to ensure greater alignment with section 21 of SPLUMA. Whilst the municipality is commended for the fact that the SDF outlines the municipality's status on engineering infrastructure and services, it is, however, advised to identify, quantify and provide location requirements of engineering infrastructure and services provision for existing and future development needs for the next five years.</p> <p>Environmental management instruments adopted by the municipality, mapping of all projects within the Capital Investment framework, and scheme guidelines that promote where particular land use types/ typologies are to be encouraged, should be included within the SDF.</p> <p>The municipality is also commended for including a longer term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern for the next 10 to 20 years. The municipality is, however, encouraged to include a five year spatial development plan for the spatial form of the municipality. The economic analysis of the municipality which is based on the latest census figures is noted. However, the municipality is advised to include inclusive economic activities as well as employment trends and locations within the municipal area for the next five years. The municipality is also advised to ensure that the objectives, strategies, programs and projects address the implications of the economic and demographic analysis.</p> <p>Finally, it is noted that the municipality currently does not have a single land use scheme and is planning on appointing a service provider to develop a single land use scheme for the municipality. The municipality is urged to finalise this process to ensure alignment with</p>

NAME	SUBMISSION REMARK	AREAS FOR IMPROVEMENT
		the SPLUMA stipulated targets.

- Status of schemes within Local Municipalities

EMADLANGENI MUNICIPALITY: The municipality has yet to initiate the preparation of a Wall-to-Wall Scheme. Attempts were made to appoint consultants with their own funding but this process has halted due to a lack of funding. COGTA: Spatial Planning is actively involved in the Groenvlei Agri-village project being driven by the Department of Agriculture and Rural Development which will result in a scheme being prepared as part of this development.

- Spatial planning challenges

There is limited funding for spatial planning projects in the municipality. There is a high turn- over of planning staff across all municipalities.

DEVELOPMENT INFORMATION SERVICES

- **GIS capacity**

There is currently no GIS capacity at Emadlangeni municipality. However due to its association with Amajuba District Development Planning Shared Service program, they are currently supported by Mr. Udiv Badul (DPSS GIS Manager). Mr. Badul is stationed at Amajuba District office but offers GIS support services to Emadlangeni municipal officials from time to time.

- **Status of GIS**

Emadlangeni municipality does not have its own GIS Unit at the moment. They depend entirely on Mr. Udiv Badul for GIS support services.

- **GIS challenges**

GIS services are rendered remotely to the local municipalities by the GIS Manager at Amajuba District office. As a result, some of the municipal officials cannot access this service online.

LAND USE MANAGEMENT

LAND USE MANAGEMENT

- **Implementation of legislation (Tools and structures)**

Emadlangeni Council has achieved the following in terms of SPLUMA implementation:

- MPT is establishment and functionality
- MPAO appointed and functional
- EXCO is the default Appeals Authority
- Municipal Manager is the default Registrar
- By-law implementation capability is to be addressed to assist all SPLUMA Institutions (i.e. Council, Registrar and Appeals Authority)

- **Land development applications (compliance with legislated time norms)**

The municipality has processed 3 Applications in terms of the by-laws during the 2nd quarter (01 July 2017 to 30 September 2017). The application to date meets the specified time norms for processing (100%).

- **Land development challenges (compliance with legislated time norms)**

- Dealing with the implementation of the new by-laws.

Local Economic Development

EMADLANGENI MUNICIPALITY								
1. Municipal LED Unit existence	Ye s	N o	Number of personnel employed at the municipal LED Unit					
			Females (1)		Youth (1)		Males (4)	
			2 personnel employed					
2. Total municipal budget allocation			Operational Budget R 350 000			LED Capital Budget R4,3 Million		
3. Municipal EPWP phase 3 policy in place			Yes ✓	No	EPWP policy in place			
4. Informal Economy Strategy/Plan in place			Yes ✓	No	An Informal Economy Plan is currently being written based on the identified areas and activities undertaking place			
5. Outline a clear Strategy/Plan on engagement of LED stakeholders to ensure its functionality			Only attending District forum Informal Chamber					
6. LED forum in place and functional			Yes	No	An LED Forum has been established and is functional.			
7. Challenges facing the implementation of LED in this municipality			Municipal LED challenges : The challenges to Implementation are related to funding. The LED requires support interventions from various stakeholders.					

PILLAR THREE: GOOD GOVERNANCE

Status of IGR

The following Intergovernmental Relations structures have been established within the Amajuba District and its family of municipalities:

1. Mayors Forum
2. Municipal Managers Forum
3. District Area Finance Forum
4. Corporate Services Forum
5. Planning & Development Forum
6. Infrastructure Forum
7. Communications Forum

However, post the assessment conducted by Cogta, (Intergovernmental Relations Directorate) in July 2017, the following forums has been identified as functional:

1. Municipal Managers Forum
2. Corporate Services Forum
3. Planning & Development Forum
4. Infrastructure Forum
5. Communications Forum
6. Community Services Forum
7. Internal Audit & Risk Officers Forum

However the Mayors Forum and District Area Finance Forum are non-functional. The Mayors Forum held on the 05 September recommitted to ensuring that the Forum is functional and that the meetings are held regularly.

FREQUENCY OF MEETINGS

Of the functional for a, these structures convene on a quarterly basis. The assessment verified that the District Speakers Forum will have to be re-established within the District.

AGENDA SETTING

Through the assessment, it was reported that the Local Municipalities are consulted in submitting items for the Agenda of the For a. Reports from the Sub Technical For a are included as well as, Resolutions taken at MuniMec & Technical MuniMec and the implementation of the Radical Economic Transformation Programme.

