

## MUNICIPAL PROFILE - NDWEDWE MUNICIPALITY

MUNICIPALITY		
Municipal Profile		
Population	134 322	
2011 No. of Councillors	37	
2016 No. of Councillors	37	
Current Political make-up	African National Congress	25
	African Peoples Convention	1
	Democratic Alliance	1
	Inkatha Freedom Party	5
	National Freedom Party	5
2011 Registered Voters	62 148	
2014 Registered Voters	68 799	

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 DEP MAYOR	POLITICAL PARTY
			NO. OF MEMBERS	NAMES OF MEMBERS	POLITICAL PARTY				
Ndwendwe	M J Zondi	ANC	7	Mr Maxwell Hadebe Ms Nokulunga E. Blose Ms Mukekisiwe Busani Mr. Nhlanhla P. Ngcobo Mr. Mduduzi Cele Mr. B. J. Shoji Mr. K. W. Madlala	ANC ANC ANC ANC IFP NFP	Maxwell Hadebe	ANC	Ms Nokulunga E. Blose	ANC

CONTACT DETAILS OF SECTION 54/56 MANAGERS				
No	Designation	Manager's Name	Telephone and/or Cellphone Number	Email address
1	Municipal Manager	Mr T.P Cele	060 670 1948	<a href="mailto:mm@ndwedwe.gov.za">mm@ndwedwe.gov.za</a>
2	Technical Services	Mr. D.H Mzolo	032 532 5000	<a href="mailto:Dumisani.mzolo@ndwedwe.gov.za">Dumisani.mzolo@ndwedwe.gov.za</a>
3	Corporate Services	Dr M.G Ntuli	032 532 5000	<a href="mailto:mbuyiseni.ntuli@ndwendwe.gov.za">mbuyiseni.ntuli@ndwendwe.gov.za</a>
4	Acting Economic Development & Planning	Mr. N.B Mkwana	032 532 5000	<a href="mailto:nkanyiso.mkhwanazi@ndwendwe.gov.za">nkanyiso.mkhwanazi@ndwendwe.gov.za</a>
5	Acting Chief Financial Officer	Mr. P.E.E Mntambo	032 532 5000	<a href="mailto:phumlani.mntambo@ndwendwe.gov.za">phumlani.mntambo@ndwendwe.gov.za</a>

## **PILLAR ONE: PUTTING PEOPLE FIRST**

### **Ward Committee Establishment**

All 74 ward committees were established in line with the provincial guidelines on Ward Committee Operations and Functionality. The establishment process included the following elements:

- Customisation of provincial guidelines
- 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

As per the adopted policies, municipalities are encouraged to continuously to fill in all vacancies within their ward committees as soon as they become available.

### **Functionality Status**

Ward committee functionality assessments are conducted on quarterly basis to assess the functionality status of ward committees in a district. Evidence submitted by municipalities is verified by officials from the municipality and the department. Verified functionality assessments conducted during the period April to June 2016 under Ilembe District

Name of LM	Total number of wards	Number of functional wards	Number of non-functional wards	Comments
Mandeni	17	2, 6, 11 & 17	1, 3, 4, 5, 7, 8, 9, 10, 12, 13, 14, 15 & 16	Lack of evidence on community meetings and ward reports
Kwadukuza	27	0	27	Non-submission of evidence in all indicators
Ndwedwe	19	3, 6, 7, 12, & 14	1, 2, 4, 5, 8, 9, 10, 11, 13, 15, 16, 17, 18 & 19	Lack of evidence in ward reports and community meetings
Maphumulo	11	0	11	No evidence on wards committee meetings and ward reports
Total	74	9	65	

### **Out of Pocket Expense Implementation**

Ndwedwe have been receiving a grant allocation through the equitable share, to compensate for ward committee activities.

Council Resolution	Total no of wards	Out of pocket expense per municipality
Yes	19	R720

### **Community Feedback Meeting**

The following table provides the total number of community feedback meetings convened by ward councilors during the period April to June 2016 in the district.

*Table of Community report back Meetings*

Name of LM	Total Number of wards	Number of community report back meetings convened by ward councillors	Comments
Mandeni	17	9	No evidence of meetings submitted for some wards
Kwadukuza	27	0	No evidence of meetings submitted for all wards
Ndwedwe	19	5	No evidence of meetings submitted for some wards
Maphumulo	11	0	No evidence of meetings submitted for all wards
	<b>74</b>	<b>9</b>	

### **Traditional leadership Representation and Participation**

There is representation of Traditional leadership in the ward committees and there are invited to participate in the council

### **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 20<sup>th</sup> July 2015.

### **CDW PROGRAMME**

The purpose of CDWs as to “work with government and other stakeholders in order to help bridge the gap between government and the community, strengthen the integration and coordination between services provided by government and access to the services by communities”. The objective of the programme is to:

- i. Improve Service delivery an accessibility of services
- ii. Assist with governmental coordination , both between different spheres and different line departments
- iii. Facilitate community development and strengthen interaction between government and communities and
- iv. Support participatory democracy,

CDWs provide administrative support in the war rooms and coordinate profiling, making referrals to government departments under Operation Sukuma Sakhe (OSS).

CDWs are also playing the vital role in supporting the implementation of the Back to Basics Programme (B2B). Back to Basics is aimed at strengthening local government by getting the basics right, and local government, together with other spheres of government. Cabinet has resolved that B2B must be integrated with OSS.

In Ilembe District there are 43 active CDWs. There are 33 functional war rooms with CDWs.

In Mandeni there are 9 CDWs,

KwaDukuza has 10 CDWs,

Ndwedwe has 13 CDWs and

Maphumulo has 11 CDWs.

CDWs attend ward committee meetings to present government programmes, collect issues, collect information that might be related to service delivery protests and monitor ward committee functionality. CDWs assist in mobilizing communities to attend and they attend ward community/Public meetings to collect community issues for the attention of other stakeholders. CDWs refer issues to relevant Departments for actioning.

#### Contact Details: CDWP

<b>KZN293 Ndwedwe</b>	2	Mr. Dumisane Admiral Mfeka	0782432970	<a href="mailto:dumisane.mfeka@kzncogta.gov.za">dumisane.mfeka@kzncogta.gov.za</a>
	3	Mr. Mlungisi Mathanzima	0782454919	<a href="mailto:mmlungiseleli.matanzima@kzncogta.gov.za">mmlungiseleli.matanzima@kzncogta.gov.za</a>
	4	Ms. Annatoria Lungile Ndelu	0837754878	<a href="mailto:lungile.ndelu@kzncogta.gov.za">lungile.ndelu@kzncogta.gov.za</a>
	5	Mr. Sipho Simon Linda	0837754820	<a href="mailto:sipho.linda@kzncogta.gov.za">sipho.linda@kzncogta.gov.za</a>
	6	Ms. Patricia Sindiswa Chili (Ncube)	0837754515	<a href="mailto:sindiswa.chili@kzncogta.gov.za">sindiswa.chili@kzncogta.gov.za</a>
	7	Ms. Lindiwe Pamella Dube	0837755799	<a href="mailto:lindiwe.dube@kzncogta.gov.za">lindiwe.dube@kzncogta.gov.za</a>
	8	Mr. Siyabonga Jerome Shandu	0837754074	<a href="mailto:siyabonga.shandu@kzncogta.gov.za">siyabonga.shandu@kzncogta.gov.za</a>
	10	Mr. Petros Siboniso Ngcobo	0782462226	<a href="mailto:petros.ngcobo@kzncogta.gov.za">petros.ngcobo@kzncogta.gov.za</a>
	12	Ms. Nomkhosi Agatha Myeza	0782451258	<a href="mailto:Nomkhosi.myeza@kzncogta.gov.za">Nomkhosi.myeza@kzncogta.gov.za</a>
	16	Ms. Lindeni Rebecca Phakathi	0837755491	<a href="mailto:lindeniphakathi@kzncogta.gov.za">lindeniphakathi@kzncogta.gov.za</a>
	17	Ms. Sindisiwe Carol Mthembu	0837753968	<a href="mailto:sindisiwemthembu@kzncogta.gov.za">sindisiwemthembu@kzncogta.gov.za</a>
	18	Ms. Ntombikayise Betwell Khumalo	0837754027	<a href="mailto:ntombikaysekhumalo@kzncogta.gov.za">ntombikaysekhumalo@kzncogta.gov.za</a>
	19	Ms. Nompumelelo Primrose Vezi	0837755342	<a href="mailto:nompumelelo.vezi@kzncogta.gov.za">nompumelelo.vezi@kzncogta.gov.za</a>

