

# **GREAT KEI 2015/2016 INTEGRATED DEVELOPMENT PLAN**



**Review 3 of 5 Year Plan: 2015 to 2017**

**2015/2016 FINANCIAL YEAR**

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## **LIST OF ACRONYMS**

<b>ACRONYMS</b>	<b>DESCRIPTIONS</b>
AG	Auditor General
ADM	Amathole District Municipality
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated Shared Growth Initiative of South Africa
BSD	Basic Service Delivery
CFO	Chief Financial Officer
DBSA	Development Bank of Southern Africa
DEAT	Department of Environmental Affairs and Tourism
DFA	Development Facilitation Act
DFID	Department for International Development
COGTA	Department of Cooperative Governance & Traditional Affairs
ADM	Amathole District Municipality
DoHS	Department of Human Settlement
DoL	Department of Labour
DoE	Department of Energy
DoE	Department of Education
DSRAC	Department of Sport Recreation Arts and Culture
DoH	Department of Health
DoMR	Department of Minerals Resources
DTI	Department of Trade and Industry
DOS	Department of Social Development and Special Programs
DAFF	Department of Agriculture Forestry & Fisheries
DoLRD	Department of Land Reform & Rural Development
DoARD	Department of Agriculture and Rural Development
ECDC	Eastern Cape Development Corporation
EHO	Environmental Health Offices

<b>ECDC</b>	Eastern Cape Development Corporation
<b>EHO</b>	Environmental Health Offices
<b>EMP</b>	Environmental Management Plan
<b>EPWP</b>	Expanded Public Works Programme
<b>ES</b>	Equitable Share
<b>FBS</b>	Free Basic Services
<b>FET</b>	Further Education and Training
<b>FV &amp; M</b>	Financial Viability and Management
<b>GG &amp; PP</b>	Good Governance and Public Participation
<b>GKLM</b>	Great Kei Local Municipality
<b>HH</b>	Households
<b>HIV</b>	Human Immuno-deficiency Virus
<b>HR</b>	Human Resources
<b>IDP</b>	Integrated Development Plan
<b>ID &amp; OT</b>	Institutional Development and Organizational Transformation
<b>IDPRF</b>	Integrated Development Plan Representative Forum
<b>IGR</b>	Inter-Governmental Relations
<b>ISRDP</b>	Integrated Sustainable Rural Development Programme
<b>KPA</b>	KPI: Key Performance Area
<b>KPI</b>	KPI: Key Performance Indicator
<b>LED</b>	Local Economic Development
<b>LGSETA</b>	Local Government SETA
<b>LUMS</b>	Land Use Management System
<b>MDG</b>	Millennium Development Goals
<b>MIG</b>	Municipal Improvement Grant
<b>MM</b>	Municipal Manager
<b>MSIG</b>	Municipal Systems Improvement Grant
<b>MPAC</b>	Municipal Public Accounts Committee
<b>NSDP</b>	National Spatial Development Perspective

<b>OHS</b>	Occupational Health and Safety
<b>PGDP</b>	Provincial Growth and Development Plan
<b>PMS</b>	Performance Management System
<b>PMTCT</b>	Prevention of Mother to Child Transmission
<b>SAPS</b>	South African Police Services
<b>SEA</b>	Strategic Environmental Assessment
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>SDF</b>	Spatial Development Framework
<b>SLA</b>	Sustainable Livelihood Approach
<b>SMME</b>	Small Medium and Micro Enterprises
<b>STATSSA</b>	Statistics South Africa
<b>ToR</b>	Terms of Reference
<b>WSA</b>	Water Services Authority

## **SUMMARY OF THE CONTENTS**

<b>Chapter 1</b>	<b>Executive Summary</b>
<b>Chapter 2</b>	<b>Introduction</b>  This section outlines the Mayors and Municipal Manager's Foreword, the Legislative Background of the IDP and IDP Process Plan
<b>Chapter 3</b>	<b>Situational Analysis</b>  Overview of the situation in Great Kei Municipality.
<b>Chapter 4</b>	<b>Overarching Strategy</b>  This section provides an overarching strategy, vision, mission, and SWOT Analysis of the municipality.
<b>Chapter 5</b>	Community participation mechanisms and key priority areas raised by community members to inform 2013/2017 IDP Objectives and Strategies.
<b>Chapter 6</b>	
<b>Chapter 7</b>	This Section outlines Great Kei IDP Objectives, Strategies and Annual targets from 2013-2017.
<b>Chapter 8</b>	The section outlines 2013/2016 Municipal Expenditure Revenue Framework, Programs and Projects.
<b>Chapter 9</b>	This section outlines the Sector and ADM Projects Planned within GKLM Jurisdiction.  Service Delivery and Budget Implementation Plan <b>2012/2015 Budget Programmes and Projects</b>  Three year 2012-2015 programs and projects

# CHAPTER 1

## 1. EXECUTIVE SUMMARY

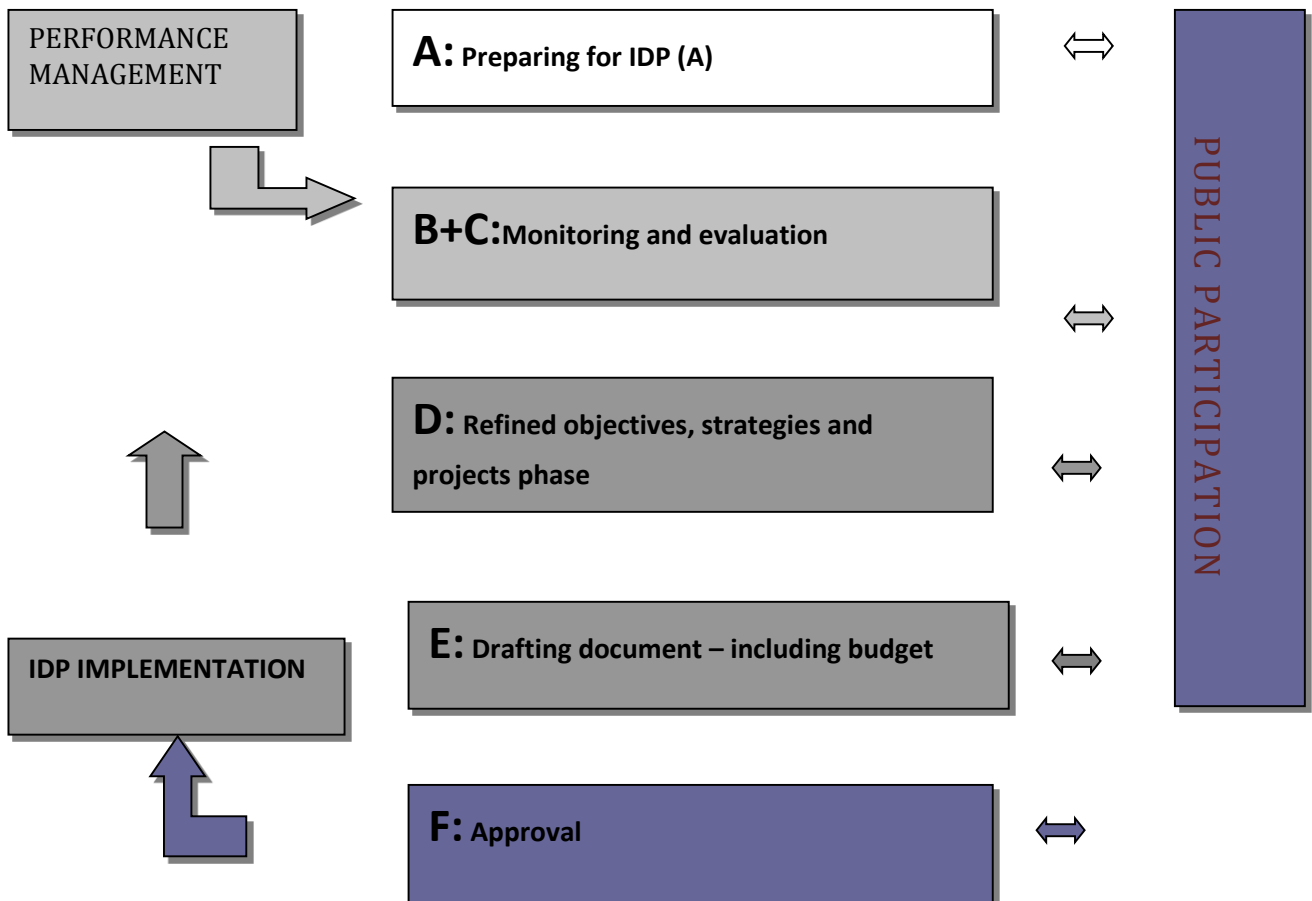
The Municipal Systems Act 32, 2000 (Act No. 32 of 2000) mandates Municipalities to develop Integrated Development Plans and review thereof annually in accordance with an assessment of its performance measurements.

Integrated Development Plan is therefore defined as a: “principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality” Municipal Systems Act 32, 2000, Chapter 5 s35 1(a).

Integrated Development Plan plays a pivotal role in informing all planning processes of the other spheres of government (National and Provincial) as well as all state owned enterprises, which implies a dire need for joint and coordinated effort by these parties in the IDP development processes. It is therefore essential that IDP must be formulated in accordance with a business plan, detailing roles and responsibilities, time frames and cost estimates, to ensure that the Integrated Development Plans gives effect to the Constitutional mandate.

The review of the IDP process is mainly geared towards picking up on early-warning sign for corrective action whenever it is required. The Performance Indicators are flowing from the IDP and constitute the heart of the Performance Management System. The diagram below laid the basis for the review of the Integrated Development Plan.

**Diagram 1: Summary of the IDP Process**





## DPLG, IDP Guide Pack, Guide IV

Apart from the statutory imperative, it is necessary for Great Kei Municipality to review its IDP in order to:

- Ensure the IDP's relevance as the municipality's strategic plan
- Inform other components of the municipal business processes, including institutional and financial planning and budgeting
- Inform the cyclical inter-governmental planning and budget processes

In the IDP review cycle changes to the 2015/2016 IDP were necessitated by the following

- Comments from the MEC

### Previous IDP assessment results and action plan

KPA	RATING 2010/11	RATING 2011/12	RATING 2012/2013	RATING 2013/14	RATING 2014/15
Spatial Development Framework	Medium	High	High	High	Medium
Basic Service Delivery	Medium	Medium	Medium	High	High
Financial Viability	Low	High	Medium	High	Medium
Local Economic Development	Low	Medium	Medium	High	High
Good Governance & Public Participation	Medium	Medium	Medium	High	High
Institutional Arrangements	Medium	High	Medium	High	Medium
<b>Overall Rating</b>	<b>Medium</b>	<b>High</b>	<b>Medium</b>	<b>High</b>	<b>High</b>

**Action plan** is to focus on the comments raised by the MEC further to that, improve on areas which the municipality happens to have low/medium ratings. The action plan includes focus on Good Governance and Public Participation; Basic Service Delivery; Institutional Arrangements and local economic development key performance area.

- Incorporation of the Census 2011
- Review and refinement of the objectives and strategies

- Review and refinement of the projects
- Amendments in response to changing circumstances; and
- Improving the IDP process and content.

The process followed to review 2012/2017 GKM IDP and 2015/2016 Medium Expenditure Framework; 2014/2015 SDBIP

Below is a summary of some of the key activities that were carried out during review of IDP; formulation of Budget and SDBIP:

- The IDP/PMS Budget Process Plan was presented to the IDP/PMS and Budget Representative Forum on the 22nd August 2014
- On the 28th August 2014 the Process Plan was Approved by the Council;
- On the 02nd – 03rd October 2014, a Standing Committee was held to present the PMS for the Quarter 1[July –September 2014]
- 10th October 2014 an IDP/Budget Steering Committee Meeting is held
- 29th October 2014 the submission of Q1 PMS report to Ordinary Council Meeting
- 29th October 2014- Presentation of the Draft Unaudited Annual Report and Annual Financial Statements to Ordinary Council
- 04th November 2014 – Speaker's Engagement Meeting with Ward Committees
- 05th November 2014 – Sector Plan Workshop Meeting with Sector Departments
- 06th November 2014 – Mayor's Engagement Meeting with Stakeholders
- 07th, 11th, 12th, 13th November 2014 – IDP/ Budget/ PMS Mayoral Imbizo's.
- 10th November 2014 – Submission of the Annual Report, Annual Financial Statement and Audit Report to MPAC
- 26th November 2014 – IDP/ Budget/ PMS Technical Meeting
- 20th November 2014 – Mayor tables the Audited Annual Report, AFS to a Special Council Meeting
- 09th December 2014 – IDP/ Budget/ PMS Steering Committee Meeting
- 10th December 2014 – Mayor tables Annual Report, AFS, and Audit Report together with MPAC tabling its Oversight Report.
- 28th January 2015 – Ordinary Council Meeting convened to consider Budget Adjustment, MTERF and the Audit Action Plan.
- 02nd – 06th February 2015 – Annual Strategic Session
- 10th March 2015 – IDP/Budget/PMS Technical Meeting to solicit inputs on the 2015/ 2016 Budget and SDBIP
- 31st March 2015 – Ordinary Council Meeting
- 21st April 2015 – IDP/ Budget/PMS Representative Forum
- 28th, 29th, 30th April 2015 and 12th and 13th May 2015 – IDP/Budget/PMS Roadshows
- 12th May 2015 – IDP/Budget/PMS Technical Meeting for Finalization of SDBIP
- 19th May 2015 – IDP/Budget/ PMS Representative Forum
- 28th May 2015 – Ordinary Council for the Final Adoption and Approval of the 2015/ 2016 IDP/ Budget/PMS, 2015/ 2016 SDBIP, Policies and By-Laws.

Further details of the key deadlines are stated at length in the Process Plan.

## **Ward based planning programme**

Great Kei Municipality has embarked on the ward based planning programme through the assistance of the Department of Local Government and Traditional Affairs. All seven wards were visited through this extensive exercise. The situational analysis for all wards was presented and respective ward members were afforded an opportunity to comment and provide feed backs through IDP road shows programme.

The ward based programme was in terms of the The Municipal Systems Act has made many references to participation. For example section 29(b) of the Systems Act states that: "The process to be followed in developing an IDP-must allow for:

- (i) The local community to be consulted on its development needs and priorities
- (ii) The local community to participate in the drafting of the IDP

The Municipal Structures Act defines the structures of local government and defines the ward as the unit for participation in the Municipality. It is in this particular context that Great Kei will be preparing ward based planning on the following dates and venues

# FOREWORD BY THE MAYOR



It is again a great pleasure and a privilege for me as a Mayor to present this IDP / Budget of Great Kei Municipality for 2015/2016 Financial year to the Council, the broader community as well as our stakeholders and partners. On 18th May 2011, the five year term of this current Council came into effect and that has also ushered my stewardship of this council, for which I am forever grateful for the responsibility bestowed upon me and Great Kei Councillors by the entire community of Great Kei to be at their service for this period of a 5 year term ending in 2016.