However the Back to Basics Programme, Functionality of the IGR Structures, and the strategic Pronouncements from the State of the National Address, State of the Province Address and Budget Speech, the Implementation and monitoring of the EPWP Programme, Resolutions from Premiers

Coordinating Forum and Implementation of the Cabinet Lekgotla Resolutions and Sakuma Sakhe Programme and the Participation of Traditional Leaders in IGR structures are yet to be incorporated onto the Agenda.

RESOLUTION REGISTER / DECISION MATRIX

The Assessment established that a Resolution Register has been developed and implemented at the For a to track the decisions/resolutions taken at the meetings. However, it was confirmed that the Resolution Register is yet to be circulated to all the for a within the District. Further matters unresolved at Municipal Managers Forum and District Mayors Forums have not yet being escalated to Technical MuniMec and MuniMec respectively.

INTEGRATED CALENDAR

Through the assessment it was established that there is an adopted IGR Calendar for the District. Local Municipalities are consulted when the IGR Calendar for the District was drafted and there is a district wide comprehensive IGR Calendar. This Calendar is utilised to schedule events for the District ensuring that it does not clash with any other meeting/event within the District.

GENERAL

Upon analysis of the Assessment, it was established that all IGR For a meetings are given 5 day notice prior to convening and the documents for the meeting is circulated well in advance to prepare adequately for the meeting.

There is a dedicated IGR official at the District Municipality located within Corporate Services, and is supported by Administrative Officers for each department who perform secretariat functions for the departmental IGR Forums. Further Sector Departments attend IGR For a in the District upon invitation.

The Mayors Forum was held on the 05 September 2017.

Council meetings held

4

Functionality of Councils

No reported challenges

Communication Capacity

Functionality of Council oversight committees (Portfolio Committees and MPAC)

Governance functionality indicators	eMadlangeni	Challenges	Support required to address challenges
1. How many councillors make up the MPAC?	Four	Amajuba: Not meeting accordingly eMadlangeni: Sittings of the MPAC	eMadlangeni: Capacity building for all MPAC members
2. Please provide a list of members of MPAC? <i>Names and surnames, chairperson, gender and political party of each councillor in each committee.</i>		eMadlangeni: Understanding of MPAC main responsibilities	eMadlangeni: Training and Development
3. Are there scheduled meetings for the MPAC in the municipal calendar?	Yes, four meetings per annum, one meeting per quarter		eMadlangeni: Training and Development
4. How many MPAC meetings have actually sat since July 2014?	Three meetings	eMadlangeni: Sittings of the MPAC	
5. Do meetings quorate? If not, please provide reasons.	Yes	Amajuba: Meeting get postponed due to unavailability of the Municipal Manager and HODs eMadlangeni: Sittings of the MPAC	
6. Are there any members who have missed three (3) consecutive meetings? If so, what action was taken by Council to address such?		Amajuba: <ul style="list-style-type: none"> No replacement has been effected as yet The two Councillors are representative from Newcastle Local Municipality The office of the Speaker is attending to the matter 	

Governance functionality indicators	eMadlangeni	Challenges	Support required to address challenges
7. Has the municipal council adopted terms of reference of the MPAC	No	eMadlangeni: Still to seat	eMadlangeni: Workshop
8. What reports are tabled before the MPAC?	Audit Committee reports, Auditor-General reports, SDBIPs reports	eMadlangeni: Training and Development	eMadlangeni: Training and Development
9. Has the MPAC conducted or recommended any investigation to be conducted? If yes, what was the investigation and what were the outcomes of the investigation?			
10. How often does the MPAC report to Council?	Quarterly	eMadlangeni: Sittings of Audit Committee	eMadlangeni: Training and Development and capacity

Municipal investigations and anti-corruption

PREVENTION

Anti-corruption program:

- (a) Before the 1st of April CoGTA: Municipal Investigations developed a standard assessment tool to check compliance with anti-corruption measures in all 54 municipalities. On 18 April 2017 a circular with the anti-corruption assessment questionnaire was disseminated to all municipalities for their response. All responses were analysed and each given a score based on their level of compliance with anti-corruption measures.
- (b) For the first quarter 14 Municipalities with low and unsatisfactory scores were invited to a meeting held on 12 June 2017 to discuss the support required by them from CoGTA in order to assist them to review their strategy and to provide those who did not have a strategy in place with the Cogta's standard municipal anti-fraud and anti-corruption strategy for adaption and adoption by their respective Councils.

Fraud risk Management:

On the 12th of June 2017 a meeting was called with 14 municipalities which did not obtain satisfactory scores on the assessed questionnaire, one of reasons for the meeting was to assist them to update their fraud risk registers and to enquire if their municipalities had an adopted anti-fraud and anti-corruption strategy or policy. The Department plans to target 14 municipalities per quarter. Emandlangeni Municipality was one of the high scoring municipalities and will be invited at a later stage to establish the level of support required.

INVESTIGATIONS

- (a) No investigations underway.

TRADITIONAL AFFAIRS**Traditional leaders participation in Council structures**

- Patric Siphamandla Sdumo Khumalo
- **Zwelihle Grippa Mabaso**

INKOSI PS KHUMALO (AMANTUNGWA)