#### **PILLAR TWO: BASIC SERVICES**

# iLembe District Municipality



	<b>Maphumulo</b> Local Municipality		<b>Mandeni</b> Local Municipality
	<b>Ndwedwe</b> Local Municipality		<b>KwaDukuza</b> Local Municipality

## 1. PURPOSE

The purpose of this report is to apprise on the status of municipal services in the iLembe District Municipality, The district Municipality is made up of 4 local Municipalities namely Mandeni, KwaDukuza, Ndwedwe and Maphumulo.

## 2. BACKLOGS AND SERVICE DELIVERY

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 ILEMBE DM**

Household access to services (% of total households)										
Municipality	Number of households	Piped (tap) water inside dwelling unit or yard or on community standpipe		households unserved	Pit latrine or higher LoS (pit, flush or chemical)		households unserved	Electricity (household connection)		households unserved
		households served	% served		households served	% served		households served	% served	
Mandeni	38 235	31 581	82.6	6 654	35 909	93.9	2 326	32 341	84.6	5 894
KwaDukuza	70 284	66 006	93.9	4 278	66 111	94.1	4 173	64 129	91.2	6 155
Ndwedwe	29 200	20 409	69.9	8 791	25 154	86.1	4 046	11 044	37.8	18 156
Maphumulo	19 973	9 213	46.1	10 760	16 169	81.0	3 804	6 790	34.0	13 183
iLembe district	157 692	127 209	80.7	30 483	143 343	90.9	14 349	114 305	72.5	43 387

**Access to Water:** 80.7% of households in iLembe DM have access to water inside their dwelling units or on community standpipes. Of the 80.7%, 69.9% is in Ndwedwe LM. Maphumulo LM is the least served municipality with 46.1% access to safe drinking water.

**Access to Electricity:** 72.5% of households in iLembe DM have access to electricity in their dwelling units. Of the 72.5%, 37.8% is in Ndwedwe LM. Ndwedwe LM is the least served, with only 37.8% of households with access to a household connection.

**Access to Sanitation:** 90.9% of households in iLembe DM have access to an acceptable standard of sanitation. Of the 90.9%, 88.9% is in Ndwedwe LM. Maphumulo LM is the least served with 81% of households with access to standardized sanitation facilities.

### 2.1 CAPEX ALLOCATION

iLembe District has been allocated the following grants to address service delivery backlogs across its jurisdiction for the MTEF period, namely;

**TABLE 2: ILEMBE DM CAPEX ALLOCATION**

GRANT	2015/16 FY	2016/17 FY	2017/18 FY	TOTAL ALLOCATION
RBIG	126 166	100 000	130 000	356 166
MIG	189 590	197 555	209 495	596 640
MWIG	140 154	42 032	80 644	182 186
<b>TOTAL</b>				<b>1 134 992</b>

LM's under iLembe District have been allocated the following grants to address service delivery backlogs across its jurisdiction for the MTEF period, namely;

**TABLE 3: 3.1 NDWEDWE LM CAPEX ALLOCATION**

GRANT	2015/16 FY	2016/17 FY	2017/18 FY	TOTAL ALLOCATION
MIG	28 907	29 939	31 485	<b>90 331</b>
INEP munic (Reticulation)	9 000	9 700	12 000	<b>30 700</b>
INEP eskom (Bulk)				
<b>TOTAL</b>				<b>121 031</b>

## 2.2 ACCESS TO ELECTRICITY

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 can be addressed.

### 2.2.1 Identified Electrification Projects

The iLembe DM has various projects over the MTEF period from the INEP Municipal grant. The under listed projects have been identified for implementation to address backlogs over the three year period.

**TABLE 4.1: ELECTRIFICATION PROJECTS**

LOCAL MUNICIPALITY	PROJECT NAME	PROJECT AMOUNT
<b>Ndwedwe</b>	Gogovuma	R8, 000, 000. 00
	Kwafaya	
	Luthuli	
	Mhlonhlweni/Nhlalakahle	

## 2.3 ACCESS TO WATER

Statistics South Africa (StatsSA) data shows that there are still households that do not have formal access to water (i.e. water piped in dwelling) are still existent. . The data below is extracted from a study conducted by the Department of Water Affairs (DWA) published in March 2013, titled "24 Priority District Municipalities: Water Services Acceleration Programme". The report classifies communities with no access to water namely;

- Class 1 : Communities having no formal water infrastructure
- Class 2 : Communities requiring extension to existing infrastructure
- Class 3 : Communities with access to infrastructure but no access to water because of functionality problems
- Class 3 : Communities with access to infrastructure but no access to water because of source problems



**TABLE 5: ACCESS TO WATER**

DISTRICT MUNICIPALITY	Class	Total No. of Settlements	Total No. of HH	Total Population	Total No. of Needy HH
<b>ILEMBE</b>	1	2 195		181 564	22 957
	2	916		317 252	17 274
	3	7 565	124	809 555	61 701
	4	2 215	20 661	137 745	13 907
				<b>TOTAL</b>	<b>112 839</b>

**2.4 WATER QUALITY ASSESSMENT**

Once a year, a study is conducted by the Department of Water Affairs (DWA) which assesses the quality of drinking water; Blue Drop; and waste water treatment plants namely the Green Drop. The quality and final scoring of the District is determined by a number of key indicators. DWA has made the following commentaries pertaining to each assessment for iLembe DM as per the latest 2012 report;

**TABLE 6: WATER QUALITY**

<b>BLUE DROP</b>	<b>2012</b>		<b>2011</b>		<b>2010</b>
Ilembe (& Umgeni Water)	95.38 %	▲	85.54 %	▲	50.80 %

<b>GREEN DROP</b>	2012		2011		2009 / 2010
	New "risk methodology low score = beter		Old performance methodology high score = beter		Old performance methodology high score = beter
Ilembe	55.30 %		80.40 %	▲	43.00 %

(Source: DWA)

**2.4.1 Blue Drop Assessment**

On closer inspection, some systems showed remarkable improvements. Unfortunately, the significant decline in performance measured in other systems needs to be closely monitored by the municipality and where applicable, service providers. The Department of Water Affairs is confident that the iLembe District Municipality, supported by WSSA, Umgeni Water and Siza Water will put systems in place to prevent further decline in service delivery, and where needed, will urgently improve the quality of drinking water supplied to residents. (DWA 2012)

**2.4.2 Green Drop Assessment**

The Ilembe District Municipality wastewater service performance varies from excellent to unsatisfactory. The municipal score of 80.4% indicate that expectations of the Green Drop programme are not met as yet.