We have endeavoured in our operations to address the expectations of communities expressed in the Integrated Development Plan (IDP) wherein our communities in various consultative forums indicated a very strong emphasis on infrastructure development, Job creation via EPWP & CWP, LED, Agriculture, Youth development, roads, housing, water, sanitation and electricity. Despite our financial position which is well known we have tried our level best to positively respond to these expectations. We believe that the IDP/ Budget highlights a large number of the issues that exist in Great Kei which viewed collectively, should give our people a sense of hope, belonging and optimum that we are serious about achieving our vision, sooner rather than later. I trust that every reader who studies this information from a balanced and fair perspective will concur with this impression.

It gives me pleasure to report that as Great Kei Council we have been doing well in the MIG Spending in the 2013/ 2014 and 2014/ 2015 Allocation and we have delivered Rehabilitated Roads, 6 Community Hall, 3 Child Day Care Centres and 3 Sport fields and as a result of that GKM Council was given an additional MIG Allocation for 2014/ 2015 Financial year for infrastructure legacy projects, this will contribute a great deal in our efforts to deal with our infrastructure backlog.

I look forward together with the whole Council and Municipal administration, to continuing to work for the building of a really transformed Great Kei in which our vision will be practical reality. We are positive that the Great Kei future holds the promise of a better life for all who may wish to live and work.

Yours truly

**COUNCILLOR N.W. TEKILE**

**MAYOR OF GREAT KEI MUNICIPALITY**

## **1.1 MUNICIPAL MANAGER'S FOREWORD**

I hereby join the Honourable Mayor in submitting the Reviewed IDP/ Budget for 2015/ 2016 financial year, this is coupled with our implementation plan the approved SDBIP for 2015/ 2016 and its implementation will be measured through the 2014/ 2015 Reviewed PMS Framework.

### **The yearly program priorities' statement by the Municipal Manager**

Great Kei Local Municipality is responsible for the provision of various services to its population including:

- Roads infrastructure construction and maintenance (local access roads)
- Electricity infrastructure and services supply
- Solid waste management services
- Liaison with the District Municipality and Provincial housing Department in the provision of housing
- Provision of some free basic services particularly electricity, paraffin and refuse collection; with Water being supplied by the District Municipality who is the WSA, and WSP.
- Facilitate human settlement
- Facilitate land availability
- Facilitate LED, Tourism and Agriculture
- Community Services - community halls, sport and recreational facilities, libraries, arts and culture, resorts, beaches and pools, child care, old age homes, cemeteries and crematoria
- Traffic services & licensing
- Facilitate transport facility services
- Building & rezoning regulations
- Refuse collection & grass cutting
- Cemeteries
- Facilitate library services
- Institutional transformation & development
- Capacity Building, Skills and Training Development

**During the year 2014 / 2015 the municipal SDBIP covered the following;**

1. Development of the LED strategy
2. Support of Agricultural projects
3. Implementation of MIG Projects
4. Training of SMME's and Co-operatives
5. Holding our Annual Summer Festival
6. Reviewal of GKM Spatial Development Framework
7. Establishment of Public Participation Forums namely: LED Forum, Agricultural Forum, Roads/ Transport Forum, Home Affairs Forum, Community Safety Forum, Moral Regeneration Movement, Disability Forum, Children Advisory Forum, GKM Sport Council, HIV/ Aids Council
8. Creation of jobs through EPWP and CWP Programmes
9. Opening of New Community Halls and Childcare Centres
10. Review IDP in line with legislative requirements
11. Ensure that there is continuous performance management reviews
12. Regular maintenance of access roads

13. Development of cemetery management plan
14. Trainings for Councillors and staff
15. Addressing and dealing with the Petition submitted by Workers [SAMWU]
16. Development of appropriate policies
17. Link the organogram to IDP
18. Reducing fruitless and wasteful expenditure
19. Ensuring that the expenditure is as per approved budget
20. Development of GKM Revenue Enhancement Strategy and increase in debt collection
21. Implementation of MFMA
22. Reducing risk areas identified in GKM Risk Register
23. Reviewal and adoption of all existing Policies
24. Implementation of the Audit Action Plan
25. Developing Public Participation and Petitions Strategy
26. Development of new additional HR Policies

Yours Sincerely

**I . SIKHULU-NQWENA**

**ACTING MUNICIPAL MANAGER**

# CHAPTER 2 - INTRODUCTION

## 2.1 LEGISLATIVE BACKGROUND

The need for an IDP is raised in a number of pieces of legislation whereby some give direct guidance and directions on the path to be followed in developing and implementing IDPs. Therefore the preparation of this IDP framework is a legal requirement as according to the Municipal Systems Act 32 of 2000.

### 2.2 Constitution of RSA Act 108 of 1996

The Constitution mandates that a municipality must undertake developmentally-orientated planning so as to ensure that it:

- a) strives to achieve the objects of local government set out in section 152;
- b) gives effect to its developmental duties as required by section 153;
- c) together with other organs of state contribute to the progressive realization of fundamental rights contained in sections 24, 25, 26, 27 and 29;

### 2.3 White Paper

The White Paper established the basis for a new developmental local government and characterized it as a system, which is committed to working with citizens, groups and communities to create sustainable human settlements which provide for a decent quality of life and meet the social, economic and material needs of communities in a holistic way.

To achieve developmental outcomes will require significant changes in the way local government works. The White paper further puts forward three interrelated approaches which can assist municipalities to become more developmental:

- Integrated development planning and budgeting.
- Performance management.
- Working together with local citizens and partners.

### 2.4 Municipal Systems Act 32 of 2000 as amended

The Municipal Systems Act (32 of 2000) is the key legislation that gives direction and guidance on the development processes of the IDP. Chapter five of the act details the process as follows:

Section 25(1) mandates that each municipal council must, upon election adopt a single, inclusive and strategic plan which:

- Links, integrates and co-ordinates plans;
- Aligns the resources and capacity with the implementation of the plan.

Section 27 mandates the district municipality, in consultation with the local municipalities – to adopt a framework for integrated development planning, which shall bind both the district municipality and its local municipalities.

On the basis of the agreed framework plan, Section 28 mandates that each municipal council must adopt a process plan to guide the planning, drafting and adoption and reviewing of its integrated development plan.

Once the IDP document has been prepared, one should bear in mind that thereafter it will have to be reviewed annually as enshrined in section 34:

(a) A municipal council must review its integrated development plan

(i) Annually in accordance with an assessment of its performance measurements in terms of section 41; and

(ii) To the extent that changing circumstances so demand; and

(b) May amend its integrated development plan in accordance with prescribed process.

## **2.5 Local Government: Municipal Planning and Performance Management Regulations, 2001**

To develop further guidelines and clarity in the issues of IDP, regulations were issued in 2001. The Municipal Planning and Performance Management Regulations set out in detail requirements for Integrated Development Plans.

## **2.6 Municipal Finance Management Act, 2003**

The MFMA (56 of 2003) speaks about promotion of cooperative governance and makes special emphasis on alignment of the IDP and the Budget. This is enshrined in chapter five of the MFMA (Act 56 of 2003).



### **3 THE FRAMEWORK PLAN**

The Amathole District Municipality has presented a draft framework to guide the process plan of individual local municipalities. The function of the Framework plan is to ensure that the process of the district IDP and local IDP's are mutually linked and can inform each other ensuring co-operative governance as contained in section 41 of the Constitution. The Framework must:

- a. Identify the plans and planning requirements binding in terms of national and provincial legislation and identify those which were omitted in the past IDP process.
- b. Identify the matters to be included in the district and local IDP's that require alignment.
- c. The preparation and review of relevant sector plans and their alignment with the IDP.
- d. Determine procedures for consultation between the district municipality and the local municipalities.
- e. Determine the procedures to effect amendments to the Framework Plan
- f. Incorporate comments from the MEC and those derived from self-assessments.
- g. Provide guidelines for the Performance Management System and IDP implementation and communication plans.

### **4. MECHANISMS AND PROCEDURES FOR ALIGNMENT**

Alignment is the instrument to blend and integrate the top-down and bottom-up planning process between different spheres of government. There are two main types of alignment required:

- ⇒ Between municipalities and the district to ensure that planning processes and issues are coordinated and addressed jointly.
- ⇒ Between local government (municipalities/districts) and other spheres especially provincial/national sector departments, particularly in terms of programmes and budget alignment.

The District Municipality has the responsibility to ensure that alignment between the local municipalities occurs.

It is important for municipalities to take note of both National and Provincial budgeting cycles to ensure relevant and useful input into the budgeting processes of national and provincial government at strategic times. In so doing, municipalities will ensure that their priorities are captured and addressed and that IDP implementation is facilitated.

## **5. ALIGNMENT WITH OTHER GOVERNMENT PROGRAMMES/POLICIES**

To ensure that all relevant binding and non-binding national and provincial legislation including policies, government priority programmes and strategies are considered in the IDP process of the municipality, as a district we looked at the relevant information pertaining to the district to address issues emanating from the programmes/policies listed below. The alignment is also found IDP/PMS and Budget Representative forums between District and Great Kei. Further more there is SLA between ADM and Great Kei in particular WSA.

### **5.1 National Government Priority Areas**

The National Government has committed itself to make a difference in the lives of people by addressing five key priority area being education, fighting crime, health, employment and rural development. Government is moving with speed to ensure that the aims of its five key priorities are met.

#### **a) Improved Health care Services**

Plans are already in place to set up a National Health Insurance (NHI) by 2013. This will ensure that all South Africans, even those who are not on medical aid, will have access to affordable quality healthcare.

#### **b) Rural Development**

On rural development, government, through the Department of Rural Development and Land Reform, started the Comprehensive Rural Development Programme in provinces that were hardest hit by under-development.

This has seen government's War on Poverty Programme being the central point of the Rural Development Programme. It involves various other departments including Social Development, Agriculture and Water Affairs.

#### **c) Job Creation through New Growth Path**

Late last year, the National Government through the Department of Economic Development announced its plan to create more than 50 000 jobs every year. The plan is known as the New Growth Path (NGP) and all government stakeholders need to play a role towards realization of the national government approach towards creation of decent jobs. This approach will assist in reducing high dependence on social security grants.

#### **d) Fighting Crime**

Government has recently strengthened its crime-fighting programmes with more resources. These include equipment and vehicles, as well as more staff for the South African Police Force. Great Kei has partnership with Komga SAPS in fighting crime there are programmes in place crime prevention programmes and drug awareness programmes.

#### **e) Improved quality of basic Education**

On the education front, the Department of Higher Education and Training announced that government would begin fulfilling its promise of providing free education to poor students at institutions of higher learning. These include universities, universities of technology and colleges for Further Education and Training (FET).

### **5.2 National Spatial Development Perspective**

A number of initiatives have been launched over the past couple of years, one of which, the National Spatial Development Perspective (NSDP), was launched by the Presidency in May 2003. The NSDP describes the national spatial development vision of government and the normative principles that underpin this vision. The basic principles of the NSDP underpinning this vision are:

- Economic growth as a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Government spending on fixed investment,
- Efforts to address past and current social inequalities should focus on people not places.

In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or link the main growth centers.

### **5.3 Provincial Growth and Development Plan**

The Provincial Growth and Development Plan underline the strategic key focus areas for intervention which are:

- The systematic eradication of poverty
- The transformation of the agrarian economy.
- Developing and diversifying our manufacturing and tourism sectors.
- Building our human resources capabilities.
- Infrastructure, including eradication of backlogs and the development of enabling infrastructure for economic growth and development.

- Public sector and institutional transformation in support of improved service delivery.

#### **5.4 Eastern Cape Provincial Spatial Development Plan 2010**

In order to plan and manage the spatial implementation of development in the Province it is crucial that all core values of the province are seriously considered by all stakeholders. The core values are intended to achieve integration between stakeholders through better linkages between sectoral programmes, aligned infrastructure, social services, government spending, private sector investment and economic development. The core values or broad development codes for the Eastern Cape Province are recommended to be the following:-

- Environmental integrity and sustainability through achieving a balance between safeguarding natural resources, optimizing the livelihoods of communities and developing a flourishing economy;
- Optimum use of existing resources including agriculture, forestry, renewable energy potential, already impacted land (brown field areas) minerals, bulk infrastructure, roads, transportation and social facilities;
- Reduced settlement sprawl and more compact formalized settlement through densification and diverse, mixed land uses;
- Economy and efficiency of development clustered along strategic transport routes;
- Integration, synergy and linkages between urban and rural areas supported by appropriate infrastructure;
- Community based spatial planning and enforceable land use management based on agreed sustainable community development codes with unified provincial legislation; and
- Correction of the historically distorted spatial patterns of settlement with optimum use of existing infrastructure, integration of residential and employment opportunities in close proximity to each other;
- Achieving integrated development at community level;

Moving towards sustainable communities in our province will require adaptation of the way we plan and focus our resources to address seven major components of sustainability (Governance, transport and connectivity, appropriate and adequate services, environmental quality, a flourishing and diverse economy, a quality built and natural environment and finally vibrant harmonious and inclusive communities).

## **5.5 Accelerated and Shared Growth Initiative for South Africa**

The following are the highlights that will be considered in the municipal IDP:

- Expanding women's access to economic opportunities
- Improve budgeting in government, particularly at micro level where they tend revenue and overestimate expenditure.
- Ensure improvement in expenditure management particularly in government capital investment.
- Address human capacity issues including skills development.

## **5.6 Millennium Development Goals**

The municipality will attempt addressing millennium development goals based on the applicability and the districts available resources however this can be achieved through involvement of all stakeholders.

## **5.7 New IDP Framework for B4 Local Municipalities**

The municipality is categorized as B4 (one or two small towns with the majority of the municipal area being rural in its nature) and will have to develop its' IDP in accordance with the new Simplified IDP Framework.

## **5.8 Community Based Planning and Sustainable Livelihoods**

The municipality is engaged in community based planning and promotion of sustainable livelihoods approach. All IDP projects to be implemented will be the results of the above approach. The Department of Local Government and Traditional Affairs has assisted the Municipality in ensuring that Ward Based Planning becomes successful.

## **5.9 Expanded Public Works Programme**

Programmes like the Expanded Public Works Programme (EPWP) are already being implemented through implementation of municipal projects. Refer to Chapter 7: of the Great Kei IDP. Also Amathole District Municipality through EPWP under LED has created 180 jobs opportunities for the period of three months until end June 2014.

### **5.10 Cabinet Lekgotla Reports**

Decisions on issues at the Lekgotla mostly inform the content of the Medium- Term Strategic Framework which in turn guide the budgeting process for the next three years. Therefore the resolutions taken at Cabinet Lekgotla have been considered in drafting municipal IDP. The three strategic focus areas for local government are:

- Mainstreaming of hands on support to improve government and accountability;
- Addressing the structure and arrangement of the state and way of operating; and
- Refine and check policies, regulations and financial calendar fiscal environment that exist and see if they are empowering local government.

