

ALFRED DUMA LOCAL MUNICIPALITY
ANNUAL REPORT
2019/2020



Format of the Annual Report

MFMA Circular 63 suggest the following format for the annual report; namely:

- Chapter 1: Mayor's Foreword and Executive Summary;
- Chapter 2: Governance;
- Chapter 3: Service Delivery Performance;
- Chapter 4: Organizational Development Performance;
- Chapter 5: Financial Performance;
- Chapter 6: Auditor General's Findings;
- Appendices; and
- Volume II: AFS

Chapter 1: Mayor's Foreword and Executive Summary

1.1 Mayor's Foreword

In advancing accelerated service delivery we work as a collective both politically and administratively.

The priority development issues for Alfred Duma Local Municipality are physical infrastructure and services; social development and services; economic development and land reform. Urban areas have far more services than rural ones but a much smaller population, indicating a clear imbalance in service provision.

The Driefontein Complex has the highest population concentration but the lowest service standards, while Roosboom has been declared as the fastest growing rural area. There is generally urbanisation that puts pressure in the existing infrastructure, hence other nodal points of development have become necessary to decentralize but also densify along the corridor and small-town rehabilitation program.

It is within the above-mentioned background that I can confirm that our municipality has performed successfully with the limited resources available.

Financially we have complied with the Municipal Finance Management Act and the Municipal Systems Act in conducting and managing the daily functionality and operations of the municipality.

Housing delivery remains one of the main challenges facing our municipality.

We worked and are continuing to work tirelessly to secure more funding to assist in accelerating the delivery of human settlements and the Council must explore new technological innovations that can assist in dealing with the proliferation of informal settlements particularly in Embulwane and we must move with speed in accommodating people who are living in back yards and those who are currently renting RDP houses.

Simultaneously we have witnessed service delivery protests, where communities are still longing for much needed basic services such as water and sanitation, electrification and streetlights in areas such as Ekuvukeni and more dominantly in rural areas within the former Indaka.

As Council we cannot ignore those voices and we will continue not only to hear them, but also, we will show these communities that as this Municipality we will continue to deliver, faster and adequately in liaison with Eskom and other National and Provincial Departments who could be of assistance to these outstanding service delivery projects.

As Council we developed relations with various stakeholders including the business sector, religious sector and the traditional leadership, who cooperatively participated in the municipal affairs and the management thereof through stakeholder engagement platforms created by the municipality. We further developed consultative partnership with civil society and we were able to address challenges in our communities.

On behalf of Council, we will continue to display good characteristics of leadership through improved oversight.

I thank you,

CLLR MV MADLALA, MUNICIPAL MAYOR
ALFRED DUMA LOCAL MUNICIPALITY

1.2 Municipal Manager's Foreword

Two parallel and mutually reinforcing roles of local government are sustainable upliftment and empowerment of local communities and the sustainable creation of an environment for economic development and opportunity. The primary vehicle for carrying out these roles is service delivery.

Local government should therefore create the capacity to be able to deliver the required services.

- We continued to speed up service delivery
- We maintained institutional experience
- We continued to eliminate backlogs
- We improved institutional capacity
- We maintained our skills

As the Accounting Officer, I believe that unity in action must drive us to be a winning team. Let us all subscribe to a call that is derived from: 'united we stand, and divided we fall' and I commit that this is what drives this municipality.

I'm always confident on behalf of the municipal administration that we should collectively contribute towards our strategic development path.

Developmental Local Government is Local Government committed to working with citizens and groups within the community, hence I always and have encourage consultations with the public through the Municipal Rapid Response.

Administrative challenges within our municipality can be summaries as follows:

- Audit opinion;
- Permanent employment compared to Job Creation;
- Completion of Infrastructure projects on time;
- The development of Colenso and Van Reenen;
- The development of the Aerodrome;
- The completion of the 2012 storm damage housing project.

Administratively we have made some notable progress in addressing these challenges identified above.

As we gear ourselves to these processes, we have developed a strategy to create a better platform for us to be able to shape the future of our municipality.

I must confirm that our strategies provide direction, change and improvement while providing fundamental principles on what we do daily as contained in this report.

It's evident through this report that the municipality is able to organise its resources and optimise human capital. We have delivered according to our expectations and always thrive to better municipal performance.

Municipal systems in place create confidence, since the organisation knows where it wants to go and what it wants to achieve, and has a solid plan and support systems in place to do so.

In light of the impact of COVID 19, as jobs are lost and companies closed down, municipal revenue from rates and taxes shrink, local economies decline or even stagnate, indigent registers grow, this municipality has also seen an increasing demand for free basic services.

Against all circumstances, our municipality must remain financially viable and we are introducing recovery strategies.

In conclusion, our execution, service delivery, IDP and strategy our policies and by-laws have been reviewed accordingly to strengthen our capacity to manage this municipality as entailed in this report.

I thank you,

**MS SS NGIBA
MUNICIPAL MANAGER
ALFRED DUMA LOCAL MUNICIPALITY**

1.3 Municipal Overview

ALRED DUMA LOCAL MUNICIPALITY OVERVIEW

Alfred Duma Local Municipality forms part of the Uthukela District Municipality in the 'KwaZulu-Natal Province. The Municipality is located along the north-western boundary of Uthukela District and is bordered by the Free State Province to the west, Danhauser Municipality to the north, Endumeni Municipalities to the northeast, Umsinga Municipality to the east, Umtshezi Municipality to the southeast and Okhahlamba Municipality to the southwest (refer Map 1 below). It covers an area of approximately 4010.13km² in extent and has a population of about 345 823 people as per Stats SA (2011). This indicates an average annual population growth rate of 0.84% per year since 2001.

The Municipality is bisected by development corridors and trade routes of national significance that is the N11 which runs in a north south direction linking KwaZulu-Natal with Mpumalanga Province and the N3 which runs in an east west direction linking Durban and Johannesburg Metropolitan areas. These routes/development corridors play a significant role in structuring land uses. A railway line also bisects the Municipality which links areas of Johannesburg and Durban. The upgrade of the said railway line is a presidentially prioritised infrastructure development programme. The recently introduced Provincial Growth and Development Strategy for KwaZulu-Natal classify Alfred Duma as a tertiary node with regional significance. This means that the area is earmarked for the location of infrastructure that serves the whole of Uthukela District and beyond, and connects the region with the major urban centres such as Durban and Johannesburg.

The Municipality is anchored around Ladysmith Town which serves as a service centre and administrative centre for the whole of Uthukela District, and a commercial hub for the north-western part of KwaZulu-Natal. In terms of the socio-economic macro context, the Municipality is midway between the National Primary Nodes of Johannesburg and Durban. Ladysmith town provides higher order goods to the whole district and houses most of the major industrial activities. Manufacturing activity is primarily concentrated in the Ladysmith- Ezakheni cluster, and is dominated by the textile and clothing sub-sector. The presence of industries within the Municipality is seen as a huge advantage; these industries include the Nambiti Industrial Area, Danskraal Industrial Area and Pieters Industrial Area.

The Municipality is also well located in relation to at least two of the major tourism destinations in KwaZulu-Natal. In fact, it serves as a base for the exploration of the Battlefields to the north and Okhahlamba-Drakensburg Park to the south. The latter

is a World Heritage Site and a world acclaimed tourist destination. The Municipality is located in a region with a rich heritage and military history ranging from the uMfecane period (early 1800s) to the turn of the century when the Boers tried to stem the tide of British imperialism. The town of Ladysmith is located in the foothills of the Drakensberg Mountains, which form the escarpment. The dominant topographical features of the Municipality are valley slopes and undulating hills, but the topography is highly diverse and also includes broad valleys, moderate to steep slopes, rolling hills, flat plains, dolerite koppies and steep ridges.

The settlement pattern in the Municipality reflects the spatial imprints of the apartheid past, which continue to undermine efforts towards equitable development. The impact of separate development and apartheid policies on settlement can broadly be categorised as follows:

- Towns (urban centres), referring to urban centres of Ladysmith and Colenso;
- Formal township of Ezakheni and Steadville.
- Peri-urban Settlements such as Roosboom and St Chads
- Rural settlements Matiwane, Driefontein, Ekuvukeni, Klipriver, Limehill, Sikoko, Son Hoek, Tholeni, Vaalkop, Wesselsnek etc.

Apartheid pushed the poor into Ezakheni Township and the dislocated settlements to the north of Ladysmith town. These areas are far away from economic opportunities. Land use management in Municipality also has imprints of past planning. This was mainly evident from the urban areas of Ladysmith and Colenso that were guided by the Town Planning Schemes while the other areas just remained without any formal land use controls. However, the situation is changing given the introduction of the KwaZulu-Natal Planning and Development Act, Act No. 6 of 2008 that required the Municipality to introduce a wall-to-wall Land Use Scheme (LUS) within five years from the implementation date of the relevant provisions of the Act. The Municipality has commenced with the processes to respond to this provincial directive though the development of the local area plans that covers the entire municipal area.

The Municipality is also located in the Uthukela Water Management Area (WMA) with the Klip River and Sunday's River and their tributaries traversing the Municipality. These rivers drain into the Tugela River (also known as Uthukela), which is the largest river system in KwaZulu-Natal. The Tugela River forms part of the Tugela River Catchment, which is approximately 30 000 km² in extent. This is one of the important river catchments in South Africa, which drains from the Drakensberg escarpment into the Indian Ocean. There is substantial runoff from the Tugela catchment as a result of high rainfall.

DOCUMENT OUTLINE

The document is crafted considering a number of development dynamics and each division is interrogated in length under sections of the document laid out as follows: -

Chapter 1: Executive Summary

This chapter presents the summarized version of the IDP and briefly explains the Alfred Duma municipality, its challenges and presents the developmental strategy for the municipality with its priorities and how such is to be monitored which includes various chapters that are highlighted in the IDP.

Chapter 2: Planning Development Principles and Government Policies and Imperatives

This chapter presents the municipality's developmental informants from National, Provincial, District all the way down to local and how the municipality has aligned to these principles, policies and imperatives.

Chapter 3: Situational Analysis

This chapter presents a rigorous analysis of the status quo of the municipality concentrating on demographical analysis, spatial, environmental, agricultural, disaster management, municipal transformation and institutional development, basic service delivery, socio-economic development, finance and good governance.

Chapter 4: Municipal Vision, Goals and Objectives

Long terms development imperatives by concentrating on the vision, mission, goals, objectives and strategies

Chapter 5: Strategic Mapping

This chapter spatially references the spatial development strategy of the municipality and it concentrates on desired outcome and strategic intervention areas.

Chapter 6: Implementation Plan

This chapter provides a list of projects per department.

Chapter 7: Financial Planning

This chapter presents the financial plan for the municipality.

7. FINANCIAL PLANNING

FINANCIAL VIABILITY AND MANAGEMENT FOR ALFRED DUMA MUNICIPALITY

7.1 FINANCIAL VIABILITY AND MANAGEMENT

The Municipality strives to achieve to be a municipality that is financially viable by creating an environment that is resilient and has a sustainable economic base supported by reliable municipal services in all forms. The municipality's operating budget is funded mainly from the municipality's own revenue sources and grant funding. The main income drivers of the municipality included property rates revenue and electricity revenue.

Chapter 8: Performance Management System

This chapter reflects an in-depth analysis of Performance Management Systems at Alfred Duma Local Municipality through critical analyses of the monitoring and evaluation tools put in place to ensure the productivity of the organization.

THE MUNICIPALITY AT A GLANCE

The municipality is a category B municipality and is in the Northern part of KwaZulu Natal. The Alfred Duma Local Municipality is one of the three municipalities in the uThukela District.

The Municipality is strategically located along the N3 corridor which links Durban and Gauteng as well as the N11 which links it with Mpumalanga and Free State Provinces. and as such its long-term vision is to be the first metro municipality in the northern region. It has the highest population numbers compared to other municipalities and it is the most developed and serves as the regional economic hub in the district as most government regional offices and Industrial areas are located within the municipality.

Alfred Duma Local Municipality spans over an area of 3020 km² of which 70% is rural land with limited basic services and infrastructure. ADLM comprises of 36 wards with 29 of those being rural wards and some of them administered by the Traditional Authorities name Inkosi Khumalo in Driefontein Block, Inkosi Shabalala in Matiwane, Inkosi Sithole Mhlumayo, Inkosi Mabaso.

The table below presents summarized statistical data for the municipality: -

TOTAL POPULATION	356276
POPULATION GROWTH RATE	0.52%
AVERAGE HOUSEHOLD SIZE	4
UNEMPLOYMENT	34%
FLUSH TOILET CONNECTED	51.6%
WEEKLY REFUSE REMOVAL	58.1%
ELECTRICITY FOR LIGHTNING	53%

Alfred Duma Local Municipality Powers and Function

In terms of the Municipal Structures Act No 117 of 1998, is a category B Local Municipality which has the following powers and functions through which the performance of the municipality can be assessed in terms of the impact it has to its constituencies and service delivery;

Billboards & Display of Advertisements in Public Places
 Building, Trading Regulations, Liquor & Public, Nuisance Control
 Cemeteries & Funeral Parlours
 Cleansing & Trade Areas
 Electricity Reticulation
 Fire Fighting Services Licensing, Facilities for Accommodation, Care & Burial of Animals
 Local Tourism
 Local Amenities
 Local Sport Facilities
 Markets Stalls / Trade Areas
 Municipal Town Planning & Planning in General
 Municipal Parks and Recreation
 Municipal Roads
 Storm Water Management
 Pounds
 Public, Nuisance Control Fire Fighting Services
 Public Places Booking and Reservation, i.e.; Halls and Parks
 Refuse Removal, Refuse Dumps & Solid Waste
 Street Trading and Informal Sector
 Traffic and Parking
 Storm Water Management

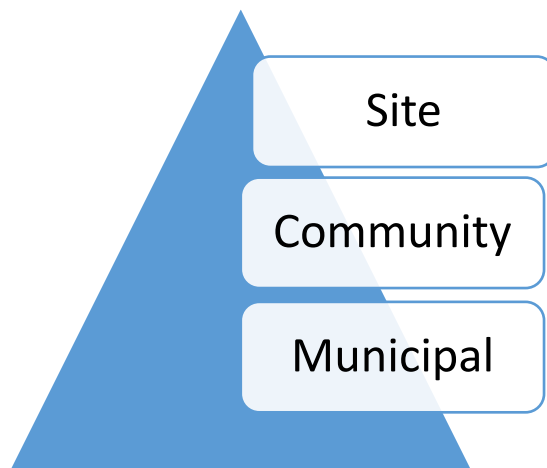
SPATIAL PLANNING

The Alfred Duma Local Municipality is strategically located at the intersection of two major national development corridors and trade routes that is: The N11 which runs in a north south direction linking KwaZulu-Natal with Mpumalanga Province; and The N3 which runs in an east west direction linking Durban and Johannesburg Metropolitan areas as such, the ADLM is highly accessible at both regional and national level. This is recognised in the recently introduced Provincial Growth and Development Strategy for KwaZulu-Natal which classifies Ladysmith as a tertiary node with regional significance.

This means that the area is earmarked for the location of infrastructure that serves the whole of Uthukela District and beyond and connects the region with major urban centres such as Durban and Johannesburg. The ADLM is also well located in relation to at least two of the major tourism destinations in KwaZulu-Natal. In fact, it serves as a base for the exploration of the Battlefields to the north and Okhahlamba-Drakensburg Park to the south.

The latter is a World Heritage Site and a world acclaimed tourist destination.

In terms of Land Use Management System (LUMS) for the Municipality a three (3) tier planning process was adopted where planning is done at a municipal level, community level and a site level.



The IDP and SDF is developed for the municipality which informs council of the areas that require more detailed planning and the type of planning essential for the area. Local Area Plans, Precinct Plans, Regeneration Strategy or Development Strategies are developed for the areas of greatest need. All these plans are used to inform what happens at a site level which is articulated through the proposed Schemes (and existing) and proposed Rural Policy which aims at guiding land development at a site level.

SPATIAL STRUCTURING ELEMENTS OF THE MUNICIPALITY AS CONTAINED IN THE SDF INCLUDE:

- Nodes (Concentration of activities)
- Corridors (Main roads/Arterials)
- Settlement patterns (Formal/Informal/Traditional)
- Restrictive conditions (Environmental/Topographical/Geo-technical)
- Environment /Open space Active/passive
- Urban Edge and
- Mix use Development

The municipality is in the process of reviewing in Spatial Development Strategy so that it will reflect the following:

- The desired 2030 vision, goals and objectives
- Strategic interventions required to meet the desired outputs
- A description of catalyst projects for 2017-2022

THE ENVIRONMENT

The municipality is in the uThukela Water Management Area (WMA) with the Klip River and Sunday's River and their tributaries traversing the municipality. These rivers drain into the Tugela River (also known as uThukela), which is the largest river system in KwaZulu-Natal. The Tugela River forms part of the Tugela River Catchment, which is approximately 30 000 km² in extent. This is one of the important river catchments in South Africa, which drains from the Drakensberg escarpment into the Indian Ocean. There is substantial runoff from the Tugela catchment because of high rainfall. This presents the municipality with great opportunity in relation to agriculture.

The issue of contributing towards the green environment is also a priority in the municipality hence the recently constructed waste recycling plant which will be fully function by end of 2019 and at the same time will contribute towards creating jobs in the area especially for rural people. Another project that the municipality will embark on this financial year is planting of trees in and around the town to address the issue of emissions of greenhouse gasses in the atmosphere around Ladysmith.

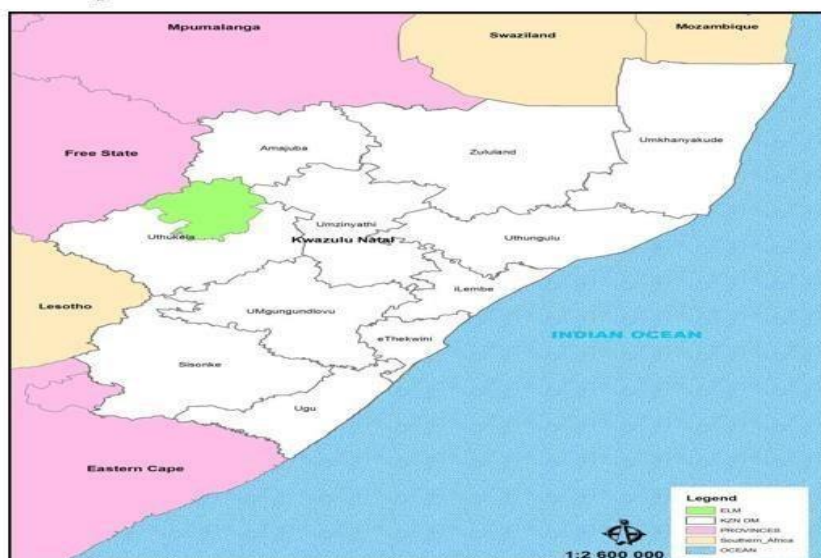
POPULATION

The current population for the Alfred Duma Local Municipality is 356 276 people as per the 2016 Community Survey by Statistics SA and the Dependency Ratio is sitting at 69.44%. One of the reasons that has led to decrease in the population is that the youth migrates to other cities like Durban, Pietermaritzburg and Gauteng looking for jobs and tertiary institutions.

MUNICIPAL SOCIO-ECONOMIC SPACE OVERVIEW PROVINCIAL SPACE ECONOMY

Alfred Duma Local spans over an area of 4 010,13km² of which 90% is rural land with limited basic services and infrastructure. The municipality is laid on the banks of the Uthukela River within the region of Northern KwaZulu Natal. It's boarded by the Greater Drakensberg Mountain to the extreme West. In terms of the socio-economic macro context, the municipality is midway between the National Primary Nodes of Johannesburg and Durban. To the west of the municipality lies the Free State Province and to the north the Mpumalanga province. Bisecting the municipality is the presidential prioritised railway corridor which links the areas of Durban and Johannesburg.