## 2.5 MUNICIPAL INFRASTRUCTURE GRANT

### 2.5.1 iLembe District Municipality

The District Municipality has been allocated the sum of R 579, 874 million over the 3 year MTEF period for the Municipal Infrastructure Grant (MIG). The municipality has sufficient approved projects for full commitment over the MTEF period. This fund was granted by the National Department of COGTA which tackles an array of service delivery backlogs that are determined by the MIG Formula. The municipality was allocated R 184, 985 million and has spent 65, 72% as at end of May 2015; of its allocation for the 2014/15 financial year. Listed below are projects currently under construction by the iLembe District Municipality:

**TABLE 7: iLembe DM MIG PROJECT LIST**

PROJECT NAME	PROJECT AMOUNT
Ozwothini Gcwensa Phambela Water Scheme (AFA) MIS 192461, 209101	43 751 639.00
Ngcebo Community Water Supply	50 489 340.80
Hlimbithwa 2 water Scheme (AFA) MIS 160381	13 233 615.00
San Souchi - Bulwer Farm Water Extension (AFA - 195607 )	34 488 365.00
Macambini Water Supply Phase 2 (AFA)	101 076 781.00
Hlimbithwa 1 Water Supply Scheme (AFA1) MIS 171646	12 428 025.00
Ozwothini - Gcwensa / Nodwengu Water	31 078 364.00
Ndulinde Water Supply Scheme	116 579 664.00
Ngcebo - KwaDukuza Water Supply Scheme (AFA) MIS 216553	326 474 169.00
Mthombisa Water Supply Project	4 468 754.00
Inyoni Housing Development Bulk Sewer Project	9 367 407.00
Inyoni Housing Development Bulk Water Project	49 249 816.00
Mandeni LM Sanitation Master Business Plan	82 657 141.00
Ndwedwe LM Sanitation Master Business Plan	146 996 597.00
Balcom KwaSizabantu Regional Water Supply Scheme	143 973 488.00
Maphumulo LM Area Business Plan	204 074 386.00
Swayimane, Mslili, Ndaka and Hoqweni Community Water Supply Scheme - DC 29	39 159 125.00
Groutville "D" Bulk Sanitation	60 000 000.00
iLembe Regional Sports and Recreation Complex	60 009 069.03

### 2.5.4 Ndwedwe Local Municipality

The Municipality has been allocated the sum of R 84,411 million over the 3 year MTEF period for the Municipal Infrastructure Grant (MIG). The municipality has sufficient approved projects for full commitment over the MTEF period. This fund was granted by the National Department of COGTA which tackles an array of service delivery backlogs that are determined by the MIG Formula. As at end of May 2015; the municipality has currently expended 79.30% of its allocation for the 2014/15 financial year. Below is a list projects currently under construction by the Ndwedwe Municipality:

**TABLE 8: NDWEDWE LM MIG PROJECT LIST**

PROJECT NAME	APPROVED MIG FUNDING
Mayelisweni Bridge and Access Road	4 333 113.33
Gonothini Bridge (AFA) MIS 211791	4 724 239.58
Nhlambamkhosi Road (AFA) MIS 211291	1 950 766.70
Forty Access Road	8 405 000.00
Waterfall Gravel Access Road	7 175 000.00
Cibane Sports field (AFA) MIS 213718	4 707 267.78
Mbuyeni Sports Field (AFA) MIS 213719	3 145 073.68
Sidumbini Sports Field	2 383 076.52
Pharuka Gravel Access Road (AFA) MIS 211199	942 791.64
Nhlangwini Access Road	3 752 400.00
Mthebeni Access Road	3 462 815.00
Bhovungane Access Road	3 752 400.00
Sambaba Bridge	6 228 000.00
Musgrave Access Road in ward 05	2 942 800.00
Nquzana Access Road in Ward 16	1 543 602.72
Mary Gray Sport Centre in ward 07	5 000 000.00
KwaHlophe Sportfield in ward 19	3 768 840.00
Molla Sportfield in Ward 18	4 200 000.00
Mona Bridge in ward 11	6 000 000.00

## 2.6 MASSIFICATION

- A total of R 9 931million was paid over to the District Municipality in 2014/15.
- R 19 million was transferred to Ndwedwe LM in 2014/15 and is 100% expended;
- R 3, million was transferred in 2014/15 to Maphumulo LM, and is 0% expenditure as at end of May 2015.

**TABLE 9: ILEMBE DM MASSIFICATION PROJECTS**

PROJECT NAME	IMPLEMENTING AGENT	PROJECT CATEGORY	MASSIFICATION FUNDS	TOTAL EXPENDITURE	BALANCE LEFT TO SPEND ON PROJECT	EXPENDITURE
Mandeni WCDM	Ilembe District Municipality	Water	R 9 931 000.00	R 2 796 739.54	R 7 134 260.46	28.16%
Malovana/Khethokuhle	Maphumulo Municipality	Electricity	R 3 000 000.00	R 0.00	R 3 000 000.00	0.00%

**TABLE 12: ACCESS TO SERVICES IN NDWEDWE LM**

MN	WardNo	Population	Households	% Electricity used for Light	% Flush Toilets (Sewerage)	% Water Piped In Dwelling	% Water Source = Water Scheme
Ndwedwe	1	6530	1997	72.86%	21.98%	19.98%	31.85%
Ndwedwe	10	8310	1481	5.54%	0.74%	6.21%	30.59%
Ndwedwe	11	7747	1495	11.10%	1.54%	2.27%	68.49%
Ndwedwe	12	10870	2171	67.25%	5.02%	28.83%	77.38%
Ndwedwe	13	8882	1608	56.16%	10.14%	21.64%	84.70%
Ndwedwe	14	6612	1119	46.74%	10.28%	7.77%	83.11%
Ndwedwe	15	6724	1468	57.77%	10.90%	30.04%	63.69%
Ndwedwe	16	7786	1377	11.91%	0.22%	1.09%	12.42%
Ndwedwe	17	7317	1348	42.66%	0.52%	3.71%	1.41%
Ndwedwe	18	7077	1384	16.62%	1.23%	3.90%	43.14%
Ndwedwe	19	8959	1646	7.65%	1.22%	3.04%	91.01%
Ndwedwe	2	5570	1095	18.36%	0.37%	0.73%	46.94%
Ndwedwe	3	9042	2992	49.87%	7.02%	6.82%	12.57%
Ndwedwe	4	6417	1304	28.22%	0.46%	1.99%	25.77%
Ndwedwe	5	6405	1310	63.59%	0.15%	1.15%	13.66%

Ndwedwe	6	9029	1912	33.47%	0.73%	5.18%	13.39%
Ndwedwe	7	5007	983	6.10%	0.71%	1.63%	38.86%
Ndwedwe	8	7449	1472	10.19%	3.33%	9.58%	62.77%
Ndwedwe	9	5084	1038	59.15%	0.39%	2.41%	13.58%

## **DISASTER MANAGEMENT**

ILembe District Municipality has a functional District Disaster Management Centre (DDMC) which is established in terms of Disaster Management Act, however the District does not have Firefighting capacity. The District Disaster Management Centre building for iLembe was completed in 2015 and is situated at No 12 Haysom Road – KwaDukuza. It was officially launched by the Honourable MEC Nomusa Dube Ncube on the 6<sup>th</sup> of August 2015. Mr. Sifiso Ngubane is appointed as the Head of the Centre. Currently three (03) permanent disaster management personnel are supporting operations of the Centre. In terms of the current District Disaster Management Organogram, the following positions will be filled at the beginning of 2017/18 financial year:

- One (1) Senior Disaster Management Officer (Operational);
- Two (2) Disaster Management Officers; and
- One (1) Administrative Assistant

The family of four local municipalities i.e. Mandeni, KwaDukuza, Ndwedwe and Maphumulo have also established disaster management units though there is still a challenge with staff capacity. To date, KwaDukuza has employed two (02) permanent personnel and one (01) temporary intern. Ndwedwe local municipality have employed three (03) permanent personnel while Mandeni and Maphumulo local municipalities have employed one (01) permanent person to solely deal with disaster management issues.

## **DISASTER MANAGEMENT ADVISORY FORUMS**

ILembe District Municipality has established a Disaster Management Advisory Forum and meets on quarterly basis or as and when necessary. The DDMAF is functional, with a reasonable attendance by relevant stakeholders. All the recommendations and deliberations get submitted to the Economic Development and Planning, Environmental Health and Safety Portfolio Committee, which is an internal portfolio committee that deals with matters relating to Disaster Risk Management in the District. All four local municipalities have established their Disaster Management Advisory Forums that also sit on a quarterly basis.