### **5.11 Community Development Workers Programme**

Community Development Workers (CDWs) are a key programme of the South African government emanating from the president's 2003 state of the nation address aimed at bridging the gap between government and communities. CDWs are community-based resource persons who liaise, co-ordinate, inform, and assist communities with access to services provided by government with the aim of learning how to progressively meet their needs, achieve goals, realize their aspirations and maintain their well-being.

They are participatory change agents who work with and within communities in which they live, to foster the implementation of Government's programmes. The CDWs are accountable to Government and supported financially and functionally by a range of government spheres and departments. Great Kei has got six CDW's with one coordinator among the six. The relationship between CDW's and the municipality is getting better day by day and CDW's are participating in municipal programmes also they they become part of municipal planning.

### **5.12 Government Outcome Based Approach**

The Cabinet Lekgotla adopted 12 Outcomes Approach that strategically address the main strategic priorities for government and these strategic outcomes and outputs will be the strategic focus for of government until 2014. As Local Government Sphere, Great Kei Local Municipality will put more emphasis in realizing within its planning and implementation of IDP outputs (Output 7-Single Window of Coordination where local government is the entry point of coordination of government programmes) for Outcome 9 and that does not exclude other Outcomes, however the municipality can play a coordinating role in relation to other Outcomes.

### 5.13 New Growth Path

There is growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labor absorption as well as the composition and rate of growth. To achieve that step change in growth and transformation of economic conditions requires hard choices and a shared determination as South Africans to see it through. The Government is committed to forging such a consensus and leading the way by Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally. Developing a policy package to facilitate employment creation in these areas, above all through:

- a. A comprehensive drive to enhance both social equity and competitiveness;
- b. Systemic changes to mobilize domestic investment around activities that can create sustainable employment; and
- c. Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities.

The New Growth Path must provide bold, imaginative and effective strategies to create the millions of new jobs South Africa needs. It must also lay out a dynamic vision for how we can collectively achieve a more developed, democratic, cohesive and equitable economy and society over the medium term, in the context of sustained growth. The strategy sets out critical markers for employment creation and growth and identifies where viable changes in the structure and character of production can generate a more inclusive and greener economy over the medium to long run. To that end, it combines Macro-economic and microeconomic interventions.

The shift to a new growth path will require the creative and collective efforts of all sections of South African society. It will require leadership and strong governance. It takes account of the new opportunities that are available to us, the strengths we have and the constraints we face. We will have to develop a collective national will and embark on joint action to change the character of the South African economy and ensure that the benefits are shared more equitably by all our people, particularly the poor. Achieving the New Growth Path requires that we address key trade-offs. Amongst other decisions, government must prioritize its own efforts and resources more rigorously to support employment creation and equity; business must take on the challenge of investing in new areas; and business and labor together must work with government to address inefficiencies and constraints across the economy and partner to create new decent work opportunities.

It was therefore imperative for GKLM to outline its 5 year strategic development plan with legislative framework as summarized above. Chapter 6 & Chapter 7 Objectives and Strategies, Projects of the IDP directly link the National Priorities, Provincial Priorities with Great Kei Strategic Priorities.

## 5.14 The National Development Plan 2030

The plan sets out six interlinked priorities:

- Uniting all South Africans around a common programme to achieve prosperity and equity.
- Promoting active citizenry to strengthen development, democracy and accountability.
- Bringing about faster economic growth, higher investment and greater labour absorption.
- Focusing on key capabilities of people and the state.
- Building a capable and developmental state.
- Encouraging strong leadership throughout society to work together to solve problems.

Thus GKM sets its strategic objectives as outlined in Chapter 6 in line with the Six Priorities of the National Development Plan 2030.

## 5.15 GKM Powers and Functions

The Constitution of the Republic of South Africa; 1996 outlines the following functions to be performed by the municipality;

Schedule 4 Part B	Schedule 5 Part B
• Air pollution <b>(local function)</b>	• Beaches and amusement facilities <b>(local function)</b>
• Building regulations <b>(local function)</b>	• Billboards and the display of advertisements in public places <b>(local function)</b>
• Child care facilities <b>(local function)</b>	• Cleansing <b>(local function)</b>
• Pontoons, ferries, jetties, piers and harbors, <b>(local function)</b>	• Control of public nuisances <b>(local function)</b>
• Storm water management systems in built-up areas <b>(local function)</b>	• Control of undertakings that sell liquor to the public <b>(local function)</b>
• Trading regulations <b>(local function)</b>	• Facilities for the accommodation, care and burial of animals <b>(local function)</b>
• Water and sanitation services <b>(district function)</b>	• Fencing and fences <b>(local function)</b>
• Municipal health services <b>(district function)</b>	• Licensing of dogs <b>(local function)</b>
• Electricity and gas reticulation <b>(district function)</b>	• Licensing and control of undertakings that sell food to the public <b>(local function)</b>
• Local tourism <b>(shared function)</b>	• Local amenities <b>(local function)</b>
• Municipal airports <b>(shared function)</b>	• Local sport facilities <b>(local function)</b>
• Municipal planning <b>(shared function)</b>	• Markets <b>(local function)</b>
• Firefighting services <b>(shared function)</b>	• Noise pollution <b>(local function)</b>
• Municipal public transport <b>(shared function)</b>	• Pounds <b>(local function)</b>
	• Public places <b>(local function)</b>



	• Street trading <b>(local function)</b>
	• Street lighting <b>(local function)</b>
	• Traffic and parking <b>(local function)</b>
	• Municipal parks and recreation <b>(local function)</b>
	• Refuse removal, refuse dumps and solid waste disposal <b>(shared function)</b>
	• Cemeteries, funeral parlors and crematoria <b>(shared function)</b>
	• Municipal abattoirs <b>(shared function)</b>
	• Municipal roads <b>(shared function)</b>
	• Traffic and parking <b>(local function)</b>
	• Municipal parks and recreation <b>(local function)</b>
	• Refuse removal, refuse dumps and solid waste disposal <b>(shared function)</b>
	• Cemeteries, funeral parlors and crematoria <b>(shared function)</b>
	• Municipal abattoirs <b>(shared function)</b>
	• Municipal roads <b>(shared function)</b>

It is thus important to note that the municipality has distributed and performed its functions amongst the key performance areas as follows. Further the budget has been allocated in 2014/2015 Financial year for the functions; refer to Chapter 7 of the document

KEY PERFORMANCE AREA	FUNCTION PERFORMED
<b>Basic Service Delivery: Infrastructure; Community Services; Environment</b>	Building regulations
	Public Safety
	Storm water management systems in built-up areas
	Firefighting services
	Municipal public transport
	Cemeteries,
	Traffic and parking
	Municipal roads
	Refuse removal, refuse dumps and solid waste disposal
	Street lighting
	Fencing and fences

	Cleansing
	Beaches and amusement facilities
	Local amenities
	Local Sport facilities
	Beaches and amusement facilities
	Electricity reticulation Pounds Municipal parks and recreation
<b>Local Economic Development: Planning and Development</b>	Local Tourism; Agriculture
	Municipal planning
	Markets
	Institutional Performance Management
<b>Institutional Development and Organizational Transformation: Council and Administration</b>	Administrative Functions Human Resources Development Council Support Asset Management Labor Relations Records Management
<b>Financial Viability: Finance and Information Technology</b>	Revenue Management Expenditure Management Financial Reporting Asset Management Indigent Administration Supply Chain Management Budgeting
<b>Good Governance and Public Participation</b>	Risk Management Institutional Communication Public Participation Special Programmes Unit Delegation Framework Legislative and Policy Compliance Indigent Management Public Participation

## **6. INSTITUTIONAL ARRANGEMENTS**

The following institutional arrangements have been set out to institutionalize community participation and also to enable the municipality to manage the drafting output. The Council adopted IDP/Budget Process Plan outlined in August 2013, adopted under council Resolution no: 9.1 in an ordinary council meeting.

### **The Council**

Terms of Reference:

- Considers and adopts the process plan
- Is also responsible for adopting the IDP.

### **IDP Manager**

The Acting Municipal Manager, V. Mapukata, will manage the Great Kei Municipal IDP.

### **Terms of Reference for the IDP Manager**

The IDP Manager shall, in accordance with the provisions of the IDP legislation framework:

- Ensure that the local framework is drafted and approved by Council,
- Manage the IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources;
- Ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements, planning process and compliance with action programme;
- Ensure that the planning process outcomes are clearly documented;
- Chair the IDP Steering Committee
- Will coordinate with various government departments and the district IDP Manager to ensure that all projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa.
- Responds on comments on the draft IDP from the public, horizontal alignment and other spheres of government to the satisfaction of the Council.
- Ensure that annual business plans and municipal budget are linked and based on the IDP.
- Adjust the IDP in accordance with the proposals issued by the MEC responsible for the Local Government as per the provision of Section 32(2) (a) of the Municipal Systems Act.

### **IDP Steering Committee**

- The IDP Steering Committee will consist of:
- Acting Municipal Manager – Mr.V.Mapukata
- Director Technical Services – Mr. F. Van Dalen
- Chief Financial Officer- Ms L. Mosala
- Director Corporate Services – Mrs. I Sikhulu-Nqwena
- Director Strategic Services – Vacant
- Budget Officer – Miss. N. Sana
- Acting IDP Manager – Mr. L. L. Juju

#### **Terms of Reference of the IDP Steering Committee**

- Provides terms of reference for the various planning activities,
- Compile departmental operational and capital information
- Commissions research studies;
- Consideration and making comments on inputs from role players and sub- committees;
- Makes content recommendations;
- Prepares, facilitates and document meeting outcomes
- Meet regularly to consider issues to be tabled before the Rep Forum.
- Integrated budgeting
- Monitoring of the implementation of the municipal IDP.

#### **IDP Representative Forum**

The forum will consist of:

- The Mayor ( convene and chair meetings);
- IDP Steering Committee,
- Councillors;
- Ward Committees;
- Community - based organizations;
- Advocates for unorganized groups
- Civil society
- Business People
- Organized Labor
- Sector Departments

#### **Terms of Reference**

- Represent the interests of their constituencies,
- Provide organizational mechanism for discussion, negotiation and decision making between the stakeholders;
- Ensure adequate communication amongst all the stakeholders' representatives
- Monitor the performance of the planning and implementing process

## **7. STAKEHOLDER INVOLVEMENT, COMMUNITY AND PUBLIC PARTICIPATION PROCEDURE**

The IDP and Budget Processes demand the involvement of community and stakeholder organizations in the process. This ensures that the IDP addresses the real issues that are being experienced by the citizens' within the municipality.

### **Participation Procedure**

Provisions of MSA Chapter 4 Section 17 provide for mechanisms for participation:

- IDP Representative Forum to verify and add data information
- District Municipality's Representative Forum to ensure that local priorities are adequately reflected in the District's IDP
- Use Ward Councilors to call meetings to keep communities informed about the IDP progress (including Ward Committees and CDWs)
- Publish annual reports on municipal progress
- Advertise in local newspapers
- Making the IDP document available to all units and public places for public comments
- Making use of municipal website.

### **Appropriate Language Use**

English will be used as a medium of communication. However in community meetings languages that are spoken in that community will also be used.

### **Appropriate venues and transport**

- Officials will be responsible for arranging venues and transport for all wards;
- Transport will be arranged for Designated Groups and Ward Committees;
- Great Kei Municipality will be responsible for the costs of these meetings

### **Mechanisms and Procedures for Alignment**

The Municipal Manager and the Acting IDP Manager (Mr. L.L. Juju) of Great Kei Municipality will be responsible for ensuring smooth co-ordination of the IDP process and its alignment with the District's IDP through bilateral discussions with affected sector departments and neighboring Municipalities. Inter-Governmental Forums will also be used to ensure that beneficial alignment of programmes and projects do occur.

## 8. BUDGET PROCESS

The budget proposals for the 2015/ 2016 financial year should be informed by Council's Integrated Development Planning process, particularly in terms of objectives, outputs and targets envisioned for the next 3 years. In this way, budget proposals and the Integrated Development Plan will be linked directly to each other. Better budgeting enhances service delivery. This is the main message underlying recent reforms that Council has been subjected to. In particular, integrated planning, budgeting and monitoring of service delivery performance strengthen the link between the services that departments provide and the benefits and costs of these services. The performance management system gives effect to the emphasis on improved transparency and accountability for the management and use of public resources.

The budget process allows Council to:

- Revise its policy priorities, macroeconomic framework and resource envelope.
- Evaluate departmental plans and allocate available resources in line with policy priorities.
- Obtain the required authority from Council to spend.

### 8.2 MATCHING POLICY, PRIORITIES AND RESOURCES

Deciding and agreeing on the best allocation of scarce resources to fund Council's many social, economic and political goals is the main purpose of the budget process.

The budget process starts early in the year with a review of the IDP and budget processes of the previous year and the budget parameters.

Additional resources for funding new priorities arise from a review of the overall budget framework, including fiscal policy considerations, overall spending growth, inflation assumptions, and debt interest projections.

The budget and IDP are to be presented for approval on or before 31 May 2014 as indicated in Table 2 below:

**Table 2: Budget Process Plan timeline**

July – August	Review previous IDP and budget process plans
September	Set parameters and establish the budget task team
October	Consider the revision of Council's establishment plan – meeting the HR capacity needs and the cost application of such capacity [functions to be considered]
November to January	Align the budget to Council's policy priorities
February	Consolidate the budget and macro summary
March	Table the draft budget in Council for approval
April – May	Consult the public on the IDP and budget
May	Table the final budget in Council for adoption
June	Submit adopted budget to National Treasury

## **9 PURPOSE OF IDP, BUDGET, SDBIP AND PMS PROCESS PLAN**

The purpose of formulating a Process Plan is to ensure the following:

- ✓ Involvement of the local community in the development, implementation and review of the municipality's performance.
- ✓ To allow the community to participate in the setting of appropriate key performance indicators and performance targets for the municipality.
- ✓ To depict and commit on time frames for smooth running and sequence of activities.
- ✓ Cost estimates with dedicated involvement from specific role players in the municipality space.

The Process Plan therefore aims to address the following aspects:

- ✓ Distribution of roles and responsibilities in the IDP Process;
- ✓ Organizational Structures/Institutional Arrangements for the IDP Process;
- ✓ Action Plan with time frames and resource requirements;
- ✓ Mechanisms and procedures for community and stakeholder participation;
- ✓ Mechanisms and procedures for alignment;
- ✓ Binding plans and planning requirements from provincial and national level; and
- ✓ Cost estimate for the planning process;
- ✓ Performance Management System.

Great Kei Local Municipality IDP Process Plan has been aligned to Amathole District Municipality Framework Plan and legislative requirements.