WARD NO	ISIGODI	NAME AND SURNAME OF INDUNA	IDENTITY NUMBER OF INDUNA
1	ESDAKENI	SIBIYA MBONGWA	6508055331082
1	ECHANCENI	SONDEZI MAFIHLA	5210195245089
1	DAGGARD	VILAKAZI SIFISO	7109065729081
1	BEROUW	KUNENE DUMISANI	6209285460086
2	INCUBA	NXUMALO DANIEL	6309055716087
2	BALGREY	GOGO JOMBOLO	5105255444087
3	UTRECHT	BUTHELEZI THAMSANQA	5207085672083
3	EMXHAKENI	NKOSI BHEKAMEHLO	5401085767083
4	KWAMAZAMBANE	THUSI DOCTOR	5608295641083
4	VAALBANK	SANGWENI VERONICA	6107250523088
4	ENKULULEKWENI	MAHLAMBI BEJI	6609295396081
4	EPHOKWENI 1	MIY GLADYS	8004200779084
4	EMANGE 1	MAVUSO THABILE	4906300377086
4	EMADLANGENI 1	MDUMBE ZWELITHINI	6406135597089
4	OTHOBOTHI	MKHONZA CHRISTINAH	6810240378089
4	EMADLANENI 2	SIMELANE MAQILI	6006145314085
4	EPHOKWENI 2	MADLOBHA VICTOR	7408150382081
4	ENGODINI	MDAKI THEMBISILE	7408150382081
4	ENTUKU	KUBHEKA ENOCK	3712255433085

IBAMBAMBUKHOSI SE SHABALALA (THEKWANE)

WARD NO	ISIGODI	NAME AND SURNAME OF INDUNA	IDENTITY NUMBER OF INDUNA
4	OPHOKWENI	KHANYI NTOMBI LINAH	6306100514087
4	GROENVLEI	KUBHEKA ZANELE ANGEL	8409011161085
4	SLANG	NDABA DAYI JOB	4907045215084
4	KAALPOORT	SANGWENI BHUSUMANI	5507175353084
4	ZAAIHOEK	NKOSI SIBONGILE KESAYA	6104200428088
4	KWANTABA	MBULI SIPHO PATRICK	5604175520083
4	JERICO	MABASA NDUKEBANDLA	5406055204089
4	ESIBIZA	KHANYI KEBE	5612145285087
4	GROENVLEI	NDLOZI ZEBLON	4904245394084
4	RESERVE	MAHLABA NONINA L	8208030619085

INKOSI M MBATHA (MBATHA)

WARD NO	ISIGODI	NAME AND SURNAME OF INDUNA	IDENTITY NUMBER OF INDUNA
1	WIT FOLOZI,YAGPAD,SKULBERG	ZULU MAPHUMZANA	5610245244083
1	NKUBUNDE, ST HELENA & HOOGTRUS	XABA MBONI NICHOLAS	5105205401088
1	NZIMANE. NGUDWINI & DOROTHIA	NGWENYA MVINJELWA	5007095426089
1	MLWANE	NDLOVU BADILE	3704225163082
2	WATERVAL	MADONSELA HEZEKIA	6310215578086
3	INDOKOZANE & CUNJANI	NDLAMENZE GLADYS	4600130380082
3	KWAMAMNCANE & VLAKPLAAS	NDEBELE REGINA	5510270497087

WARD NO	ISIGODI	NAME AND SURNAME OF INDUNA	IDENTITY NUMBER OF INDUNA
3	GEDLANA, GUMMTREE, INQUTHU ENCANE	MANYONI PHILEMON	4508125176089
3	INCOME, ISICHOBENI & KINGSLEY	NKWANYANA MUKENI	6509155794088
6	INTIBANE, VUMBUKA & NSUKAMNDENI	MTHEMBU NICHOLAS	6304275559086
6	INHLONGA & IBAZANGOMA	ZONDO SAYITSHENI GILBERT	5008075495083

PILLAR FOUR: SOUND FINANCIAL MANAGEMENT

1. EXECUTIVE SUMMARY

Audit Overview

eMadlangeni Municipality received a unqualified with other matters, audit opinion for the 2015/2016 financial year which remained unchanged from the previous year.

Financial Health Overview

An analysis of the key financial ratios and trends indicates that the municipality's financial affairs are fairly stable as the key ratios and indicators are either above or within the acceptable norms and standards.

The arrear consumer debtors may be a serious threat to the municipality's long term sustainability. Furthermore the municipality should preserve the useful life of its infrastructure assets in order that service delivery is not compromised. The municipality should ensure that it has an adequate budget provision for repairs and maintenance in either the adjustment budget or the next budget cycle.

Status of Posts

It was established that the Municipal Manager is on suspension with effect from on or around 05 September 2016. The acting Municipal Manager is Advocate N Sibisi.

The Chief Financial Officer was in a contract post. However, the contract had lapsed on 30 June 2016. The CFO was then in an acting capacity until 31 December 2016.

The CFO is presently acting and would be acting until further notice.

The post of the CFO was advertised on 06 November 2016. It is understood that the process of shortlisting and interviews is receiving attention. It is however unsure when the post is likely to be filled as a firm response could not be obtained from the municipality.

The Budget and Treasury Office has 22 approved posts of which 12 were filled and 10 were vacant at the time of the assessment. The following posts that were vacant in the last financial year were approved for filling during 2016/17 financial year, Asset Officer, Budget Officer. The SCM Officer post was filled around December 2016. During the assessment it was established that the Budget Officer post is now filled, by an internal candidate. The Asset Officer post however remains vacant.

The Chief Financial Officer and Municipal Manager have achieved their minimum competency levels as per the minimum competency levels regulations. The municipality does not have an SCM Manager as yet.

Financial Compliance

The municipality has complied with all of the financial compliance matters tested during the quarterly assessment undertaken.

2. SCOPE OF ASSESSMENT

The scope of the assessment is limited to the third quarter of the 2016/2017 municipal financial year which includes the period 01 January 2017 to 31 March 2017. The assessment focused on seven key areas in respect of which this report will highlight findings, challenges and recommendations as follows:

- Audit report status limited to financial matters only;
- Revenue and debtors management;
- Expenditure and creditors management;
- Liquidity issues;
- Asset management;
- Financial Compliance – These matters are only tested for the relevant three months during the quarter under review.; and
- Financial governance - These matters are only tested for the relevant three months during the quarter under review.