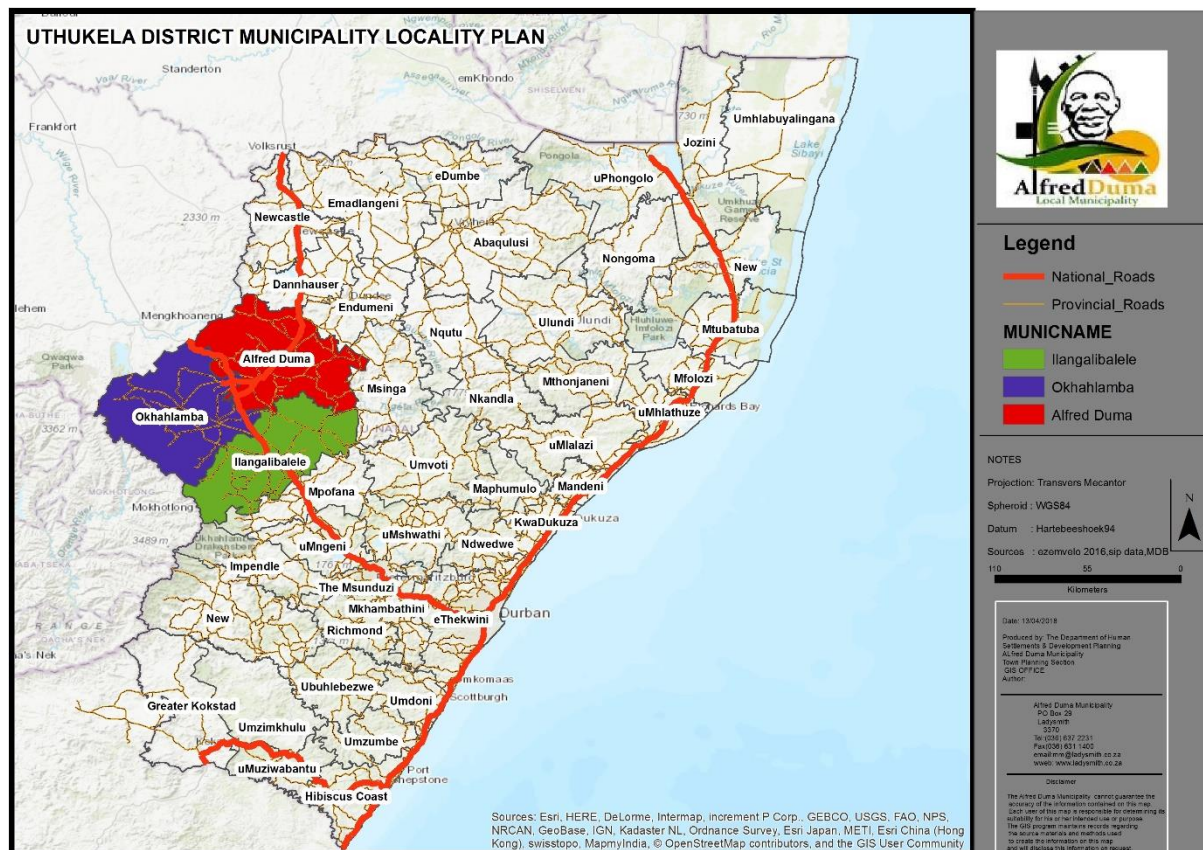
Figure 1: ELM PROVINCIAL OVERVIEW



The Map above highlights the provincial overview of South African provinces.

DISTRICT SPACE ECONOMY

The Alfred Duma Local Municipality forms part of the Uthukela District Municipality which comprises of other 2 Local Municipalities, namely; Okhahlamba LM and Inkosi Langalibalele Local Municipality which formed by merging Umtshezi and Imbabazane local Municipalities. The municipality currently functions as the main economic hub of the District Municipality with most of the regional offices and industries located in it. In terms of the District Management Area (DMA) of Uthukela, the municipality covers approximately 4 010km². It is located on the western boundary of KwaZulu Natal.



The map above seeks to illustrate the spatial configuration of the District Municipality. It indicates the 5 local municipalities that make up uThukela District. It also shows the movement infrastructure of the municipality. Dissecting the DMA space economy is the N11 provincial route which adjoins to the N3 National Route on the Northern parts of the municipality. This clearly illustrates the infrastructural strengths of the municipality.

LOCAL SPACE ECONOMY

Alfred Duma Local Municipality comprises of 36 wards with 22 of those being rural wards and some of them administered by the Traditional Authorities namely Inkosi Khumalo in Driefontein Block and Inkosi Shabalala in Matiwane, Inkosi Sithole, Inkosi Zwane, Inkosi Mthembu and Inkosi Mabaso Mhlumayo area and Inkosi Nxumalo, Inkosi Kunene, Inkosi Mbhense and Inkosi Mchunu in the Limehill area. The map represents a range of settlements from urban to municipal service centres agricultural landscapes, industrial and semi-rural residential settlements. The 36 wards within the Municipal jurisdiction will be represented by 73 councillors and the number the Executive Committee was determined after Local Government Elections took place in August 2016.

Alfred Duma Local Municipality comprises of the following areas

Ladysmith Area;
Colenso;
Ezakeni;
Steadville;
St Chads;
Driefontein Complex;
Matiwanoskop;
Roosboom;
Mhlumayo area;
Limehill area;
Uitval;
Tholeni;
Sahlumbe;

Ladysmith is the main/primary urban area/town in the municipality. The Township was proclaimed in June 1850 and officially named Ladysmith later that year. It is accessed via the N11 that connects the town with the N3 and traverse the town while making its way to the north. The R103 from Colenso and Roosboom in the south intersects the N11 in the southeast. Residential suburbs include Egerton, Observation Hill, Reservoir Hill, Hospital Park, Rose Hill, Residential settlements include Steadville and Leonards Ville, with a border of commercial activity on its westernmost edge closest to the river and the CBD.

Industrial areas include the Danskraal Industrial area to the north-east and further southeast is the industrial area of Nambiti. The south-westerly periphery of the CBD over the Klip River is characterised by public open space and recreational areas, including Settlers Park, the Indoor Sports Complex and the Aerodrome. The remaining settlements are rural in nature except for Colenso and Ezakeni, and another minor township such as Steadville and Ekuvukeni.

LOCATIONAL ATTRIBUTES OF ALFRED DUMA LOCAL MUNICIPALITY

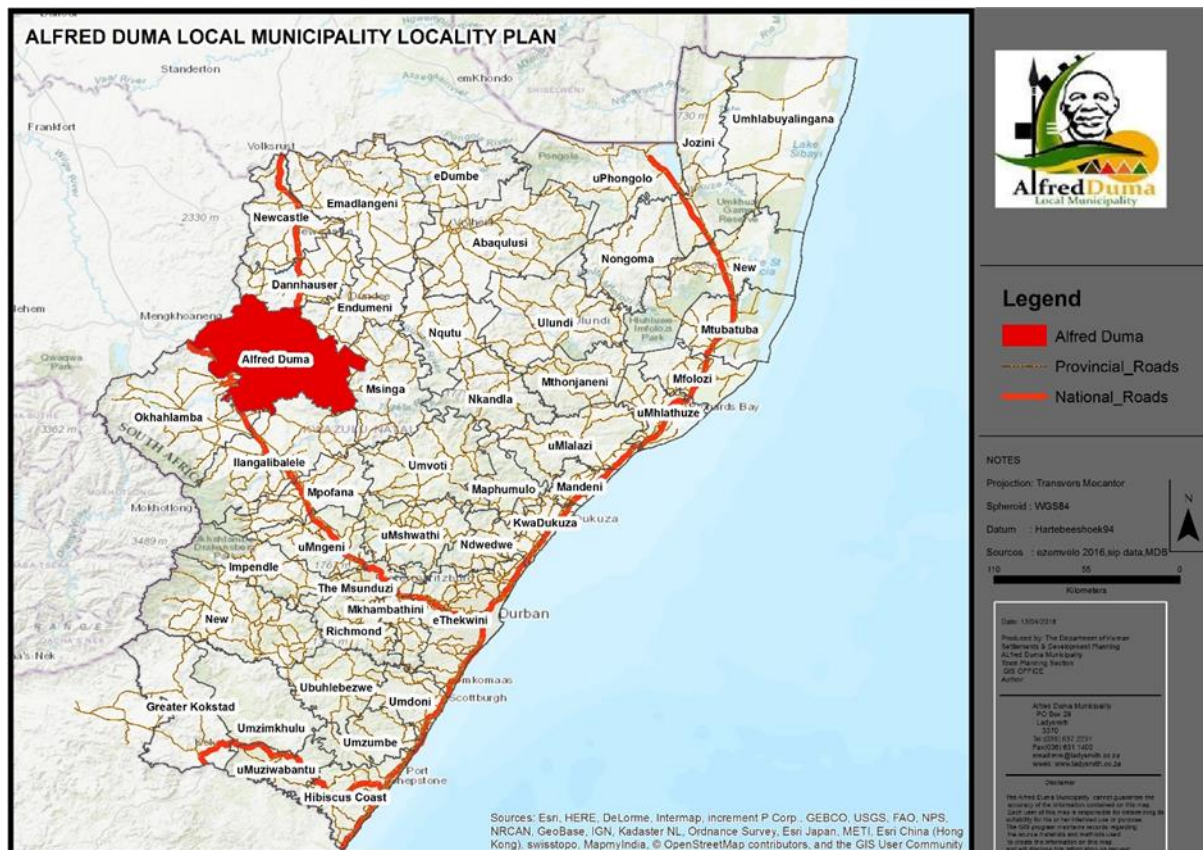
Alfred Duma Local Municipality forms part of the Uthukela District Municipality, which is one of the ten district municipalities in KwaZulu-Natal. The Uthukela District is located along the western boundary of the KwaZulu-Natal Province (KZN) and adjoins the Kingdom of Lesotho and the Free State Province. It also forms the northern segment of Uthukela District and is bordered by the Free State province to the west, Danhauser municipality to the north and Endumeni a municipality to the northeast and east, Umtshezi municipality to the southeast and Okhahlamba municipality to the southwest. It covers an area of approximately 4010km² in extent and has a population of about 356 276 people as per the 2016 Community Survey. Approximately 20% of the municipality is urban whilst 80% is rural, which presents obstacles in terms of service delivery.

Alfred Duma Local Municipality will be anchored around Ladysmith Town which serves as a service centre and administrative centre for the whole of Uthukela District, and a commercial hub for the north-western part of KwaZulu-Natal.

The municipality is strategically located at the intersection of two major national development corridors and trade routes that is: The N11 which runs in a north south direction linking KwaZulu-Natal with Mpumalanga Province; and the N3 which runs in an east west direction linking Durban and Johannesburg Metropolitan areas.

Railway line linking KwaZulu-Natal and provinces such as Gauteng and Mpumalanga also run through the area creating opportunities for the Alfred Duma Local Municipality to benefit from the recently announced rail infrastructure development programme. To realise this, benefit the municipality has established a medium-term project called Intermodal Feeder Port with the aim of resuscitating railway lines in Ladysmith and create economic growth as stipulated in the Provincial Growth Development Strategy.

As such, Alfred Duma Local Municipality is highly accessible at both regional and national level. This is recognised in the recently introduced Provincial Growth and Development Strategy for KwaZulu-Natal which classifies Ladysmith as a tertiary node with regional significance. This means that the area is earmarked for the location of infrastructure that serves the whole of Uthukela District and beyond and connects the region with major urban centres such as Durban and Johannesburg. Industrial Tugela Catchments and Tugela River, Natural Bush, Forests and the climate is mostly comfortable. The cultural attractions include the certain parts of the Battlefields and Memorial, Museums, Monuments, Rock Art, Crafts, Recreation (Horse Riding) and tourism routes.



The map above details the locality plan for the Alfred Duma Local Municipality detailing the provincial and National roads that run through the province.

The municipality is in a region with a rich heritage and military history ranging from the uMfecane period (early 1800s) to the turn of the century when the Boers tried to stem the tide of British imperialism. It includes Shaka's predatory campaigns, the arrival of the Voortrekkers, the Anglo Zulu War and the Anglo Boer Wars. The Battlefields Route provides a structured journey around the sites of various battles, skirmishes and sieges which are situated in a broad belt running through the central core of the region, from Estcourt in the south, through Ladysmith, Dundee and Newcastle, to Charlestown in the north.

This presents the area with a unique 'tourism triangle' character, consisting of three of the five B's branding of provincial tourism – Berg, Bush and Battlefields. In addition to its three main destinations, there is a diversity of related attractions and accommodation facilities. This rich diversity allows tourists to experience a wide range of activities and scenes within a relatively small area and is used as an important marketing element in the regional tourism industry.

The municipality is also located in the uThukela Water Management Area (WMA) with the Klip River and Sunday's River and their tributaries traversing the municipality. These rivers drain into the Tugela River (also known as uThukela), which is the largest river system in KwaZulu-Natal. The Tugela River forms part of the Tugela River Catchment, which is approximately

30 000 km² in extent. This is one of the important river catchments in South Africa, which drains from the Drakensberg escarpment into the Indian Ocean. There is substantial runoff from the Tugela catchment because of high rainfall.

INTEGRATED APPROACH TO THE DEVELOPMENT OF THE ALFRED DUMA LOCAL MUNICIPALITY IDP 2019/2020

The development of the strategic approach for the municipality is guided by the analysis done within the municipal area of jurisdiction noting the impact in the district with the aim of achieving our long-term vision which is informed by the National Development Policy, Provincial Strategic Plan, Provincial Spatial Economic Strategy including the National and Provincial State of Address and other policies. Consultations were done with communities, sector departments, businesses, NGO's and all relevant stakeholders to have a buy in in the drafting process of the IDP and ultimately own the process.

Prior to the approval of the IDP, the following structures meet to discuss it in detail. The Political Change Management Committee Council for now is the structure that is entrusted with the responsibility of IDP approval. Our municipal IDP is then fed to the District IDP to give the holistic view. It is the same IDP that coordinates and link spatial information with non-spatial data in a single and user-friendly presentation.

MEC Comments on the 2019/2020 IDP ALFRED DUMA MUNICIPALITY

MUNICIPAL IDP MATTERS AND OBSERVATION MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT.

Issues raised by the MEC on IDP 2019-2020

Reflect target and Goals on the Employment Equity Plan and Work Skills Plan
Organogram attached to 2018/2019 IDP was inconsistent with management posts
High vacancy rate

Progress made to address MEC Comments

Alfred Duma Local Municipality has included the organogram in the IDP 2019-2020 which was adopted in May 2019 and attached the reviewed ICT Strategy.
The Employment Equity Plan and target is an attachment of the IDP including the Workplace Skills Plan.

LOCAL ECONOMIC DEVELOPMENT

Issues raised by the MEC on IDP 2019-2020

Attach an audit response to address auditor general and provincial treasury concerns

Progress made to address MEC Comments

The audit response will be attached to this IDP for the year 2019/2020

BASIC SERVICE DELIVERY

Issues raised by the MEC on IDP 2019-2020

Integrated waste management program and strategic environmental assessment tools are to be attached in the 2019/2020 IDP. Housing sector plan to be attached

Progress made to address MEC Comments

Housing Sector Plan attached and adopted by Council in November 2017.
Integrated Waste Management Plan also reviewed by Council and is attached.

FINANCIAL VIABILITY AND MANAGEMENT**Issues raised by the MEC on IDP 2019-2020**

The municipality did not include an asset renewal plan.

Progress made to address MEC Comments**GOOD GOVERNANCE AND PUBLIC PARTICIPATION****Issues raised by the MEC on IDP 2019-2020**

Good governance swat analysis should be included in the good governance section of the IDP

Progress made to address MEC Comments

SWOT Analysis done

CROSS CUTTING INTERVENTIONS**Issues raised by the MEC on IDP 2019-2020**

Integrated waste management program and strategic environmental assessment tools are to be attached in the 2019/2020 IDP.

Progress made to address MEC Comments

The municipality is advised to compile and publish a public notice in terms of section 25(4) of the MSA announcing that the IDP has been reviewed and adopted. This notice is required by auditors as they undertake the annual municipal audit process.

Your district family reminded to finalize the review and subsequent implementation of the district growth and development plan

OTHER KEY OBSERVATIONS TO TAKE INTO CONSIDERATION

In addition to the comments that have been made above, below are the points that must be adhered to regarding developments, intricacies and challenges that face Municipalities in the arena of development and planning, I particularly note the following:

INTERNAL

Role Player	Roles and Responsibilities
Council	Adoption of an IDP/SDF Adoption of a Process Plan. Annually Review IDP/SDF Amend IDP under changing circumstances.
EXCO	General management of the drafting of the IDP/SDF. Assign responsibilities in this regard to the Municipal Manager and Portfolio Committees. Recommend the IDP/SDF draft plan to the Council for adoption.
Councilors	Linking the IDP/SDF process with their constituencies. Organising the public participation.
Portfolio Committees	To make recommendation to EXCO.
Municipal Manager	Decide on planning process; Develop and compile a draft IDP/SDF Monitor the process of IDP/SDF Review; Overall Management and co-ordination; Provide the necessary resources for the compilation and implementation of the IDP/SDF. Ensure that the Budget and SDBIP is informed by the approved IDP.

	Submit a draft IDP to the EXCO.
Municipal HoD's	Provide technical/ sector expertise. Prepare and review selected Sector Plans. Prepare draft progress reports and proposals.
IDP Manager	Day-to-day management of the process.
IDP Steering Committee	Assist and support the Municipal Manager/IDP Manager and Representative Forum. Information "GAP" identification. Oversee the alignment of the planning process internally with those of the local municipality areas.

EXTERNAL

Role Player	Roles and Responsibilities
Planning Professionals	Methodological guidance. Facilitation of planning workshops. Assist in compiling Sector Plans.
Representative Forum/ Civil Society/Ward Committees	Representing sector interests and contributing local knowledge and ideas in respect of Needs Identification and Prioritisation (See terms of reference).
Government Departments	Provide sector information. Sectoral guidelines and compliance requirements. Provide professional and technical support.

IDP/SDF Framework Cycle 2019 – 2020 and Alignment of Budget and OPMS to the IDP

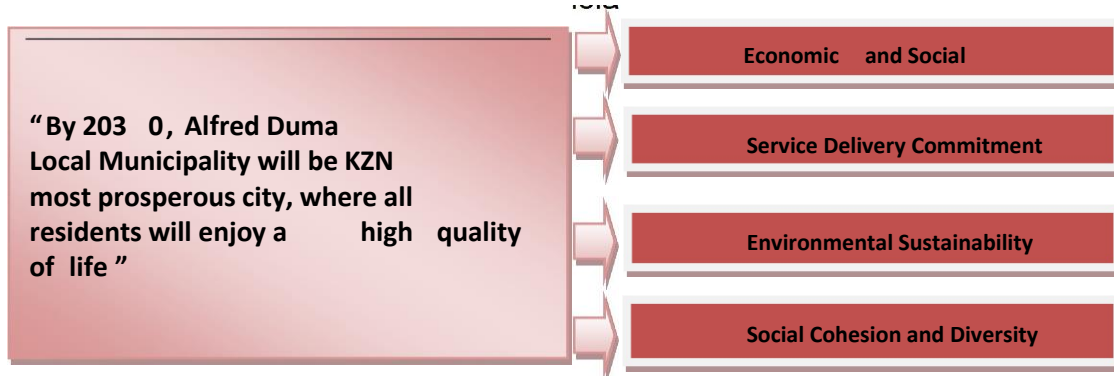
Time frames	Process of IDP	Output	Budget	OPMS
Aug 18	Draft and adopt IDP/SDF Process Plan	Draft IDP/SDF Process plan adopted by Council and submitted to MEC for comments	IDP/Budget Schedule Adopted by Council	Signing of 2019/2020 Performance agreements for Alfred Duma Municipality and submission to COGTA Adoption of the 4th Quarter Service Delivery Implementation Plan (SDBIP) by Council Submission of the 2019/2020 Final Annual Performance Reports (APR) to Auditor General (AG) on the 31st August 2020
Sept/Oct 18	Review and align Municipal Vision (What does the municipality want to achieve?)	Budget estimates (All income source, MTEF & Implementing agents & Council) Submit Budgetary time schedule	Next 3 years capital projects are identified for inclusion in IDP consultation, Available funding is identified using budget guidelines including capital	Obtaining the Mayors signature on the Alfred Duma Local Municipality's Service Delivery Budget Implementation Plan (SDBIP)

			projects& tariff impact	
Oct 18	Engage with Service Providers Re. MTEF's, Align Vision, Objectives and Strategies, 5-year plan capital projects Identification/ prioritization per municipality			
Nov 18	RF Meeting- Vision, Objectives, Strategies and Projects, Services Providers finalise their MTEF's	Identification of projects with targets and location, Departments submit draft Capital budgets	Draft Budget Allocations Review Budget Plans & National Policies	
Nov 18	Finalise MTEF Projects from SP's Finalise project list RF Meetings- Projects	Review budget estimates, 3-year financial plan& Integrated programs for LED, environmental issues and land use		
Nov 18	Uthukela Alignment session under the auspices of Cogta	Municipal representatives from Uthukela municipal family, Sector Departments		
Dec 18	Prepare business plans for projects		Revenue Projections	
Jan 19	Needs Identification through public meetings	Departments submit Draft Operational budgets	Proposed Budget	Oversight Report and Annual Report presented to Ward Committee's and other stakeholders
Feb 19	Needs Identification through public participation, Table the First Draft IDP,	Finance Submit First Draft budget to MM, Present budget to EXCO	Proposed Budget considered by Management	Draft SDBIP 2020/2021 Amendment of IDP/PDO'S and Budget 2019/2020 Advertise Amended IDP 2019/2020

	Strategic meeting with councillors on IDP			
March 19	IDP /SDF Approval by EXCO	MM Table the Draft Budget and Draft IDP to Council and refer to the public for public comments		
March 28	Submission of draft 2020 – 2021 IDP/SDF	Draft IDP/SDF approved by Council then submitted to COGTA for assessment	Draft budget tabled to Council	Draft SDBIP adopted by Council
March 25-28	Draft IDP/SDF assessment week			
March 29	Draft IDP/SDF assessment Feedback session			
April 19	Public Consultation on the Approved IDP/SDF Framework and Budget		Second Community consultation is undertaken, and submissions considered & revision made if necessary	
May 19	Review of Sector Plans	Consider feedback from community and Provincial and National, Mayoral Response	Final Workshop with Councilors on the 2020/2021 Budget, Council adopts Budget, plans and amended policies	Final SDBIP Adopted by Council and submitted to COGTA thereafter advertise for the public
June 19	Submission of Final IDP/SDF 2020- 2021	Council adopts Final IDP/SDF 2020-2021	Adoption of Budget/SDBIP by Council	Submission of Final SDBIP to Cogta
July 19	Submit the IDP to the MEC	Acknowledgement letter received from MEC with regards to submission of IDP/SDF		

Vision

Taking into account the human and financial capabilities of the municipality the council envisions that:



The vision commits the municipality to championing economic development within the key sectors that characterises the municipality. It also entrusts the municipality with the responsibility of delivering services and creation of a safe and healthy environment. This vision is also embedded with economic, social, service delivery and social cohesion elements.