## **DISTRICT DISASTER RISK MANAGEMENT PRACTITIONERS FORUM**

ILembe District Municipality Disaster Risk Management Practitioners forum has been established and comprises of all four (04) Local Municipalities. The meetings are held on monthly basis with the main objective of sharing experiences and best practices as well as to ensure that there is a uniform and integrated approach on disaster management as envisaged by disaster management legislation and policy frameworks. Disaster Risk Management Practitioners forum meetings are held during the first week of every month and are also utilized as a platform to discuss disaster management operations and to finalize all the monthly reports for submission to internal stakeholders , and to the Provincial Disaster Management Centre (PDMC). The Practitioners forum meetings are

also utilized to capacitate all District Practitioners on Disaster Management Targets as set out in the Municipal SDBIP.

### **DISASTER MANAGEMENT PLANS**

iLembe District Municipality recently completed the process to review their Disaster Management Frameworks and Disaster Management Plans that were developed in 2008 and 2009, respectively. The current review (during 2016/17 financial year) also took into consideration the requirements on the recent Disaster Management Amendment Act No 16 of 2015. The Disaster Management Plan and Framework have been presented during a recent Council Workshop, and will be adopted during the 2016/17 financial year. The review of iLembe District Disaster Management Plan and Framework has been a consultative process that included the family of local municipalities and other disaster management stakeholders.

### **DISASTER RISK ASSESSMENTS**

Comprehensive Ward Based Risk Assessment Process have been conducted in partnership and in consultation with all local municipalities and stakeholders. Ward Based Risk Assessments for specific known hazards undertaken have been documented. The District has conducted Risk Analysis in all four local municipalities reflecting all hazards threatening the communities in all Wards. Based on this exercise, the district is aware of all prioritized hazards and risks as they have been observed and recorded continuously. Priority risks have been identified in all four local municipalities. All local municipalities have been assisted to develop their respective Disaster Management Sector Plans to be annexures in their municipal IDP's.

### **DISASTER RISK REDUCTION MEASURES**

iLembe District Municipality have developed the Disaster Risk Reduction (DRR) programmes to deal with identified disaster risks. Below are some of the DRR strategies

- Integrated Development And Service Delivery,
- Community Awareness Campaigns (budgeted for on an annual basis);
- Capacity Building Programmes(budgeted for on an annual basis);
- Installation Of Lightning Conductors(budgeted for on an annual basis);

The projects that were developed are categorised according to the hazards identified during the risk assessment process.

### **INCORPORATION OF DISASTER MANAGEMENT PLAN INTO IDP**

On an annual basis, iLembe District Municipality develops and submits the disaster management sector plan with tangible and implementable Disaster Risk Reduction (DRR) projects that are funded through municipal IDP

processes. The District clearly indicates the budgeted projects for Disaster Risk Reduction in the sector plan which form an integral part of the municipality's IDP and the budget provisions for disaster management, includes:

- Social Relief (Blankets, Food Parcels and Plastic sheeting)
- Social Relief (Temporary Shelter)
- Community Awareness Campaigns
- Capacity Building Programmes
- Review Of The Disaster Management Plan
- Installation of lightning conductors

### **FIRE AND RESCUE SERVICES**

The District has not yet established Fire Brigade Services. Throughout the entire district, only KwaDukuza and Mandeni Local Municipalities have established mechanisms for firefighting capacity. KwaDukuza is performing the firefighting function in house with two Fire Stations that are located in Ballito and Stanger. Mandeni have outsourced the service to a Service Provider for a period of three years, where there is an expectation of skills transfer once the contract has expired. One of the challenges is that there is no firefighting capacity at Ndwedwe and Maphumulo Local Municipalities.

As a long term plan, and as part of iLembe District 5 year IDP, the District has plans to establish a firefighting service to ensure that there is adequate firefighting capacity even at Ndwedwe and Maphumulo Local Municipalities by 2022.

The following table highlights the status of fire services capacity at Mandeni and KwaDukuza local municipalities:

<b>MUNICIPALITY</b>	<b>FIRE VEHICLES</b>	<b>FIRE PERSONNEL</b>
Mandeni	<ul style="list-style-type: none"> <li>• 1 x Fire Engine (with 4000 L Water Capacity Foam Capacity)</li> <li>• 4x4 Skid Unit (Water Capacity 600L)</li> </ul>	<ul style="list-style-type: none"> <li>• 15 x Fire Fighters</li> <li>• 1 x Chief Fire Officer</li> </ul>
KwaDukuza	<ul style="list-style-type: none"> <li>• 4 x Rescue Pumps</li> <li>• 1 Skid Unit</li> <li>• 5 Utility Vehicles</li> <li>• 2 Water Tankers</li> </ul>	<ul style="list-style-type: none"> <li>• 1x Chief Fire Officer</li> <li>• 1x Division Officer</li> <li>• 2x Station Officers</li> <li>• 15 x Leading Fire Fighters</li> <li>• 3x Senior Fire Fighters</li> <li>• 36 x Fire Fighters</li> <li>• 1 x Admin Clerk</li> </ul>



		<ul style="list-style-type: none"> <li>2x General Assistants</li> </ul>
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#### OVERALL STATUS OF DISASTER MANAGEMENT & FIRE SERVICES

Municipality	Disaster Management Unit Established	Fully Functional	Forums Established	Disaster Management Plans	Disaster Management Framework	Status of Municipal Fire Services	No. of Staff
ILembe	😊	😊	😊	😊	😊	😞	<b>D-4</b> <b>F- 0</b>
KwaDukuza	😊	😊	😊	😊	😞	😊	<b>D- 3</b> <b>F- 61</b>
Mandeni	😊	😞	😊	😊	😞	😞	<b>D-1</b> <b>F- 16 P</b>
Maphumulo	😊	😞	😊	😊	😞	😞	<b>D-1</b> <b>F- 0</b>
Ndwedwe	😊	😞	😊	😊	😞	😞	<b>D-3</b> <b>F- 0</b>
	<b>D - Disaster Management Official</b> <b>F – Fire-fighting Official</b> <b>P - Service Provider</b>			😊 <b>In Place</b> 😞 <b>Work in Progress</b> 😞 <b>Not Achieved</b>			

- 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

#### MUNICIPAL PLANNING

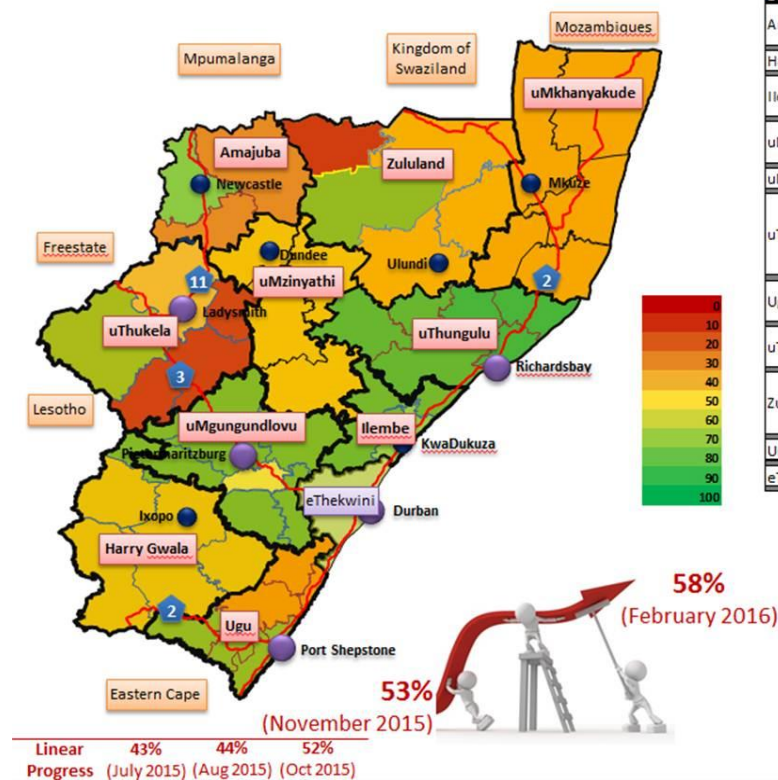
##### IDP CO-ORDINATION

- 2016/17 IDP credibility score: 63.17%
- Status of District Growth & Development Plan:
  - The district is finalizing its monitoring and evaluation plan. There are plans to also review the current District Growth and Development Plan which the Provincial Planning Commission has taken the task to assist in reviewing.
  - Review process started on 18 April as part of the OTP lead PDGP/DGDP/IDPs alignment session.