3. AUDIT REPORT STATUS

Table 1 below reflects the status of the 2015/2016 audit issues:

Details	2015/2016
Total Number of audit report issues for the current year	10
Total Number of audit report issues in previous financial year	12
Total number of recurring audit report issues	2
% recurring issues	20

Financial Period	Number of audit report queries resolved	% report queries resolved
Q1	Nil	Nil
Q2	Nil	Nil
Q3	Nil	Nil
Q4		

Audit Action Plan

The audit action plan has prepared by the municipality and submitted to CoGTA Municipal Finance. Going forward CoGTA Municipal Finance would monitor the progress on the implementation, on a quarterly basis.

Through the assessment it was discovered that each Head of Department deals with their respective audit query. There is no official that monitors the progress on resolving the audit queries. It is understood that the respective Heads of Departments report on the progress on the resolution of audit queries at MANCO meetings and at Audit Committee meetings.

The following are the salient issues raised by the Auditor-General during 2015/16.

Emphasis of Matter

Significant uncertainties

As disclosed in Note 43 to the financial statements, there are claims against the municipality. The municipality's lawyers and management consider the likelihood of the action against the municipality being unlikely and therefore no provision has been made in the financial statements.

Restatement of corresponding figures

As disclosed in note 45 to the financial statements, the corresponding figures for 30 June 2015 have been restated as a result of an error discovered during 30 June 2016 in the financial statements of the eMadlangeni Municipality at, and for the year ended, 30 June 2015.

Material Losses and Impairments

As disclosed in note 58 to the financial statements, the municipality incurred material electricity losses of 2,09 million (2014-15: 1,32 million) kilowatts as a result of technical and non-technical distribution losses.

As disclosed in note 12 and 13 to the financial statements, the municipality provided for impairment of receivables amount to R16,4 million (2015: R16,6 million) due to poor collection practices.

Pre-determined Objectives

I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for infrastructure and services. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability on the reported performance information.

Compliance with Legislation

Expenditure Management

Reasonable steps were not taken to prevent irregular and fruitless and wasteful expenditure, as required by section 62 (1)(d) of the MFMA.

Consequence Management

The Council did not investigate instances of irregular and fruitless expenditure as required by section 32 (2)(a) of the MFMA.

Internal Control

Leadership

The leadership did not adequately oversee and monitor the internal controls to ensure that effective measures were taken to address previous findings on irregular expenditure and compliance with legislation.

Performance Management

Management did not undertake adequate reviews of registers, reconciliations and schedules supporting amounts reported in the annual performance report. Furthermore, management did not adequately monitor compliance with legislation due to key positions being vacant.

4. FINANCIAL MANAGEMENT AND PERFORMANCE

a. REVENUE AND DEBTORS MANAGEMENT

Details	Property Rates	Electricity	Water	Sewerage	Refuse	Other	Total
Budgeted Revenue	17 829 833	14 982 263	0	0	1 586 843	42 634 129	77 033 069
Billed Revenue	3 555 866	2 250 051	0	0	383 633	130 389	6 319 940
Actual Collection*							4 641 546
Variance *							26.56

** The municipality's accounting system does not record revenue collections per revenue source but provides an aggregated total.*

The category “Other” is rent being levied on officials that occupy 6 municipal properties.

For the period under review, the municipality had billed R6.3 million for rates and services for Quarter 3, and had collected R4.6 million, as indicated in the table above. This suggests that the municipality’s collection rate was 73.44 percent with a variance of 26.56 percent. It must however, be noted that collection rate may look impressive but the collections include arrear debt collection and pre-payments by the Department of Public Works. The municipality advises that the accounting system cannot separate collections into current and arrear. It can nevertheless be concluded that revenue collections are reasonably good, given the poor local economy and high unemployment circumstances of the municipality’s consumer base.

It must be noted that the municipality dispenses conventional and pre-paid electricity.

The municipality’s financial system does not allow the municipality to compare the billed revenue to collections per revenue source. It is anticipated with the implementation of MSCoA this problem would be alleviated after July 2017.

From the Table above it would be seen that the municipality generates the most of its own revenue from Property Rates.

Table 3 below reflects the status of Revenue and Debt Management and debtors by category:

Details	Yes/No	Financial Period	Organs of State	Commercial	Households	Other	Total
Revenue raising and collection strategy	No	Q1	4 711 297	4 557 358	9 166 707	10 522 316	28 957 678
		Q2	1 095 266	4 844 169	9 250 510	11 223 173	26 413 118
Debt Management strategy	No	Q3	4 453 960	4 726 369	9 285 636	10 304 085	28 770 050
		Q4					

The municipality does not have an approved Revenue raising and collection strategy in place. The municipality does not have an approved Debt Management strategy in place.

The major portion of outstanding debtors relate to Other which include the agricultural sector which comprises 35.8% (R10.3 million) of total debtors outstanding at the end of the quarter. Households was the next largest category at R9.2 million (32.2%) Debtors outstanding for more than 120 days amounted to R25 836 251 as at 31 March 2017.

The municipality had advised currently there are two Councillors that are indebted to the municipality for more than 90 days. It is understood that that both these Councillors have now made arrangements to pay on a monthly basis.

The municipality had advised that no officials are indebted to the municipality for arrear debt for more than 90 day.

The debt over 90 days constitutes 89.80% of the total debt.

Reconciliations

The debtor's reconciliations for the three months ended March 2017 are up to date and are being performed on a monthly basis. It must be noted that the Performance Plan/Scorecard for the acting Chief Financial Officer includes the following, amongst others, as strategic objectives:

- Monthly update of debtor reconciliations;
- Monthly update of grant registers;
- Monthly update of the bank reconciliations; and
- Monthly update of the asset registers.