Elements of the Vision

The ADLM vision encompasses the following five dimensions of development in which we strive for:

- 1. Economic:** a broad, diverse and inclusive economy that grows at least at a 3% growth rate per annum in order to create conducive conditions for employment opportunities.
- 2. Social:** social harmony and inclusiveness, poverty alleviation and equity
- 3. Service Delivery:** an excellent service delivery for all residents
- 4. Social Cohesion:** unity and strength and good social relations
- 5. Environmental Sustainability and Diversity:** development that meets the needs of today without compromising the ability of the future generations to meet their own needs. We strive for tolerance of diversity and we strive to be a resilient town that can adept and survive all conditions imposed upon it.

Mission

Alfred Duma Local Municipality wants to create a more inclusive society by working towards greater economic freedom for all the people in Ladysmith and this will require the municipality to increase opportunities by creating an economically enabling environment in which investment can grow and jobs can be created.

In addition to that, it is a legal requirement of the Municipal Systems Act that Municipalities should set and implement strategic priorities, predetermined objectives, indicators and targets aligned to the local government strategic agenda. Moreover, to this, the framework should be in line with the Performance Management System of the municipality so as to enable the assessment of developmental progress and shortfalls of each area and enhance where applicable and necessary.

Therefore, ADLM has set the following strategic objectives and goals for the next 5 years:

MUNICIPAL STRATEGIC GOALS**GOAL NUMBER ONE: CREATING A CONDUCTIVE ENVIRONMENT FOR ECONOMIC GROWTH**

- To ensure enhancement of appropriate and sustainable LED
- To contribute towards the development of Tourism Sector
- To contribute towards the development of the Agricultural Sector
- To promote the participation of Woman, Youth and the Disabled in LED projects and activities
- To promote SMME Development
- City Regeneration

GOAL NUMBER TWO: PROMOTE FINANCIAL STABILITY

- Improve financial viability of municipality
- To enhance effective and efficient SCM process and procedures
- Improve budget implementation in the municipality

GOAL NUMBER THREE: PROMOTE SPATIAL DEVELOPMENT (CROSS CUTTING)

- To improve response to disasters
- To promote the sustainability and protection of the municipality
- Improve strategic and spatial planning in the municipality

GOAL NUMBER FOUR: IMPROVE ON GOVERNANCE AND ACCOUNTABILITY

- To improve municipal inter-departmental and external (including IGR) communication
- Alleviate fraud and corruption in the organisation
- Improve effectiveness of public participation in the municipality
- Improve municipal efficiencies and operations
- Increase social development in municipal area

GOAL NUMBER FIVE: ENHANCE INFRASTRUCTURE DEVELOPMENT AND MAINTAINANCE

- To improve access to infrastructure
- Improve access to electricity
- Improve the provision and maintenance of municipal roads and sidewalks
- Enhance access to and provision of social and community services

GOAL NUMBER SIX: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

- To ensure that the Municipality has well skilled, competent, reliable and motivated employees and Councillors
- To improve institutional and organisational capacity
- Improve municipal performance through PMS implementation
- Strengthen public participation through municipal hotline
- To ensure that ward committees are capacitated to improve accountability of the municipality to communities

Chapter 2: Governance**2A. GOVERNANCE STRUCTURES****2.1 Political Governance Structure (See recommendation)****(a) Introduction**

The Municipal Finance Management Act no 56 of 2003 (MFMA) Section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality.

In terms of section 9 (d) of the Municipal Structures Act 1998, the Alfred Duma Local Municipality should have an executive system combined with Council system.

The Audit Committee report directly to Council, providing opinions and recommendations on financial processes and performance. Thereafter their report is submitted to the Municipal Public Accounts Committee (MPAC).

The Municipal Public Accounts Committee (MPAC) is in place to reinforce the oversight arrangements in the Municipality and to ensure the efficient and effective use of municipal resources. Its key role is to consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on the annual report, as required in terms of section 121 of the Local Government: Municipal Finance Management Act and Circular no. 63 dated September 2012 issued by National Treasury.

(b) Mayor: Councillor M V Madlala

The Mayor is the Chairperson of the Executive Committee (EXCO). In terms of the Municipal Structures Act, Municipal Systems Act, Municipal Finance Management Act no. 56 of 2003 (MFMA) and Municipal Planning and Performance Regulations, the Mayor performs duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the Municipal Council or Executive Committee.

(c) Deputy Mayor: Councillor T Hadebe

The Deputy Mayor exercises the powers and performs the duties of the Mayor, if the Mayor is absent or not available.

(d) Speaker: Councillor T W Ngubane

- Presides at the meeting of the Council.
- Ensures that the Council meets at least once a quarter.
- Strictly ensures that the Council meetings are conducted in accordance with the rules and orders of the Council.
- The provision of administrative and secretarial support services to all councillors. This support strengthens the effectiveness of councillors in their role as public representatives.

(e) Chief Whip: Councillor T B Njapha

The Chief Whip performs duties that are delegated to him by Council; including the following but not limited to:

- Developed and approved a Code of Conduct for councillors. The Council Speaker and the Council Chief Whip have co-responsibility to ensure adherence to the Code of Conduct.

(f) Political decision-taking

Section 53 of the Municipal Systems Act no. 32 of 2000 stipulates inter alia that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the municipal manager must be defined.

The section below is based on the Section 53, of the Municipal Systems Act no. 32 of 2000, roles and responsibilities that was approved at the Council meeting of August 2016.

The political decision making at the Alfred Duma Local Municipality is supported by the Management Committee. Management decided on forwarding only issues that have to be submitted to EXCO and Council, either in terms of the EXCO and Council's delegated authority or through requests received from any of the Portfolio Committees.

Once the Executive Committee (EXCO) has accepted the recommendations, such recommendations are submitted to Council for consideration and adoption/noting respectively. In the few cases where there is no consensus on a matter within Council, such issue will go to the vote. Once the Minutes of the Council meeting has been adopted, the responsibility lies with the Accounting Officer to ensure that actions are taken to implement such resolutions.

Municipal Council

- governs by making and administering laws, raising taxes, and taking decisions that affect people's rights;
- is a tax authority that may raise property taxes and service levies;
- is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to the Executive Committee and/or Administration;
- can delegate responsibilities and duties for the purpose of fast and effective decision making;
- must strive towards the constitutional objectives of local government;
- must consult the community regarding local government matters; and
- is the only decision maker on non-delegated matters such as the approval of the IDP and Budget.

The Municipal Council of the Alfred Duma Local Municipality consists of seventy-two (72) members. Thirty-six (36) represent wards and the remainder of Councillors are proportional representatives elected to represent political parties based on proportional representation. The ruling party in Council is the African National Congress (ANC). The first Council Meeting elected the Mayor, Deputy Mayor, Council Speaker and Chief Whip.

COUNCIL REPRESENTATION

Political Party	Number
African National Congress (ANC)	46
Democratic Alliance (DA)	4
Economic Freedom Fighters (EFF)	4
Inkatha Freedom Party (IFP)	16
National Democratic Convention (NADECO)	1
National Political Alliance (NPA)	1
Total	72

EXECUTIVE COMMITTEE REPRESENTATION

Political Party	Number
African National Congress	6
Democratic Alliance	1
Inkatha Freedom Party	2

2.1.1 Portfolio Committees

These committees are established in terms of Section 79 of the Municipal Structures Act no. 117 of 1998, in order to deliberate and make recommendations to the Executive Committee.

The Council has six (6) portfolio committees and every political party is represented in all committees. Members of the Executive Committee are tasked with the responsibility of chairing the supporting committees. The committees are:

Members of the Finance Portfolio Committee

Member	Political Party
Cllr M V Madlala (Chairperson)	African National Congress
Cllr L B M Kubheka	African National Congress
Cllr S Kubheka	African National Congress
Cllr M E Mbatha	African National Congress
Cllr S R Mfusi	African National Congress
Cllr E V Nkabinde	African National Congress
Cllr L Bhoobun	Inkatha Freedom Party
Cllr N R Maphalala	Inkatha Freedom Party
Cllr M R Suddaby	Democratic Alliance

Members of the Support Services Portfolio Committee

Member	Political Party
Cllr N A Khanyile (Chairperson)	African National Congress
Cllr W T Hlomuka	African National Congress
Cllr S I Khulu	African National Congress

Cllr M N Mlotshwa	African National Congress
Cllr Z E Myende	African National Congress
Cllr S S Radebe	African National Congress
Cllr T P Dlamini	Inkatha Freedom Party
Cllr X F Mhlongo	Inkatha Freedom Party
Cllr V Murugan	Democratic Alliance

Members of the Strategic Planning and Governance Portfolio Committee

Member	Political Party
Cllr T Hadebe (Chairperson)	African National Congress
Cllr S E Kubheka	African National Congress
Cllr N T A Mbatha	African National Congress
Cllr M N Mbhense	African National Congress
Cllr M E Nkephu	African National Congress
Cllr N E Vilakazi	African National Congress
Cllr M M Khoza	Inkatha Freedom Party
Cllr Z P Nsuntsha	Inkatha Freedom Party
Cllr M H Shange	Economic Freedom Fighters

Members of the Development, Planning & Human Settlements Portfolio Committee

Member	Political Party
Cllr A Mchunu (Chairperson)	African National Congress
Cllr S B Dlungeane	African National Congress
Cllr M G Hlubi	African National Congress
Cllr M B Mbhele	African National Congress
Cllr T P Mchunu	African National Congress
Cllr M W Ndamane	African National Congress
Cllr T P Khumalo	Inkatha Freedom Party
Cllr S S J Sithole	Inkatha Freedom Party
Cllr M M Nkosi	Economic Freedom Fighters

Members of the Community Services Portfolio Committee

Member	Political Party
Cllr S Z P Msibi (Chairperson)	African National Congress
Cllr M P B Mbatha	African National Congress
Cllr M S Mchunu	African National Congress
Cllr D J Radebe	African National Congress
Cllr N L Zikalala	African National Congress
Cllr N I Zwane	African National Congress
Cllr L K Kunene	Inkatha Freedom Party
Cllr N T V Sibisi	Inkatha Freedom Party
Cllr L Nkosi	Economic Freedom Fighters

Members of the Infrastructure and Electrical Portfolio Committee

Member	Political Party
Cllr L S Madinane (Chairperson)	African National Congress
Cllr T B Njapha	African National Congress
Cllr M P Nkabinde	African National Congress
Cllr T P Gamede	African National Congress
Cllr T P Njoko	African National Congress
Cllr S D Sokhela	African National Congress
Cllr S A Buys	Democratic Alliance
Cllr Z I Madondo	Inkatha Freedom Party
Cllr F P Sithole	Inkatha Freedom Party

2.1.2 Section 79 Committees in terms of the Municipal Structures Act**Members of the Municipal Public Accounts Committee (MPAC)**

Member	Political Party
Cllr N B Mchunu (Chairperson)	ANC
Cllr J M Magasela	ANC
Cllr D M Mazibuko	ANC
Cllr D Mfusi	ANC
Cllr N H Thwala	ANC
Cllr S D Vilakazi	ANC
Cllr T Xaba	ANC
Cllr B C Majola	IFP
Cllr L Qwabe	IFP
Cllr K L Msibi	DA
Cllr E N M Mthethwa	NPA
Cllr S Z Sibisi	NADECO
Cllr P N Mazibuko	EFF

Members of the Rules Committee Members

Member	Political Party
Cllr T W Ngubane (Chairperson)	ANC
Cllr M V Madlala	ANC
Cllr T B Njapha	ANC
Cllr S A Buys	DA
Cllr T P Dlamini	IFP
Cllr L Nkosi	EFF
Cllr E N M Mthethwa	NPA
Cllr S Z Sibisi	NADECO

2.2 Administrative Governance Structure

Department	Head of Department	Designation	National key Performance Areas
Office of the Municipal Manager/ Mayoral Office	Ms S S Ngiba	Municipal Manager	<ul style="list-style-type: none"> • IDP Process • Assessment of the municipality's performance management system • Assessment of whether the municipality performance system complies with the Act • An assessment of the alignment of objective, output and measures • Review of Risk Management Strategy and Framework • Ensuring effective and functional Internal Audit Systems • Youth Development and Empowerment • Community public consultation and ward committees • Communications and municipal branding • Sport management services • Effective and functional war rooms through Operation Sukuma Sakhe programmes • Women, children and people with disabilities empowerment
Department: Corporate Services	Ms P S Mntaka	Executive Director: Corporate Services	<ul style="list-style-type: none"> • Leave Administration • Staff Records and Appointments • Administration of IOD's and Pension Claims • Training Programmes Undertaken and submissions to LGSETA • Employee Study Bursaries • Information Technology – Governance, Security Management, User Access • Control, Program Change Management, Services Continuity • Provision Council Support Services • Implementation of Employment Equity Plan • Compliance with National Archives and Records Management Act • Legal Support Services

Department: Public Safety and Emergency Services	Mr P B B Simelane	Executive Director: Public Safety and Emergency Services	<ul style="list-style-type: none"> • Collection of Fines Paid • Reconciliation between Munsoft and Traffman • Fleet Management and Fuel Consumption • Licensing collections
Department Community and Social Services	Mr S N Kunene	Executive Director Community and Social Services	<ul style="list-style-type: none"> • Job Costing and Sundry Services • Hire of Community Facilities and management • Projects and Grant Funding received • Solid Waste Removal • Provision of parks, gardens, cemeteries, and creational facilities • Disaster and emergency services
Department: Development, Planning and Human Settlements	Mr S E Mazibuko	Executive Director: Development, Planning and Human Settlements	<ul style="list-style-type: none"> • Administration of Land Sales • Administration of Housing Projects • Administration of LED Projects • Town Planning • GIS • Tourism and Museum
Department: Budget and Treasury	Mr M Hloba	Chief Financial Officer	<ul style="list-style-type: none"> • Creditors Run and reconciliation • Long Term Loans Reconciliation • Grants Reconciliation • Fixed Assets Register and Asset Count • Investment and Interest Charged • Inventory / Stock Control • Cash Taking • Banking and Bank Reconciliation • Debtor Processes and Month End Trial Run for Services Rendered • Suspense Accounts; Commitments • Fruitless and Wasteful Expenditure • Journals Processed • Implementation of Indigent Policy • Salary Run, and ACB • Financial System Transaction Listing • Supply Chain Management Process • Contract Payments • Review of Mid-Year and Annual Financial Statements • Review of Mid-term and Annual Budget • Valuation roll and Rates Assessment
Department: Technical and Infrastructural Services which includes	Mr	Executive Director: Technical and Infrastructure Services	<ul style="list-style-type: none"> • Job costing and Sundry Services • Plan Approvals, Building Inspection and Occupation Certificates • Projects and Grants Funding Received • Flood Management

Infrastructure Services and Electricity below			<ul style="list-style-type: none"> • Maintenance • Project Management
Electrical Services			<ul style="list-style-type: none"> • Job costing and Sundry Services • Maintenance • Electricity loss calculations • Electricity Meter Books, Final Error Report, Meter Changes and Bulk Consumer Accounts • Projects and Grants Funding Received • Project Management

2B. INTERGOVERNMENTAL RELATIONS

2.3 Intergovernmental Relations

The Municipal Systems Act, No. 32 of 2000 (MSA) Section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisage in the Constitution section 41.

Before 1994 South Africa had fragmented administrations: this meant that citizens were divided geographically with different population groups living in different suburbs and areas and only a small minority of residents benefited from development. Today South Africa has a unitary, yet decentralised, state with nine provincial governments and more than 283 municipalities.

The Constitution and the new democratic government recognise that the three spheres of government cannot function in isolation. Decentralisation and co-operation is critical to the successful transformation of the state in the coming decades.

The role of local government in Intergovernmental Relations has moved extensively from the symbolism of the past to meaningful interaction of common benefit with far reaching implications for the image of South Africa, and the development agenda at a local government level.

In this regard it has been determined that the growing demands and complexity of South African municipal service-delivery imperatives have impacted significantly on the range and depth of skills and competencies required from within the municipal economy. This has necessitated serious consideration of municipal international relations as an increasingly viable conduit for scarce skills and resources.

The Alfred Duma Local Municipality attends all IGR Forum meetings held on District level.

2.3.1 NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on National level:

- SALGA meetings

2.3.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on Provincial level:

- SALGA meetings
- COGTA meetings
- MuniMec Tech
- MuniMec
- Premiers Co-ordinating Forum
- Mayor's Forum
- Municipal Managers Forum

2.3.3 DISTRICT TECHNICAL ADVISORY COMMITTEE (DTAC)

The Alfred Duma Local Municipality, during the period under review, was involved in the District Technical Advisory Committee (DTAC) co-ordinated by KwaZulu-Natal Department of Co-operative Governance and Traditional Affairs. The purpose of this committee is to deliberate on performance, monitoring, reporting and evaluation issues in municipalities.

The committee meets once a quarter in a rotational hosting system. The Alfred Duma Local Municipality was represented in all four District Technical Advisory Committee (DTAC) meetings that took place during the financial year 2019/2020.

The DTAC meetings were held on the following dates:

DATE	HOST MUNICIPALITY	ALFRED DUMA LOCAL MUNICIPALITY'S OFFICIAL/S PRESENT
4/09/2019	Uthukela District Municipality	ND Mwamba, part of the B2B Assessment
6/12/2019	Alfred Duma Local Municipality	ND Mwamba, NB Sithole, Ntokozo Ntshingila and Bongiwe Nala
18/03/2020	Alfred Duma Local Municipality	ND Mwamba, NB Sithole and Bongiwe Nala
7/05/2020	COGTA- Virtual Meeting	ND Mwamba
12/06/2020	COGTA- Virtual Meeting	ND Mwamba

2C. PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 Public Meetings

Ward	No. Targeted Meetings per Annum	No. of community meeting held per Annum	No. of Sectoral Reports Submitted in 2019/2020	Ward committee meetings held in 2019/2020
1	6	3	67	5
2	6	4	71	5
3	6	8	79	6
4	6	3	65	3
5	6	3	64	4
6	6	2	82	5
7	6	7	56	11
8	6	6	90	4
9	6	5	64	3
10	6	2	77	3
11	6	6	106	8

12	6	6	58	1
13	6	3	45	5
14	6	5	92	4
15	6	3	81	7
16	6	5	86	9
17	6	4	66	6
18	6	13	42	9
19	6	9	47	10
20	6	7	63	5
21	6	4	53	5
22	6	3	41	2
23	6	5	57	7
24	6	33	85	6
25	6	4	42	9
26	6	8	88	3
27	6	4	78	2
28	6	5	87	5
29	6	5	69	5
30	6	2	70	4
31	6	2	78	3
32	6	6	78	4
33	6	8	64	8
34	6	12	80	8
35	6	5	75	6
36	6	6	80	6

COMMENTS:**Reasons for not achieving target:**

- Most of the time, the quorum did not quorate.
- The issue of overtime, as the ward committees' meetings are held over weekends.
Corrective Measures: We have done by-elections to wards that have less than ten ward committee members.
- The issue of vehicle fuel non availability has contributed negatively.
- Budget constraints to hire tents for community meetings.
- Covid19 was also the main reason for not achieving target.

Corrective measure: The President have announced that by the 20th September 2020, we will be on stage 1, we will be able to held meetings going forward

2.5 IDP Participation and Alignment

Section 25 (1) (2) of the Municipal Systems Act, No. 32 of 2000 states that-

- (1) Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which—
- (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
 - (b) aligns the resources and capacity of the municipality with the implementation of the plan;
 - (c) forms the policy framework and general basis on which annual budgets must be based;
 - (d) complies with the provisions of this Chapter; and
 - (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

(2) An integrated development plan adopted by a municipal council in terms of subsection

(1) may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council.

Table: IDP Participation and Alignment Criteria

IDP Participation and Alignment Criteria	Yes/No	Reasons for non-compliance
Does the municipality have impact, outcome, input, output indicators?	Yes	N/A
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes	N/A
Does the IDP have multi-year targets?	Yes	N/A
Are the above aligned and can they calculate into a score?	Yes	N/A
Does the budget align directly to the KPIs in the strategic plan?	Yes	N/A
Do the IDP KPIs align to the Section 57 Managers	Yes	N/A
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes	N/A
Were the indicators communicated to the public?	Yes	N/A
Were the four quarter aligned reports submitted within stipulated time frames?	Yes	N/A

2D. CORPORATE GOVERNANCE

2.6 Risk Management

Municipal Finance Management Act, 56 of 2003 section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

Risk Management is one of management's core responsibilities according to section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality. It is a systematic and formalised process to identify, assess, manage, monitor, report and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of the Alfred Duma Local Municipality. When properly executed risk, management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

A Risk Assessment is conducted annually; through facilitating the process of identifying and assessing risk per Department to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives. The identified risks are prioritised which enables Management to focus more time, effort and resources on higher risk areas.

To mitigate the risks it is confronted with, Management implements control activities by establishing policies and appropriate procedures such as approvals, authorisations, segregation of duties, reconciliations and physical safeguards.

In addition, the Risk Management Section reports quarterly to the Audit Committee, Management and council on progress made to mitigate the top ten risks.

The 2019/2020 Municipal Risk Management Assessment was conducted internally by Risk Management personnel, in terms of section 5(4) (a) (i) of the MFMA. The top ten risks, both residual and inherent risks, were identified and submitted to the Management Committee, Audit Committee, Portfolio Committee, Executive Committee and Council for monitoring and mitigation.

The Municipality managed to mitigate most of the risks in the year under review and those which were not fully mitigated and are continuous in nature were referred to 2020/2021 for further close monitoring and mitigation.