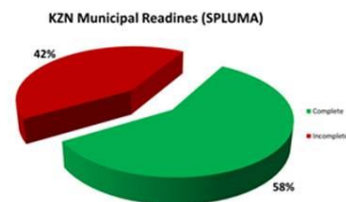
- IDP Co-ordination and / municipal strategic planning challenges:
  - The department / IDP Coordination Unit has never been invited since 2015 November to any IDP related meetings and it can assumed that they do not take place.

## SPLUMA IMPLEMENTATION

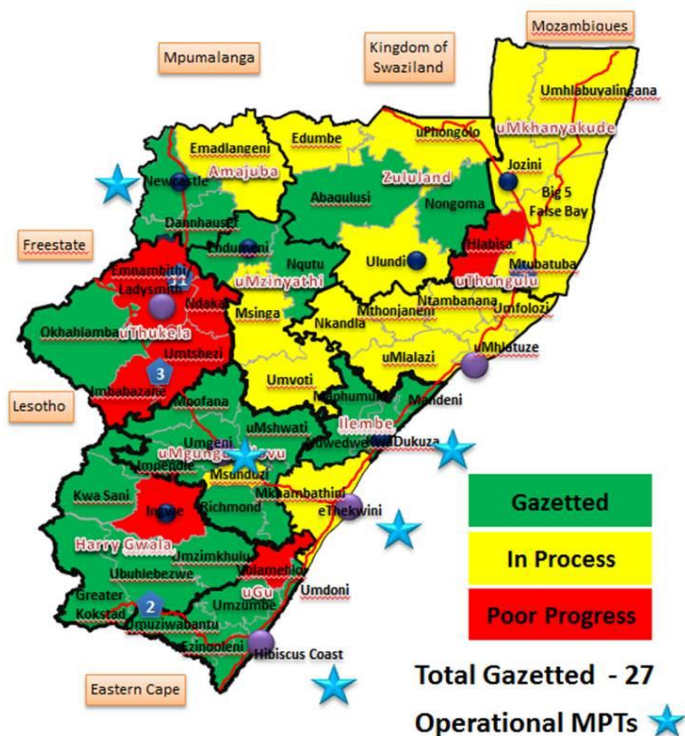
# KZN Progress



District	No.	MPT Name	% Readiness
Amajuba	1	JMPT 1	33
	2	Newcastle MPT	80
Harry Gwala	3	DJMPT	54
	4	JMPT 1	76
Ilembe	5	KwaDukuza MPT	75
	6	Msunduzi MPT	56
uMgungundlovu	7	JMPT 1	74
	8	DJMPT	52
uThukela	9	Ladysmith MPT	47
	10	Indaka MPT	17
	11	Okhahlamba MPT	67
	12	JMPT 1	21
Ugu	13	JMPT South	70
	14	JMPT North	40
uThungulu	15	JMPT North	86
	16	JMPT South	80
Zululand	17	ZDM JMPT (EAST)	46
	18	eDumbe MPT	20
Umkhanyakude	19	Abaqulusi MPT	71
	20	DJMPT	44
eThekweni	21	eThekweni	67



# By-Laws



DMs	LMs
Amajuba	Dannhauser
	Newcastle
Harry Gwala	Greater Kokstad
	KwaSani
	Ubuhlebezwe
iLembe	uMzimkhulu
	KwaDukuza
	Mandeni
	Maphumulo
Ugu	Ndwedwe
	Ezingoloni
	Hibiscus Coast
	Umdoni
uMgungundlovu	Umziwabantu
	Umzumbe
	Impendle
	Mkhambathini
	Mpofana
	Richmond
uMzinyathi	uMngeni
	uMshwati
uThukela	Endumeni
	Nquthu
Zululand	Okhahlamba
	AbaQulusi
	Nongoma

## SPATIAL PLANNING

### Spatial Planning Capacity

The capacity available to Ndwedwe Local Municipality significantly limited if any at all. A new Shared Service between Maphumulo and Ndwedwe Local Municipalities been created together in association with the district and is assisted by the district professional town planner.

### Status of Spatial Development Frameworks

**Date of last review:** August 2013

**Spatial/ SDF Vision:** “A Spatial Structure that promotes the sustained utilisation of natural and physical resources, guided by an integrated and functional hierarchy of nodal areas connected via a functional movement system”

**Outcomes of Assessment:** The 2017/18 SDF Assessment, it is noted that the submitted SDF is not fully SPLUMA compliant, noting the specific content requirements of SPLUMA as well as its development principles (and its application thereof). However it must be also noted that the municipality has embarked on a SDF review process (of which this department forms part of the PSC) with the main if SPLUMA Compliance and the updating of information/data/stats. The alignment and application to PGDS/P 2016 and PSEDs 2017 (latest provincial policy) to the Local Municipality context is not forthcoming. There is an opportunity to integrate fresh/new/refined economic and development directives from the possible interventions as identified within the Local Municipality.

The municipality is therefore advised to prepare the SDF encapsulating updated national and provincial policies and plans.

Given the significant rural and traditional council area component to the municipality, it is suggested that any SDF review will have to provide a comprehensive approach to rural development in a manner that unleashes agricultural potential of the municipality whilst fulfilling key SPLUMA development principles such as Spatial Justice, Sustainability, Resilience and Efficiency. The municipality needs to ensure that the SDF clearly depicts how the comments from the previous assessments have been addressed. It is recommended that clear evidence or indication of public participation consultation process be included in the SDF Document.

The alignment between the SDF and IDP vision is not forthcoming they must be aligned to each other. This should include the long term development vision. The SDF needs to also provide solutions on how informal settlements will be dealt with or how they will be eradicated. The nodes need to be re-evaluated due to changes in demographics and migration trends, since they are from the 2013 SDF. The Capital Investment Framework to be designed in line with COGTA Spatial Planning Guideline for Capital Investment Framework/Capital Expenditure Framework and CIF to be depicted spatially.

The SDF needs to apply a time-line/horizon to its vision statement. SPLUMA requires municipal SDFs to include 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. Furthermore; the aforementioned must be in line to implement the long term development vision as requested by SPLUMA.

#### Status of schemes within Local Municipalities

LOCAL MUNICIPALITY/ ENTITY	MUNICIPAL AREA (km <sup>2</sup> )	SCHEME NAME/ AREA COVERED BY SCHEME	ESTIMATED SCHEME COVERAGE (km <sup>2</sup> )	DATE OF ADOPTION	LATEST DATE OF SCHEME REVIEW	PROGRESS TOWARDS WALL TO WALL SCHEME
Ndwedwe LM	1154	Ndwedwe Land Use Scheme (all parts of LM except commercial agricultural land (Act 70/1970)	790.69	30 May 2013	Nil	Commercial Agricultural land still to be incorporated into single land use scheme currently under review
<b>TOTAL</b>	<b>1154</b>		<b>790.69</b>			

#### Spatial Planning Challenges

Although Ndwedwe has land with high agricultural potential, the lack of irrigation infrastructure drives people to use land for activities other than agriculture. Subsequently land is being settled, and high potential land is being

lost. Lack of electrical infrastructure further negates the development of agricultural projects such as broilers, or pumping of water for irrigation purposes.