The municipality therefore ensures that reconciliations of key accounts are done monthly.

b. EXPENDITURE AND CREDITORS MANAGEMENT

Table 4 below reflects the status of expenditure management:

Details	Yes/No	Details	OPEX*	CAPEX*	MIG
Cost Reduction strategy	Yes	Budget	57 774 801	20 547 354	8 913 000
Procurement Plan 2016/2017	Yes	Actual	50 244 528	8 740 737	5 862 171
		Difference	7 530 273	11 806 617	3 050 829
		% of budget spent	86.9	42.5	65.77

* Calculations based on pro- rata budget (budget broken down into four quarters)

Cost Reduction Strategy

The municipality has an approved cost reduction strategy which is being implemented. The municipality has taken the MFMA Circular 82 to Council for adoption prior to implementation. The Circular was adopted during the previous financial year.

Procurement Plan

The municipality has a procurement plan for 2016/2017. Provincial Treasury is also supporting the municipality with the preparation of the 2017/18 procurement plan.

OPEX

The municipality spent R50.2 million of its operating year-to-date budget as at 30 March 2017. This translates to 86.9 percent of the pro-rata budget (R57.7 million) being spent during the third quarter. The expenditure appears to be on track to be fully expended in terms of the straight line projection.

CAPEX

The municipality spent R8.7 million of its pro-rata capital budget of R20.5 million as at 30 March 2017. This translates to 42.5 percent being spent of the pro-rata budget.

MIG

The municipality had spent R5.8 million of the MIG budget of R8.9 million. This translates to 65.77 percent of the budget being spent. In terms of a straight line projection, the municipality should have spent at least 75 percent of the budget as at the end of Quarter 3. The municipality was previously assisted to spend the MIG allocation through the Provincial Treasury Infrastructure (Crack Squad) as it did not have a Technical Director. The municipality however now advises that it has now appointed a Director: Infrastructure.

Creditors

Creditors are generally paid within 30 days. Emanating from an audit query, the acting CFO has now developed a register that tracks all invoices and monitors receipt of invoices and payment on these invoices.

The municipality has advised that there are no legal disputes regarding unpaid creditors.

Section 36 Financial Deviations

Table 5 below reflects the section 36 deviations for the period:

Financial Period	Section 36 deviations: Number	Section 36 deviations: Amount	Main Reasons
Q1	31	R322 812.84	Single service provider
Q2	19	R178 702.19	Single service provider
Q3	22	R340 263.59	Single service provider
Total			

The municipality incurred 22 deviations amounting to R340 263.59 during the 3 months ending March 2017. The main reasons for the deviations were single service provider and emergency.

When Quarters 2 and 3 are compared, there appears to be an increase both in the number and value of deviations.

Going forward the municipality should analyse and re-access if the deviations are legitimate and meets the requirements of the section 36 deviations and the definition of emergency. This would be necessary to avoid the incurring exorbitant UIFW expenditure and reduce the audit queries.

i. Section 32 Appointments

Table 6 below reflects the section 32 appointments for the period:

Financial Period	Section 32 appointments: Number	Section 32 appointments: Amount	Validated by Internal Auditor (Yes/No)
Q1	3	R1 079 710	No
Q2	1	R551 612.55	No
Q3	0	0	No
Total			

During the Quarter under review the municipality had no section 32 deviations..

This section is generally used, not to circumvent the SCM processed, but in cases where SCM processes would unnecessarily delay the appointment of the service provider however all relevant documentation from the municipality originally appointed the service provider must be available.

4.2.3 Unauthorised, Irregular, Fruitless and Wasteful expenditure (UIFW)

Table 7 below reflects UIFW for the period:

Financial Period	Unauthorised Expenditure	Irregular Expenditure	Fruitless and Wasteful Expenditure	Total
Q1	0	0	R26 422.34	R26 422.34
Q2	0	0	R590.51	R590.51
Q3	0	0	R6 294.21	R6 294.21
Total				

The municipality incurred R6 294.21 relating to UIFW expenditure during the 3 months ending March 2017.

The municipality had incurred fruitless and wasteful expenditure relating to interest on overdue accounts relating to ESKOM (R6 294..21).

The UIFW registers are maintained, however the registers for irregular and unauthorised needs to be reviewed to be in line with those recommended at MFMA Circular 68.

The municipality has not submitted reports as per requirements of section 32 of the MFMA to the Mayor, CoGTA and the Auditor- General.

ii. OTHER EXPENDITURE MANAGEMENT ISSUES

Employee Related Costs

The employee related costs of 42.8% (R21.5 million) of the total operating expenditure is marginally above the norm which ranges between 25% – 40%. The municipality anticipates that the employee related costs is likely to increase further as it is presently busy advertising and filling vacant posts.

Free Basic Services

The municipality has spent a mere R100 354 (15.1 % of its allocation of R662 000).The free basic services relates to electricity, water and refuse. The municipality advised that the reason for the low expenditure is due to the fact that only Ward 2 indigents are being provided with free basic services. The municipality has advertised for indigent applications and the process has now closed. The municipality is in the process of compiling the indigent register and it anticipates taking this to Council shortly.

The municipality advises that indigent applications from the remaining 5 Wards are either incomplete or the applicants have not submitted all the relevant supporting documentation. The municipality also advised that the Wards are deeply rural.

The municipality further advises that the rural ward councillors and ward committees would be encouraged to get more involved in this process through the war rooms.

LIQUIDITY

Table 7 below reflects the liquidity position as at 31 December 2016:

Financial Period	Cost Coverage	Current Ratio	Are unspent grants cash-backed
Q1	2.66	3:1	Yes
Q2	3.65	2.54	Yes
Q3	3.14	2.14	Yes
Total			

The cost coverage ratio of 3.14 months is good as it is slightly above the norm of 1 to 3 months. The current ratio of 2.14 is above the norm of 1.5 to 2. This therefore suggests that the municipality's current assets far exceed the current liabilities.