The mid-year assessment was conducted which necessitated the review of the entire risk management strategy due to the outbreak of the corona virus disease (Covid-19). The Municipality prepared a risk strategy to respond to the emerging risks in the workplace due to covid-19 pandemic.

Phase 1: Preventative risks

1. Failure to comply with COVID-19 occupational health and safety measures in workplaces as envisaged in the directive issued by the Minister of Employment and Labour leading to closure of business;
2. Inability to respond to disruptions caused by the coronavirus (COVID-19) outbreak. (Fast response is lacking);
3. Possible viral contamination of the workplace: Exponential increase of the spread of the COVID-19 virus in workplaces (Municipal Offices: affecting employees, contractors and customers);
4. Inadequate Office Buildings to accommodate staff –sharing of offices / open plan areas: square metres of offices against social distancing requirements, Inadequate office ventilation (i.e. windows and free air flow);
5. Slow response and execution of issued regulations/directives to combat the spread of Coronavirus (COVID-19) by ADLM
6. Limited access to water by some of the Municipal buildings

Phase 2: Response risks

1. Illegal trading by businesses and informal traders, non-adherence to issued lockdown regulations;
2. Misalignment of budget with municipal service delivery plans and plans to manage the spread of COVID-19, strict measures of the Risk Adjusted Strategy to ease the lockdown for economic activity;
3. Emotional wellbeing of employees negatively affected by the outbreak of COVID-19;
4. Outdated Risk Profiles for the municipality, slow identification of COVID-19 emerging risks
5. Non-completion of Infrastructure projects;
6. Exposure of the municipality's end-user information and equipment to cyber-attacks and theft;
7. Ineffective communication and consultation of Internal and external stakeholders on execution of the COVID-19 responses.

Phase 3: Recovery risks

1. Increased absenteeism by employees at workplaces;
2. Increase in Crime: Theft, vandalism of properties, illegal occupation of municipal properties and invasion of municipal land;
3. Increasing fraud & corruption and workplace misconduct;
4. Failure to prevent, detect and report Irregular, unauthorised, wasteful and fruitless expenditure;
5. Possible misstatements /errors on the Interim Financial Statements/Annual Financial Statements: COVID-19 implications on municipal accounting policies and financial reporting;
6. Compromised audit process.

The Covid-19 has also brought opportunities in the workplace like rolling out of the 4th industrial revolution and better use of technology (virtual meetings). Reviewing of Business Continuity Plans. Fastracking of the service delivery like water and sanitation. Enforcing of by-laws in formal and informal business sector.

The Management appointed Covid-19 Compliance Champions, working closely with Risk Management Unit in dealing with issues of compliance and adherence to Regulations. Some of the issues on the Register has been already mitigated including but not limited to sanitisation of the workplace, screening of employees, and compulsory wearing of masks in the workplace.

The procurement of personal protective equipment is expedited but in adherence with Municipal supply chain management policies.

1.1. Main Risk Register

- 1.1.1. The Main Risk Register was submitted to KZN CoGTA, Municipal Finance Business Unit for their review and assessment. The letter on the review of the Register was sent to the Accounting Officer noting the Register that it was adequately prepared.

Table 1. Organisational Strategic Risks

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final Year	
1.	Critical	00	00	00	00
2.	Major	14	14	09	05
3.	Moderate	10	10	06	04
4.	Minor	02	02	02	00
5.	Insignificant	00	00	00	00
TOTALS		26	26	17	09

Highlight of the strategic risk areas:

- Inability to implement sustainable Local Economic Development's catalytic projects to boost economic growth
- Inability to attract and retain businesses within the Municipality
- High level of red tapes that impedes small business to enter main stream economy
- Limited and/or stagnant revenue collection base
- Shortage of burial space
- Rampant illegal dumping across the Municipality
- Ageing infrastructure, plant and equipment

Table 2. Office of the Municipal Manager (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final Year	
1.	Critical	00	00	00	00
2.	Major	05	05	03	02
3.	Moderate	06	06	05	01
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		11	11	08	03

Highlights of the Major risk areas:

- Inadequate measures to manage and act upon consequences as a result of unauthorised, irregular, fruitless and wasteful expenditure;
- Failure to adopt systems/policies to investigate allegations of misconduct and disciplinary procedure
- Slow or inadequate response from management and leadership in addressing findings reported from the prior year and those raised by Internal Audit.

Table 3. Budget and Treasury Office (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final Year	
1.	Critical	00	00	00	00
2.	Major	17	17	10	07
3.	Moderate	09	09	04	05
4.	Minor	04	04	01	03
5.	Insignificant	00	00	00	00
TOTALS		30	30	15	15

Highlights of the Major risk areas:

- Failure to act and collect outstanding debt;
- Failure to follow procurement and contract management regulations in procuring goods and services of a transactions value above and below R200 000,00;
- Inaccurate ownership of some items on the Assets Register; and
- Incorrect valuation of heritage assets.

Table 4. Corporate Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	00	00	00	00
3.	Moderate	02	02	02	00
4.	Minor	04	04	04	00
5.	Insignificant	03	03	03	00
TOTALS		09	09	09	00

Highlights of the Major risk areas:

- Information and Communication Technology (ICT)

Table 5. Planning, Development and Human Settlement (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	03	03	01	02
3.	Moderate	01	01	00	01
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		04	04	01	03

Highlights of the Major risk areas:

- SMMEs/Co-ops development and sustainability;
- Business development and retention;
- Implementation of radical socio-economic transformation; and

- Human Settlement projects.

Table 6. Technical and Infrastructure Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	07	07	06	01
3.	Moderate	02	02	01	01
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		09	09	07	02

Highlights of the Major risk areas:

- Loss of revenue due to electricity theft;
- Projects not completed in due time;
- Inadequate maintenance of infrastructure, property and equipment; and
- Inadequate network capacity to accommodate new connection at medium voltage.

Table 7. Community and Social Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	01	01	00	01
2.	Major	03	03	02	01
3.	Moderate	02	02	01	01
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		06	06	03	03

Highlights of the Major risk areas:

- Shortage of burial space especially in Colenso and Ekuvukeni;
- Illegal dumping and picking of waste at the landfill site; and
- Vandalising of community facilities.

Table 8. Public Safety and Emergency Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	01	01	00	01
3.	Moderate	00	00	00	00
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		01	01	00	01

Highlights of the Major risk areas:

- Radio coverage for the entire Municipal area.

1.2. Anti- Fraud & Anti-Corruption Risk Register

Over and above the general Risk Register prepared by the Municipality, there was a need to formulate a Register solely for the detection of fraud and corruption. The Register is also assessed as to whether the Action Plans to mitigate risks identified were fully implemented during the course of the financial year.

The Register was also submitted to KZN CoGTA, Municipal Forensic Business Unit for their assessment. The assessment letter in respect thereon was submitted to the Municipal Manager commending the Municipality on the efforts being made to curb fraud, corruption and any form of maladministration.

Table 9: Anti-fraud & anti-corruption Register

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	01	01	01	00
2.	Major	00	00	00	00
3.	Moderate	02	02	02	00
4.	Minor	04	04	04	00
5.	Insignificant	00	00	00	00
TOTALS		07	07	07	00

Highlights of the Major risk areas:

- Supply Chain Management;
- Illegal electricity connections;

- Stock theft; and
- Divulging of Council's critical information for personal gain.

1.3. IT Risk Register

Information and Communications Technology (ICT) is one of the critical areas in the running of the organisation, therefore Management with Auditor General's recommendation prepared the separate register dealing with ICT related issues.

Table 10: IT Risk Register

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	02	02	00	02
3.	Moderate	09	09	07	02
4.	Minor	01	01	01	00
5.	Insignificant	01	01	01	00
TOTALS		13	13	09	04

Highlights of major risk areas:

- Outdated ICT infrastructure

CONCLUSION

The Risk Management Unit will strive to ensure that the identified risks are mitigated and Departments concerned provide necessary evidence demonstrating the processes undertaken to mitigate those risks.

2.7 Anti-corruption and fraud

Legislative Requirements

Municipal Systems Act (MSA) Act no. 32 of 2000, Section 83 (c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.

Alfred Duma Local Municipality subscribes to the principles of good corporate governance, which requires the conducting of business in an honest and transparent fashion. Consequently, Alfred Duma Local Municipality is committed to fight fraudulent behaviour at all levels within the organisation.

Alfred Duma Local Municipality has the following policy and strategy to respond to fraud and corruption viz. Anti-fraud and corruption strategy and Whistle blowing policy. This policy and strategy have been workshopped to staff members and councillors.

In addition, all fraud and corruption will be investigated and followed up by the application of all remedies available within the full extent of the law and the implementation of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies and procedures of Alfred Duma.

It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their immediate manager as per the Whistle Blowing Policy. The policy protects employees against any victimisation as a result of reporting alleged fraud and corruption.

All managers are also responsible for the detection, prevention and investigation of fraud and corruption and must report all incidents and allegations of fraud and corruption to the Municipal Manager. The Municipal Manager will initiate an investigation into the matter.

There were no fraud and corruption matters reported during the course of the year under review.

2.8 Supply Chain Management

Development and Implementation of the Supply Chain Management policy

The Supply Chain Management Policy was adopted by Council at its meeting held on 28 May 2020.

In terms of clause 6(1)(3) of the Municipal Supply Chain Management Regulations, 2005, which deals with the Oversight role of council of municipality or board of directors of municipal entity:

The council of a municipality and the board of directors of a municipal entity must maintain oversight over the implementation of its supply chain management policy.

The accounting officer must, within 10 days of the end of each quarter, and within 30 days of the end of each financial year submit a report on the implementation of the supply chain management policy to the mayor of the municipality or the board of directors of the municipal entity, as the case may be.

2.9 By-laws

By-laws are the laws that governs the town. All by-laws need to be gazetted on the government gazette however there is a process that needs to be followed before they are gazetted.

The process is as follows:

- First the by-law needs to be approved by Council.
- After it has been approved by Council, it needs to go for public comments.
- After the public comments the by-law needs to go back to Council for final approval
- After it has been approved by Council the by-law may be sent to the government printing works to be gazetted.

The Alfred Duma Local Municipality has gazetted 15 Bylaws which are as follows:

Revised	Public Participation conducted prior to Adoption of by-law?	By-law Gazetted?	Date of Publication
Standing Rules and Orders of Council and its committee Bylaw	Yes	Yes	29/06/2017
Cemetery and Crematoria Bylaw	Yes	Yes	29/06/2017
Electricity Supply Bylaw	Yes	Yes	29/06/2017
Fire Brigade Bylaw	Yes	Yes	29/06/2017
Property Rates Bylaw	Yes	Yes	29/06/2017
Waste Management Bylaw	Yes	Yes	29/06/2017
Building Control Bylaw	Yes	Yes	29/06/2017
Municipal Pound Bylaw	Yes	Yes	29/06/2017
Parking Management Bylaw	Yes	Yes	29/06/2017
Outdoor Advertising Bylaw	Yes	Yes	29/06/2017
Landfill Site (Refuse Disposal) Bylaw	Yes	Yes	29/06/2017
Nuisance and Behaviour in Public places Bylaw	Yes	Yes	29/06/2017
Credit Control and Debt Collection Bylaw	Yes	Yes	29/06/2017
Stormwater Management Bylaw	Yes	Yes	29/06/2017
Spatial Planning and Land Use Management Bylaw	Yes	Yes	09/03/2017

The Standing Rules of Council and its Committees have been translated into IsiZulu and the section is now in a process of translating the remaining 14 By-laws.

Comments on by-laws

By-laws are passed by the Council to regulate the affairs and the services it provides within its area of jurisdiction. A municipality derives the powers to pass a by-law from the Constitution of the Republic of South Africa, which gives certain specified powers and competencies to local government as set out in Part B of Schedule 4 and Part B of Schedule 5 to the Constitution.

2.10 Websites

(a)List of Publications

Municipal Documents Published	Yes/No
Current annual and adjustments budgets and all budget-related documents	Yes
Budget-related policies	Yes
The previous year's annual report	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes
All supply chain management contracts above a prescribed value (R100 000)	Yes

The Municipality has a communication strategy informed by SONA, SOPA, SODA, SOMA, IDP, NDP and NCS, NPS for alignment purposes. The strategy embraces the overall approach of government's mandate which is the 5 plus 2 priorities, i.e. Health, Education, Safety & Security, Land Reform & Rural Development, Job Creation, Infrastructure Development and Basic Services. Our communication strategy was developed within the electoral cycle of five (5) years ending in 2020, however it is reviewed annually in order for it to be relevant in dealing with the changing environment.

The general public perception is positive largely due to the successful merger of the Indaka Municipality and Emnambithi/Ladysmith Municipality, however there are certain constituencies where the municipal citizens are not satisfied particularly with service delivery backlogs in rural development.

Through the Municipal Rapid Response, we have addressed many service delivery protests emerging from the shortage of water. However, the municipality has done well in the provision of electrification in some rural wards.

Within the municipal constituency there is a community radio station, Nqubeko FM

The majority of the municipal citizens listen to UKHOZI FM, NQUBEKO FM, IGAGASI FM and EAST COAST RADIO

Municipal Notices and adverts are published local using the Ladysmith Gazette Newspaper.

We also have the Ladysmith Herald newspaper which is free to communities and offers balanced stories.

We publish news through the community newspapers known as INHLOSO YESIZWE and Uthukela Eyethu which publish in IsiZulu.

Our Municipal Communication objectives include among many the following:

- To improve the image of the municipality both internally and externally
- To communicate progress and share insights into the impact of these programmes/ services on the lives of the communities
- Operation Clean Audit, Good Governance and responsive local government
- Create a platform for growth, empowerment and skills development
- Re-affirm those communities with backlogs that development is underway
- Encourage public participation and community ownership of programmes run by the municipality
- Alignment of the municipal programmes with other Departments and the District, including Sukuma Sakhe to eradicate poverty, inequality and underdevelopment
- To actively account and participate in various legislated and progressive communication forum

On Intergovernmental Relations, the Municipality has maintained good relations with various stakeholders namely:

- Business sector
- Professionals
- Traditional leaders
- Religious leaders
- Ratepayers
- Ward Committees
- Youth Forums

- Civil Society Groups
- The Public Transport Forum

Many of our engagements with the various stakeholders were facilitated by the District Communicators Forum and Intergovernmental Relations Forum where all stakeholders meet and discuss issues affecting the community, whether rural/urban.

The Municipal Website is functional and is updated regularly.

2.11 Public Satisfaction on Municipal Services

Alfred Duma Local Municipality embarked in the process of identifying the stand with the residents and the community at large in the area of its jurisdiction. The municipality wanted to offer communities of Alfred Duma opportunity to express their feelings in a form of answering and providing the council with their honest responses to the Survey. The survey results shall assist council to identify areas in need of improvement. Based on the survey conducted in the 2019/2020 financial year residents indicated that they are still happy with the services provided by the Municipality.

Structure of the Questionnaire

Alfred Duma Municipality currently provides three broad types of services to the community; namely, Community Services, Infrastructural development, Developmental Planning and Human Settlements.

Questions were first framed within these three divisions to reflect the clustering approach.

A. Infrastructural Development Services

- Electricity Supply
- Residential Streets, Roads, Sidewalks and Pavements
- Stormwater
- Housing
- Building Plans and Land Use Applications

B. Community Protection services

- Refuse Removal
- Municipal Parks and Playgrounds
- Municipal Sports Fields and Stadiums
- Complaints Regarding Community Service
- Fire Department
- Traffic Services
- Environmental Protection
- Protection of Historical Heritage
- Community Halls
- Libraries

C. Developmental Planning and Human Settlements

- Complaints Regarding Trading Services
- Local Economic Development
- Town Planning
- Tourism

D. Municipal Hotline (Performance)

E. Overall Rating of Alfred Duma Local Municipality

Other sections of the questionnaire sought a detailed rating of the Alfred Duma Municipality, its staff and services, to determine the overall level of satisfaction with services rendered by the Council (Municipality)

Chapter 3: Service Delivery Performance

3A. Focus on Service Delivery

3.1 MUNICIPAL MANAGER DEPARTMENT

3.1.1 Performance management

The Alfred Duma Local Municipality has a Performance Management Unit which has been fully functional for the year under review. The overall responsibility of the unit is to assist Council members of Alfred Duma Local Municipality in discharging their responsibilities relating to the safeguarding of assets and the operation of adequate and effective systems.

The Municipality has an effective performance management system implemented at top and middle management levels. Service delivery and client service are monitored on a monthly basis and evaluated formally on a quarterly basis. Monthly and quarterly reports are submitted to Council Committees.

3.1.2 Internal audit section

The Alfred Duma Local Municipality has an Internal Audit Unit which has been fully functional for the financial year under review.

The Internal Audit function is in house and not out-sourced to an external service provider, and is fully funded from the municipality's operational budget.

The roles and responsibilities of the Internal Audit Unit is set out in Section 165 of the Municipal Finance Management Act, Act No. 56 of 2003 as follows:

The Internal Audit Unit must-

- (a) Prepare on an annual basis a risk-based audit plan and an internal audit programme for each financial year;
- (b) Advise the accounting officer and report to the Audit Committee on the implementation of the internal audit plan and matters relating to:
 - (i) Internal audit
 - (ii) Internal controls
 - (iii) Accounting procedures and practices
 - (iv) Performance management
 - (v) Risk and risk management
 - (vi) Loss control
 - (vii) Compliance with MFMA, Division of Revenue Act (DORA) and any other applicable legislation.
 - (viii) Safeguarding of assets.
 - (ix) Appraisal of the economy and efficiency with which resources are employed.
- (c) Perform other such duties as may be assigned to it by the Accounting Officer.

The Internal Audit Unit is accountable for the annual audit plan and functionally reports directly to the Audit Committee and administratively to the Accounting Officer.

In terms of the Annual Risk Based Internal Audit Plan the **key focus areas** included:

KEY FOCUS AREAS	SCOPE
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AUDIT OF PERFORMANCE MANAGEMENT SYSTEMS, IDP, AND SDBIP	<ul style="list-style-type: none"> - Review compliance of the IDP, SDBIP and Performance Agreements in terms of activity, content and timeframes - Review compliance of the KPA's and KPI's in terms of the SMART principles - Review performance contracts (linked to IDP) for all Executive Directors and the Municipal Manager; - Review the link between PMS, IDP, SDBIP and Budgets; - Review credibility of POE files; - Conduct physical verification of projects.
RISK BASED AUDITS AND STATUTORY AUDITS	
Review of Risk Management and Assessment	<ul style="list-style-type: none"> - Review of Risk and Control Identification and Assessment - Review of Risk Management Strategy - Review of Risk Management Methodology
2018/2019 Financial Statement Review	<ul style="list-style-type: none"> - Review Accounting Policies and compliance with GRAAP - Ensure that the AFS agrees to the Trial balance and General Ledger - Perform review of financial statements for validity, accuracy and completeness - Review working paper file and ensure that it agrees to information on the AFS, TB and GL
2019/2020 Mid-term Financial Statement Review	<ul style="list-style-type: none"> - Review Accounting Policies and compliance with GRAAP - Ensure that the AFS agrees to the Trial balance and General Ledger - Perform review of financial statements for validity, accuracy and completeness - Review working paper file and ensure that it agrees to information on the AFS, TB and GL
Audit Supply Chain Management	<ul style="list-style-type: none"> - Review daily procurements - Review tender process - Review contract register and contract payments - Review compliance with SCM policy, SCM Regulations and MFMA Circular 68
Audit Debtors and Revenue Management	<ul style="list-style-type: none"> - Review debit raising processes for main services rendered (rates, electricity, refuse) - Review debit raising processes for sundry services rendered - Review Debtors Age Analysis - Review Indigent Database
Audit Asset Management	<ul style="list-style-type: none"> - Review monthly asset reconciliations - Ensure asset reconciliation balances to general ledger and trial balance - Review fixed asset register - Test for existence of assets - Review depreciation calculations - Review compliance with GRAAP
Audit Payroll Management	<ul style="list-style-type: none"> - Review new appointments - Review employee's exiting the system - Review Overtime Payments - Review Standby allowances - Review Housing & Third-Party payments - Review Staff deductions
Audit Cash, Bank and Bank Reconciliations	<ul style="list-style-type: none"> - Review all cash and receipting processes - Review the bank reconciliations - Ensure that all reconciling items are valid and have

	adequate supporting documentation - Ensure that the bank reconciliation agrees to the bank statements, bank confirmations, and to the financial system
Audit of the adjustments budget 2019/2020	- Ensure that all compliance requirements are met - Review budget for validity, accuracy and completeness
Audit of the budget 2020/2021	- Ensure that all compliance requirements are met - Review budget for validity, accuracy and completeness
Audit of Grants and Project Management	- Review the Grants Register - Recalculate balances and ensure that it agree to the Financial System - Ensure compliance with the expenditure process and SCM policy and SCM Regulations - Ensure compliance with all grant conditions
Audit of Human Resource Management	- Review of Recruitment Process - Review of Leave Management - Review of Training Process - Review of Employment Equity Plan - Review of IOD and Pension Claims - Review compliance with HR Policies
Audit of Electricity Losses	- Verify, recalculate, validate and analyse the electricity losses reported by comparing the electricity purchased from the Eskom Accounts to the electricity sales - Review processes in place to reduce losses
Audit of Inventory Management	- Attend Quarterly Stock Counts - Observe Stock Count Procedures - Test for existence of Stock Items - Confirm quantity of stock items from physical stock to bin cards - Confirm quantity of stock items from bin cards to the financial system
Audit of Electricity Meter Reading function	- Review meter reading process - Review process for capturing of readings - Review consumption charges - Review consumer account
Review of Information and Communication General Controls	- Review of general control processes over all current IT systems within the municipality
Audit of Connections Disconnections	- Review process for new connections - Review process for disconnections
Audit of Building Control & Illegal Structures	- Review process for plan approvals - Review process for building inspections - Review process for illegal structures
Audit of Waste Management / Landfill Site	- Review of Waste Management Process - Review of Management of the Landfill Site
Audit of Real Estate & Housing Section	- Review process for Disposal of Property - Review process for Purchase of Property - Review process for Rental of property - Review process for Lease of property - Review administration of Housing Projects
ADHOC REVIEWS	
Special Requests & Investigations	- At the request of the Municipal Manager, the Audit Committee, or MPAC certain special assignments / projects were undertaken
AUDITOR GENERAL	
Co-ordination of 2018/2019 external audit process	

Follow-up on 2018/2019 Auditor General Queries	
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For each audit conducted, an Audit Report was compiled clearly outlining the scope of work, areas of risk, observations and findings, and recommendations.