## **DEVELOPMENT INFORMATION SERVICES**

- **GIS capacity**

There is a GIS capacity at Ndwedwe local municipality. The DPSS GIS Data Administrator, Ms Vuyo Nguza, has been seconded to Ndwedwe municipality to provide GIS support services to both Ndwedwe local municipality and Maphumulo local municipality. The support ranges from SDF compilation, IDP preparations, verification and mapping of municipal assets, SPLUMA, general mapping, etc. Additional GIS services are also rendered to them by Mr. Munien at Ilembe District municipality. Ms Vuyo Nguza regularly attends Provincial municipal GIS forum meetings which are convened by Cogta DIS.

- **Status of GIS**

The GIS unit at Ndwedwe local municipality is functional as it provides GIS services required by Ndwedwe local municipality. The Unit has the necessary hardware, software, data and operational policies to provide GIS services to officials and other stakeholders.

- **GIS challenges**

Cogta is unaware of any GIS operational challenges.

## **LAND USE MANAGEMENT**

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

The Department of Rural Development and Land Reform (DRDLR), which is an implementing department has drafted generic planning by-laws for municipalities. Municipalities may customize these by-laws to suite their requirements. DRDLR and Department of Cooperative Governance and Traditional Affairs (COGTA), South African Local Government Association (SALGA) agreed to introduce interim arrangements to ensure that planning applications are processed while municipalities are busy with the adoption and gazetting of by-laws. Hence, this Province is utilizing the KZN Planning and Development Act, 2008 (KZNPDPA) application process (Schedule 1) together with Spatial Planning and Land Use Management Act (SPLUMA), Act No. 16 of 2013 institutional structures (Municipal Planning Tribunal, appointment of an Authorized Officer and the use of either EXCO or an external body as its Appeal Authority).

In their contact sessions with municipalities DRDLR, COGTA and SALGA have ensured that each municipality understands transitional arrangements and SPLUMA requirements to form new decision making bodies and the need to categorize land development applications, and delegate certain applications to appropriately planning qualified staff to approve in terms of delegated authorities.

Whilst engaging officials, the roles and responsibilities of the role players have been clearly defined in terms of delegations and this has been in accordance with the nature and type of applications as per municipal generic by-

laws since some applications will be dealt with by the municipal councils whilst some by the Authorized Officers (AO) and Municipal Planning Tribunals (MPTs).

The majority of municipalities within the KZN Province have opted for an Executive Committee (EXCO) as an appeal authority.

Ndwedwe Municipality is part of a joint MPT consisting of Maphumulo LM and Mandeni which has not been gazetted.

Ndwedwe Municipality has adopted and gazetted its by-law.

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

The municipality has processed no applications in terms of the by-laws during the 3<sup>rd</sup> Quarter (01 October 2017 to 31 December 2017).

- **Land development challenges-**

- Municipality is not Spatial Planning and Land Use (SPLUMA) compliant at present.
- Staff capacity is an issue at the Municipality.

#### Local Economic Development

NDWEDWE MUNICIPALITY				
1. Municipal LED Unit existence	Yes	No	Number of personnel employed at the municipal LED Unit	
		✓	2	
			R300 000.00	
2. Total % of municipal budget allocation to LED			1%	
3. LED strategy aligned to NDP, PGDP & Poverty Eradication			Yes	Needs to be reviewed.

<b>4. Municipal EPWP phase 3 policy in place</b>	Yes x	Adopted in 2015
<b>5. Informal Economy Strategy/Plan in place</b>	Yes	Adopted in 2015
<b>6. Is there clear Strategy/Plan on engagement of LED stakeholders to ensure its functionality</b>	Yes	In a process of establishing a forum
<b>7. LED forum in place and functional</b>	No	No forum
<b>8. Challenges facing the implementation of LED in this municipality</b>	There is no person to deal directly with LED functions within the municipality, and especially someone to deal with small business licensing.	

### **PILLAR THREE: GOOD GOVERNANCE**

#### **Status of IGR**

The following Intergovernmental Relations structures have been established within the Ilembe 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

## 8. OSS District Task Team

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

1. District Mayors Forum
2. Municipal Managers Forum
3. Corporate Services Forum
4. Planning & Development Forum
5. Communications Forum
6. OSS District Task Team

However the Infrastructure Forum is not functional and have not met since March 2017.

### **FREQUENCY OF MEETINGS**

Of the functional for a, the District Mayors Forum, District Area Finance Forum and Corporate Services and OSS District Task Team structures convene on a quarterly basis. The remaining functional fora meet on a monthly basis. The assessment verified that the District Speakers Forum, Internal Auditors Forum, DGITOC Forum, Risk Management Forum, PMS Forum Disaster Management Forum meet on a quarterly basis and that the LED Forum meet Bi-monthly.

### **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, the implementation of the Radical Economic Transformation Programme, Back to Basics Programme, Functionality of the IGR Structures, 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, Implementation of the Cabinet Lekgotla Resolutions and Sakuma Sakhe Programme and the Participation of Traditional Leaders in IGR structures are incorporated onto the Agenda. However the items on Cabinet Lekgotla Resolutions, Premiers Coordinating Forum Resolutions and Cogta Technical MuniMec and MuniMec Resolutions can be improved.

### **RESOLUTION REGISTER / DECISION MATRIX**

The Assessment established that a Resolution Register has not yet been developed and implemented at the For a to track the decisions/resolutions taken at the meetings. However, it was confirmed that only the



minutes of the meetings are circulated to all 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.

## **GENERAL**

Through the assessment it was established that IGR is not considered as a core function. Further it was confirmed that all IGR For a meetings are given a minimum of 7 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. Further all Sector Departments are invited to attend IGR For a in the District. The Municipal Managers Forum was held on the 07 September and the Mayors Forum was held on the 07 September 2017.

### **Council meetings held**

**12**

### **Functionality of Councils**

No reported challenges

### **Municipal investigations and anti-corruption**

## **PREVENTION**

### *Anti-corruption program:*

- (a) Before the 1<sup>st</sup> 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 12<sup>th</sup> 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.

The questionnaire was disseminated to Ndwedwe municipality; however the municipality did not complete it and send it back to the department despite numerous attempts from CoGTA to get them to complete the questionnaire. The municipality will be visited to establish support required

## **INVESTIGATIONS**

(a) No investigations are underway.

## **TRADITIONAL AFFAIRS**

### **Traditional leaders participation in Council structures**

- Thulani Patrick Cibane
- Sibongiseni Khumalo
- Bhekizwe Ngcobo
- ~~Gloria Nobuhle Ngcobo~~ (de-recognised)
- ~~Mlungisi Phillip Ngcobo~~ (de-recognised)
- Muntuwanguzani Raphael Nzama
- Sifiso Wisemen Ngcobo

## **PILLAR FOUR: SOUND FINANCIAL MANAGEMENT**

## **EXECUTIVE SUMMARY**

### **Audit Overview**

Ndwedwe Municipality received an unqualified with other matters audit opinion for the past 6 financial years. The annual financial statements were submitted to the Auditor General timeously.

### **Financial Health Overview**

An analysis of the key financial ratios and trends indicates that although the municipality's financial affairs are fairly stable in that they have a good cost coverage ratio of 7 months and current ratio of 5.82, there are indicators which require attention.

1. There must be an improved spend on MIG and CAPEX during the next quarter as the municipality has significantly underspent and this could impact in poor service delivery resulting in community protests.
2. Inadequate budget provisions for repairs and maintenance. There has been significant underspend on repairs and maintenance impacting on useful life of assets.
3. Very poor debtors collection will result in poor cash flow.