The Process Plan was submitted and adopted by Council and to the MEC for Local Government. The process plan was approved by an ordinary council meeting under **Resolution no: 9.1**. The council resolved that Great Kei IDP Review Process Plan 2014-2015 be considered and adopted by council and that the Municipal Manager ensures that the process concerned is taken to its logical conclusion.

### **IDP/ BUDGET PMS PROCESS PLAN/ CALENDER FOR FINANCIAL YEAR 2014/2015.**

<b>No</b>	<b>Date</b>	<b>Priority Area</b>	<b>Activity</b>	<b>Purpose</b>	<b>Responsible Person/s</b>
1.	20 June 2014	PMS	Submit annual report process and s 63 circular to council	Compliance in terms of circular 63 MFMA	<b>Director Strategic and MM</b>
	10-Jul-14	Budget	Submission of September S66 and S71 Reports to MM and the Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	14-Jul-14	Budget	Submission of September S66 and S71 Reports to the Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
<b>PHASE I: ANALYSIS PHASE FROM JULY-OCTOBER 2014</b>					
<b>a) MAKING 2012/2013 ANNUAL PERFORMANCE INFORMATION AVAILABLE; b) CONSIDER IDP ASSESSMENT MEC'S COMMENTS; c) MAKING RELEVANT SECTOR INFORMATION AVAILABLE.</b>					
	15-Jul-14	PMS 2013/2014 Financial Year End Year Reporting	1st Draft of 2013/2014 Annual Report and 4th Quarter Portfolio of Evidence and 4th Quarter Reports	2013/2014 Institutional Performance	All Directors & Middle Managers
	15-Jul-14	Planning for 2014/2015 Financial Year	Submission of Procurement Plans for Quarter 1 2014/2015 Financial Year	2014/2015 Institutional Performance in line with Available Budget	All Directors & Middle Managers
	7-11 July 2014	IDP	2014/2017 IDP Assessment	MEC for Local Government and Traditional Affairs to give comments and recommendations to IDP in line with MSA S32	MM/All Directors
2.	08-July 2014	IDP/ SDBIP/ Budget/ PMS	MPAC Meeting	Monitoring & Evaluation of Institutional Performance	MPAC Chairperson & Committee Members



3.	17-Jul-14	SDBIP/PMS	Departmental Meetings	July Performance Evaluation and August Plans	All Directors & Middle Managers
	14-18 July 2014	PMS	14 <sup>th</sup> July 2014 at 14H00- MM's PMS Reviews for Third Quarter and 14-18 S56 PMS Reviews for Fourth Quarter	Monitoring of 2013/2014 Institutional Performance	MM/All Directors
4.	24 – 25 July 2014	PMS	Standing Committees	Quarter 4 PMS Report	Portfolio Head Directors
	28-Jul-14	PMS	2014/2015 Institutional Score Card Ready	Monitoring of 2014/2015 Institutional Performance	Strategic Director/MM
	30-Jul-14	2013/2014 End Year Reporting	Auditing Of 2013/2014 Performance Information by Internal Auditors	Results of Performance Information Audited in line with S45 of MSA	Internal Audit Manager/ All HOD's
	01-Aug-14	PMS	Submission of July Departmental Reports and Portfolio of Evidence & August Plans to Management and Records Office for Records	July Performance Evaluation and August Plans	All Directors & Middle Managers
5.	04-August 14	SDBIP/ Budget/ PMS	Management Meeting	Monitoring of 2014/ 2015 Institutional Performance	MM, All HOD's & Middle Managers
6.	08-Aug-14	IDP/Budget/PMS	To have IDP/PMS and Budget Technical Committee, furthermore to Publicize Draft Process Plan; IDP/Budget PMS Representative Forum and August Ordinary Council Meeting	To ensure inputs of the Technical Committee and Compliance in terms of Section 28 MSA 32 of 2000; to allow communities to comment on Draft Process Plan and Attendance of Rep Forum	Strategic Director/MM and Members of the Technical Steering Committee
	08-Aug-14	Budget	Submission of July S66 and S71 Reports to Municipal Manager and the Mayor/Speaker	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
7.	11-Aug-14	SDBIP/PMS	Top Management Meeting	Present First Draft of 2013/2014 Annual Report; 2014/2015 IDP/Budget PMS Process Plan; Council Items for the 28 <sup>th</sup> August 2014 Ordinary Council Meeting; and	MM/All Directors

				Preparation of Audit Committee Sitting	
8.	12-Aug-14	Budget	Submission of July S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
9.	13- August 14	IDP/ Budget/ SDBIP/ PMS	MPAC Meeting	Review of 2014/2015 Municipal Performance	Mayors Office and MPAC Committee
	18-22 Aug-15	PMS	Packaging of 2013/2014 Portfolio of Evidence Files and Finalization of Outstanding PMS Reviews	All 2013/2014 PMS Files	Strategic Director/ HTP
10.	15-Aug-14	IGR	ADM IGR Forum	Alignment of Plans and Co-ordination in line with IGR Framework; Presentation of GKM Draft Process Plan at ADM	Mayor/Speaker/MM
	19-Aug-14	IDP/Budget PMS	IDP/Budget PMS Steering Committee	Present 2014/2015 IDP/Budget PMS Process Plan	Mayor/Speaker/Councillors/MM/All Directors
11.	21 <sup>st</sup> August 2014	Tabling of Draft of Annual Financial Statement & Draft Annual Report	Management Meeting	Presentation of the Draft Annual Financial Statements & Draft Annual Report	Acting Municipal Manager & All HOD's & Middle Managers
	22-Aug-14	IDP/Budget PMS	IDP/Budget PMS Representative Forum	Presentation of IDP/Budget Process Plan and 2013/2014 Performance Information of GKM to Members of Representative Forum	Mayor/Speaker/All Directors
12.	25-Aug-14	PMS	Departmental Meetings	August Performance Evaluation & September Plans	All Directors & Middle Managers
13.	25 <sup>th</sup> August 2014	PMS & Annual Report	Audit Committee & Audit Performance Committee Meeting	Presentation of the PMS Report for Quarter 4 and Presentation of Draft Annual Financial Statements & Draft Annual Report	Audit Committee/ Audit Performance Committee Members, Acting Municipal Manager, All HOD's

14.	27 <sup>th</sup> August 2014	PMS & Annual Report	Municipal Public Accounts Committee	Presentation of the PMS Report for Quarter 4 and Presentation of Draft Annual Financial Statements & Draft Annual Report	MPAC Chairperson, MPAC Members, Municipal Manager's Office providing Secretariat
	28-Aug-14	IDP/Budget PMS	Ordinary Council Meeting  [Council considers the Unaudited Annual Report which does not include the AG's Reports/ Comments.	Adoption of process plan to guide Municipal Planning, Budgeting and SDBIP/PMS and 2014/2015, The Mayor Tables the Draft Unaudited Annual Report and Adoption of 2014/2015 Draft Financial Statements to Council and June Standing Committee Reports	Mayor, Director & Middle Managers
	29-Aug-14	End Year Reporting Requirements	Submission of 2013/2014 Draft Annual Report & Financial Statements; Council Resolutions to AG; Provincial Treasury; National Treasury and DLGTA	Compliance in terms of Section 126(1) (a) MFMA/AUDIT Purposes	Director Strategic & CFO/MM
	02-Sep-14	SDBIP/PMS	Departmental Meetings	August Performance Evaluation and September Plans	All Directors & Middle Managers
15.	03-Sep-14	Institutional Arrangements	Training Committee	Training Committee Report for Quarter 1 in preparation for Standing Committee	Corporate Services Director
	08-Sep-14	SDBIP/PMS	Top Management Meeting	August Performance Evaluation and September Plans	MM/All Directors
16.	08th -12 <sup>th</sup> September 2014	Annual Report	MPAC & Management	Annual Report Roadshows by MPAC, Drafting of MPAC Oversight Report Section 127, 128, 129 and 130	MPAC Members & All Councillors & All HOD's
	09-Sep-14	Budget	Submission of August S66 and S71 Reports to Municipal Manager and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager

17.	09-Sep-14 [proposed date be 26 <sup>th</sup> September 2014]	IDP/ SDBIP/ Budget/ PMS	Mayoral Imbizo [This date is on the Council Calendar, however this is not feasible if one takes into account the above date for the Annual Report Roadshows	Reporting of the Institutional Performance	Mayor, All Councillors, MM & All HOD's
	10-Sep-14	Institutional Stakeholder Arrangements in line with SDBIP	LED Forum Meeting	Formulation and Implementation of LED Strategy	Director Strategic Services
18.	10-Sep-14	Institutional Stakeholder Arrangements in line with SDBIP	Departmental Meetings	Assessment of Departmental Performance	All HOD's
19.	11-Sep-14	IDP/ SDBIP/ Budget/ PMS	Audit Committee Meeting  MPAC Meeting	Review of Institutional 2014/2015 Municipal Performance	MM, All HOD's, Audit Committee Members, Internal Audit Manager Mayor's Office & MPAC Committee Members
	12-Sep-14	Budget	Submission of August S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
20.	17 <sup>th</sup> September 2014	PMS & Draft Unaudited Annual Report & Annual Financial Statements	Submission of the Unaudited Annual Report & Financial Reports to the Auditor-General to Audit the Unaudited Annual Report	Draft Unaudited Annual Report & Annual Financial Statements	The Accounting Officer [Acting Municipal Manager and Management]
	17-Sep-14	SDBIP/PMS	Management Meeting	Presentation of Draft Standing Committee Agendas by All Directors for September Standing Committee Sitting	All Directors
	23-Sep-14	PMS	Departmental Meetings	Quarter 1 (July-sept) performance evaluation & Oct Plans	All Directors & Middle Managers
	27-Sep-14	PMS	Submission of 2013/2013 Quarter 1 (Jul-Sept) Reports and POE's to MM's office/Strategic Services and Records Office	Quarter 1 (July-sept) performance evaluation & Oct Plans	Middle Managers
	02-03 October 2014	PMS	Standing Committee Meetings	Quarter 1 (July-sept) Performance Reports	Portfolio Head & Directors

	06-Oct-14	SDBIP/PMS	Management Meetings	September Reporting and October Plans	All Directors/Middle Managers
	07-Oct-14	SDBIP/PMS	Management Meeting	September Reporting and October Plans and Preparation for Quarter 1 PMS Reviews; and Council meetings Items for 31st October 2013	MM/All Directors
21.	07-Oct-14	Governance/Compliance Issues	Municipal Public Accounts Committees	Assessment of 2013/2014 Performance Report by MPAC	Committee Chairperson & Members
	08-Oct-14	Quarter 1 Reporting	Auditing Of 2013/2014 Quarter 1 Performance Information by Internal Auditors	Results of Performance Information Audited in line with S45 of MSA	Internal Audit Manager/ All HOD's
22.	09-Oct-14	Institutional Arrangements	Cluster Workshop: Outline the Role of the Clusters and Terms of Reference	The Role of clusters outlined and Highlights of First Quarter Institutional Performance	Strategic Director/MM/Portfolio Head Strategic Services
	09-Oct-14	Budget	Submission of September S66 and S71 Reports to MM and the Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
23.	10-Oct-14	Budget	Budget Steering Committee Meeting	Departmental Inputs in preparation of 2015/ 2016 Budget	MM & All HOD's
	11-Oct-14	Budget	Submission of September S66 and S71 Reports to the Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager

## PHASE II: STRATEGIES PHASE: FROM OCTOBER-NOVEMBER 2014

**a) 2013/2014 DRAFT ANNUAL REPORT TABLED TO COUNCIL AND ANNUAL FINANCIAL STATEMENTS to inform Objectives and Strategies; b) IDP/PMS BUDGET ROADSHOWS TO INFORM IDP OBJECTIVES AND STRATEGIES;c) 2014/2015 FIRST QUARTER REPORTS to inform IDP OBJECTIVES AND STRATEGIES; d) GKM To further present situational analysis to Government departments so as to inform plans for Sector Departments;**

	15 October 2014	SDBIP/PMS	First Quarter PMS Reporting and PMS Reviews for S56 and Non-S56 Managers	Quarter 1 PMS Reviews	MM/All Directors
	21-Oct-14	IDP/Budget PMS	Publicity of Council Meeting and IDP/Budget PMS Roadshows/Mayoral Imbizo	Oct performance evaluation & November Plans	Managers/Corporate Services Director
	21-Oct-14	Governance/Compliance Issues	Municipal Public Accounts Committee Meeting and Internal Auditor Assessment of First Quarter Performance Reports	Assessment of 2014/2015 Quarter 1 Performance Report by MPAC and Internal Audit	MPAC Chairperson/Mayors Office/Internal Audit
	28-Oct-14	Institutional Arrangements	Cluster Meeting: All Standing Committees discussing Council Items in preparation for 31st October Ordinary Council Meeting	All Standing Committee Reports Presented to IDP Cluster Meeting	All HOD's and Portfolio Heads
	29-Oct-14	IDP, Budget, SDBIP & PMS	Ordinary Council Meeting	2014/2015 First Quarter Reports Submitted to Council and September Standing Committee Reports	Speaker/ Mayor, MM and Corporate Services
	29 <sup>th</sup> October 2014	Audited Annual Report & Annual Financial Statements	Ordinary Council Meeting	Section 129, 130, 131. The Auditor-General tables the Audit Report together with Audited Annual Report & Annual Financial Statements to Council within 5 to 6 months after the end of the Financial Year, Section 75 for Publication on the Municipal Website.	Speaker/ Mayor, MPAC, Municipal Manager, CFO, IT Manager

	04-Nov-14	IDP, Budget, SDBIP & PMS	Speakers Engagement with Ward Committees	2013/2014 Performance Annually; 2014/2015 First Quarter Performance and other Related Matters	Speaker/Mayor's Office
	04-Nov-14	SDBIP/PMS	Departmental Meetings	Oct performance evaluation & November Plans	Directors and Middle Managers
	05-Nov-14	IDP/Budget PMS	Sector Plan Workshop Meeting with Sector Departments	Situational analysis presentation/ Solicit inputs towards objectives & strategies	Director Strategic Services and Heads of Sector Departments/Parastals
	06-Nov-2014	IDP/ Budget/ PMS	Mayor's Engagement Meeting with Stakeholders	2013/2014 Performance Annually; 2014/2015 First Quarter Performance and other Related Matters	Mayor/ Speaker, Speakers Office & All Councillors
	05/06/07/11/ 12/ 13 November 2014	IDP/Budget PMS	IDP/Budget PMS Mayoral Imbizo/ Stakeholder Meetings- Mayor/ Prioritization by communities.	2013/2014 Performance Annually; 2014/2015 First Quarter Performance and 2015/2016 Priorities by Communities as informed by ward based planning done by DLGTA; Draft IDP Objectives and Strategies	Director Strategic/CFO/Mayors Office
	04-Nov-14	IDP/Budget PMS	Publicity of IDP/Budget Representative Forum and to have IDP/PMS and Budget Steering Committee.	2013/2014 Performance Annually; 2014/2015 First Quarter Performance and 2015/2016 Priorities by Communities.	Director Strategic/CFO/Mayors Office/MM
	07-Nov-14	Budget	Submission of October S66 and S71 Reports to Municipal Manager and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	10 <sup>th</sup> November 2014	Audit Report, Annual Report, Annual Financial Statements	Municipal Public Accounts Committee Meeting	Within 7days of the receipt of the AG's Report the MPAC finalizes the assessment of the Annual Report. MPAC prepares its Oversight Report to be submitted to the 10 <sup>th</sup> December 2014 Ordinary	MPAC Chairperson and the MM's Office providing Secretariat