AUDIT COMMITTEE RESPONSIBILITIES

The Audit committee has complied with its responsibilities arising from section 166 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and clause 14(2) (a) of the Municipal Planning and Performance Management Regulations of 2001. The Audit Committee's work is guided by the Audit Committee Charter, and has discharged all its responsibility as contained therein. **Refer to the Annual Report of the Audit Committee (Annexure A)**

3.1.3 Youth development

After having made various interventions to conceptualize and advance Youth Development since the dawn of democracy in 1994, a review on Youth Development indicates that despite much effort that has been made the challenges of developing young people remain mammoth (Huge), the fact that the majority of this young people hail from the previously disadvantage black communities.

Our main target are as follows:

- 18-35 years old
- School-aged-out -of- School aged
- Skilled and unskilled
- Youth in Business
- Youth in conflict with law
- Youth heading household
- Youth in Rural Areas
- Young Woman
- Youth with disabilities
- Youth with HIV and Aids

Key Performance Areas are:

Local Youth Services and Social Cohesion:

- Promote Youth Social Dialog and create opportunities for young peoples to serve their communities through Youth Mass Meetings at all young people within jurisdiction of Alfred Duma Local Municipality via throughout:
- Social Network
- Outreach programmes.
- Youth Forums and Youth formations within.
- Facilitates information

Youth in Economic Participation:

- Enhanced the participation of young people in the economy through 35% set aside.
- 2019/2020 the Youth Development Office working together with National Youth Development Agency (NYDA) able to assist young people of Alfred Duma Local Municipality for business registration plus 100 of youth which was registered business.

- Youth Development in partnership conducted mentorship on Youth in Business who has received training Certificates from NYDA.
- The Youth Development Office has currently assisted (four) students with Learning Grant-In-Aid for them to further their studies.
- Conducting onsite registration of National Student Financial Aid Scheme (NSFAS) and University of Free State (UFS)

Youth in Training and Development

- The Youth Development Office promote, facilitate and provide training and development opportunities to young people in order to enhance their socio-economic wellbeing.
- Youth Mass Skilling programme that the Youth Development Office recruited 40 graduates who are placed in various departments within the municipality which is our annual programme in ensuring that young people are getting exposed in the working environment in a period of 12 months,
- Capacity Building Workshop, for Unemployed Graduates and Youth Job seekers, by giving them necessary skills to seek jobs and empower themselves.

Youth Advisory and Information Services

- The Youth Development Office ensures that there is access for youth information about various interventions aimed at improving the living conditions of young people, including information and career guidance services for young people.
- 2019/2020, the Youth Development Office assisted more than 5 000 young people with access to information such as providing services with internet, career guidance and exhibition, science expo and conduct youth mass meetings, as per the Local Government Municipal Systems Act of 2000, about public participation, the establishment of the youth forums in all 36 wards which are functioning, the Youth Development Office also facilitates the functioning of 30 Youth NGO's and NP'O's within the municipality and further to that, while the office assist more than young people for CV writings, interviews and job applications every year for free.

UTHUKELA Satellite Office

The Satellite office, which is situated, at Far East of Ladysmith at Indaka Area for the purpose of rendering services to the young people of Indaka. The followings service that you can access on that office:

- Distribution of Brochures of various departments
- NYDA services
- Bursaries forms and Online Applications
- CAO Forms
- Typing documents and Printing for free

Our main Objectives

- To integrate Youth Development into the main stream of government
- To enable young people of Alfred Duma Local Municipality to develop the knowledge, skills and ability needed for them to make a healthy transition to adulthood
- To give all young people of Alfred Duma Local Municipality a means out of long-term unemployment, by providing them with tangible opportunities which increase their chances of accessing economy.

Programmes within the Youth Development Office for 2019/2020

Programme	Targeted Youth	Wards	Achieved or Not
Top 50 Matric Mayoral Awards	Learners from high schools	All	Achieved
Learning Grant-In-Aid	Full Time Students	All	Achieved
Youth Mass Meeting	Youth Structures	9 and 31	Not Achieved due to covid-19
Outreach Programmes	Youth Structures	3,09,14,7 and 27	Achieved
Youth Day Commemoration 16	All youth under Alfred Duma	All	Achieved
School Visits	Learners from High School	25,11,21,09,06,07,04, 14,15,34,33,23and 34	Achieved

3.2 DEVELOPMENT PLANNING & HUMAN SETTLEMENT DEPARTMENT**3.2.1 Town Planning**

The Municipal Systems Act (MSA), 2000 (Act No 32 of 2000), requires that each Municipality prepares an Integrated Development Plan (IDP) and a Spatial Development Framework (SDF) as a core component of the IDP to realise the spatial vision of the Municipality. Section 26e of the MSA states that the Municipality must prepare “a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality”. The IDP is a five year plan which is linked to the term of office of the Municipal Council and as such the SDF is developed to comply with the requirements of the MSA for the Municipality to have an SDF which will be a core component of a Municipality’s economic, sectoral, spatial, social, institutional, environmental vision. In other words, it is a tool to achieve the desired spatial form of the Municipality.

The Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) requires municipalities to prepare and adopt a Municipal Spatial Development Framework (SDF) and further provides the contents of the SDF in section 21 of the said Act. The municipality received a grant of R1000000 from the Department of Corporate Governance and Traditional Affairs (COGTA) for the development of the Spatial Development Framework and the Helpmekaar and aerodrome Nodal Plans respectively. Both documents were successfully completed and are available for viewing on the Alfred Duma Municipality website.

Alfred Duma Local Municipality does not as yet have a Single Land Use Scheme as required by the Spatial Planning and Land Use Management Act No. 16 of 2013. The urban areas of Ladysmith, Colenso and Ekuvukeni had approved Town Planning Schemes which were

developed in terms of the repealed Natal Town Planning Ordinance of 1949. These schemes were later enforced in terms of the KwaZulu-Natal Planning and Development Act, Act No. 6 of 2008.

The schemes are outdated, restrictive and represent the remnants of the apartheid spatial footprint. This promoted land use separation and tended to control rather than facilitate development. More facilitative and flexible controls are required to achieve spatial transformation and promote integrated and sustainable development. It should be noted that this situation will soon change as Alfred Duma Municipality is now at advanced stages on introducing a Single Land Use Scheme as per the Spatial Planning and Land Use Management Act's requirements. Noteworthy, the municipality has already initiated a process of preparing a Land Use Scheme covering the entire municipality, meaning the study area will be under the control of a Scheme in the near future. It is also noted that a Draft Wall-to-Wall Schemes were prepared in the past which covered the former Indaka and Emnambithi Local Municipalities in terms of the KwaZulu-Natal Planning and Development Act No. 06 of 2008, however these were never been adopted.

3.2.2 Human Settlement

In terms of the Housing Act of 1997, Housing Code date 2009 and the housing accreditation framework, the Alfred Duma Local Municipality aims to promote, facilitate and develop integrated and sustainable human settlements. Municipality undertakes to set housing delivery goals, identify and designate land for housing development, initiate, co-ordinate facilitate, promote and enable suitable housing development. As part of the IDP, to take steps to ensure that the residents of its area have access to adequate housing on a progressive basis and conditions which are not conducive to health and safety are removed.

As a contribution to the Housing Sector Plan (HSP), the Municipality is in the process of developing an Integrated Sustainable Human Settlement Plan (ISHSP) that will identify what is required to unlock housing delivery in a particular area of Alfred Duma Local Municipality, identify what other social and infrastructural services would be required to do so in a holistic and integrated manner.

According to Statistics South Africa, Alfred Duma Local Municipality has approximately 41200 households, with a population density of 356 000 people. About 32% citizens' falls within formal dwellings and 12% are home owners/bonded category. The total number of houses need to be constructed are included on the Municipal Housing Sectoral Plan.

(b) Households with Access to Basic Housing: 2019/2020

No. of households with access to basic housing
1469

(c) Housing Objective

Performance Objectives	Key Performance Indicator	Target	Actual	Comments
1 Compliance Indicators				
Review of Housing Sector Plan	Reviewal of Housing Sector Plan and submit to Council for approval			Housing Sector plan Approved by Council on 23/11/2017

Ensure that all new home owners are informed and aware of responsibilities and rights	Number of tenants and home owners training sessions held	1500	3420	The programme is ongoing.
Ensure that housing access is provided in line with planning	Number of top structures completed	200 repairs and 40 rebuilds	341 Rebuilds 25	The contracts have expired on 18 June 2017 and council is engaging the DoHS to appoint a new service provider
Maintain functional structures to address housing issues	Number of housing committee/ site/ technical meetings held	12	12	Housing forums and project steering committee meetings are being held regularly.
Provide an effective and client orientated housing service	% of contractors paid within 30 days from receiving a certified invoice	Funding with DoHS	Funding with DoHS	Funding with DoHS

(a) Employees: Housing Services

Salary Level (Task Grades)	Posts	Employees	Vacancies
05 - 10	18	8	10
11 - 14	5	1	4
15 - 18	3	3	Nil
Total	26	12	14

(b) Financial Performance: Housing Services

Operational Type	Expenditure	Original Budget	Adjustment Budget	Actual
Employees		3 024 381.00	--	3 024 381.00
Repairs and Maintenance		1000.00	--	1000
Other				

(c) Capital Expenditure: Housing Services

All funding for housing projects is paid directly by the Department of Human Settlements to the Implementing Agents.

d) Overall Comment on Housing Services Performance

The Human Settlements section has Identified numerous housing opportunities both in the rural areas and urban areas.

The municipality is vigorously engaging the Department of Human Settlements to approve as many projects as possible noting that the municipality has a housing backlog of approximately 22000 potential beneficiaries. Meetings are also being held with the District municipality to ensure that sufficient water capacity is available.

NEW HOUSING PROJECTS

Council had advertised 14 new housing projects. Council has finalized the appointment of the Implementing Agents and they have commenced with the prefeasibility studies for

the projects and it is anticipated that the submissions will be made to the Department of Human settlements during the course of the current financial year.

APPROVED HOUSING PROJECTS FOR STAGE 1 (URBAN)

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
COLENZO PHASE 1	25	1000	Zamahlobo	Approved by MEC, contract signed by all parties.
EZAKHENI C150	5	150	Uthandolwezwe	Completed all preliminary studies
ACACIAVALE 250	20	250	Vumesa	Approved by MEC, contract signed by all parties. To finalize verification site pegging where after the stage 3 submission to be commenced with.
ACACIAVALE PHASE 1	20	1000	Lwazi Projects	Approved by MEC, contract signed by all parties.
ACACIAVALE PHASE 2	20	1000	Boo Wa Ndo	Approved by MEC, contract signed by all parties.
ROOSBOOM PHASE 2	11	1000	Shatsane Solutions Systems	Completed all preliminary studies
EZAKHENI D (STIMELA)	3	400	Zingwazi	Completed all preliminary studies
SHAYAMOYA PHASE 3	27	321	Hencom	Completed all preliminary studies

URBAN PROJECTS FOR SUBMISSION FOR APPROVAL

PROJECT NAME	WARD	NUMBER OF UNITS	IMPLEMENTING AGENT	STATUS
ST CHADS HOUSING PROJECT	7, 27	500	CHS Projects	Pack has been finalised for resubmission to the DoHS
LIMITHIL 200 HOUSING PROJECT	22	200	MPTT Consultants	Pack has been finalised for resubmission to the DoHS
EZAKHENI E 1000 UNITS HOUSING PROJECT.	20	1000	Dymarox Projects	Pack has been finalised for resubmission to the DoHS
COLENZO B, C, D HOUSING PROJECT. (THREE (3) IA AWARDED 1000 UNITS) EACH	25	3000	Makhosi Nyoka Blackrock	Pack has been finalised for resubmission to the DoHS
COLENZO 100 UNITS	25	100	MPTT Consultants	Pack has been finalised for resubmission to the DoHS

RURAL HOUSING PROJECTS AT STAGE ONE APPROVAL

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
SOMSHOEK/SKOKO GO BIG CONSTRUCTION	31	1000	GO CONSTRUCTION	Stage 1 Complete
VAALKOP AMEHLO ESIZWE DEVELOPMENT	32	1000	AMELHO ESIZWE DEVELOPMENT	Project was recommended by the DoHS

KWAJWILI/NCAMA UKHASI CONSTRUCTION	31	1000	UKHASI CONSTRUCTION	Close out of project being finalised
NAZARETH MKHOMBE CONSTRUCTION	32	1000	MKHOMBE CONSTRUCTION	IA finalising stage 1 studies
KWASHUZI TSHWARA THEBE	28	1000	AYONA CONSTRUCTION	Stage 1 complete. Close out report being finalised

PROJECTS FOR SUBMISSION FOR APPROVAL

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
BESTERS HOUSING PROJECT	26	1500	Sabatana Sabatane	Pack has been finalised for resubmission to the DoHS
MNTHANDI HOUSING PROJECT	20	500	Tunols Investments	Pack has been finalised for resubmission to the DoHS
CREMIN HOUSING PROJECT	24	500	TS Ayona	Pack has been finalised for resubmission to the DoHS

**PROJECTS AT CONSTRUCTION STAGE:
GREENFIELD HOUSING PROJECT**

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
UMBULWANE AREA H	9	505	Sarkhum Housing	IA has constructed 107 Houses. IA negotiating with the DoHS for funding to connect project to sewer and water bulk services
UMBULWANE PHASE 1 & 2	9 & 27	199 & 259	Appointment to be confirmed	The contract for Ikhwezi Contractors was not renewed by Council due to poor performance. Messrs Umupheme Development (Pty) Ltd was appointed and Bi-lateral agreement has been signed.

RURAL HOUSING PROJECT

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
FITTPARK SETHEO ENGINEERING	28	1000	SETHEO ENGINEERING	Contract for stage 2 is signed

RECTIFICATION HOUSING PROJECTS

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
EZAKHENI C624	5	585	Ayona Construction	The contract with Messrs Mabgro JV was cancelled due to poor performance. Messrs Ayona Construction was appointed. And the Bi-lateral agreement has been signed. And has constructed 18 new houses.
2010 RECRITIFICATION HOUSING PROJECT	1, 2, 3, 9	199	Gikha construction	The contracts of the previous Implementing

				Agents were cancelled due to non- performance. The municipality appointed Messrs Gikha Contractors to complete the project in in with the SCM processes. The Department of Human settlements appointed Messrs BMK to undertake the assessment of all the units to confirm the outstanding work. A Bi-lateral agreement was entered into with the Implementing Agent, who subsequently advised that the funding was inadequate and requested that the funding be re-aligned. The Department of Human settlements is currently attending to the matter.
COLENSO EMERGENCY PROJECT	25	306	Appointment to be confirmed	The contract for was not renewed by Council Umlilo JV and Isibanizwe Enterprises due to poor performance. The DoHS was requested to appoint a service provider from their panel. The process is being finalised.

EMERGENCY HOUSING PROGRAMMES

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
2012 STORM DAMAGE	9, 20, 21, 22	2205	Tshwara Thebe Construction	IA Has repaired 887 houses to date. And has constructed 86 new houses. The IA has requested the re-alignment of the funding. A response is awaited from the DoHS.
EKUVUKENI EMERGENCY INTERVENTION	33	34	Get A Life Enterprises	The Implementing agent has signed the Bi-lateral agreement. The IA has started with the slabs.
SUKUMA SAKHE 10 HOUSES	20	10	Asdu Trading and Projects	The IA has signed the Bi-lateral agreement. 7 beneficiaries have been approved. The title Deeds are being processed.

SUKUMA HOUSES	SAKHE	30	20	30	Ntokozweni Developers	The municipality is currently visiting the affected families who reside in various wards to confirm if they are prepared to relocate as many of them have been unwilling to move to another area where the houses are to be constructed.
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SERVICED SITES

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
DUNLOP	21	2000	SCN Group	All prefeasibility studies complete
INDOOR SPORTS COMPLEX	12	3000	Mahlori Consulting	All prefeasibility studies complete
EZAKHENI D PHASE 2	1	400	SNE Group	All prefeasibility studies complete
EZAKHENI D PHASE 3	1	400	VST Consulting Engineers	All prefeasibility studies complete
HELPMEKAAR/ PIETERS	27	400	ILISU	Finalising prefeasibility studies

ENHANCED EXTENDED DISCOUNT BENEFIT SCHEME

The extended enhanced discount benefit scheme is a national project which aims at transferring old housing stock (pre -1994) to the approved beneficiaries. The areas affected are Ezakheni A, B, C, D and E, Steadville, Ekuvukeni, Inkanyezi, Colenso, Limit Hill, Acaciavale and Steadville.

Messrs B C Mchunu Attorneys had been appointed to register the transfers and the progress to date is as follows:

AREA	INSTRUCTIONS	TITLE DEED RECEIVED
EZAKHENI A	26	26
EZAKHENI B	18	12
EZAKHENI C	20	15
EZAKHENI D	21	15
EZAKHENI E	62	41
STEADVILLE	44	10
COLENZO/ NKANYEZI	55	0
LADYSMITH	54	35
EKUVUKENI	47	0
TOTAL	344	178

LAND SALES

A total of 0 land sale were affected for the period under review. A total of 0 land sales were cancelled during the financial year.

LEASE AGREEMENTS

Council entered into 10 lease agreements with community members wishing to utilise council land

3.2.3 Local Economic Development and Tourism

LOCAL ECONOMIC DEVELOPMENT

(a) Introduction

Vision

The vision of the Local Economic Development Section of the Alfred Duma Local Municipality is to develop a people focused and cost-effective municipality, providing quality services, while addressing unemployment and poverty through promotion of Agriculture, Commercial and Industrial productivity, Education, Skills Development, Tourism and Conservation.

Mission

The mission of the Local Economic Development Section of the Alfred Duma Local Municipality is to ensure community participation in all projects, improve the skills of community members, strive for financial viability, provide sustainable services and promote Local Economic Development.

The Alfred Duma Local Municipality Local Economic Development (LED) core function is to facilitate economic development and growth initiatives through a number of projects within a cross-cutting programs to maximize the utilization of limited resources. These programs are Sector Based (Vertical) and Generic (Horizontal) in nature.

LED Programs

● The Sector Based Programs

- (a) Agriculture
 - Crop Production
 - Stock Production
 - Economic Infrastructure Support / Interventions
- (b) Construction
- (c) Services
- (d) Manufacturing - Green Business and Waste Recycling
 - Clothing & Textile

● The Generic / Horizontal Programs

- (a) Informal Economy Development
- (b) Cooperatives Development
- (c) Social Enterprise Development
- (d) SMME Development
- (e) Industrial Promotion / Business Retention and Expansion Program
- (f) Policy Development

b) The LED Service Delivery and Budget Implementation Plan

The 2019/2020 LED SDBIP has been negatively affected by the CONVID 19 socio-economic impact which not only restricted the movement of goods and services but also has a stringent impact on the role of LED Section in mobilising the economic actors.

Below is a summary of the LED 2019/2020 SDBIP:

Objective	KPI	Target	Actual	Budget
To create a conducive environment for Local Economic Development	Ensuring enhancement and sustainability of SMME's and Co- ops	150 job opportunities to be created and sustained through the Municipal LED initiatives by 30 June 2020	95 job opportunities created and sustained through the Municipal LED initiatives by 30 June 2020	N/A
	To promote SMME Development	Provision of support to 100 SMME's and Co-ops through LED initiatives by 30 June 2020	664 SMMEs and Co-ops supported by 30 June 2020	R 901 037
	To initiate the Red Tape Reduction Programme and Implement the Red Tape Reduction Task Team Recommendations by 30 June 2020	Implementation and evaluation of Red Tape Reduction by Recommendations by 30 June 2020	LED Strategy reviewed and approved by Council on the 30 June 2020	N/A

(c) Comment on Local Economic Development overall

In this financial year (2019/2020) the LED has noted the ongoing concern from the Department of Cooperative Governance and Traditional Affairs (COGTA) through its IDP assessment pertaining to the lack the establishment and implementation of the functional LED&T Forum.

In addressing such a concern, the LED Section has been instrumental in assisting the functionality of the 8-Aside structure as established by the Premier's Office. This structure has enabled the continuous engagement between the municipality and the local business sector on issues affecting the business retention and expansion. It is through this structure that critical issues are identified and engagement with various government departments is solicited for their direct interventions.

Furthermore, the LED Section is instrumental in the establishment and functioning of the uThukela Economic Development Agency (UEDA). Other, then being an effective participant in the UEDA meetings, the section has further seconded one (1) staff member to ensure that there is cordial and synergetic cooperation's between the two institutions.