### **Status of Posts**

The post of the Municipal Manager is filled. The post of the chief financial officer is filled. He is on contract basis. The following list of officials has achieved their minimum competency levels as per the minimum competency levels regulations.

1. Mr T Nkosi - Chief Financial Officer
2. Mr TP Cele – MM
3. Mr SB Ngubo – Payroll officer
4. Ms PF Mzimela – Property rates clerk
5. MS NP Ngobese - Supply Chain Clerk
6. Miss BL Msomi – Debtors Clerk
7. Miss BW Ndlovu – SCM Clerk

There is still pressure to fill the posts of a clerk as these vacancies is impacting on the performance of the Budget and treasury office. There are currently five interns in finance.

### **Financial Compliance**

The municipality has complied with 67% (4 out of 6 compliance matters) of the financial compliance matters tested during the quarterly assessment undertaken. The areas of non-compliance were:

1. The municipality did not place quarterly (section 52) report on budget implementation on the municipal website.
2. The municipality did not report any unauthorised, irregular or fruitless and wasteful expenditure in terms of s32 of the MFMA.

#### **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.

#### **AUDIT REPORT STATUS**

##### **Audit Action Plan**

A total of ten audit queries were raised during the 2015/2016 financial year. Only 30% of the queries were resolved. 70 % of audit queries remain outstanding. It is recommended that they must be resolved by 30 June 2017.

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

<b>Details</b>	<b>2015/2016</b>	<b>Financial Period</b>	<b>Number of audit report queries resolved</b>	<b>% report queries resolved</b>
Audit Outcome	Unqualified with matters of emphasis	Q1	0	0
Total Number of audit report issues	10	Q2	3	30%

Total number of recurring audit report issues	7	Q3	2	50%
% recurring issues	70%	Q4		

The following audit report queries were raised by the AG during the 2015/2016 audit.

- Restatement of corresponding figures

As disclosed in note 27 to the financial statements, the corresponding figures for 30 June 2016 have been restated as a result of errors discovered in the financial statements of the Ndwedwe Municipality during the year ended 30 June 2016.

- Unaudited disclosure notes

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

- Expenditure management

Reasonable steps were not taken to prevent unauthorized and irregular expenditure, as required by section 62(1)(d) of the Municipal Finance Management Act

- Financial and performance management

The slow response from the accounting officer and the SCM manager to implement adequate internal controls over procuring goods and services that comply with the all the requirements of the MFMA SCM.

## FINANCIAL MANAGEMENT AND PERFORMANCE

### REVENUE AND DEBTORS MANAGEMENT

Details	Property Rates	Electricity	Water	Sewerage	Refuse	Other	Total
<b>Budgeted Revenue</b>	R 6 629 405	0	0	0	0	0	R 6 629 405
<b>Billed Revenue</b>	R6 812 258	0	0	0	0	0	R 6 812 258
<b>Actual Collection</b>	R 6 453 460	0	0	0	0	0	R 6 453 460
<b>Variance</b>	94.31%	0	0	0	0	0	0

The main source of Revenue is generated from property rates. The municipality has budgeted a total of R 6 629 405 for Property rates for the period ended 31 March 2017, billed R 6 812 258 and has collected R 6 453 460. The municipality has under collected.

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	Yes	Q1	R 7 780 656.59	R 4 289 118.11	R 1 162 465.14	R 421 657.4	R 13 653 897.24
		Q2	Information not provided				
Debt Management strategy	No	Q3	R 3 172 822 .72	R 5 268 036.98	R 1 316 162.53	R 534 146.8	R 10 291 169
		Q4					

The municipality has an approved Revenue raising and collection strategy which is being partially implemented. The municipality does not have an approved Debt Management strategy. They are using their credit control policy. The municipality is seeking assistance from COGTA with Revenue and debt management.

No councillors had amounts owing to the municipality.

No employees had amounts owing to the municipality.

No amounts are owing to ESKOM and Waterboards as the municipality does not provide such.

### Reconciliations

The debtor's reconciliations for the three months ended March 2017 are up to date and is being performed on a monthly basis.

### EXPENDITURE AND CREDITORS MANAGEMENT

Table 4 below reflects the status of expenditure management:

Details	Yes/No	Details	OPEX	CAPEX	MIG
---------	--------	---------	------	-------	-----

Cost Reduction strategy	No
Procurement Plan 2016/2017	Yes

Budget	R132 151 776	R81 926 000	R28 451 000
Actual	R 81 001 000	R37 311 587	R7 000 661
Difference	R 51 150 776	R44 614 413	R21 450 339
% of budget spent	61%	45%	24%

### Cost Reduction Strategy

The municipality does not have an approved cost reduction strategy in place. Cost reduction is built into policies. The municipality implements National Treasury's Circular 81 on Cost Containment

### Procurement Plan

The municipality has an approved procurement plan for 2016/2017 which is being implemented.

### OPEX

The municipality spent R 81 001 000 of its operating budget as at March 2017 comprising 61%.

### CAPEX

The municipality spent R37 311 587 of its capital budget as at March 2017 comprising 45% of the budget for the period ended March 2017. The spending of CAPEX must be improved during the next quarter to avoid poor service delivery. Only 24% of MIG was spent and this is unacceptable. Measures must be put in place to increase spending to avoid high level risks.

### Creditors

Creditors are paid within 30 days.

### 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	1	R 3462.18	One quotation sole provider who was recommended by COGTA
Q2	Information not provided		

Q3	0	0	n/a
<b>Total</b>			

No deviations was incurred.

### 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	nil	nil	n/a
Q2	nil	nil	n/a
Q3	nil	nil	n/a
<b>Total</b>			

The municipality has not appointed any service provider using Section 32 of the SCM Regulations.

### 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	R445 000	0	R445 000
Q2	7 271 267	41 752 078	1 321 000	R 50 344 345
Q3	0	0	0	0
<b>Total</b>				

No unauthorised, irregular, fruitless and wasteful expenditure was incurred.

### OTHER EXPENDITURE MANAGEMENT ISSUES

#### Employee Related Costs

The employee related costs of 36% is within the norm range of between 25% – 40%.

#### Free Basic Services



The municipality has spent 61.29% of its allocation of R400 000 on free basic services. The municipality has spent R 360 020.

## LIQUIDITY

Table 7 below reflects the liquidity position as at December 2016

Financial Period	Cost Coverage	Current Ratio	Are unspent grants cash-backed
Q1	23.96	5.93	Yes
Q2	6.12	5.33	Yes
Q3	7.9	5.82	Yes
<b>Total</b>			

The Cost coverage ratio of 7.9 months is good compared to the norm of 1 to 3 months and the current ratio of 5.82 is above the norm of 1.5 to 2. Unspent grants are cash-backed as at March 2017. An analysis of the cash flow and budget projections indicate that the budget is funded.

## 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	5.36%	34.90%	Yes
		Q2	5.40%	42.63%	Yes
Procurement Plan	Yes	Q3	3.00%	35%	Yes
		Q4			

## Repairs and maintenance

The repairs and maintenance budget is below the norm of 8% and has declined over year. The municipality has spent 35% of its repairs and maintenance budget for the period ended March 2017. They must implement measures to improve spend over next quarter.

The municipality does not have Operation and Maintenance plans in place.

## Fixed Asset Register and Reconciliations

The fixed asset register is updated monthly and depreciation is calculated monthly.

## 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 30 September 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 type="checkbox"/>	<input checked="" type="checkbox"/>
4. 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"/>
5. 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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. 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"/>

## 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
5. Is the Internal audit unit outsourced?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Does the municipality have a risk based internal audit plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Did the Municipal Public Accounts Committee meet this quarter?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Is the Municipal Public Accounts Committee investigating matters relating to UIFW and providing recommendations to Council including recommending disciplinary processes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### POTENTIAL ISSUES AFFECTING THE AUDIT OPINION

The following issues identified during the assessment may impact on the audit outcomes of 2016/2017 if not addressed timeously:

##### a. Financial

- a. There must be an improved spend on Capex and MIG during the next quarter as the municipality has significantly underspent and this could impact in poor service delivery resulting in community protests.
- b. Inadequate budget provisions for repairs and maintenance. There has been underspend on repairs and maintenance from previous quarter impacting on useful life of assets.
- c. Poor debt collection will result in poor cash flow.