				Council and to Treasury and DLGTA	
	29-Nov-14	Institutional Arrangements	Training Committee	Training Reports	Director Corporate Services/MM
	12-Nov-14	Budget	Submission of October S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	17-Nov-14	IDP/ Budget, PMS	IDP/Budget PMS Representative Forum	Situational analysis presentation/ Solicit inputs towards objectives & strategies	IDP Representative Stakeholders/MM/ Mayor
	18-19-Nov-14	SDBIP/PMS	Standing Committee Meetings	Oct performance evaluation	Directors and Standing Committees Chairpersons
	25-27- November 2013	Policies/ Sector plans/By laws	GKM Policy Workshop	Analysis of GKM Policies/Sector Plans/ By laws to inform 2015/2016 Plans and SDBIP	MM/Mayor/Speaker/Council
	26-Nov-14	Budget	IDP/Budget PMS Technical Committee	Inputs on the Draft 2015/2016 Budget as informed by Community Needs	
	28-Nov-14	SDBIP/PMS	Submission of November Performance Reports and Portfolio of Evidence to MM's Office/Strategic Services/Records	November Performance Evaluation & December Plans	Director Strategic Services and HOD's
	28-Nov-14	Governance/Compliance Issues	Publicity of Council Meeting to be held on 10th December 2014	Compliance Matter	Director Corporate Services/MM
	20 <sup>th</sup> November 2014	Audited Annual Report & Annual Financial Statements	Special Council Meeting	Section 129, 130, 131. The Mayor tables Audited Annual Report & Annual Financial Statements to Council within 5 to 6 months after the end of the Financial Year, Section 75 for Publication on the Municipal Website.	Speaker/ Mayor, MPAC, Municipal Manager, Auditor-General, CFO, IT Manager



<b>PHASE 3: PROJECTS PHASE DECEMBER 2014 to MARCH 2015</b>					
<b>a) TOP MANAGEMENT TO DISCUSS PROJECTS INFORMED BY INDICATIVE FIGURES ON DORA; b) IDP BUDGET STEERING COMMITTEE DISCUSS THE OBJECTIVES; STRATEGIES AND DRAFT BUDGET AND PRIORITIZE PROJECTS FOR 2015/2016; COUNCIL STRATEGIC SESSION TILL TABLING OF DRAFT 2015/2016 IDP BUDGET AND DRAFT 2015/2016 SDBIP</b>					
	01-Dec-14	SDBIP/PMS	Management Meeting	November Performance Evaluation & December Plans and December Season Plans and Council Agenda Items	MM/Directors
	02-Dec-14	IDP/SDBIP/Budget/ PMS	MPAC Meeting	Assessing & Monitoring Institutional Performance Annually; 2014/2015 Second Quarter Performance and other Related Matters	MPAC Committee Members & the Mayor's Office
	09-Dec-14	Budget	Submission of November S66 and S71 Reports to Municipal Manager and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	09-Dec-14	IDP/Budget/PMS	IDP Budget PMS Steering Committee	Community Priority needs; Discussions on the Draft IDP Objectives/Strategies; Budget for 2014/2015 Financial year	CFO/MM/Mayor/Speaker
	10-Dec-14	IDP/Budget/PMS	Ordinary Council Meeting	Closing of the Calendar Year; Preparations for Municipal Strategic Session to be held in January and consideration of November Standing Committee Reports	HOD's/ MM/Mayor/Speaker/Council
	10th December 2014	Oversight Report	Ordinary Council Meeting	MPAC submits its Oversight Report to Council for adoption, the Oversight Report is made public, and the Oversight Report is submitted to Treasury & DLGTA	Speaker/ Mayor, MPAC Chairperson, MM, Director Corporate Services
	11-Dec-14	Institutional Arrangements	SPU Focal Groups Sitting	Mainstreaming of SPU at GKM	Mayor's Office/Portfolio Head
	12-Dec-14	Budget	Submission of November S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager

	15-Dec-13 – 09-Jan2015	RECESS FOR COUNCILLORS			
	12-14 December 2014	Municipal Annual Event	Summer Festival	Promote Tourism in GKM	Director Strategic Services
	17-Dec-14	SDBIP/PMS	Departmental Meetings	Six Months Performance Reports; Portfolio of Evidence for 2014/2015 Financial year & 2015 January Plans	All HOD's and Middle Managers
	22-Dec-14	End Year Closure	Staff Closing	2014 Calendar Year	All HOD's and Middle Managers
	05-Jan-15	Opening 2015 Calendar Year	Staff meeting	Opening for calendar year 2015	Corporate Services/MM
	7-09 January 2014	SDBIP/PMS	Departmental Strategic Sessions	Opening for calendar year 2015; Finalization of Six Months Reports; Plans for the Calendar Year 2014; SDBIP Turnaround Plans; Organizational Structures (Review)	All HOD's and Middle Managers
	08-Jan-15	Budget	Submission of December S66 and S71 Reports to MM and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	09-Jan-15	Budget	Submission of November S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	13-Jan-15	Institutional Arrangements	Risk Committee Meeting	Risk Assessment for the Past Six Months of 2014/2015 and Risk Plan for the Remainder of 2014/2015 Financial Year	Internal Audit Committee
	14-15 January 2015	SDBIP/Budget/ PMS	Top Management Working Session	Audit Findings & Action Plan; Draft IDP Objectives/Strategies; Draft 2015/2016 and Organizational Structure SDBIP Preparations for Municipal Strategic Session	MM/HOD's/Internal Audit
	16-Jan-15	SDBIP/Budget/ PMS	Auditing Of 2014/2015 Six Months Performance Information by Internal Auditors	Results of Performance Information Audited in line with S45 of MSA	Internal Audit Manager/ All HOD's
	21-Jan-15	Governance	Audit Committee Meeting	2014/2015 Half year report, Budget Adjustment & SDBIP Turnaround for Six Months , Audit Findings & Action Plan; Internal Audit Reports	Internal Audit/Audit Committee Chairperson

	19-Jan-15	Governance/Compliance Issues	Publicity of January Ordinary Council Meeting	Inform Public of the Municipality's Ordinary Council Meeting	Corporate Services/MM
	23-Jan-15	Governance/Compliance Issues	Municipal Public Accounts Committee Meeting	Assessment of 2014/2015 Six Months Performance Report by MPAC	MPAC Chairperson/Mayors Office/Internal Audit
	28-Jan-15	SDBIP/Budget/ PMS	Council Meeting	SDBIP Turnaround, Budget Adjustment, Audit Findings & Action Plan; Draft IDP Objectives/Strategies Standing Committee Reports	Corporate Services Director/MM/ Mayor/Speaker Council
	02-06 Feb-2015	SDBIP/Budget/ PMS	Municipal Strategic Session	2013/2013 Annual Report, 2014/2015 Half year report, Budget Adjustment & SDBIP Turnaround for Six Months , Audit Findings & Action Plan; IDP Objectives/Strategies and 2014/2015 Draft SDBIP and Budget	MM/HOD's/Mayor/Speaker/Council
	09-Feb-15	SDBIP/Budget/ PMS	Management Meetings	February Performance Reports & March Plans	All HOD's and Middle Managers
	12-Feb-15	Institutional Arrangements	Risk Management Meeting	Risk Assessment for the past 6 months	Director Strategic Services/MM
	10-Feb-15	Budget	Submission of January S66 and S71 Reports to MM and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	12-Feb-15	Budget	Submission of January S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	09-Feb-15	SDBIP/PMS	Top Management meeting	January Reports & February Plans and Preparations for Six Months PMS Reviews	All HoD's and MM
	17-Feb-15	Governance/Compliance Issues	Municipal Public Accounts Committee Meeting	Assessment of 2013/2014 Annual Report; Audit Findings; Audit Action Plan in line with S129 of MFMA	MPAC Chairperson/Mayors Office/Internal Audit
	18-20 February 2015	SDBIP/PMS	PMS Reviews for the Second Quarter	Assessment of Second Quarter Performance by PMS Committees	All HoD's and MM
	25-26 February 2015	IDP/Budget/PMS	Standing Committee Meetings	Assessment of Second Quarter Performance by PMS Committees	All HoD's and Standing Committee Chairperson
	02-Mar-15	SDBIP/Budget/ PMS	Management Meetings	February Performance Reports & March Plans	MM & All HOD's

	03-Mar-15	SDBIP/Budget/ PMS	Submission of February Performance reports/Portfolio of Evidence to Records Office/Strategic Services /MM's Office and March plans	February Reports & April Plans	All HOD's and Middle Managers
	04-Mar-2015	Institutional Arrangements	Training Committee	Reporting on Trainings Conducted	Training Committee members & HOD's
	05-Mar-15	Governance/Compliance Issues	Audit Committee Sitting	Presentation of the Final 2013/2014 Annual Report and Performance Audit Findings, and the Audit Action Plan by Internal Audit and Other Reports.	MM/ Internal Audit Manager/ All HOD's
	10-Mar-15	IDP/Budget PMS	Publicity of IDP/Budget Representative Forum	Inform IDP/Budget PMS Stakeholders of Rep Forum on 18th March 2015	
	06-Mar-15	IDP/Budget PMS	IDP/Budget PMS Technical Committee	Solicit inputs for 2015/2016 Budget and SDBIP	IDP/Budget Technical Committee
	10-Mar-15	Budget	Submission of February S66 and S71 Reports to MM and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	11-Mar-15	IDP/Budget PMS	IDP/Budget PMS Steering Committee	Preparations for the IDP Representative Forum; Finalize Prioritization for 2015/2016 Financial Year; Draft IDP Objectives/Strategies/SDBIP and 2015-2017 Draft Budget	CFO/Strategic Services Director/MM/Mayors Office
	12-Mar-15	Budget	Submission of February S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	18-Mar-15	IDP/Budget PMS	IDP/Budget Representative Forum	Present 2014/2015 Six Months Performance Highlights and 2015/2017 IDP Objectives/Strategies; Prioritized Programs in Preparation for Tabling of Draft 2015/2017 IDP/Budget and Draft 2015/2016 SDBIP	Strategic Services Director/ CFO/ MM/ Mayor
	10-Mar-15	IDP/Budget PMS	Cut off for Submission of Council Items and Publicity of Ordinary Council Meeting on 28th March 2013	Preparations for Council Meeting on 31 <sup>st</sup> March 2015	
	17-Mar-15	Institutional Arrangements	LED Forum Meeting	Evaluate Progress for Implementation of LED Strategy and Review Action Plan for LED Strategy for 2014/2015 Financial Year	Strategic Director/MM
	24-Mar-15	Institutional Arrangements	IDP Clusters Meeting	All Reports to be Submitted to Council on 28th March 2013	Strategic Services Director/Portfolio Head
	27-Mar-15	Governance/Compliance Issues	MPAC Meeting	Assessment of Second Quarter Performance by PMS Committees to be submitted to Council on 28th March 2013	Mayor's Office & MPAC Committee members

	31-Mar-15	SDBIP/Budget/ PMS	Ordinary Council Meeting	February Standing Committee Reports; Draft 2015/2017 IDP Objectives/Strategies 2015/2017 Draft Budget and 2015/2015 Draft SDBIP	Corporate Services Director/MM/ Mayor/Speaker Council
<b>PHASE 4: INTEGRATION PHASE: APRIL 2015</b>					
<b>a) SOLICIT COMMENTS ON DRAFT IDP BUDGET AND SDBIP; b) SECTOR DEPARTMENTS CONFIRMING BUDGETS AND PROJECTS FOR 2015/2016 FINANCIAL YEAR; CONSOLIDATE SECTOR PLANS FOR IMPLEMENTATION; CONSOLIDATE INTEGRATED PROGRAMS</b>					
1.	01-Apr-2015	IDP/SDBIP/Budget/ PMS	Management Meeting	2014/2015 Quarter 3 Performance Reports & April Plans	MM, All HOD's
2.	02-Apr-2015	Institutional Arrangements	Training Committee Meeting	Training Reports and WSP for 2014/2015 Financial Year	Training Committee Members & Director Corporate Services
	09 April 2015	IDP & Budget	Advertise Draft IDP/ Budget, SDBIP and IDP Budget Roadshows	Solicit inputs from Stakeholders	Director Strategic Services/MM
3.	13-17 April 2015	IDP/Budget PMS	IDP/Budget PMS Roadshows in all Wards	Solicit inputs from Community Members on the Draft IDP/Budget and SDBIP	CFO/Director Strategic Services/MM and Mayors/Speakers Office
	10-Apr-15	Budget	Submission of March S66 and S71 Reports to MM and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	13-Apr-15	Budget	Submission of March S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	20-Apr-15	PMS	Submission of Quarter 3 Performance reports and Portfolio of Evidence & April Plans	2014/2015 Quarter 3 Performance Reports & April Plans	All HOD's and Middle Managers
	21-Apr-15	SDBIP/PMS	Top Management meeting	2014/2015 Quarter 3 Performance Reports & April Plans and Preparations for Quarter 3 PMS Reviews	All HoD's and MM
	20-23 April 2014	PMS	PMS Reviews for the Third Quarter	Assessment of Quarter 3 Performance	IDP Representative Forum Members/ Mayor
	28-Apr-15	SDBIP/Budget/ PMS	Auditing Of 2013/2014 Quarter 3 Performance Information by Internal Auditors	Results of Performance Information Audited in line with S45 of MSA	Internal Audit Manager/ All HOD's