To date the following programs and projects are jointly fascinated with UEDA:

1. Mathews Farm Agri Processing Hub
2. Hide and Skin Project
3. Business Retention and Expansion Program
4. Rehabilitation of Access Road to Mathews Farm

We also acknowledge the gaps for the development of the monitoring and evaluation (M&E) tool of the LED Strategy to ensure the practical implementation. MESSRS. Cwaninga who was appointed to review our LED Strategy in 2017 has been requested to further develop the Monitoring and Evaluation Chapter as an addition to the LED Strategy.

Tourism:

The key performance area for this section is the preservation and promotion of heritage, arts and culture, management of the Museums (Siege Museum, R.E. and Stevenson Museum as

well as promoting Ladysmith as a preferred tourism destination. It extends also to management of Tourist Information Office which provides tourism information, historical information, telephonic information and general information.

Furthermore, the section hosts a number of events that are tourism, heritage and cultural related. These events encompass programmes which are aimed at generating local economic development and promotion of arts and culture such as the Establishment of the Ladysmith Black Mambazo Indigenous Music Academy.

The following provides a report on activities/ programmes of the section for the 2019/2020 financial year.

The report is presented on quarterly basis in line with the Key Performance Indicator for the section as per the Service Delivery Budget Implementation Plan. The report further depicts on additional programme and activities carried out within the section.

The key objective for the section is to facilitate the development of arts and culture and preservation of heritage (Key performance indicator: development and implementation of cultural events plan) measured by the number of events held throughout the year. An annual target on 22 events was set for the 2019/2020 financial year. A total number of 15 events were held during this financial year.

Quarter 1

The section identifies themes that create awareness and education to Arts, Culture and Tourism, therefore the component of Outreach and Museum Education team, liaise with various community groups, school and visit them to give lessons and presentations based on these themes. These themes include: Women's month, Green Tourism, Freedom month etc. The following programmes were held in the first quarter.

1. Outreach Programme - eMfulamthathu Primary School 20 August 2019
2. Outreach Programme - Mnambithi Primary School 21 August 2019
3. Outreach Programme - Eldorado Home for the disabled 18 July 2019
4. Outreach Programme –Oqungwini Primary School
5. Isicathamiya Competition – 28 September 2019

Quarter 2

The second quarter consisted several of events which were planned to assist upcoming artists to generate income in form of exhibiting different products which are produced locally. The exhibition comprised of the following; Sewing, Weaving, Upholstery, Beadwork, Bricklaying, Embroidery, Woodwork, Gardening services, fruits and vegetables etc. Also, the events consisted of entertainment by local artists and included; Hip Hop, Poetry, Maskandi, Kwaito and Dance.

1. Maskandi Competition – 5 October 2019
2. The Arts and Crafts Exhibition Day - 11 October 2019
3. Outreach Programme - Emalahleni Primary School 22 October 2019
4. Outreach Programme - Siyaphambili Primary School 22 October 2019
5. Concert in the Park and Arts Exhibition - 1 November 2019
6. Flea Market Day - 22 November 2019
7. Flea Market Day - 6 December 2019

Quarter 3

During this quarter, the Flea Market was held as part of assisting local co-operatives, informal traders and young entrepreneurs to generate income through selling their products/goods. During the Flea Market Day, cooperatives, informal traders, young entrepreneurs from the entire Alfred Duma Local Municipality were invited to exhibit and sell their products/goods to the community at large. These products included; poultry, fruits and vegetables, arts and crafts, health and beauty products, fast foods, clothing, linen and home décor etc.

1. Flea Market Day - 17 January 2020
2. Flea Market Day - 31 January 2020

Quarter 4

No events were held in this quarter due to the National Lockdown restrictions.

Challenges

The Annual Target of 22 events was not met due to the National Lockdown.

Financial Implications

A total budget of R 54 507.12 was spent in the 2019/2020 financial year.

Portfolio of Evidence

Attached below:

Below: Highlights of the events for the 2019/2020 Financial Year



Below: Highlights of the events for the 2019/2020 Financial Year



3.3 TECHNICAL AND INFRASTRUCTURAL SERVICES DEPARTMENT

3.3.1 Road transport

The road network in Alfred Duma Local Municipality comprises 908.63km of gravel roads and 305.360km of permanently surfaced roads. Block paving are 13.31km and 2.7km of unclassified roads.

Addressing the backlog in gravel roads remains a major focus area. For the next financial year, Alfred Duma Local Municipality has taken a strategic decision to increase the spending on infrastructure maintenance.

The Municipality has prepared Five (5) year maintenance plans for the Road Infrastructure and approximately R350 Million is required.

The Gravel Road Maintenance Plan involves working one month per annum in each of the municipal wards to address backlogs and maintain existing gravel roads. Roads are constructed in-house making use of Council's plant and equipment's.

Disruptions to the programme are encountered due to equipment aging and skills shortage however annual targets are always met.

In terms of tarred roads, potholes are patched, base failures are repaired preventive maintenance is undertaken in terms of chip and spray, slurry seal and overlays.

Storm water systems are maintained using high pressure jetting and there is a programme in place for cleaning of drains, addressing damaged catch pits, repairing kerbs and channels etc.

STORMWATER

The storm water drainage network in urban areas in the Alfred Duma municipal area comprises a piped system and open drainage channels. The drainage system is in a fair condition with some instances of poor conditions. There are still some areas where there are no formal drainage networks and this causes flooding during summer.

The upgrading of roads however contributes to the addressing of this backlog as storm water drainage is installed together with the construction of roads. This will be completed in the next financial year through Disaster Recovery Grant received from COGTA.

The misuse of the storm water system remains a matter of concern. Blockages that cause flooding regularly occur due to alien matter entering drainage pipes. Maintaining and cleaning the system is an ever-increasing expense and effort.

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3.3.2 Spending against capital budget

Capital expenditures relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and cash surpluses.

The municipality spent 88.11% of the approved budget on capital projects.

The table below indicates the capital expenditure against the total budget.

Description	Original Budget	Adjustment Budget	Actual
Construction of 1,5 kms of Tarred Roads in Ward 1	R 7 250 000.00		R 3 514 479.62
Construction of 1.7kms Tarred Roads in Ward 2	R 7 130 000.00		R 6 070 661.55
Construction of 1 Mini Facility in Ward 24	R 1 800 000.00		R 1 412 108 .84
Construction of 5km Gravel Road in Ward 16 and 18	R 3 500 000.00		R 2 568 405.41
Construction of 1.3 km Tarred Roads in Ward 09	R 7 800 000.00		R 6 337 703.01
Construction of Indoor High-Performance Fitness Centre Phase1 in Ward 13	R 8 243 000.00		R 6 894 303.78
Construction of 2.5km in Maliba Ward 07 access Road	R 2 950 000.00		R 2 559 429.68
Construction of Emathendeni Sportsfield in Ward 29	R 1 300 000.00		R 1 213 885.57

Construction of 1.1KM Tarred Roads of Cilo to Tholeni Phase 2 in Ward 33	R 2 640 000.00		R 1 262 590.24
Construction of 1.6 km in Kwangubevu Road in Ward 31	R 3 150 000.00		R 2 419 628.17
Construction of Oqungwini road in Ward 30	R 4 160 000.00		R 3 370 000.15
Construction of 1 Mini Facility in Ward 15	R 445 000.00		R 445 000.00
Construction of 1 Community Hall in Uitval Ward 35	R 4 950 000		R 2 781 500.02
Construction of 2.1km Tarred Roads in Colenso Ward 25	R 2 400 000.00		R 568 352.20
Construction of 1.5km in Ekuvukeni Tar Road in Ward 33	R8 850 000.00		R 4 693 846.71
Construction of Satellite Fire Station for Indaka and Surrounding Areas	R 12 000 000.00		R 5 759 985.05
Construction of 2.5 km of Ludimbi Gravel Road in Ward 30	R 720 000.00		R 720 000.00
Construction of 1 stormwater drain in the landfill site in Ward 20	R 2 358 000.00		R 159 587.08
Repairs of the Roosboom Mini Facility in Ward 13	R 65 761.00		R 65 761.00

3.3.3 Electricity services

An amount of R9 560 000.00 is budgeted for from the equitable share for Free Basic Electricity

13 968 number of consumers receiving 50kwh of free basic electricity.

The cost to Municipality for the free basic electricity is R9 461 440.93

The Municipality has implemented Schedule 5B Electrification projects in the following areas:

Nondwayiza, Ward 11 and 26 connections have been done. The budget amount is R 598 000.00 which was funded by DOE. Achieved.

Gxobagxoba, Ward 26 and 60 connections have been done. The budget amount is R 3500 000.00 which was funded by DOE. Not Achieved. The contractor to speed up the connection of the remaining household connections.

Embangeni, Ward 31 and 159 connections have been done. The budget amount is R 6 000 000.00 which was funded by DOE. Achieved.

Uitval, Ward 35 and 187 connections have been done. The budget amount is R 4 500 000.00 which was funded by DOE. Achieved.

Wards 6, 7, 11, 20, 25, 27 & 29 and 250 connections will be electrified. The budget amount is R3 548 388.00 which was funded by DOE. Not achieved. The Contractor was appointed in June 2020 and will commence with construction in August 2020. Completion date 31/10/2020.

Wards 16, 18 & 19 and 225 connections will be electrified. The budget amount is R3 193 548.00 which was funded by DOE . Not achieved. The Contractor was appointed

in June 2020 and will commence with construction in August 2020. Completion date 31/10/2020.

Ward 18 & 23 and 300 connections will be electrified. The budget amount is R4 258 065.00 which was funded by DOE. Not achieved. The Contractor was appointed in June 2020 and will commence with construction in August 2020. Completion date 31/10/2020.

Public Lighting Projects were implemented in Roosboom Ward 13, 100 Street lights to be installed. The budget amount is R2 000 000.00. Not achieved. The contractor completed 79 street lights, experienced a rocky area, had to bring machinery on site to assist with breaking the rock and dig 33 pole holes. To install 21 remaining street lights. Completion date 31/08/2020.

Public Lighting Projects were implemented in Roosboom Ward 11 and 10 High Mast Lights were installed. The budget amount is R2 000 000. Completion date 30/06/2020.

Public Lighting Projects were implemented in Mathondwane Ward 17 and 10 High Mast lights were installed. The budget amount is R2 000 000.00. Completion date 30/06/2020.

Public Lighting Projects were implemented in Tholeni, Standford & Limehill Ward 34 and 16 High Mast lights were installed. The budget amount is R3 683 000.00.

3.4 PUBLIC SAFETY AND EMERGENCY SERVICES DEPARTMENT

3.4.1. TRAFFIC AND LAW ENFORCEMENT SERVICES

(a) Introduction

Road safety programs assist motorists and pedestrians to act proactively and to change negative behaviour towards road safety. The risk of accidents was reduced through visibility and road safety educational programs.

(b) Traffic Policing and By-law Enforcement

Category		Previous Year Actual Number (18/19)	Current Year Actual (19/20)
Number of law-enforcement officers in the field on an average day (Traffic and By-Law Enforcement)		27	32
Number of law enforcement officers on duty on an average day		27	32
Number of by-law infringements attended	Stray Animals	120	109
	Notices Issued	124	243
	Complaints	244	374
Number of road traffic accidents during the year (Ladysmith, Steadville and Ezakheni Areas)	Ladysmith	1187	1105
	Steadville	52	52
	Ezakheni	266	242
	Driefontein	10	15
	R103	108	118
	N3	57	87
	N11	83	172
	Total	1763	1791

(c) Traffic Policing and By-law Enforcement Policy Objectives

Performance Objectives	Key Performance Indicator	Target	Actual	Comments
Compliance Indicators				
Provide an effective traffic and law enforcement service	Number of vehicle check points held per annum	600	2398	Target Achieved for Vehicle Check points to enable law enforcement and increase safety as well as prevent loss of life.
	Number of by-law operations held	Ongoing	Ongoing	Awareness operations were held to in respect of educating the community regarding by-laws and their responsibilities in respect of compliance.
	Number of Planned roadblocks held per annum	12	49	Joint Road Blocks were conducted on specific dates with the following statistics obtained in total: <ul style="list-style-type: none"> Written Notices Issued: 1836 Warrants of Arrest Executed: 501 Drunken Driving Arrests: 48.
Ensure proper monitoring of the Client Service Charter	% of motor registration and licensing cases handled within a required time frame	100%	100%	This section consists of testing of candidates for learners and drivers Licenses to determine their proficiency and issuing of law enforcement and is subject to the supply vs. demand concept of the community.
Report to council regularly	Monthly report submitted?	Yes	Yes	Monthly reports are submitted

The following key performance indicators are measured on quarterly basis. Key performance Indicators are the following:

The safety of all road users is of great importance to the Alfred Duma Local Municipal Department Public Safety and Emergency Services and therefore all efforts are made to ensure the safe and free flow of traffic in and around Alfred Duma Local Municipality. Regular high visibility patrols are conducted. Point duty by traffic officers are conducted at certain problematic locations in the mornings.

- **Foot patrols:** Officers engage in both routine (as specified by the operational law enforcement plan) and random foot patrols. This has greatly assisted in regard to management and deterrence of illegal trading, parking violations, and other offences.

- **Roadblocks:** Due to high visibility and alcohol law enforcement during planned roadblocks in conjunction with other role players (e.g.: SAPS, RTI) Traffic Law Enforcement has managed to achieve a marked decrease in motor vehicle accidents during festive periods. Officers. Joint parties carry out targeted enforcement in terms of problematic traffic issues and warrant checks are carried out for all drivers stopped during the course of roadblocks. The significant amount of drunken driving arrests made by officers serves as an extreme deterrent to motorists who are likely to drink and drive. In this manner the Department Public Safety and Emergency Services has effectively utilized roadblocks as a tool to prevent loss of life and promote road safety.
- **By-law enforcement:** By-Law officers respond to complaints from the public in regard to health hazards, illegal dumping, stray animals, noise disturbances and other matters. These officers then educate the offenders and make efforts to rectify the source of the problem. By-Law officers liaise with other municipal sections in cases where their assistance is required to resolve an issue and follow up until the resolution of the matter. By-Law officers held operations in respect of educating the community regarding by-laws and their responsibilities in respect of compliance therewith.
- **Vehicle check points (VCP):** Officers utilized vehicle check points to target specific offences (e.g.: not wearing seatbelts, talking on a cellular phone whilst driving) as well as to check for the roadworthiness of vehicles. When officers address these traffic violations it urges motorists to refrain from committing the same offence in future. This resulted in more motorists using their seatbelts, refraining from using a cellular phone whilst driving and ensuring that their vehicles were in good working condition. In turn, this prevents the loss of life due to driver negligence and ensures road safety.
- **Driving and learners' licenses:** Officers ensure that they always check for the validity of the driver's licence in order to assess if the driver is authorized to drive the vehicle that they are operating. These checks guarantee a decrease in motorists who are likely to operate a vehicle without a valid licence. This is vital, as unlicensed drivers are more likely to pose a hazard to themselves and other road users. The dedicated licence checks by officers therefore contributes to road safety and prevents loss of life on the road.

The following is a breakdown of the additional Traffic Related Duties that were carried out during the 2019/2020 Financial Year:

Type of Duty	2018/2019 Financial Year	2019/2020 Financial Year
Drunken Driving Arrests Made	107	76
Warrants of Arrest Executed	3 031	2 074
Income Accrued from Warrants of Arrest Executed	R 2 509 370.00	R 1 860 860.00

COVID-19 PANDEMIC EFFECTS

Joint Stakeholder Road Blocks were held with SAPS and RTI in the course of performing COVID-19 related and traffic enforcement duties.

It should be noted that overall traffic, roadblocks and vehicle checks decreased in direct correlation to Lockdown Phases.

(d) Employees: Law Enforcement Officers

Salary Level (Task Grades)	Permanent Posts		Short Terms Contract Posts	Current Employees		Vacancies	
	By-Law	Traffic	By-Law Enforcement	By-Law	Traffic	By-Law	Traffic
05 - 10	4	22	7	4	21	0	1
11 - 14	1	4	0	0	4	1	0
15 - 18	0	3	0	0	3		
Total	5	29	7	4	28	1	1

3.4.2. LICENSING

The Licensing Section is divided mainly into two sub-sections which deal mainly with the following issues:

MLB – Motor Licensing Bureau:

- Registration and Licensing of Motor Vehicles

For the 2019/2020 Financial Year a total of **10 925** (100%) of all new vehicle registration applications were received and processed by 30 June 2020.

- Renewal of Motor Vehicle's Licences

For the 2019/2020 Financial Year a total of **53 048** (100%) of all vehicle registration renewals were received and processed by 30 June 2020.

DLTC – Driving Licence Testing Centre:

- Application of Learner's, Driving Licence's and PRDP
- Testing Learner's and Driving Licences
- Issue of Lerner's and Driving Licences
- Renewal of Driving licences

For the 2019/2020 Financial Year a total of **1 661** (100%) licences were issued to all successful applicants tested for learner's licences by 30 June 2020.

For the 2019/2020 Financial Year a total of **444** (100%) licences were issued to all successful applicants tested for driving licences by 30 June 2020.

It must be noted that the Licensing Office is mainly a demand driven service delivery section that seeks to facilitate effective Provincial Motor Transport and Traffic Law Administration services in order to ensure compliance with the National Road Traffic Act 93/96

COVID-19 PANDEMIC EFFECTS

It should be noted that the Licensing Office was closed during April 2020 and May 2020 in accordance with DOT COVID-19 related Regulations and only re-opened in the month of June 2020. This has resulted in a severe drop in the amount of Licensing Transactions performed as well as income accrued in this regard.

3.4.3. FIREFIGHTING SERVICES

(a) Introduction

Alfred Duma Local Municipality has a Fire Fighting Service consisting of **five (5)** full time fire officers, **three (3)** contract fire officers and **Twenty (20)** working on fire-trained staff. The top service delivery priorities for the year under review were:

- Preventing the outbreak or spread of fires
- The saving of lives and property
- To react rapidly with the available resources to extinguish reported fires.
- To compile and follow a Control Burning Plan by creating and monitoring a controlled fire in areas where, should a fire occur, it will spread quickly or poses a fire hazard so that future risk will be mitigated
- To conduct Fire Prevention Inspections at business premises to reduce risk and ensure fire safety
- To conduct inspections of tanks, vehicles and premises storing flammable gasses and/or liquids within the municipal jurisdiction in order to mitigate risk and ensure fire safety.

During the year under review, the Alfred Duma Fire Service reacted to **one hundred and fifty-four (154)** fires and **thirty-three (33)** other incidents within the average turnout time especially within urban areas.

The service delivery within the rural areas is still challenging.

Category	Previous Year Actual Number (18/19)	Actual Number (19/20)
Total fires attended in the year	154	269
Average turnout time - rural areas	30 Minutes	30 Minutes
Average turnout time - urban areas	15 Minutes	15 Minutes

The following is a breakdown of the Fire Service Duties carried out during the 2019/2020 Financial Year:

Total grass fires	116
Total building fires	92
Total vehicle fires	25
Other fires	36
Special Services (Entrapments)	5
Fire prevention Inspections conducted at business premises within the Alfred Duma Local Municipality	313
Business Licences conducted at business premises within the Alfred Duma Local Municipality	65
Building Plans conducted within the Alfred Duma Local Municipality jurisdiction	185

COVID-19 PANDEMIC EFFECTS

Although a more rigorous Fire Prevention Safety Awareness plan was being executed by the Department Public Safety and Emergency Services, it should be noted that from March 2020 onwards, Fire Inspections were conducted in accordance with COVID-19 Regulations as different businesses were permitted to open.

(b) Fire Service Policy Objectives

Performance Objectives	Key Indicator	Performance Target	Actual	Comments
Compliance Indicators				
Communicate Disaster Management Plan with relevant role-players	Number meetings held	1	1	Disaster Management Plan was perused and reviewed for adoption by the Alfred Duma Local Municipal Council
Compilation and annual review of the Disaster Management Plan	Compilation completed by 30 th June 2020	30 th June 2020	Submitted to Council for approval and adoption at meeting scheduled for 30 th July 2020	Plan will be reviewed and workshopped with Councillors
Disaster Management Sector Plan	Compilation completed by 30 th June 2019	30 th June 2019	Submitted to IDP and then to COGTA	Plan will be reviewed and workshopped accordingly
Provide a quality firefighting service	Monthly inspection of vehicles and equipment done?	Yes	Yes	This is done on a bi-weekly basis as well as during random inspections.
	Number of vehicles not operational for more than 5 days during the month	0	0	This is checked on a bi-weekly basis as well as during random inspections.
	Complaints not sufficiently addressed within 5 days regarding firefighting services	0	0	All complaints were sufficiently addressed within 5 days.
Reduce fire risks through continuous public awareness	Number of educational / awareness campaigns	20	40	Fire Safety Lectures were also presented at schools within Alfred Duma Local Municipal across all 36 wards

(c) Employees: Fire Services

Salary Level (Task Grades)	Permanent Posts	Short Term Contract Posts	Employees	Vacancies
05 - 10	4	3	4	
11 - 14	4		2	2
15 - 18				
Total	8	3	6	2

3.4.4. Fleet Management

The Fleet Section currently comprises of Assistant Manager: Fleet, one Administrative Clerk, one Superintendent and four mechanics that are responsible for approximately two hundred and ninety nine (299) Council vehicles which are subdivided into the following categories with only the listed Staff Strength appointed to affect internal repairs and maintenance to these vehicles, along with assessing repair requirements for outsourcing and subsequent routing for outsourcing:

TYPE OF COUNCIL OWNED VEHICLE	TOTAL AMOUNT OF VEHICLES
Light Motor Vehicles	166
Heavy Motor Vehicles	100

Plant	33
Total Fleet	299

This shortage of manpower creates a challenge in terms of the turnaround time for the repairs of vehicles. Long turnaround times affect service delivery. Supply Chain delays are also a contributing factor in the increased turnaround time. Driver abuse results in the increased frequency that vehicles visit the workshop. Vehicle abuse is reported to the Municipal Manager for disciplinary action. Service level agreements are in place for the repairs and maintenance to Council's fleet.