#### SUPPORT

##### b. Planned Support or Support Recommended

- a. A review of assets needs to be taken in order to determine if provisions have been adequately catered for the maintenance of assets and to determine their useful life

- b. Review capital and MIG expenditure to determine the reason for underspend
- c. Support Provided/Support to be Provided by CoGTA
- a. Revenue and debt management assistance is being provided to the municipality

## **CONCLUSION AND RECOMMENDATIONS**

### **CONCLUSION**

Based on analysis and weighting of the relevant financial indicators the municipality has scored 69% 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 main area/s that requires improvement is to address:

- a. Debt collection
- b. Increase MIG and capital expenditure
- c. Repairs and maintenance

### **RECOMMENDATIONS**

- a. There must be an improved spend on MIG and CAPEX during the next quarter as the municipality has significantly underspent and this could impact in poor service delivery resulting in community protests.
- b. Inadequate budget provisions for repairs and maintenance. There has been significant underspend on repairs and maintenance impacting on useful life of assets.
- c.** Poor debtors collection and high level of debtors outstanding will result in poor cash flow therefore debt management strategy must be implemented.

## **PILLAR FIVE: BUILDING CAPABILITIES**

### **MANAGEMENT CAPACITY**

Status of Senior Manager posts (Filled and vacant posts)

SUMMARY		TOTAL POSTS: 27	TOTAL VACANCIES: 4	% VACANT: 15%
MUNICIPALITY	NUMBER OF POSTS FILLED	FILLED POSTS	VACANT POSTS	STATUS OF VACANT POSTS AND RELATED MATTERS
Ndwedwe Municipality	3 of 5	MM Director: Infrastructure and Technical Services Director: Corporate Services	1.Economic Development & Planning 2.CFO	1. The Municipality is finalizing the recruitment process.  2.Recruitment process is underway

### **MUNICIPAL PERFORMANCE PROFILE**

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 61 municipalities had been facilitated and concluded during assessment visits conducted from 08 February to 12 February 2016 for Quarter 2 2015/16 Financial year. 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.

Circular 10 of 2016 and the revised Provincial template were submitted to all Municipalities within KZN informing them of the assessment visits for the 1st quarter of the 2016/2017 financial year. The assessment visits were conducted for all 54 Municipalities. During the assessment visits, Municipalities were presented with their 1st quarter assessment and gap analysis, and subsequently given an opportunity to complete all outstanding information, and/or provide the required additional information for assessment purposes. Municipalities were also assisted in understanding the revised requirements of the single reporting system. Information provided by all 54 Municipalities was verified and/or confirmed by the business units prior to the assessment visits.

Circular 14 of 2016 and the revised Provincial template were submitted to all Municipalities within KZN informing them of the assessment visits for the 2nd quarter of the 2016/2017 financial year. The assessment visits were conducted for all 54 Municipalities. During the assessment visits, Municipalities were presented with their 2nd quarter assessment and gap analysis, and subsequently given an opportunity to complete all outstanding information, and/or provide the required additional information for assessment purposes. Municipalities were also

assisted in understanding the revised requirements of the single reporting system. Information provided by all 54 Municipalities was verified and/or confirmed by the business units prior to the assessment visits.

Circular 3 of 2017 and the revised Provincial template were submitted to all Municipalities within KZN informing them of the assessment visits for the 3<sup>rd</sup> quarter of the 2016/2017 financial year. The assessment visits were conducted for all 54 Municipalities. During the assessment visits, Municipalities were presented with their 2nd quarter assessment and gap analysis, and subsequently given an opportunity to complete all outstanding information, and/or provide the required additional information for assessment purposes. Municipalities were also assisted in understanding the revised requirements of the single reporting system. Information provided by all 54 Municipalities was verified and/or confirmed by the business units prior to the assessment visits.

Assessment visits for Quarter 4 of the Municipality's 2016/2017 financial year were conducted in August/September 2017 following Circular 5 of 2017 and the Provincial template that were sent to all Municipalities within KZN informing them of the Quarter 3 B2B Assessments. The assessments were conducted for all 54 Municipalities. During the assessment visits, Municipalities were presented with their 4th quarter assessments and gap analysis, and subsequently given an opportunity to complete all outstanding information, and/or provide the required additional information for assessment purposes.

The Ndwedwe LM was categorized as "Challenged" as part of this process. The assessment for the Ndwedwe LM concluded the following scoring:

BACK TO BASICS PILLAR	2016/2017 Q1 SCORE	2016/2017 Q2 SCORE	2016/2017 Q3 SCORE	2016/2017 Q4 SCORE
Putting People First	0.00%	0.00%	100.00%	100.00%
Delivering Basic Services	16.67%	50.00%	57.14%	35.71%
Good Governance	85.71%	83.33%	83.33%	66.67%
Sound Financial Management	25.00%	30.00%	26.09%	21.74%
Building Capable Local Government Institutions	37.50%	0.00%	0.00%	37.50%
<b>TOTALS</b>	<b>40.74%</b>	<b>42.31%</b>	<b>49.23%</b>	<b>44.62%</b>

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

#### STATUS OF MUNICIPAL ORGANISATIONAL PERFORMANCE MANAGEMENT

An assessment was conducted of the status of performance management in all 54 municipalities through a PMS Status update which is collected at the Districts PMS Forum.

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The status of performance management for the Ndwedwe LM is as follows:

PMS Aspect:	Status:
a. Progress on addressing Auditor General	No queries

<b>PMS Aspect:</b>	<b>Status:</b>
Queries for the 2015/2016 financial year	
b. 2016/2017 Quarter 4 Performance Assessments/Evaluation of Section 54/56 Managers	Not yet done
c. Submission of 2016/2017 Annual Performance Report to: 1. Internal Audit 2. Performance Audit 3. Council 4. Auditor General	1. 25/08/2017 2. 18/08/2017 3. 30/08/2017 4. 31/08/2017
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	Done
e. Adoption of 2017/2018 Organizational Scorecards and SDBIP's	Adopted by Council
f. Submission of 2017/2018 Organizational Scorecard and SDBIP to Internal Audit (Please provide the date)	Submitted to IA
g. Has Internal Audit prepared a report on the review/audit of the 2017/2018 Organizational Scorecard and SDBIP?	Done, however the report isn't final
h. Publication of approved 2017/2018 SDBIP	Done
i. 2017/2018 Performance Agreements of Section 54/56 Managers: 1. Prepared and signed by Section 54/56 Managers 2. Made public - MFMA S 53 (3) (b) 3. Submission to MEC within 14 days	1. Signed 2. Yes 3. Not yet submitted to MEC
j. OPMS Challenges	None documented

## **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, Act No. 55 of 1998. Based on the audit conducted on compliance with the Employment Equity Act, Act No. 55 of 1998, Ndwedwe Local Municipality was workshopped on the development of Employment Equity Plan as per section 20 of the Act. The workshop was conducted on 15.11.2016 at the municipal Council.

As per the organisational structure, the top management level has 5 approved posts. Of the 5 posts, only 2 are filled by males only. There is an opportunity to balance gender equity through filling of the 3 vacant posts.

### **Councillor Development**

Subsequent to the Local Government elections held on 03 August 2016, SALGA conducted the Integrated Councillor Induction Programme which was attended by 167 Councillors within the Ilembe 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 Ndwedwe formed part of the 136 who attended the district sessions.

### **Councillor Skills Audit**

Councillor Skills audit was conducted during the Sector-Based Orientation Programme. A total of 23 Councillors from Ndwedwe 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.