	28-Apr-15	Institutional Arrangements	SPU Focal Groups Meeting	Mainstreaming of SPU at GKM	Mayors Office and Portfolio Head
	29-Apr-15	SDBIP/Budget/ PMS	Departmental Meetings	April Performance Reports & May Plans	All HOD's and Middle Managers
	30-Apr-15	SDBIP/Budget/ PMS	Submission of April Reports and Portfolio of Evidence and June Plans	April Performance Reports & May Plans	All HOD's and Middle Managers
<b>PHASE 5: APPROVAL PHASE</b>					
<b>PROVIDING A FINAL OPPORTUNITY FOR ALIGNMENT ON THE DRAFT IDP BUDGET AND SDBIP</b>					
	04-May-15	SDBIP/Budget/ PMS	Top Management meeting	April Performance Reports & May Plans and Preparations for Standing Committee Meetings and Council Meeting and Preparations for IDP PMS Steering Committee	All HOD's and MM
	12-May-15	IDP/Budget PMS	IDP Budget PMS Technical Committee	Finalization of SDBIP Projects in preparation for IDP PMS Steering Committee	Strategic Director/MM
	14-15 May 2015	<b>IDP/Budget PMS</b>	<b>Standing Committee Meetings</b>	<b>All Reports to be Submitted to Council on 16th May 2013</b>	<b>All HOD's and Standing Committee Chairpersons</b>
	11-May-15	Budget	Submission of April S66 and S71 Reports to MM and Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	12-May-15	Budget	Submission of April S66 and S71 Reports to Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	12-May-15	<b>Compliance</b>	<b>Publicity of Ordinary Council Meeting and IDP/PMS Budget Representative Forum</b>	<b>Compliance and Governance. Notifying Community Members and Stakeholders of 28<sup>th</sup> May 2015 Ordinary Council Meeting</b>	<b>Corporate Services/MM</b>
	14-May-15	Institutional Arrangements	IDP Clusters Meeting/IDP PMS Budget Steering Committee	Discussions of All Matters of Council Meeting Scheduled for 29th May 2014	All HOD's MM/Speaker/Mayor/

1.	18-May-2015	Good Governance, IDP/SDBIP/Budget/PMS	Audit Committee Meeting	Assessment & Evaluations of Quarter 3 Performace	Audit Committee Members, MM, All HOD's & Internal Audit Manager
	19-May-15	IDP/ SDBIP/Budget/ PMS	IDP Budget PMS Representative Forum	Presentation of Final 2015/2017 IDP, Budget, 2015/2016 SDBIP & PMS, Policies & By Laws and Tarriffs	Director Strategic Services/MM/Speaker/Mayor
2.	21-May-15	PMS	Municipal Public Accounts Committees	Quarter 3 Performance Assessment	Mayor's Office and MPAC Committee
	28-May-15	IDP/SDBIP/Budget/PMS	Council Meeting	Adoption of Final of 2014/2017 IDP, Budget, 2014/2015 SDBIP & PMS, Policies & By Laws and Tariffs	MM/Speaker/Mayor/Council
	01-Jun-15	SDBIP/Budget/ PMS	Management meetings	May performance reports and June plans	Managers/officers
3.	02-Jun-2015	Institutional Arrangement	Training Committee	<b>Training Reports and WSP for 2014/2015 Financial Year</b>	<b>Training Committee Members &amp; Director Corporate Services</b>
4.	03-Jun-2015	Institutional Arrangement	Risk Management	Risk Assessment for the past 6 months	Director Strategic Services/MM
	05-Jun-15	SDBIP/Budget/ PMS	Submission of Portfolio of Evidence for May and June Plans to Strategic Services	May performance reports and June plans	Director Strategic Services/All HOD's
	10-Jun-15	Budget	Submission of Quarterly S66 and S71 Reports to MM and the Mayor	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	12-Jun-15	Budget	Submission of Quartely S66 and S71 Reports to the Provincial Treasury and National Treasury	Compliance in Terms of S71 (1)MFMA 56 of 2003	CFO/Corporate Services Director and Internal Audit Manager
	08-Jun-15	Top Management Meeting	May performace reports and June plans	May performace reports and June plans	All HOD's and MM
	12-Jun-15	Institutional Arrangements	LED Forum Meeting	Evaluate Progress for Implementation of LED Strategy and Review Action Plan for LED Strategy for 2014/2015 Financial Year	

5.	18-Jun-2015	PMS	MPAC Meeting	Quarter 4 Performance Assessment	Mayors Office and MPAC Committee
6.	19-Jun-2015	PMS	Audit Committee Meeting	Assessment & Evaluations of Quarter 3 Performance	Audit Committee Members, MM, All HOD's & Internal Audit Manager
	29-Jun-15	2014/2015 Draft Municipal Strategic Score Card	Submission to Mayor for Signature	Guide Municipal Performance for 2015/2016 Financial Year	Strategic Director/MM/Mayor/Speaker
	30-Jun-15	PMS	All Departments Compiling 4th Quarter Reports and Annual Report Information	2014/2015 Annual Performance Information	All HOD's
	14-19 July 2014	PMS	Fourth Quarter PMS Reviews for 2014/2015 Financial Year	Monitoring of 2014/2015 Institutional Performance	MM/All Directors



# CHAPTER 3

## 3 SITUATIONAL ANALYSIS

### 3.1 EXECUTIVE SUMMARY OF THE SITUATIONAL ANALYSIS

The situational analysis established that Great Kei Municipality occupies 1 421 square kilometers (km<sup>2</sup>) of the Amathole District Municipality in the Eastern Cape Province. The population is estimated at 338 991 according to Statistics 2011 and some 10 310 households distributed into seven wards.

The GKM is bounded in the East by the Great Kei River and Mquma Local Municipality, by the coastline between Kwelera and Kei Mouth in the South East, by the Buffalo City Municipality in the West and the Amahlathi Municipality, which is situated to the North.

The population is predominantly female accounting for approximately 53%, male compose only about 47% of the population. The municipality has had a high prevalence of poverty in 2007, where 54 percent of households were below the poverty line, declining employment levels (an average of 2 percent decline per annum) and resultant high unemployment levels (40 percent of the economically active population). (Urban Econ, 'Local Economic Development Training Workshop' 13 November 2007).

It is evident that GKM has a relatively high standard of water provision; however water is a key prerequisite for development and is therefore important. The road network within the Great Kei Municipality consists of 729, 55 kilometers of surfaced and unpaved roads.

Social and community services are also not in a satisfactory manner. Health Facilities are also a concern within the municipality jurisdiction; where 58% of people live more than 5 km from medical facilities and only 1, 5% have access to a medical benefit fund (DBSA, 1997).

The economic profile of the municipality is characterized by a small population, low populations density, concentration of employment in agriculture, disinvestment in rural areas, the dominance of one urban centre in the region and the resultant disparity between rural and urban areas.

## 3.2 LOCALITY

### 3.2.1 GEOGRAPHIC PROFILE

The Great Kei Municipality (GKM) is located within the Eastern Cape Province and covers an area of 1 421 square kilometers (km<sup>2</sup>). The Municipality's Headquarters are in Komga; and satellite offices in Haga Haga with 5 employees; Kei Mouth with 5 employees and Chintsa with 5 employees. Municipal Services offered in Satellite offices are as follows:

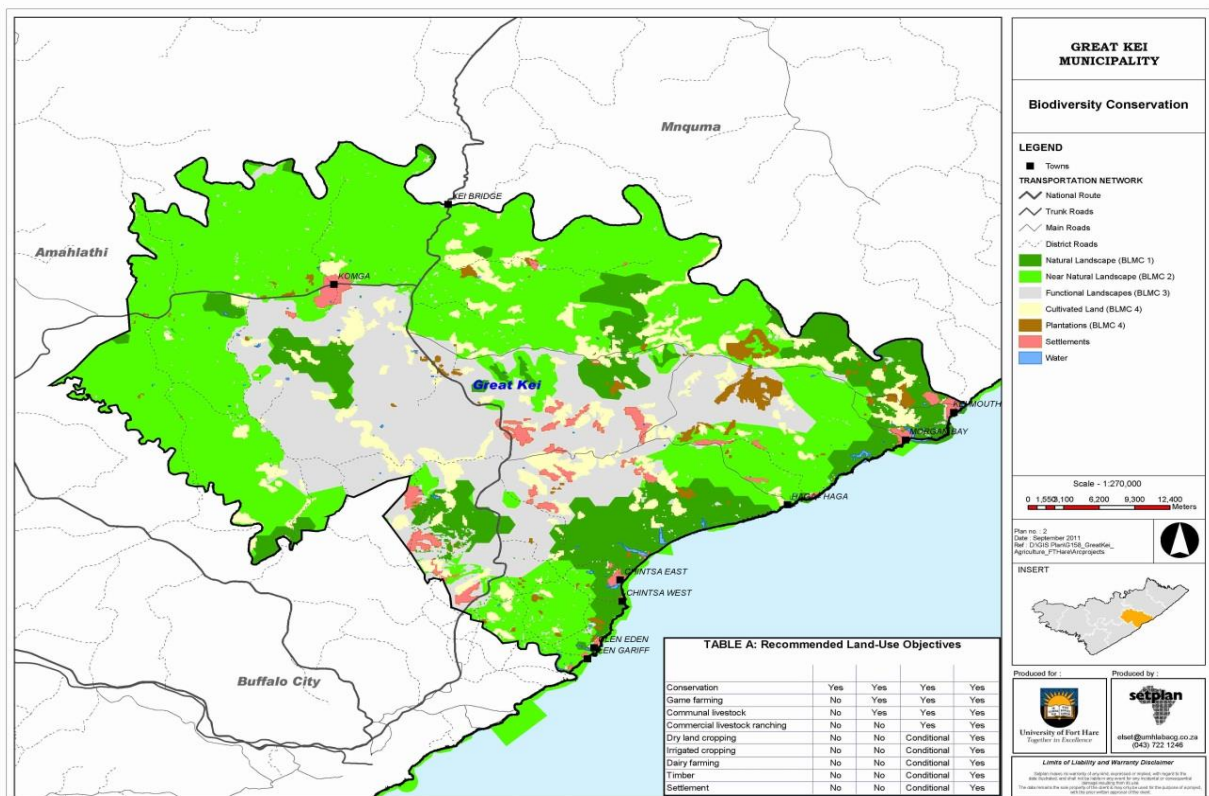
- a) Refuse Removal
- b) Grass Cutting and Clearing of Bushes
- c) Roads Maintenance services

The GKM is bounded in the East by the Great Kei River and Mnquma Local Municipality, by the coastline between Kwelera and Kei Mouth in the South East, by the Buffalo City Municipality in the West and the Amahlathi Municipality, which is situated to the North.

Population of the municipality is distributed into seven wards, which are the amalgamation of previously different communities and municipal entities, including Komga, Kei Mouth, Morgan Bay, Haga-Haga, Chintsa East, Chintsa West, Mooi plaas and Kwelera.

Regional access is obtained through the district via the N2 National Route from East London to Butterworth with a provincial main road N6 connection between Komga and Sutterheim and the connection between Komga and King William's town and Bhisho is via the R63.

A graphical representation of the Great Kei Local Municipality is illustrated by in Figure 1. below.

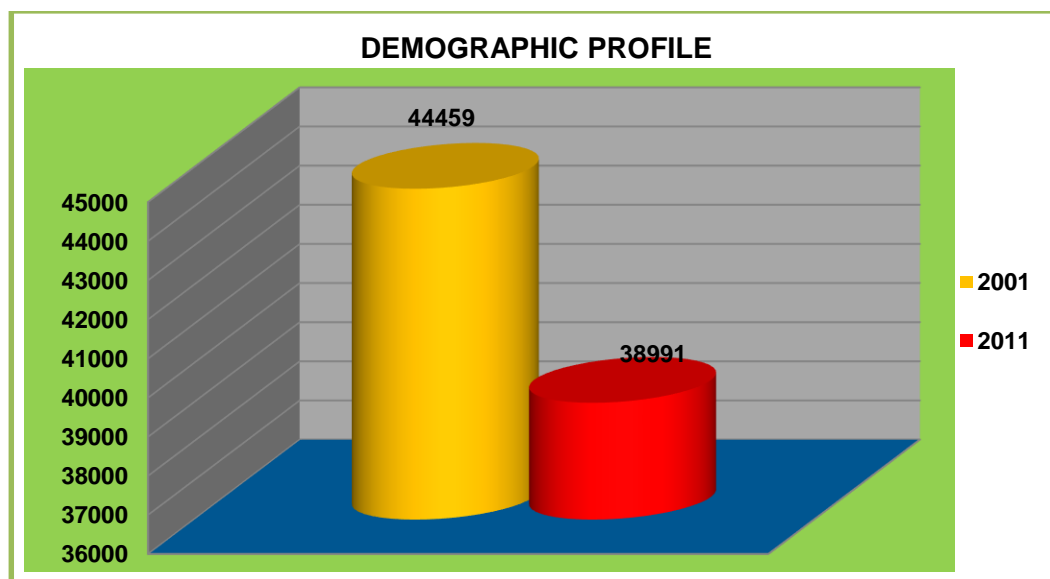


## 4 DEMOGRAPHICS ANALYSIS

### 4.1 Population Size

According to the Community Survey of 2011 conducted by Statistics South Africa, the total population of Great Kei Municipality is estimated at 38 991 and some 10 310 households, which is a decline from Census 2001 Statistics that estimated a total population of 44 459 and some 11 365 households. The average household consist about 3.8 % people.

The Figure 2 below illustrates the decline of population and households in 2001 and 2011:



SOURCE: STATISTICS 2011

### 4.2 Population by Density

Population		
Density		people/km <sup>2</sup>
1	Urban Areas	185.5
2	Great Kei Municipality	28.2

The service centers of Komga and Kei Mouth as well as the coastal settlements of Morgan's Bay, Haga Haga and Chintsa can be described as urban areas falling within the national definition of "an urban area administered by a local authority or municipality".

The population density within urban areas is estimated at 185 people/km (refer to Table 1 This can be attributed to the diverse economic activity and higher level of social and physical infrastructure services to be found within the centers.

Urban centers within the area display a growth rate of around 1, 5% per annum compared to a negative growth rate of -1, 9% for the entire Great Kei Municipal area. This is believed to be the result of the steady exodus of families from farming areas and adjacent rural settlements, causing a population increase within local urban centers. Recent studies in South Africa have found that resettlement to nearby small towns

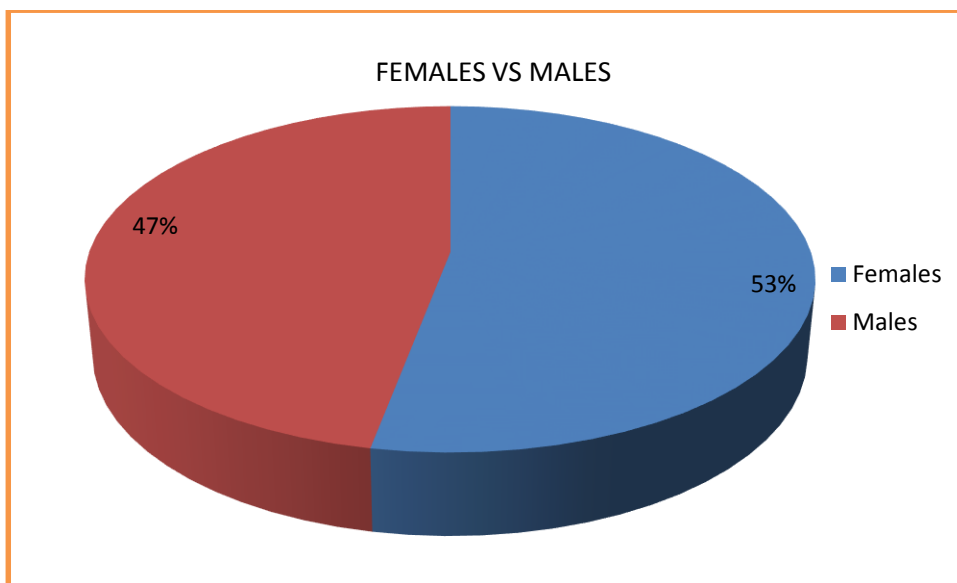
remains an attractive option to dislocated rural families and individuals (particularly women), as opposed to moving to larger urban environments such as Buffalo City, Port Elizabeth and Cape Town (DBSA 2001).