Unspent grants are cash-backed as at 31 March 2017.

An analysis of the cash flow and budget projections indicate that the budget is funded.

4.3 ASSET MANAGEMENT

Table 8 below reflects the status of asset management for the period:

Details	Yes/No	Financial Period	% R&M of PPE budgeted	% R&M spent versus the budgeted R&M	FAR Reconciliations
Operations and Maintenance Plan	No	Q1	4.13	40.03	Yes
		Q2	4.01	49.14	Yes
Procurement Plan	No	Q3	2.41	86.82	Yes
		Q4			

Repairs and Maintenance

The repairs and maintenance budget relative to the carrying value of Property Plant and Equipment below the norm of 8%, being 2.41%. This needs to be improved in the next budget in order that the infrastructure assets are utilised to their full useful lives

The municipality has spent 86.82% of its repairs and maintenance pro-rata budget for the period ended March 2017.

The municipality does not have Operation and Maintenance plans in place. The municipality has been advised to develop such plans for assets that are over R200 000 in value.

Fixed Asset Register and Reconciliations

The fixed asset register is updated monthly and depreciation is calculated annually. The Fixed Asset Register is reconciled monthly and reviewed by the Chief Financial Officer.

The municipality has appointed an Asset Clerk. The Asset Management Unit has two vacant positions of the Asset Officer and Asset Manager. The municipality has advised that the post for the Asset Officer has been advertised and would be filled shortly. The manager post however may not be filled in the short term due to the high employee related costs of the municipality.

The municipality manages and safeguard its own assets; however the municipality has contracted the services of PWC to assist with asset management as an annual once – off activity.

FINANCIAL COMPLIANCE

The following compliance matters were reviewed during this assessment:

Compliance Matters	Yes	No
1. Did the accounting officer submit the monthly report on the budget to the mayor, provincial treasury and National Treasury – within 10 working days of start month?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Did the Mayor submit quarterly (section 52) report for period ending 31 December 2016 on implementation of the budget and financial state of affairs of the municipality to council?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Did the municipality place quarterly (section 52) report on budget implementation on the municipal website?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Did the municipality report any unauthorised, irregular or fruitless and wasteful expenditure in terms of s32 of the MFMA?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Did the Accounting Officer submit the quarterly report on the Implementation of the SCM Policy to the Mayor of the Municipality in terms of MFMA SCM Regulations 6(3)? <i>(if yes, provide report as evidence)</i>	yes	
7. Did the accounting officer of a municipality place on the website documents referred to in section 21A of the Municipal Systems Act?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The municipality did not report UIFW to the MEC for Local Government and the Auditor-General, promptly.

5. FINANCIAL GOVERNANCE

The following compliance matters were reviewed during this assessment:

Governance Matters	Yes	No
--------------------	-----	----

1. Is the Municipal Managers post filled?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Is the Chief Financial Officers post filled?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Did the audit committee meet this quarter?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Did the audit committee report to council this quarter? (ito Circular 65)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Is the Internal audit unit outsourced?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Does the municipality have a risk based internal audit plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Did the Municipal Public Accounts Committee meet this quarter?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Is the Municipal Public Accounts Committee investigating matters relating to UIFW and providing recommendations to Council including recommending disciplinary processes?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Municipal Manager

Although the post is filled by an acting incumbent, the Municipal Manager is on suspension. The duties of the Municipal Manager are currently being undertaken by Advocate N Sibisi as indicated earlier in the report.

Chief Financial Officer

As previously indicated the contract for the CFO had elapsed at the end of June 2016 and he is presently acting in the post and would continue to act. This however is in contravention of the Local Government Amendments Act where no acting capacity should exceed three months without the expressed approval of the MEC for local government.

6. POTENTIAL ISSUES AFFECTING THE AUDIT OPINION

The challenges within the Council could adversely affect the audit opinion for the 2016/17 financial year as there is a risk that there would be failure to comply with the MFMA prescripts such as the tabling and approval of the budget, the annual and oversight reports and Council discharging its oversight responsibilities.

7. SUPPORT

a. Planned Support or Support Recommended

There is no planned support except as per the Unit's Annual Performance Plan.

b. Support Provided/Support to be Provided by CoGTA

Support would be provided on a ad-hoc basis and currently it is being assisted with government.

c. Support Requested from CoGTA

The municipality has not requested any specific support with the development of the procurement plan and training of MPAC.

8. CONCLUSION AND RECOMMENDATIONS

a. CONCLUSION

Based on analysis and weighting of the relevant financial indicators the municipality has scored 33% for sound financial management using the CMET tool and has scored 22% against the sound financial management pillar in the back to basics template and therefore requires support plans to be developed, implemented and monitored. The areas that may require attention include the following debt, accurate creditor aging records, repairs and maintenance budget provision free basic expenditure services/reporting/budgeting). This must be determined after detailed analysis of current initiatives to improve these areas.

b. RECOMMENDATIONS

The following are observations and analysis made during the assessment. It is suggested that the municipality note these and effect remedial measures as appropriate:

- The municipality should influence the District to revive and have more frequent District Area Finance Forum (DAFF);
- The municipality should develop an Operations and Maintenance Plan for the effective management of its assets;
- The municipality should analyse its revenue collections by revenue source at least quarterly, to better manage its cash flow and working capital;
- The municipality should find innovative ways of collecting its arrear debt from the agricultural sector as the bulk of debt is owed by this sector. In this regard the issue was discussed with the acting CFO and guidance and some strategies were presented as possible options;
- The municipality should establish a Revenue and Debt Steering Committee as previously recommended by CoGTA;
- The municipality should develop an all-encompassing revenue raising and debt collection strategy
- The municipality must comply with section 32 of the MFMA and report unauthorised, irregular, fruitless and wasteful expenditure promptly to the MEC for Local Government and the Auditor-General;
- Consideration should be given to incrementally increasing the Repairs and Maintenance budget, over the next few years, to be a realistic percentage of the carrying value of Property, Plant and Equipment;
- The municipality should expedite the processing of updating the indigent register in order that the expenditure on the free basic services is accelerated and more importantly the indigents are receiving the benefits of free basic services;
- The UIFW registers should be reviewed to be in line with the requirements of MFMA Circular 68 and/or the requirements of Provincial Treasury;
- The number of section 36 deviations appears to be increasing quarter on quarter. The municipality should investigate the root cause for this and ensure better planning to reduce the number of unwarranted deviations;
- The municipality should accelerate the capital expenditure as it currently it runs the risk of underspending the budget and the possibility of having to surrender grant allocations to the National Revenue Fund;
- The monitoring of the implementation of the audit response plan appears to fall in “no-man’s land” i.e. there is no custodian to track progress on implementation. Ideally this should be monitored by the Office of the Municipal Manager of the Chief Risk Officer;
- The issue of the suspension of the Municipal Manager should be expeditiously resolved as it impacts on the stable administration of the municipality;
- The critical post of the CFO should be expedited and the municipality must ensure compliance with the periods that a municipal official is allowed to act.

PILLAR FIVE: BUILDING CAPABILITIES

MANAGEMENT CAPACITY

SUMMARY		TOTAL POSTS: 24	TOTAL VACANCIES:8	% VACANT: 33%
MUNICIPALITY	NUMBER OF POSTS VACANT TO FILLED	FILLED POSTS	VACANT POSTS	STATUS OF VACANT POSTS AND RELATED MATTERS
AMAJUBA DC 25	4 of 6	MM Technical Services Community Services Planning and Development	Corporate Services CFO	Recruitment process was put on hold by the Council.Request forwarded to COGTA for the secondment of this position. Acting appointment of Mr. J.Z. Mkhize in Dept. process w.e.f. 4th April 2016 to 4th July 2016. Contract has been extended from 5th July to 5th October. Recruitment process was put on hold by the Council. Request forwarded to COGTA for the secondment of this position. Ms. S.S. Mhlongo is currently acting with effect from 04 April 2016. Contract has been extended from 5th July to 5th October.
Newcastle Municipality	3 of 7	Development Planning and Human Settlements. Community Services. Municipal Manager.	Electrical & Mechanical Services. CFO Corporate Services (Administration) Strategic & Governance Support Services	The post of Technical Services and Electrical/ Mechanical Services will combine in the new structure. Currently Mr L Zincume is acting Director Technical Services since November 2015. Position advertised with closing date 13 January 2016. Shortlisting was conducted on 10 February 2016 and no suitable candidate found. Council resolved to re-advertise the position. The process will resume post LGE. Mr S.M. Nkosi is currently acting with effect from 1/11/2015. . Advertised with closing date 13 January 2016. Shortlisting : 11 February 2016. Post Shortlisting Meeting: 1 March 2016. No suitable candidates. Mrs Dudu Molefe is acting with effect from 3 December 2015 to date. New position
Dannhauser Municipality	5 of 5	MM CFO Technical Services Community Services Corporate Services	NIL	
Emandlageni Municipality	4 of 6	MM CFO Corporate Services Planning & Economic Development	Community Services	Ms.Z.E. Sithebe is acting Director Community Services since 1 February 2016. The documentation have been forwarded to MEC for COGTA to assess

			Technical Services	<p>the appointment of Director Community Services. Vacant since August 2016.</p> <p>The Municipality is in the process of filling the post. Currently Mr S.F Mtshali from Planning and Economic Development was acting on this position. This post is now vacant since July 2016.</p>
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MUNICIPAL PERFORMANCE

MUNICIPAL PERFORMANCE

The objective of the Back to Basics Programme, which was officially launched at the Presidential Summit on 18 September 2014, is to ensure a focused and strengthened local government by getting the basics right and together with other spheres, provide basic services efficiently and effectively and in a caring manner.

The Back to Basics Programme was officially launched in KwaZulu-Natal on 17 February, 2015. The monitoring of municipal service provision efficiency and effectiveness is a pivotal aspect of the implementation of the Back to Basics Programme, and as such, the Department has implemented a quarterly assessment and monitoring process, facilitated through the completion of a Quarterly Provincial Back to Basics Template.

An initial assessment for 26 municipalities, categorized as *Challenged* or *Requiring Intervention* was concluded during December, 2014. Following this, an assessment of all 54 municipalities had been facilitated and concluded during assessment for Quarter 1, Quarter 2, Quarter 3 And Quarter 4 of 2016/2017 financial year. The assessments for Quarter 4 were conducted from July – August 2017. These templates were analyzed and subsequent scoring of municipalities was done in line with the 5 pillars and the main functions and mandates of municipalities.

The assessment for the eMadlangeni Local Municipality concluded the following scoring:

BACK TO BASICS PILLAR	15/16				16/17			
	Q1 SCORE	Q2 SCORE	Q3 SCORE	Q4 SCORE	Q1 SCORE	Q2 SCORE	Q3 SCORE	Q4 SCORE
Putting People First	79%	100%	86%	86%	Not scored	Not scored	100%	100%
Delivering Basic Services	57%	69%	38%	15%	29%	7%	57%	57%
Good Governance	100%	100%	100%	100%	50%	17%	92%	92%
Sound Financial Management	40%	50%	44%	83%	43%	13%	22%	26%
Building Capable Local Government Institutions	53%	42%	42%	83%	13%	50%	50%	38%
TOTALS	62%	68%	58%	73%	37	18%	55%	55%

A support plan to address the key challenges, as identified for the eMadlangeni Municipality, was prepared and is being implemented.