During previous assessments it was noted that the outsourcing of repairs for municipal fleet has resulted in high expenditure and loss to Council, with the Costs of Outsourced repairs during the 2018/2019 Financial Year amounting to R 7 883 279,29 and the 2017/2018 Financial Year amounting to R 7 706 766.33.

For this reason, a plan to reduce outsourcing costs by implementing in-house repairs and maintenance to the Municipal Fleet has been implemented to employ additional personnel as well as purchase additional machines and equipment.

On the 31st October 2019 the Department Budget and Treasury informed the Department Public Safety that 80% of the Vehicle Repairs and Maintenance Vote had already been depleted and raised the concern that there was insufficient remaining funds to sustain the municipality for the remainder of the financial year.

In view of the above it was determined that that the implementation of the in-sourcing of municipal fleet in terms of the purchasing of equipment and tools, fencing, doors which had a budgeted of R 3 479 693.70 be postponed during the 2019/2020 Financial Year and instead be implemented in the 2020/21 Financial Year.

The following repairs were carried out to Council vehicles during the 2019/2020 Financial Year:

Number of light vehicles received and attended to	278
Number of heavy vehicles received and attended to	273
Number of heavy plants received and attended to	123

COVID-19 PANDEMIC EFFECTS

From March 2020 onwards staff have been working in accordance with COVID-19 Regulations and the overall productivity of this section has decreased due to the reduced availability of staff, equipment and spares.

3.5 COMMUNITY & SOCIAL SERVICES DEPARTMENT

1. PROVISION AND MAINTENANCE OF RECREATIONAL FACILITIES, COMMUNITY VENUES, LIBRARY SERVICES.

(a) Introduction

Alfred Duma Local Municipality operates and maintains 13 sports facilities and 7 public swimming pools. These facilities cater for a variety of sporting codes including soccer, netball, tennis and volleyball. Vandalism of facilities is an area of concern and constant supervision is required as a mitigation measure. Unfortunately, full time supervision cannot be provided at all facilities due to the operational cost implications. The cost of the operation and maintenance

of sport facilities remains challenge as sport facilities in rural areas do not generate enough income to cover the operation and maintenance expenditure.

The Municipality operates and maintains 5 cemeteries. The services provided include the timely and correct preparation of graves for use, maintaining a register of graves and the maintenance of cemeteries to an acceptable level of tidiness.

The Municipality maintains public open spaces from all Municipal wards and entrance gardens.

a) Recreational facilities

Performance Objectives	Key Performance Indicator	Target	Actual	Comments
Compliance Indicators				
Plan and budget for the provision of new and the maintenance of existing facilities	Maintenance and provision of existing recreational parks maintained in terms of maintenance plan	8	8	
Ensure availability of swimming pools through proper maintenance	Maintenance and provision of existing swimming pool maintained in terms of maintenance plan	7	7	E section and Colenso swimming pool were not fully functional, filtration system not working.
Development of new gym facilities, maintenance and provision of existing facilities	Maintenance and provision of existing gym facilities	3	3	Colenso indoor gym, Ezakheni A section and Klipbank Park outdoor gym.
Development of new sport fields and maintenance and Provision of existing facilities	Maintenance and provision of existing ground sport facilities	15	13	D section ground totally vandalised and indoor sport ground is under renovation.
Plan and budget for the provision and the maintenance of existing cemetery	Maintenance and provision of existing cemeteries and burial services in terms of maintenance plan	5	5	

b) Financial Performance: Parks and Recreational Areas and Swimming Pools

Operational Expenditure Type	Original Budget	Adjustment Budget	Actual
Employees	15 691 906.00	15 691 906.00	15 003 176.62
Repairs and Maintenance	405 288.00	405 288.00	305 288.00
Swimming pools	445 404.00	445 404.00	445 404.00
Cemeteries	173 745.00	173 745.00	120 120.00

c) Comment on the performance of sport, parks and recreational areas and swimming pools and cemeteries overall:

- The section is battling vandalism in most facilities, shortage of staff & funds for maintenance, water restrictions have a negative impact on the maintenance.
- The Department: Sports and Recreation, donated an outdoor gym equipment at the Klipbank Park.

2. COMMUNITY FACILITIES AND HALLS

a) Introduction

The Department of Community Services is responsible for the administration of the Municipality's property portfolio, such as community halls, Thusong centres

The Alfred Duma Local Municipality has 5 (five) Community Services Centres (CSC) in the St Chads, Roosbom, Watersmeet, Ekuvukeni and Driefontein areas. Large numbers of people from these previously under-served communities make use of these facilities to access government and other related services. The location of the mini library at the Watersmeet CSC is one the municipality's successful project as it now has Wi-Fi HOT SPOT.

Most municipal, sector department and non-profit organisational programmes that positively impact on these communities take place in these centres allowing local citizens to access services easily while saving on transport costs.

b) Community Facilities – HALLS and THUSONG CENTRE

Performance Objectives	Key Performance Indicator	Target	Actual	Comments
Compliance Indicators				
Adequately maintain facility infrastructure	Number of community halls maintained	60	48	All community halls not transfer from Uthukela to Alfred Duma local municipality (from former Indaka), Shortage of staff and need to be renovated, E section was burned during the community unrest.
Provision of caretaker ship in all municipal halls	Number of halls with caretaker ship services	10	06	To be included on the new organogram and no budget available for employment of caretakers.
Functional Thusong Centres	Number of functional and maintained Thusong Centres	5	5	

c) Financial Performance: community halls overall and Thusong Centre

Operational Type	Expenditure	Original Budget	Adjustment Budget	Actual
Employees		2 884 392.00	00	15 003 176.62
Repairs and Maintenance		116 304.00	116 304.00	115 577.54
Thusong Centres		108 000.00	108 000.00	42 944.57

d) Comment on the performance of Community Halls and Thusong Centre overall:

- Challenge with vandalism at the at the community facilities

- Caretakers and general workers are rotated as when required for cleaning and transporting of chairs.
- The section aims to provide access to Government services (e.g. Home Affairs) to the surrounding community and to promote the social economic opportunities at the Thusong Centres.
- The section aims in attracting private business sectors to operate in both the Thusong and Multipurpose Centre.
- Challenges with three Thusong Centres that are not connected to the ITC connectivity.
- Security is one of the major challenges at the Centres.

3. LIBRARIES

a) Introduction

Alfred Duma Municipality has six libraries within the jurisdiction of the area. All libraries, i.e. those located in the area, Agra-Crescent, Colenso, Steadville, Ezakheni, Ekuvukeni and Main Library operate from Monday to Saturday. One modular library has been completed at Somshoek.

b) Libraries Objectives

Performance Objectives	Key Performance Indicator	Target	Actual	Comments
1 Compliance Indicators				
Protect library material through consumer training	Number of annual consumer training programmes/Library orientation		37	The program is based on the demand from schools
	Number of new memberships		369	July2019 – Feb 2020
Improving Membership	Number of school visits conducted		119	

c) Financial Performance: Library Services

Operational Expenditure Type	Original Budget	Adjustment Budget	Actual
Employees	3 500 004.00	4 451 789.00	3 435 310.35
Repairs and Maintenance	249 996.00	48 960.00	217 016.00
Other			

3.5.5. Refuse removal

A weekly refuse removal service is available for all urban and semi-urban totalling to 35595 households with access to refuse removal. The challenge for clearing illegal dumping of household refuse are done on a daily basis. Whereas, clearing of illegal dumping of building rubble and garden refuse are removed and disposed monthly at Acacia vale landfill site.

(a) Households Access to Refuse Removals

Number of Households with Access to Refuse Removals	35595
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(b) Refuse Removal Objectives

Performance Objectives	Key Performance Indicator	Target	Actual	Comments
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1 General KPIs				
Access to refuse removals	No. of households with access to weekly refuse removals	35595	35595	Refuse removal service is conducted as per schedule.
Management of Landfill Site	No. landfill site managed	1	1	
Clearing of illegal dumping	No. of awareness/ campaigns conducted			Lack of transport was the main challenge
	No. of school visits conducted		0	Lack of transport was the main challenge
	No. of bins installed in the CBD	100	100	Target achieved
	% of illegal dumping cleared	100%	100%	Vehicles/machinery -breakdowns

(c) Financial Performance: Refuse Removal

Operational Type	Expenditure	Original Budget	Adjustment Budget	Actual
Employees		R 14 133 804,00	R 0.00	R 14 133 804.00
Repairs and Maintenance		R 10 159 556.00	R 0.00	R 10 159 556.00
Other				

(d) Capital Expenditure: Refuse Removals

Project	Original Budget	Adjustment Budget	Actual Spent	Total Project Budget
Equipment: Refuse Removal	R 8 809 920,00	R 0.00	R 6 934 096.16	R 6 934 096.00
Equipment: Refuse bins, traps, skips	R 330 000,00	R 5 000,00	R 334 976.69	R 334 976.69

Chapter 4: Organizational Development Performance**4A Introduction to the municipal workforce****4.1 Employee totals, turnover and vacancies:****Employee totals 907****Turnover 1390****Vacancies 483**

4B. Managing the municipal workforce

4.2 Policies

Acting Allowance Policy

Batho Pele Principles.

Code of Conduct

Code of Ethics

Customer Care Policy

Dress Code Policy

Overtime Policy

Placement of Staff Policy

Practical Experiential and Training Policy

Standby Allowance Policy

Capacity Building Policy –Municipal Councillors

Capacity Building Policy for Employees

Promotion Recruitment and Selection Policy

Sexual Harassment Policy

Attendance and Punctuality Policy

Leave Management Policy for Senior Managers

Employment Equity Policy

Strike Management Policy

Disciplinary Policy and Procedure

Job Evaluation Policy

Medical Aid Policy

Scarce Skills and Retention Policy

Human Resource Strategy

Job Creation Policy

4.3 Injuries, Sickness & Suspensions

DEPARTMENT	SECTION	IOD	COMMENTS
Municipal Manager's Office	Office of the Mayor	00	No Injury on duty cases this financial year
Budget and Treasury		01	One Injury on duty case
Corporate Services		00	No Injury on duty cases this financial year
Development Planning and Human Settlement		01	One Injury on duty case
Community and Social Services	Parks and Gardens	09	High rate of injuries because sections has lots of hazards. Awareness, Induction and training for new employees, Refresher Trainings for both management and employees, inspections, tool box talks are of high priority in this section.
	Cleansing and Solid Waste	02	
	Community Venue	01	
Public Safety and Emergency Services	Traffic Officer	01	Traffic officers have high risk jobs. Awareness, Induction and training, inspections and parade needs to discuss safety issues.
	Fleet	01	
Technical and Infrastructural Services	Maintenance services	04	Department has major hazards. Awareness, Induction and training for new employees, and refresher training for management and employees. Inspections, tool box talks are of high priority in this section.
	Electrical Engineering Services	04	

Management to ensure compliance with Occupational Health and Safety Act No 85 of 1993 in all departments

- Review and update on Risk Assessment for all departments.
- Training Health and Safety for all Department and Incident Investigator is high priority for all Incidents and accidents to assist reduce Injuries on duty.
- Strong communication channel on departments to report to OHS Office immediately all incidents and accidents as they occur.
- OHS Office and departments to providing more support for all Injured employees.
- Provision of correct Personal Protective Equipment.

4.4 Performance rewards

Performance Bonuses were paid for the 2018/2019 financial year to the following Section 54/56 Managers:

- Municipal Manager
- Executive Director: Corporate Services
- Executive Director: Development Planning and Human Settlements
- Executive Director: Public Safety and Emergency Services
- Executive Director: Technical and Infrastructural Services

4C Capacitating the municipal workforce

4.5 Skills Development & Training

Skills Development Act and regulations provide for a new approach to training and development, which aims to benefit all Alfred Duma Local Municipality stakeholders such as employer, employees, councillors, trade unions as well as its community. They impact on skills development in our municipality in that they set out provisions for:

- Workforce skills development.
- Sector skills planning.
- Workplace skills planning.
- Funding of skills development.
- Involvement of trade unions and employee representatives in the skills development process.
- Learnerships/Internships/in-service training.
- Skills programmes.
- Reporting on skills development implementation.

The collaborative management of HRD activities and processes have the potential to ensure that Alfred Duma Local Municipality continues to deliver service to its community in the efficient and effective way.

4D. Managing the workforce expenditure

4.6 Employee Expenditure

Employee numbers – 907, Staff vacancy rate – 35%, Staff turnover rate – 65%

DISCIPLINARY HEARINGS

PAY NUMBER	DATE	DETAILS
292	31 July 2019	➤ The matter is not yet finalised. Council extended his suspension in line with clause 16.4 of the Disciplinary Procedure Collective Agreement.

224	15 August 2019	➤ Forensic Investigation is not yet finalised however, the Council extended his suspension in line with clause 16.4 of the Disciplinary Procedure Collective Agreement.
2177	20 August 2019	➤ The matter was finalised on 17 March 2020 whereby the employee was dismissed.
1550	25 February 2020	➤ The Disciplinary hearing is not yet finalised however, the Council extended his suspension in line with Disciplinary Procedure Collective Agreement.

SICK LEAVE DAYS TAKEN AS AT 30 JUNE 2020

3163	NO COSTING IMPLICATIONS
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Chapter 5: Financial Performance

5A Statement of Financial Performance

5.1 Statements on Financial Performance (AFS attached)

5.2 Grants

Unspent grants amounted to R 66 477 515 as at the end of the 2019/2020 financial year which comprises mainly of the Housing grant, MIG and INEP. Total grant allocations for the 2019/2020 financial year was R 350 619 000.00 of which R 239 701 664 was for operational grant allocations and R 94 423 016 was for capital grants excluding the INEP grant allocation of R 16 494 320. The Equitable share portion allocated to the municipality for the 2019/2020 financial year was R 232 678 000.

5.3 Asset Management

Details on asset management and key elements of asset management policy

The Asset Management Section falls under the Budget and Treasury Department who are responsible for financial reporting for all assets that belong to Council. The Assets Section has had its challenges from the inception of GRAP as the reporting standard to a fully-fledged Asset Management Unit within the Municipality. Councils Audit opinion has reviled a significant change noting that all asset queries have been resolved on both the management report and the audit report. The Asset Section no longer uses the services of consultants for financial reporting as well as on the engineering side, which has contributed largely to the minimizing of spending on consulting fees. We have reviewed and amended the organogram in an attempt to ensure that we have enough resources in terms capacity and human resources. Two (2) Senior Accountants have been appointed as well as an assets accountant to ensure a smooth transition from dependence on consultants on our plan to minimize or reduce such spending and this has been achieved. The outcomes of the previous financial years audit are indicative of progress made in the assets management of the Municipality and in the financial year under review we have planned to have no material adjustments which may fall under matters of emphasis on the report. Asset Management according to the MFMA is the responsibility of the Accounting Officer which is then further delegated to departmental HODs. This is a clear indication that Asset Management needs the co-operation of many stake holders as there is not a single person appointed by Council that is not affected by Asset Management whether directly or indirectly.

The Asset Management Unit has the responsibility to manage acquisition management as per the SCM Regulation. We still experience challenges in this regard as we do not have sufficient internal controls and we are also affected by the functionality of our Munsoft system as it is difficult to detect when new assets are purchased so as to record them our asset registers. We have further generated a procedure manual to try and increased internal controls to

manage the movement of assets within council which are mostly not adhered to. We are further responsible for generating controls to ensure the safeguarding of assets but still every year we experience theft, losses and vandalism of Councils assets where are departmental Heads need to play their oversight roles. Disposal Management is also one of the key areas that we are focused on, to ensure that all necessary processes are adhered to as per the requirement of Section 14 of the MFMA. There has been some inefficiencies but to mitigate the Municipality has appointed an independent auctioneer to curb thefts and to increase our revenue base, and we have also seen an improvement in this regard as compared to the previous financial years. The Asset Management Section works closely with the Internal Audit Section and has implemented an Asset Steering Committee with representation from all department's to increase efficiency in information flow, as well as to deal with roles and responsibilities of departments and the Budget and Treasury department as the consolidation and reporting of all work done by departments lies with the Budget and Treasury department. Repairs and Maintenance of Councils Assets are also largely affected by the outcomes of the asset verification and final asset registers even though there isn't sufficient budget to carry out our Maintenance plans.

This financial year we have appointed a Heritage Asset Valuation Expert to deal with the verification and valuation which was achieved. Engineers has further appointed a service provider to recalculate our provision to rehabilitate the landfill sites and to Net Present Value it which was successfully achieved.

A lot of work has been done, and we have noted a lot of improvement in this regard but a lot of work still needs to be done collectively to ensure that the municipality receives positive audit outcomes.

Details on three largest assets acquired during the financial year.

In the current financial year, we have noted the following projects to be amongst the top three (3) in terms of costs:

TARRED ROADS IN WARD 9 R 7 796 306.03 Incl.
TARRED ROADS WARD 2 R 7 022 306.03 Incl.
EKUVUKENI TARRED ROADS R 5 397 923.72 Incl.

These projects have a large impact to our communities as they make life simpler, safer and civilized as those are some of our objectives to improve the lives of our constituents.

5.4 Financial Ratios

Current Ratio: Total Current Asset / Total Current Liabilities

834,370,587.00 / 306,291,273.00

2.72

Acid Test Ratio: Current Asset – Inventory / Current Asset

660,460,798 / 306,291,273

2.16

5B Spending against Capital Budget

5.5 Capital expenditure

The total Capital Budget for the 2019/2020 financial year was R 105 003 385. Grant funding amounted to 90% of the Capital Budget whereas Council's contribution was 10%. Total spending on the Capital Budget amounted to R 86 775 321. This amounts to 83% of the total capital budget.

5.6 Source of finance

The municipality's grant funding amounted to 90% of the capital budget and 35% of the total budgeted revenue of the municipality. The municipality has 2 loans with an outstanding balance of R 5 543 149 at the end of the financial year.

5.7 Capital Spending on 5 largest projects

<u>PROJECT DISCRPTION</u>	<u>BUDGET</u>	<u>ACTUALS</u>
TARRED ROADS IN WARD 9	R7 800 000	R 7 796 306.03
EKUVUKENI TAR ROAD	R 8 850 000	R 5 397 923.72
TARRED ROADS WARD 1	R 7 250 000	R 4 363 693.98
TARRED ROADS IN WARD 3	R 7 130 000	R 7 022 100.33
UITVAL COMMUNITY HALL	R 4 950 000	R 3 198 725.03
<u>TOTAL</u>	<u>R35 980 000</u>	<u>R 27 778 749.09</u>

5.8 Basic Service and Infrastructure Backlogs

Due to financial constraints the municipality cannot cater for all service delivery and infrastructure backlogs and therefore prioritises the backlogs within its available financial resources.

5C Cash flow Management & Investment

5.9 Cash Flow

The municipality had a positive cash flow as at the 30 June 2020 and is still maintaining it. The cash covering ratio is 1.77 months and have over R 120m invested.

5.10 Borrowing & Investments

The municipality has 2 loans with an outstanding balance of R 5 543 150 at the end of the financial year. The loan with ABSA bank is at an interest rate of 9.1% with a balance of R3 05 132 outstanding at the end of the financial year and is in respect of the Tsakane Electrification project. The loan with DBSA is at an interest rate of 5% with a balance of R 2 718 647 outstanding at the end of the financial year and is in respect of the former Indaka local municipality office buildings.

5.11 Public Private Partnerships

This is not applicable to the municipality

5D Other Financial Matters**5.12 Supply Chain Management**

The Alfred Duma Local municipality has a developed Supply Chain Management policy and it is reviewed every year to cater for the newly introduced regulations and guidelines. The supply chain management unit has the total number of thirteen (13) permanent staff of which nine (9) meet the minimum competency requirements and four (4) is in the process of completed the required units' standards in order to comply. There were supposed to complete during the course of this year however due to the national disaster they were unable.

5.13 GRAP compliance

The municipality keeps up to date with GRAP statements and finance officials are regularly sent on GRAP update courses. The Annual Financial Statements for the 2019/2020 financial year have been prepared in accordance with GRAP.