#### 4.3 Gender and Age Distribution

The population is dominated by female of approximately 53%, male compose only about 47 % of the population. About 62.0% of the populations fall between 15-64 years, whilst 9.3 % are in the pension group (over 65 years) and only 28.7 % is less than 15 years.

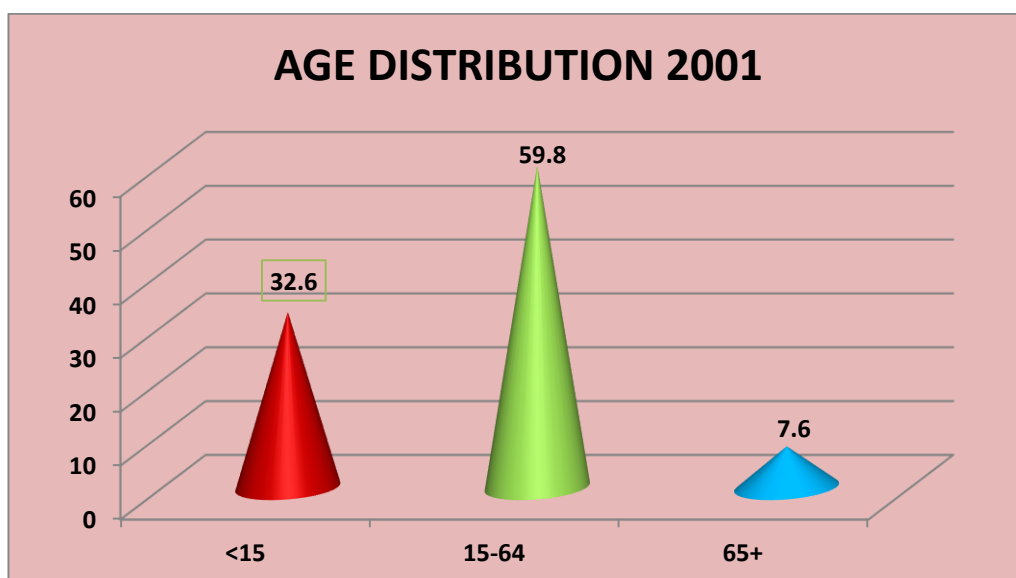
This indicates that there is a high dependency ratio of about 61.3 %. This underpins the need to develop social and youth development programmes and proper infrastructural planning, provision of basic services and job creation.

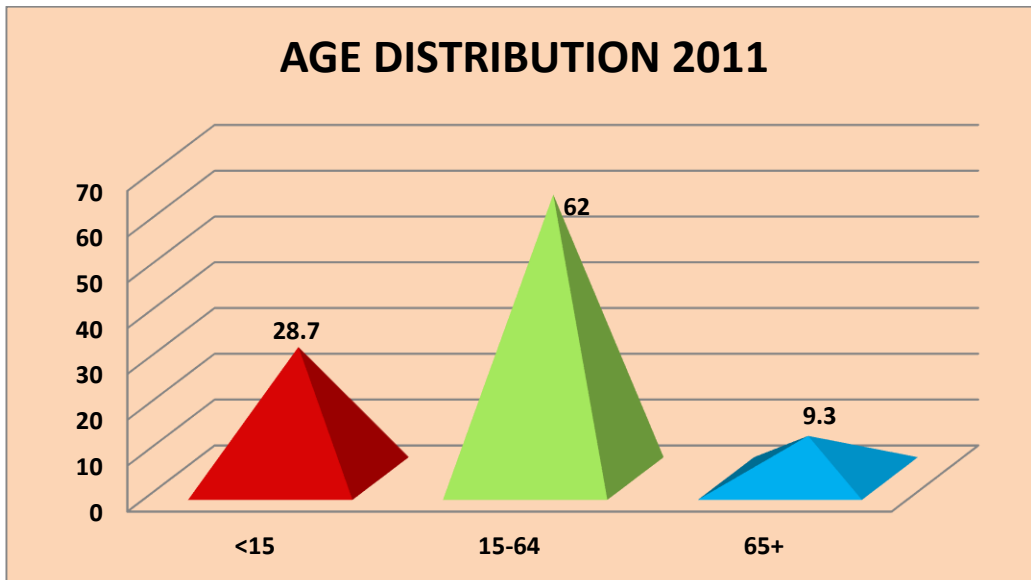
##### Population by Gender



SOURCE: STATISTICS 2011

##### AGE DISTRIBUTION





**SOURCE: CENSUS 2011**

## **5 SOCIO- ECONOMIC PROFILE**

### **5.1 ECONOMY AND POVERTY**

The economic profile of the Great Kei Municipality is characterized by a small population, low populations density, concentration of employment in agriculture, disinvestment in rural areas, the dominance of one urban centre in the region and the resultant disparity between rural and urban areas.

In addition to this, the GKLM had in 2007 a high prevalence of poverty (54 percent of households below the poverty line), declining employment levels (an average of 2 percent decline per annum) and resultant high unemployment levels (40 percent of the economically active population). **(Urban Econ, 'Local Economic Development Training Workshop' 13 November 2007)**

An analysis of the contribution of the various economic sectors to the Great Kei Municipality economy may be summarized as follows:

- The government sector (particularly health and education) contributes significantly to the GDP by 10%
- Finance and Business Services and the Manufacturing sector also contribute significantly to the GDP by 3%
- The contribution of Agriculture has declined slightly.
- There has been a significant decline in the contribution of the Wholesale and Retail Trade sector, which indicates leakages to other areas, particularly since the population has remained stagnant
- The contribution of Community Services and Construction to the GDP has increased over the years

Overall, the Great Kei Local Municipality's economy registered positive growth during the past decade. The area will, however, have to maintain its economic growth rate in order to significantly improve welfare indicators.

## 5.2 EMPLOYMENT PATTERNS

Over 39% of the GKLM are employed in the formal economy. This is line with the ADM and is significantly higher than the average for the Eastern Cape. Unemployment levels are similar to the provincial average (17%), but the proportion of those that are not economically active (not working, nor looking for work) is lower than the provincial rate of 53%.

There has been a gradual increase in the unemployment rate from 1996 which originally stood at 34.4%.

Total employment within the Great Kei Local Municipal area is dominated by the agricultural sector comprising 35.58%. Although the level of reliance has been declining in recent years, agriculture remains the dominant sector of employment in the region and contributes just less than a third of total employment.

Services, ranging from social and personal to financial and business, have been one of major growth sectors in terms of employment, as too has trade, catering and accommodation (much of this due to the growth in tourism products). Construction has also experienced growth due to the construction of new housing schemes. The manufacturing and government sectors have been consistent contributors to employment.

## 5.3 EDUCATION

Illiteracy levels are very high within the municipal jurisdiction with only 2.5 % of the total population that has higher level of Education as illustrated in Figure below. Although there is a decline of illiteracy level between 2001 and 2011, percentages of illiteracy are still high

- Percentage of people with No schooling= 19.2 %
- Percentage of people with Higher Education= 2.5 %
- Percentage of people with Matric= 15 .0%
- Percentage of Primary Education Enrolment (Ages 6-13)=93.7 %

There are 34 primary schools within the Great Kei municipal area - located at Komga, Mooiplaas (9), Kwelerha, Ocean View, and Icwili and upon Farms (20).

There are 8 combined schools - located at Springvale, KwaTuba, Eluphindweni, Kwa-Jongilanga, Mooiplaas (2) and Farms (2). Three (3) secondary schools exist at Mooiplaas, Icwili and Eluqolweni.

Table: Number of Primary and Secondary Schools

Great Kei Municipality	Primary Schools	Secondary /Combined Schools
Number of schools	34	8
Number of Schools/1000 children	2.62	0.19

Table above illustrates the total number of schools and average number of schools per 1 000 children (between the ages of 5 and 19).

In the area there is a notable deficiency in secondary schools available (only eight), resulting in this municipality being forced to send their pupils to secondary schools outside the municipal area.

There is a trend that the educational facilities within the urban areas are of better quality and regular maintenance is being undertaken. Most of the population is leaving the municipality to receive further secondary and tertiary education, they do not return to the municipality after completing their education.

Table: Adult Literacy Rate

<b>Adult Literacy rate</b>		<b>Defined as the percentage of people' (male and female) age 15 years and over who can, with understanding, both read and write a short simple statement on their everyday life.</b>
		<b>Adult Literacy</b>
1	Total Gt. Kei (female and male)	74,4%
2	National (female and male)	81.8%

**Source MDB, 2001**

The Great Kei Municipal area appears to have a high illiteracy rate (25, 6%) when compared to the rest of the country (refer to Table 9). This fact may be ascribed to a general low provision in higher education facilities within the municipality, a low demand for literacy within the local economic sector and the loss of a portion of the literate population to other work centers outside the municipality.

## 5.4 HEALTH

Health facilities within the area consist of one community health centre (Komga) and 5 clinics (Komga, Kwelera, Mooiplaas (2), and Icwili). The availability of health facilities is an important determinant of the health status of the sub-region. This refers not only to their existence, but also ease of access to and quality of health facilities. As most health facilities fall within the urban areas, most of the rural population has limited access to these facilities. Some 58% of people live more than 5 km from medical facilities and only 1, 5% have access to a medical benefit fund (DBSA, 1997).

Table 20: Hospital Beds

Hospital beds	Number of persons per hospital bed.	
	Total population should be divided by number of beds.	
	Great Kei Municipality	Number of beds
1	Com. Health Centre	16
5	Other (Clinics)	4
6	Total	20
5	Number of person/ bed	2234

### Source Department of Housing & Local Government, 1997

According to the Department of Housing and Local Government (1997) the total capacity of hospitals and clinics in the district is 20 beds (refer to Table 7). This amounts to ½ bed / 1 000 people in the district or 2 234 persons/bed. This figure is much lower than that of the central sub region (2, 3 beds per 1 000 people) and 5, 1 beds / 1 000 for South Africa.

There is a strong trend towards decentralization in South Africa and tremendous demands are being placed upon the local government sphere. Local government currently does not have the capacity to accept and carry out additional functions.

It is in this context that the District Health System is being established. The process of developing such a system will have to take account of current reality and the various processes that will impact on health service delivery. It will be important for people involved in the health sector to: The municipality has developed a list of people without houses and that has been escalated to Human Settlement and there are plans to build 5000 households before 2015.

- participate in the Integrated Development Planning process;
- explore new mechanisms for delivering services;
- engage with the allocation of health service functions to Municipalities;
- Continue to improve the rendering of high quality health care in an integrated manner.



## 6.SPATIAL ANALYSIS

The municipality adopted a Spatial Development Framework in 2005/2006 Financial Year. It is against this background that the SDF is currently reviewed in partnership with Amathole District Municipality, for alignment with 2013/2017 Integrated Development Plan.

The spatial characteristics of the Great Kei Municipal area are largely determined by the influence of the coast, the Great Kei River and the National Road which dissects it in an east/west direction. There are four main nodes which are dominated by the influence of nearby Buffalo City. Komga is the main service centre, with Kei Mouth, Haga Haga, Cintsa and the Glens forming the other nodes.

There are three significant development areas in the area; the two settlement areas of Kwelera and Mooiplaas and the coastal belt. The settlements of Kwelera and Mooiplaas can be classed as model 2 type settlements. Formal planning has been carried out in Kwelera and currently being carried out in certain villages in Mooiplaas. Small scale subsistence farming is practiced in both settlement areas. Densification of these settlements is proposed, with the provision of basic services.

The areas of Kei Mouth and Chintsa East are regarded as major coastal resorts and settlement model type 1. With the upgrading of the main road MR 695/687 to Kei Mouth, tourism has increase significantly. These areas have large amounts of tourism potential but an upgrade in infrastructure is required to support development.

Within the municipality itself there are agricultural areas and game/ tourism reserves which offer a wide variety of land uses and opportunity. It is significant to note that the entire municipal area is dissected by roads but the majority of the population is living in areas which are relatively remote from the service centres, the municipal offices and the coastal employment opportunities.

Upgrading of the road network, especially the links between Kwetyana (Newlands on the N6) and the junction with the N2 at the Mooiplaas Hotel area and onwards to Kei Mouth, has a significant impact on development and transportation in the area. In addition, it is envisaged that focused development in the vicinity of Mooiplaas junction could see the longer term establishment of a Service Centre which would bring services, commerce and local economic development closer to the communities of Kwelera and Mooiplaas. This is enhanced by the location of the Multi-Purpose Centre and the Sports Complex in closer proximity to rural communities.

Finally, it is noted that from a transportation point of view, this junction is at the central pivotal point in the area where all transport has to pass. This creates an opportunity for travellers fuelling centre, tourism information centre, taxi and bus facility shops, workshops, education, skills training. It is anticipated that private sector investment will occur in all areas of the Municipal area provided an enabling environment of infrastructure and Land Use Management is created. Prime areas for investment are in coastal resorts, eco-tourism, game farming and commercial development.

The Reviewed Spatial development framework will be used by the Great Kei Municipality to guide its land use management procedures in future. With the Spatial Development Framework, the Municipality is able to proceed in carrying out a detailed land use survey of its area and through a consultative process establish a land use management system.

## LAND AND AGRICULTURE

The Great Kei Municipality covers an area of 1 421 km<sup>2</sup>. 1 364 km<sup>2</sup> of land is used for agricultural production. 96% of the agricultural land is owned by private commercial farmers. 77% of this land is utilized as a grazing land for livestock (Cattle, Sheep, and Goats & Game). The remainder is utilised for Crop production (vegetable), Hydroponics & Dairy. Therefore GKM is predominantly a livestock producing area. Farmers Associations

- Commercial Farmers Association
- Emerging/Small Scale Farmers Association
- Communal Farmers Association

Land Use		Urban	Great Kei Municipality
		Areas in Km2	Agglomeration
1	Residential	57.00	1,421.00
1a	Formal residential	20.00	20.00
1b	Informal residential	10.00	10.00
2	Business	1.00	0.50
3	Agriculture	1.00	1,364.00
4	Services	3.00	20.00
5	Transport	1.00	1.00
6	Other	21.00	4.50
7	Total	57.00	1,421.00
8	Conservation area (%)	5.0%	0.4%

Source: D Data (1995) - Existing Land Use / Magisterial district

### 6.1 Agricultural Projects for 2015/2016

The Department of Rural Development and Agrarian Reform has focused on Siyazondla Project and Crop Planting Projects for this financial year.