Municipality	B2B Assess. Template Score	Weighted Score (out of 60)	Support Plan Score	Weighted Score (out of 40)	Final Score	Preliminary Categorisation
eMadlangeni	55%	33	100%	40	73%	Requiring Intervention

STATUS OF MUNICIPAL ORGANISATIONAL PERFORMANCE MANAGEMENT

An assessment was conducted of the status of performance management in all 54 municipalities through a diagnostic assessment, which resulted in the development of action plans and these are monitored on a quarterly basis.

The status of performance management for the Emadlangeni Local Municipality is as follows:

PMS Aspect:	Status:
A. Progress on addressing Auditor General Queries for the 2015/2016 financial year	Action plan is implemented
B. 2016/2017 Quarter 4 Performance Assessments/Evaluation of Section 54/56 Managers	Performance assessment were not done due to instability of Senior Management
C. Submission of 2016/2017 Annual Performance Report to:	
1. Internal Audit (Please provide the date);	<u>18 August 2017</u>
2. Performance Audit (Please provide the date);	22 August 2017
3. Council (Please provide the date); and	31 August 2017
4. Auditor General (Please provide the date)	31 August 2017
D. Has Internal Audit prepared and submitted a report on the review/audit of the 2016/2017 Annual Performance Report to the Performance Audit Committee (Please provide Internal Audit Report on the 2016/2017 Annual Performance Report, Agenda of Performance Audit Committee, Minutes of Performance Audit Committee and Attendance Register of Performance Audit Committee)	Yes, report was also submitted to PAC on 22 August 2017
E. Adoption of 2017/2018 Organizational Scorecards and SDBIP's	Adopted by Council and approved by Mayor on 29 June 2017
F. Submission of 2017/2018 Organizational Scorecard and SDBIP to Internal Audit (Please provide the date)	Yes both documents were submitted to Internal Audit on 10 June 2017
G. Has Internal Audit prepared a report on the review/audit of the 2017/2018 Organizational Scorecard and SDBIP? (Please provide the Internal Audit report on the 2017/2018 Organisational Scorecard and SDBIP)	Yes, and it was tabled to Audit Committee
H. Publication of approved 2017/2018 SDBIP	Yes, on Ilanga newspaper dated 20 July 2017, library and municipal website
i. 2017/2018 Performance Agreements of Section 54/56 Managers:	
1. Prepared and signed by Section 54/56 Managers	Section 54/56 positions are vacant
2. Made public - MFMA S 53 (3) (b)	N/A
3. Submission to MEC within 14 days	N/A
I. OPMS Challenges	Instability of Management which affects the planned targets to be achieved timeously

CAPACITY BUILDING

Capacity Building Strategy

The Business Unit developed a Provincial Capacity Building Strategy in conjunction with other relevant stakeholders, namely municipalities, sector departments, LGSETA and SALGA during the 2014/2015 financial year. The Capacity Building Strategy seeks to coordinate all capacity building programmes targeting municipalities. To this effect, a Provincial Capacity Coordinating Committee was established comprising of all stakeholders involved in developing capacity of municipalities. Each stakeholder provides information on the capacity building initiatives it will be implementing. The Business Unit has developed a comprehensive provincial capacity building database based on inputs received from all stakeholders. The database indicates the kind of support each municipality will be receiving during the financial year. The capacity building database was shared with each district municipality to share with its locals on the support that the municipalities will be receiving from stakeholders and by when will such support be provided.

Gender Policy Framework for Local Government

Municipalities are expected to implement the Employment Equity Act (EEA), Act No. 55 of 1998. Based on the audit conducted on compliance with the Employment Equity Act, it was noted that Emadlangeni Local Municipality had developed an Employment Equity Plan (EEP). The municipality did not submit the annual reports on the implementation of the EEP. To ensure full compliance with the EEA, Department workshopped the municipality on the EEA and of the development of Employment Equity Plan as per section 20 of the Act at a session held on 13.12.2016 at the municipal council chamber. As per the organisational structure, the top management level has 6 approved posts. Only 2 have been filled while 4 are vacant. Of those filled, each is occupied by a males and a female. There is an opportunity to balance the gender equity during the filling of the vacant post.

Councillor Development

Subsequent to the Local Government elections held on 03 August 2016, SALGA conducted the Integrated Councillor Induction Programme which was attended by 107 Councillors within the Amajuba District.

The Induction Programme was followed by the Sector-Based Councillor Orientation Programme implemented from October 2016 to February 2017 by the department. Councillors in Emadlangeni formed part of those who attended the district session.

Councillor Skills Audit

Councillor Skills audit was conducted during the Sector-Based Orientation Programme. A total of 8 Councillors from Emadlangeni Local Municipality participated in the audit. The educational levels are outlined above under the district profile

Skills Development

Section 68 of the Municipal Systems Act provides that municipalities must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable manner and must comply with the Skills Development and the Skills Development Levies Acts. Municipalities should further make provision in their budget for the development and implementation of training programmes. Municipalities are required in terms of Section 3 of the Skills Development Levies Act, to pay a levy of not less than 1% of the leviable amount. The leviable amount refers to the total amount of remuneration paid or payable by an employer to its employees. Seventy (70%) of the levy is retrievable through a grant system, provided certain conditions are met.

During the 2016/2017 financial year, the municipality submitted a Workplace Skills Plans to the LGSETA. The Skills Development levy was paid to the LGSETA.