5.14 DISCLOSURE ON COST CONTAINMENT MEASURES

Cost Containment Annual Report			
Cost Containment Measures	Budget	Total Expenditure	Savings
	R'000	R'000	R'000
Use of consultants	R 7 062 076	R 5 756 837	R 1 305 239
Vehicles used for political office -bearers	R 0	R 0	R 0
Travel and subsistence	R 272 608	R 94 356	R 178 253
Domestic accommodation	R 656 623	R 374 374	R 282 249
Sponsorships, events and catering	R 217 000	R 185 651	R 31 349
Communication	R 75 636	R 64 250	R 11 386
Other related expenditure items (conference + R.I)	R 904 928	R 575 993	R 328 935
Total	R 9 188 871	R 7 051 459	R 2 137 411

Chapter 6: Auditor General's Findings

6.1 Auditor General Report (Previous Year- attached)

6.2 Remedial Action Taken (Previous Year- attached)

6.3 Auditor General Report (Current Year) To include Post audit

6.4 Remedial Action Taken (Current Year) To include Post audit

Appendices:

- a. Councillors: Committee Allocation and Council Attendance**
- b. Committees and Committee Purposes**
- c. Third Tier Administrative Structure**
- d. Functions of Municipality/Entity**
- e. Recommendations of the Municipal Audit Committee**
- f. Long term Contracts and Public Private Partnerships**
- g. Municipal Entity / Service provider Performance Schedule**
- h. Disclosure on Financial Interest**
- i. Revenue Collection Performance**
- i(i) Revenue Collection Performance by Vote**
- i(ii) Revenue Collection Performance by Source**
- j. Conditional Grants Received (Excluding MIG)**
- k. Capital Expenditure – New an Upgrade/Renewal Programmes**
- k(i) Capital Expenditure – New Assets**
- k(ii) Capital Expenditure – Upgrade/Renewal**
- l. Capital Program by Project**
- m. Capital Program by Project by Ward**
- n. Service connection backlogs at Schools and Clinics**
- o. Service Backlogs Experienced by the Community where another Sphere of Government is responsible for Service Provision**
- p. Declaration of Loans and Grants made by the Municipality**
- q. Declaration of Returns not made in due time under Section 71**
- r. National and Provincial outcomes for Local Government**

A. Councillors: Committee allocation and Council Structure

COUNCILLORS: COMMITTEE ALLOCATED AND COUNCIL STRUCTURE				
Council Member	Exco members	Committee Allocated to	Ward and/or Party Represented	
Cllr L Bhoobun		Finance	PR	IFP
Cllr SA Buys		Infrastructure and Electrical	12	DA
Cllr TP Dlamini		Support Services	PR	IFP
Cllr SB Dlungwane		Development, Planning & Human Settlements	2	ANC
Cllr TP Gamede		Infrastructure and Electrical	PR	ANC
Cllr TT Gwala			30	ANC
Cllr T Hadebe	EXCO/ Deputy Mayor	Strategic Planning and Governance	25	ANC
Cllr WT Hlomuka		Support Services	16	ANC
Cllr MG Hlubi		Development, Planning & Human Settlements	9	ANC
Cllr NA Khanyile	EXCO	Support Services	PR	ANC
Cllr MM Khoza		Strategic Planning and Governance	PR	IFP
Cllr SI Khulu		Support Services	31	ANC
Cllr TP Khumalo		Development, Planning & Human Settlements	PR	IFP
Cllr LBM Kubheka		Finance	PR	ANC
Cllr SE Kubheka		Strategic Planning and Governance	11	ANC
Cllr S Kubheka		Finance	14	ANC
Cllr LK Kunene		Community Services	PR	IFP
Cllr LS Madinane	EXCO	Infrastructure and Electrical	7	ANC
Cllr MV Madlala	EXCO/ Mayor	Finance	PR	ANC
Cllr ZI Madondo		Infrastructure and Electrical	PR	IFP
Cllr JM Magasela		MPAC	26	ANC
Cllr BC Majola		MPAC	28	IFP
Cllr NR Maphalala		Finance	PR	IFP
Cllr DM Mazibuko		MPAC	15	ANC
Cllr PN Mazibuko		MPAC	PR	EFF
Cllr ME Mbatha		Finance	33	ANC
Cllr MPB Mbatha		Community Services	21	ANC
Cllr NTA Mbatha		Strategic Planning and Governance	10	ANC
Cllr MB Mbhele		Development, Planning & Human Settlements	32	ANC
Cllr MN Mbhense		Strategic Planning and Governance	PR	ANC
Cllr A Mchunu	EXCO	Development, Planning & Human Settlements	PR	ANC
Cllr MS Mchunu		Community Services	8	ANC
Cllr NB Mchunu		MPAC	PR	ANC
Cllr TP Mchunu		Development, Planning & Human Settlements	5	ANC
Cllr D Mfusi		MPAC	PR	ANC
Cllr SR Mfusi		Finance	PR	ANC
Cllr XF Mhlongo		Support Services	PR	IFP
Cllr MN Mlotshwa		Support Services	PR	ANC
Cllr KL Msibi		MPAC	PR	DA
Cllr SZP Msibi	EXCO	Community Services	PR	ANC
Cllr ENM Mthethwa		MPAC	PR	NPA
Cllr V Murugan		Support Services	PR	DA
Cllr ZE Myende		Support Services	22	ANC
Cllr MW Ndamane		Development, Planning & Human Settlements	27	ANC
Cllr TW Ngubane	Speaker	LLF / Rules Committee	13	ANC
Cllr TB Njapha		LLF / Infrastructure and Electrical	PR	ANC
Cllr TP Njoko		Infrastructure and Electrical	20	ANC
Cllr EV Nkabinde		Finance	34	ANC
Cllr MP Nkabinde		Infrastructure and Electrical	35	ANC
Cllr ME Nkephu		Strategic Planning and Governance	23	ANC
Cllr L Nkosi		Community Services	PR	EFF
Cllr MM Nkosi		Development, Planning & Human Settlements	PR	EFF

Cllr ZP Nsuntsha		Strategic Planning and Governance	PR	IFP
Cllr OS Nxumalo			24	ANC
Cllr L Qwabe		MPAC	PR	IFP
Cllr DJ Radebe		Community Services	3	ANC
Cllr SS Radebe		Support Services	18	ANC
Cllr MH Shange		Strategic Planning and Governance	PR	EFF
Cllr NTV Sibisi		Community Services	PR	IFP
Cllr SZ Sibisi		MPAC	PR	NADECO
Cllr S Simelane	EXCO	EXCO	36	IFP
Cllr FP Sithole		Infrastructure and Electrical	PR	IFP
Cllr SSJ Sithole		Development, Planning & Human Settlements	29	IFP
Cllr SD Sokhela		Infrastructure and Electrical	19	ANC
Cllr MR Suddaby	EXCO	Finance	PR	DA
Cllr NH Thwala		MPAC	4	ANC
Cllr NE Vilakazi		Strategic Planning and Governance	6	ANC
Cllr SD Vilakazi		MPAC	1	ANC
Cllr ASD Warasally	EXCO	EXCO	PR	IFP
Cllr T Xaba		MPAC	17	ANC
Cllr NL Zikalala		Community Services	PR	ANC
Cllr NI Zwane		Community Services	PR	ANC

B. Committees and Committee Purpose

COMMITTEES (OTHER THAN EXCO) AND PURPOSES	
Municipal Committee	Purpose of Committee
Finance Portfolio Committee	Financial services
Infrastructure and Electrical Portfolio Committee	Technical, Infrastructure and planning affairs
Support Services Portfolio Committee	Corporate Admin Legal and Human Resources affairs
Community Services	Public Safety and Emergency Services and Community and Social Services issues
Municipal Public Accounts Committee (MPAC)	Oversee the operation of public accounts
Audit Committee	Perform functions as per MFMA section 166
Strategic Planning and Governance Portfolio Committee	Social Strategic Planning and Governance issues
Development, Planning and Human Settlements	Related to Land as well as housing issues
Local Labour Forum	Looking at the Labour issues

APPENDIX C: Third Tier Administration

Organogram- attached separately

APPENDIX D: FUNCTIONS OF MUNICIPALITY

Municipal Functions as per Schedules 4 Part B & 5 Part B of MSA		
Municipal Functions	Function Applicable to Municipality (Yes/No)	Function performed by Alfred Duma Local Municipality (Yes/No)
Air pollution	Yes	No
Building regulations	Yes	Yes
Child care facilities	Yes	No
Electricity and gas reticulation	Yes	No
Fire-fighting services	Yes	Yes
Local tourism	Yes	Yes
Municipal airports	Yes	Yes
Municipal planning	Yes	Yes
Municipal health services	Yes	No
Municipal public transport	Yes	No
Municipal public works	Yes	Yes
Pontoons, ferries, jetties, piers and harbours	Yes	No
Storm water management system in built-up areas	Yes	Yes
Trading regulations	Yes	Yes
Water and sanitation services	Yes	No
Beaches and amusement facilities	Yes	No
Billboards and the display of advertisements in public places	Yes	Yes
Cemeteries, funeral parlours and crematoria	Yes	Yes
Cleansing	Yes	Yes
Control of public nuisance	Yes	Yes
Control of undertaking the sell liquor to the public	Yes	Yes
Facilities for the accommodation, care and burial of animals	Yes	Yes
Fencing and fences	Yes	Yes
Licensing of dogs	Yes	Yes
Licensing and control of undertakings that sell food to the public	Yes	Yes
Local amenities	Yes	Yes
Local sport facilities	Yes	Yes
Markets	Yes	Yes
Municipal abattoirs	Yes	Yes
Municipal parks and recreation	Yes	Yes
Municipal roads	Yes	Yes
Noise pollution	Yes	Yes
Pounds	Yes	Yes
Public places	Yes	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes	Yes
Street trading	Yes	Yes
Street lighting	Yes	Yes
Traffic and parking	Yes	Yes

APPENDIX E: RECOMMENDATIONS OF THE AUDIT COMMITTEE

Attached as an Audit Committee Report Annexure

APPENDIX F: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts Entered into during Year					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	End Date of Contract	Project Manager	Contract Value
ABSA Bank	Banking Services	01/07/2018	30/06/2023	N/A	N/A

APPENDIX G: MUNICIPAL ENTITY / PERFORMANCE OF EXTERNAL SERVICE PROVIDERS

Attached as Assessment of External Service Providers.

APPENDIX H: DISCLOSURE OF FINANCIAL INTERESTS

Disclosure of financial interests		
Period 1 July 2019-30 June 2020		
Position	Name	Description of financial interest (Nil or details)
Mayor	Cllr MV MADLALA	Nil
Deputy Mayor	Cllr T HADEBE	Nil
Exco Members	Cllr NA Khanyile	Nil
	Cllr LS Madinane	Nil
	Cllr A Mchunu	Owner of Somakade Trading
	Cllr SZP Msibi	Nil
	Cllr S Simelane	Nil
	Cllr MR Suddaby	Nil
	Cllr ASD Warrasaly	Nil
	Cllr TW NGUBANE	Nil
Speaker		
Councillors	Cllr L Bhoobun	SAB Zenzele Holdings Ltd 634 shares and Spaza Shop with Lotto Machine
	Cllr SA Buys	Nil
	Cllr TP Dlamini	Directorship - Vukuzenzele Trading & Project
	Cllr SB Dlungwane	Nil
	Cllr TP Gamede	Nil
	Cllr TT Gwala	Nil
	Cllr WT Hlomuka	Nil
	Cllr MG Hlubi	Nil
	Cllr MM Khoza	Nil
	Cllr SI Khulu	Nil
	Cllr TP Khumalo	Nil
	Cllr LBM Kubheka	Nil
	Cllr SE Kubheka	Nil
	Cllr S Kubheka	Nil
	Cllr LK Kunene	Nil
	Cllr ZI Madondo	Nil
	Cllr JM Magasela	Nil
	Cllr BC Majola	Nil
	Cllr NR Maphalala	Nil
	Cllr DM Mazibuko	Nil
	Cllr PN Mazibuko	Nil
	Cllr ME Mbatha	Nil
	Cllr MPB Mbatha	Nil
	Cllr NTA Mbatha	Nil
	Cllr MB Mbhele	Nil
	Cllr MN Mbhense	Nil
	Cllr MS Mchunu	Nil
	Cllr NB Mchunu	Nil
	Cllr TP Mchunu	Nil
	Cllr D Mfusi	Nil
	Cllr SR Mfusi	Shares and Securities - Oceans (50 shares)

	Cllr XF Mhlongo	Nil
	Cllr MN Mlotshwa	Nil
	Cllr K L Msibi	Nil
	Cllr ENM Mthethwa	Nil
	Cllr V Murugan	Nil
	Cllr ZE Myende	Nil
	Cllr MW Ndamane	Nil
	Cllr TB Njapha	Nil
	Cllr TP Njoko	Nil
	Cllr EV Nkabinde	Nil
	Cllr MP Nkabinde	Nil
	Cllr ME Nkephu	Nil
	Cllr L Nkosi	Nil
	Cllr MM Nkosi	Nil
	Cllr ZP Nsuntsha	Nil
	Cllr OS Nxumalo	Nil
	Cllr L Qwabe	Nil
	Cllr DJ Radebe	Nil
	Cllr SS Radebe	Nil
	Cllr MH Shange	Nil
	Cllr NTV Sibisi	Nil
	Cllr SZ Sibisi	Nil
	Cllr FP Sithole	Nil
	Cllr SSJ Sithole	Nil
	Cllr SD Sokhela	Nil
	Cllr NH Thwala	Nil
	Cllr NE Vilakazi	Nil
	Cllr SD Vilakazi	Nil
	Cllr T Xaba	Nil
	Cllr NL Zikalala	Nil
	Cllr NI Zwane	Nil
Municipal Manager	Miss SS NGIBA	Aphinda Trading Enterprise 100%
Other section 56 officials:	Mr M HLOBA	Nil
	Mr PBB SIMELANE	Emasisweni Co-op 20%; HKS Pty Ltd 33%; Mshumbu Pty Ltd 100%
	Mr R MAZIBUKO	TIG Group 100%
	Mrs P MNTAKA	Nil
	Mr SE MAZIBUKO	Nil
	Mr SN KUNENE	Nil

APPENDIX I (I): REVENUE COLLECTION PERFORMANCE BY VOTE

DESCRIPTION	BUDGET	ACTUALS
	R	R
Property Rates	194 921 796	205 255 937
Property Rates – penalties / Interest	22 961 427	25 213 814
Services Charges	383 719 089	379 609 367
Rental of Facilities and Equipment	2 849 357	2 656 191
Interest Earned – External Investments	18 001 502	18 440 395
Interest Earned – Outstanding Debtors	7 457 301	7 952 167
Fines	9 687 352	10 565 533
Licences and Permits	2 086 906	2 270 553
Transfers and Grants Recognised	255 221 204	252 093 067
Agency Services	2 193 048	2 483 423
Other Income	6 843 684	11 940 333
	R 905 931 668	R 918 980 779

APPENDIX I (II): REVENUE COLLECTION BY SOURCE

Information available on the attached AFS

APPENDIX J: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG					
					R' 000
Details	Budget	Adjustment budget	Actual	Variance	Major conditions applied by donor (continue below if necessary)
				Budget Adjustment budget	
Integrated National Electrification Programme	R 17 494 320	R 0	R 6 999 298		Roll over amount from 2018/2019 (Included)
Finance Management Grant	R 2 500 000	R 0	R 2 500 000		Training and Financial Interns
Infrastructure Skills Development Grant	R 3 500 000	R 0	R 3 500 000		Mentors, Training and Capacitating Infrastructure
Municipal System Improvement Grant	R 575 975	R 0	R 422 368		Roll over amount from 2018/2019
Museum Subsidy	R 202 000	R 0	R 202 000		
Animal Pound Grant		R 3 000 000	R 959 000		Balance rolled to 2020/2021
Satellite Fire Station for Indaka		R 12 000 000	R 6 509 627		Balance rolled to 2020/2021
Provincialisation of Library	R 5 279 000	R 0	R 5 279 000		
Recapitalisation of Library	R 1 467 000	R 0	R 1 467 000		
Sports Facility Grant	R 9 003 008		R 9 003 008		Roll over amount from 2018/2019 (Included)
Municipal Disaster Relief (MDRG)		R 1 077 000	R 146 328		PPE and Material Sundries Covid-19 Pandemic

Spatial Development Framework Grant	R 950 100		R 950 100		Rolled over amount from 2018/2019
Nodal Development Framework	R 950 100		R 950 100		Rolled over amount from 2018/2019
Business Plans Information Management System		R 500 000	R 200 000		
Housing Project	R 70 178 215		R 32 287 596		Roll over amount from 2018/2019 (Included)
Housing Accreditation	R 5 646 713		R 1 420 657		Roll over amount from 2018/2019 (Amount of R 3 560 000 was not transferred by 2019/2020)
Expanded Public Works Program	R 3 930 000	R0	R 3 930 000		Job Creation and Protecting Clothing
Learnership Management Skills Program (CATHSETA)		R 250 000	R 0		Amount of was gazetted and R 94000 was transferred, the roll over application in place)
Total	R 121 676 431	R 16 827 000	R 76 726 082		
* notes					

APPENDIX K (I): CAPITAL EXPENDITURE-NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	year	Year 0			Planned capital expenditure		
	actual	Original budget	Adjustment budget	Actual expenditure	FY+1	FY+2	FY+3
UITVAL COMMUNITY HALL MIG		R5M		R3,198,725.03			
MINI FACILITY WARD 15 & 24		R 2.2M		R 2.2M			
STREETLIGHTS AND HIGH MAST LIGHTS		R 7.6M		R 7.6M			
CONSTRUCTION OF EMATHENDENI SPORTSFIELD IN WARD 29		R 1.3M		R 1.3M			

APPENDIX K (II): CAPITAL EXPENDITURE-UPGRADE/RENEWAL PROGRAMME

Capital Expenditure – Upgrade/Renewal Programme							
R '000							
Description	Year 1	Year 0			Planned capital expenditure		
	Actual	Original budget	Adjustment budget	Actual expenditure	FY+1	FY+2	FY+3
TARRED ROADS, WARD 1, 2, COLENCO & EKUVUKENI		R33.4M		R 27.7M			
CONSTRUCTION AND UPGRADING OF GRAVEL ROADS AND ACCESS ROADS		R17M		R17M			
REHABILITATION OF EXISTING LANDFILL SITE AND IDENTIFICATION OF A NEW LANDFILL SITE		R 2.4M		R 1.8M			

APPENDIX L: CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Capital Programme by Project: Year 0 R'00					
Capital project	Original budget	Adjustment budget	Actual	Variance (Act/Adj.) %	Variance (Act/OB) %
INFRASTRUCTURE-ROAD					
ROAD NAME					
TARRED ROADS IN COLENSO-MIG AB	R2,400,000		R3,129,806.24		
EKUVUKENI TAR ROAD MIG v6.3.1	R8,850,000		R5,397,923.72		
TARRED ROADS WARD 1- MIG v6.3AB	R7,250,000		R4,363,693.98		
TARRED ROADS IN WARD 2- MIG v6.3 AB	R7,130,000		R7,022,100.33		
GRAVEL ROAD IN WARD 16- MIG	R3,500,000		R3,172,052.78		
TARRED ROADS IN WARD 9- MIG v6.3	R7,800,000		R7,796,306.03		
MALIBA ACCESS ROAD- MIG v6.3	R2,950,000		R2,753,491.56		
KWANGUBEVU ROAD- MIG v6.3	R3,150,000		R3,132,146.18		
OQUNGWENI ROAD- MIG v6.3	R4,160,000		R4,289,500.18		
LUDIMBI ROAD- MIG AB	R720,000		R816,910.45		
KWACILO TO THOLENI RIVER ROAD- MIG	R2,640,000		R3,642,486.78		

COMMUNITY FACILITIES					
UITVAL COMMUNITY HALL- MIG v6.3	R4,950,000		R3,198,725.03		
MINI FACILITY WARD 24- MIG v6.3	R1,800,000		R1,623,925.28		
MINI FACILITY IN WARD 15- MIG AB	R445,000		R442,430.99		
ELECTRIFICATION/HIGH MAST LIGHTS/STREET LIGHTS					
STREETLIGHTS IN WARD 13	R1,650,000		R1,318,498.07		
HIGH MAST LIGHTS IN WARD 34	R2,730,000		R3,137,531.30		
HIGH MAST LIGHTS IN WARD 11	R1,470,000		R1,464,237.50		
HIGH MAST LIGHTS IN WARD 17	R1,730,000		R1,729,887.50		
SPORTS AND RECREATION					
EMATHEENDENI SPORTSFIELD	R1,300,000		R1,274,561.85		

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APPENDIX M: CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

Capital Programme by Project by Ward: Year 0		
Capital Project	Ward(s) affected	Work completed (Yes/No)
Electricity/High Mast Lights		
Electrification of Households in Wards 6,7,11,20,25,28,29	Wards 6,7,11,20,25,28,29,23	Yes
Electrification of Households in Wards 14, 23	Wards 14, 23	Yes
Electrification of Households in Wards 16, 18, 19	Wards 16, 18, 19	Yes
Electrification Of 26 Households in Nondwayiza, Ward 11 and ready for commissioning by Eskom	Ward 11	No
Electrification of 73 Households in Gxobagxoba (Bestos), Ward 26 and ready for commissioning by Eskom	Ward 26	No
Electrification of 178 Households in Uitval, Ward 35 and ready for commissioning by Eskom	Ward 35	No
Electrification of 146 Households in Embangeni, Ward 31, and ready for commissioning by Eskom	Ward 31	No

APPENDIX N: SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics					
Schools (Names and location)	Water (Y/N)	Sanitation (Y/N)	Electricity (Y/N)	Solid Waste Collection (Y/N)	Ward

APPENDIX O: SERVICE BACKLOGS EXPERIENCED BY COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and location	Scale of backlog	Impact of backlog
Clinics:	High	High
Housing:	High	High
Reservoirs	High	High
Schools (Primary and High):	Medium	Low
Tertiary education centres	High	High

APPENDIX P: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 0				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 0 R'00	Total Amount committed over previous and future years
<ul style="list-style-type: none">• No loans made during the year				

DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71						
Month	Declaration made to the:					
	Mayor (Y/N)	Date	Provincial Treasury (Y/N)	Date	National Treasury (Y/N)	Date
July	No declarations made all returns were submitted as per MFMA					
August						
September						
October						
November						
December						
January						
February						
March						
April						
May						
June						

APPENDIX R: NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or percentages achieved