A detailed information is presented in a chapter 8 dealing with other Projects. It should be noted that growth has been registered in a number of Cooperatives in the Agricultural Sector. Major strides are needed to turn around things around in as far as agricultural development is concerned. A need has been identified for a Fresh Produce Market wherein small scale farmers will sell their produce.

### 6.2 Veterinary Services

- 15 dip tanks dipping about 8 836 Cattle in the communal Areas of GKM.
- Sheep Scab Campaign (1 952 sheep)
- Rabies Vaccination (2 131 dogs)

- Ngxingxolo Dip Tank has been finished

**DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM PROJECTS AND PROGRAMMES  
2015/16**

**DAMS & DIPPING TANKS**

<b><u>Location</u></b>	<b><u>Project Name</u></b>	<b><u>Current Land Use</u></b>
1. Komga	Komga Cattle	Dip Tank
2. Kei Mouth	Kei Mouth Beef	Dip Tank
3. Komga	Melisizwe CPA	Dip Tank
4. Tyityaba	Balindery	Dip Tank
5. Silvervale	Steynsrust	Dam Scooping
6. Ngwenkala	Grey Valley	Dam Scooping
7. Kwelera	Nokala	Dam Scooping
8. Mooiplaas	Lusizini	Dam Scooping

**PLOUGHING PROGRAMME**

<b><u>Location</u></b>	<b><u>Project Name</u></b>	<b><u>Current Land Use</u></b>
1. Gwaba	Gwaba	Maize
2. Ngxingxolo	Ngxingxolo	Maize
3. Rangile Farm	Rangile Farm	Maize
4. Slatsha	Slatsha	Maize
5. Sihlangule	Sihlangule	Maize
6. Carlton Farm	Carlton Farm	Maize
7. Luphindweni	Luphindweni	Maize
8. Ncalukeni	Ncalukeni	Maize
9. Makazi	Makazi	Maize
10. Woodberry Farm	Woodberry Farm	Maize
11. Mngqukela	Mangqukela	Miaze

## SIYAZONDLA PROGRAMME

Location	Project Name	Current Land Use
1. Ngxingxolo	Ngxingxolo	Veg Production
2. Slatsha	Slatsha Homestead	Veg Production
3. Cefane	Kwakhanya	Veg Production
4. Makazi	Makazi Homestead	Veg Production
5. Cefane	Cefane Old Age	Veg Production
6. Komga	Komga Homestead	Veg Production
7. Draaibosch	Draaibosch Homestead	Veg Production
8. Ndimba	Ndimba Homestead	Veg Production
9. Khayelitsha	Khayelitsha Homestead	Veg Production
10. Nokhala	Asoze Irrigation	Veg Production
11. Lumphindweni	Ntilini Food Security	Veg Production
12. Lumphindweni	Luncedo Project	Piggery Production
13. Tuba	Back to Eden	Poultry Production
14. Luqolweni	Anathi	Piggery Production
15. Jongilanga	Masiphathisane	Piggery production
16. Gwaba	Gwaba Garden	Veg Production
17. Mtyana	Mtyana	Veg Production
18. Gwaba	Mtyana Women	Veg Production
19. Blue Waters	Carlton Farm	Veg Production
20. Gwaba	Gqamlana chicken	Indigenous Chicken
21. Sthungu	Sthungu Piggery	Piggery Production
22. Morgan Bay	Morgan Bay Homestead	Veg Production
23. Bhola	Bhola Homestead	Veg Production
24. Diphini	Kwakwasa Gen	Poultry Production
25. Chintsa	Melody Project	Beef Production
26. Great Kei	Great Kei 4H	Veg Production
27. Kwelera	Kwelera 4H	Veg Production

28. Mzwini	Vukani Kuyasa	Veg Production
29. Mzwini	Tembaletu	Veg Production
30. Mzwini	Nkosinathi	Veg Production
31. Mzwini	Soldaat	Piggery Production
32. Mangqukela	Mangqukela	Veg Production
33. Lusasa	Lusasa	Veg Production
34. Belekumntana	Belekumntana	Veg Production
35. Sotho	Sotho Homestead	Veg Production
36. Sotho	Mpumakapa	Veg Production
37. Mangqukela	Mangqukela	Veg Production
38. Makazi	Makazi Piggery	Piggery Production
39. Sthungu	Sakhulutsha	Veg Production

LM	PROJECT NAME	INFRASTRUCTURE TYPE	AMOUNT (R)
Great Kei	Nokala	Stock Water	85 000
	Lusizini	Stock Water	85 000
	Grey Valley Farm	Stock Water	85 000
	Steynsrust Farm	Stock Water	85 000
Great Kei	Komga Commonage	Dip Tank Renovations	80 000
	Kei Mouth	Dip Tank	80 000
	Melisizwe (ADM)	Dip Tank	80 000
	Balindery Farm	Dip Tank	80 000
LM	Extent (Ha)	No of Projects	
Great Kei	250	11	
<b>TOTAL</b>	<b>250</b>	<b>11</b>	

## **7.ENVIRONMENTAL ANALYSIS**

### **A) ENVIRONMENT AND NATURE CONSERVATION**

Great Kei Local Municipality adopted an Integrated Environmental Waste Management Plan commissioned by the Department of Environmental Affairs in 2011/2012 financial year, in line with GKLM Waste Management By-Laws.

There is a need for vigorous efforts to take these factors into consideration by ensuring adherence to current environmental legislation. The municipality has licenced its existing landfill site. The municipality is also planning to co-ordinate processes of licencing the existing Transfer Stations. Specific environmental issues affecting the local municipality and requiring attention at present include but not limited: the environmental unit has been developed.

- Recycling is also suggested to deal with the waste as well as add value to the current unemployment levels.
- Soil erosion across the area, through a practical rehabilitation plan. Productive land is being lost every year as topsoil is eroded, reducing grazing area and crop production potential.
- Invasive plants and noxious weeds need control as they overtake land which could be used for more productive and sustainable purposes. The Department of Environmental Affairs funded Removal of Alien Species Program Cwili and Kei Mouth and 77 job opportunities were created.
- 109 Job opportunities were created for Kei Mouth to Chintsa Working for the Coast project funded by the Department of Environmental Affairs.
- Cleaning of Great Kei Local Municipality Street Cleaning and Beautification funded by the Department of Environmental Affairs at a total amount of R7,6 million raised the profile of the town.

### **B) CLIMATE CHANGE**

The Great Kei Municipality Spatial Development Framework proposes that GKM should approach spatial planning with climate change in mind. The following recommendations were proposed to advance the thinking:

- Greenhouse gases are thought to contribute to global climate change, and these gases include carbon dioxide, carbon monoxide and methane. Carbon dioxide and carbon monoxide are released from inter alia vehicle tailpipes and during the burning of fuel-wood. Methane is released by domestic livestock and waste disposal sites. However, it is important to note that the subtropical thicket found within the GKM is very efficient at capturing carbon and hence at offsetting the effects of the greenhouse gas emissions.
- Therefore the SDF further proposes that the protection of biodiversity is the primary motivation for the protection of the subtropical thicket, it nevertheless has additional value as inter alia a potential means to slow down, or buffer the rate of climate change. Great Kei is using ADM climate change strategy which has been customized to Great Kei.

### **I. OPEN SPACE SYSTEM (PARKS & RECREATION)**

The Department of Environmental Affairs funded the Great Kei Municipality Recreational Park at an amount of R5 Million.

## **ii. NATURAL ENVIRONMENT**

### **i) Great Kei Coastal Zone**

Since it is particularly the coastal areas that are under pressure for the development in Great Kei, it is therefore important to define the Great Kei Coastal Zone:-

- The coastal zone in GKM is considered to extend from the edge of the territorial waters (12 nautical miles) on the seaward side, including the seashore (coastal public property); stretching between the high and low water spring tide marks, and extending inland for 1km from the inland boundary of the coastal public property in areas not zoned as residential, commercial, industrial or multiple-use or within 100m of the high water mark within these zoned areas.
- The coastal zone includes estuaries which are defined as that part of a river near mouth which is influenced by tides and in which marine and mixing of marine and fresh waters occur, extending up to the uppermost region of the system which is influenced by the tidal cycle. And includes the terrestrial/riparian area of the estuary up to the 10m contour for wide valleys or the crest of the ridge in deeply incised river valleys.

The coastal area definition is relevant as it is in this zone that coast-dependent activities should receive priority from the planning perspective.

### **ii) Temperature and Rainfall**

The GKM Spatial Development Framework indicates that the climatic conditions of GKM varies from mild temperature conditions (14 - 23 °C) along the coast to slightly more extreme conditions (5 – 35 °C) in the hinterland, (source: National Botanical Institute, Cape Town).

The mean annual rainfall in the municipality amounted to 756.7 mm per annum.

The annual temperature amounted to 17.8 °C.

The mean maximum temperature of the warmest month of the year amounted to 25.7°C.

The mean minimum temperature of the coolest month of the year amounted to 8.1 °C.

Potential evapotranspiration amounted to 589mm per annum.

The potential evaporation ratio for the area is 0.77, which falls within the hold ridges “humid” humidity province.

The sources of water are the dams and water that is underground.

## **8.BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

### **a. Water services**

#### **a. Water services delivery strategy and main role-players:**

The ADM is the Water Services Authority and a Water Services Provider, thus the Great Kei Local Municipality participates in the development of Water Services Plan to inform planning and funding requirements. The ADM is planning Construction of Water Reticulation to 1140 erven and Upgrading of bulk water supply for Great Kei Local Municipality.

Great Kei Possesses Technical and Financial Capacity to deliver infrastructure services with the assistance from National Treasury through MIG grant which amount to +-R13Million and internal funding put aside for infrastructure services which amount to R3Million.

### **The municipality has approved the following plans and established the forums**

Great Kei has an approved Roads Management plan in place and it is budgeted for although not according to the expectations due to limited financial resources.

Great Kei has an approved Integrated Transport Plan and approved storm water management plan. There is also an integrated community safety forum which is operating under its integrated community safety plan, this is a joint forum with other relevant stakeholders.

Generally there are forums which are coordinated by Portfolio councilors in the office of the mayor, such forums include Roads management forum and Transport planning management forum.

The Municipality has got four landfill sites and all of them are licensed.

#### **b. Levels and standards in water services:**

An increase in the water services provision is noticed between 2001 and 2011 where in 2001 only 8.4 % households had an access to piped water services whilst in 2011 about 13.7 % households have access to piped water services.

#### **b. Sanitation Services**

##### **a) Sanitation services delivery strategy and main role-players**

Great Kei local Municipality is not the sanitation service provider but this function is contracted to Amathole District Municipality and with counter funding from MIG. Only 9.4 % of the total population has access to flushed toilet services, which is an increase from 2001, where only 8.9 % of the population had access to the service. **(Census 2011)**

**The ADM plans for the financial year 2015/ 2016 are as follows to reduce the sanitation backlogs:**

<b>PROJECT NAME</b>	<b>BUDGET</b>
Komga Commonage Settlement [Zone 10] Services	R 5 5m
New Waste Treatment Works- Morgan's Bay	R 1m
Great Kei Interim Water Supply	R 3m



Upgrading of Sanitation Infrastructure [Kei Mouth]	R 400 000
Feasibility Study [Komga Sewer Reticulation & Connection]	R 500 000
Feasibility Study [Chintsa East Regional Sanitation Infrastructure Scheme]	R 700 000
Feasibility Study [Chintsa East Bulk Water Scheme]	R 700 000
Wild Coast Jikeleza [Security, Cleaners and Crafters material]	R 30 000
Great Kei Summer Festival [Security, Cleaners and Crafters material]	R 30 000
Kei Mouth Zone Plan	R 200 000
Komga Transfer Tittle Deeds Transfer [Conveyancing]	R 200 000
Chintsa East Settlement Planning [400 sites]	R 40 000
<b>TOTAL</b>	<b>R 12 370 000</b>

## 8 Electricity Services

According to Statistics 2011, a total population of 80.2 % has access to electricity services; however there is still a need to reach universal access. The Department of Energy funded upgrading of bulk electricity supply.

The Bulk Electricity Upgrade Project has been completed in December 2012 and 300 split meter were procured to curb tampering. The municipality further plans to engage ESKOM and the Department of Energy to fund electrification of new households estimated at 3000 that do have access to electricity.

It is also important to note that High Masts Lights have been installed in Komga Ward 5 and Ward 7, Street Lights to be maintained in the financial year 2015/2016.

## 9 Public Amenities and Social Infrastructure

The municipality has existing social amenities. Each ward has an existing community hall, such as; Siviwe Community Hall in Ward 5, Komga Town Hall in Ward 7, Komga Great Hall and Komga Recreational Hall in Ward 7 , Kei Mouth Town Hall and Cwili Community Hall in Ward 6, Haga-Haga Hall Museum in Ward 6, Morgans Bay Community Hall in Ward 6, Nokhala Community Hall in Ward1, Kwelerha Community Hall in Ward 1, Zozo Community Hall in Ward 1, Diphini Community Hall in Ward 3, Nyarha Community Hall in Ward 3, Ngxingxolo Community Hall in Ward 4, Makhazi Red Crosss Community Hall in Ward 3, Mzwini Community Hall in Ward 4, Mangqukela Red Cross Community Hall in Ward 4, Belekumntwana Community Hall in Ward 4, Lusasa Community Hall in Ward 4, Sotho Community Hall in Ward 4, Cefane Community Hall in Ward 3, Mtyana Red Cross Community Hall in Ward 2, Eluphindweni Community Hall in Ward 2, Tuba Community Hall in Ward 1, Nomzamo Day Care Centre in Ward 2, Bhola Day Care Centre in Ward 6

There is limited budget allocated for sports and recreational facilities maintenance. This is evident on the status of the sports fields in the municipal area. Other funding institutions on sporting and recreational facilities need to be explored as the municipal budget for this purpose is not sufficient.

Municipal Infrastructure Grant has been utilized by the municipality in the last three financial years for construction of public amenities such as sport fields, pre-schools and community halls.

In 2014/2015 financial year the municipality completed Belekumntwana Community Hall, Phumelele Crèche, Cefane Community Hall, Lusasa Community Hall, Plangeni/Kwelerha Sport field, Komga Sport Field, Chintsa East Sport Field, Tuba Community Hall, Eluqolweni Crèche, Soto Community Hall, Eluphindweni Community Hall, Bhola Day Care Centre, Nomzamo Day Care Centre.

Official opening of some of these amenities has been done by Council led by the honourable Mayor of Great Kei, the following are the milestones:



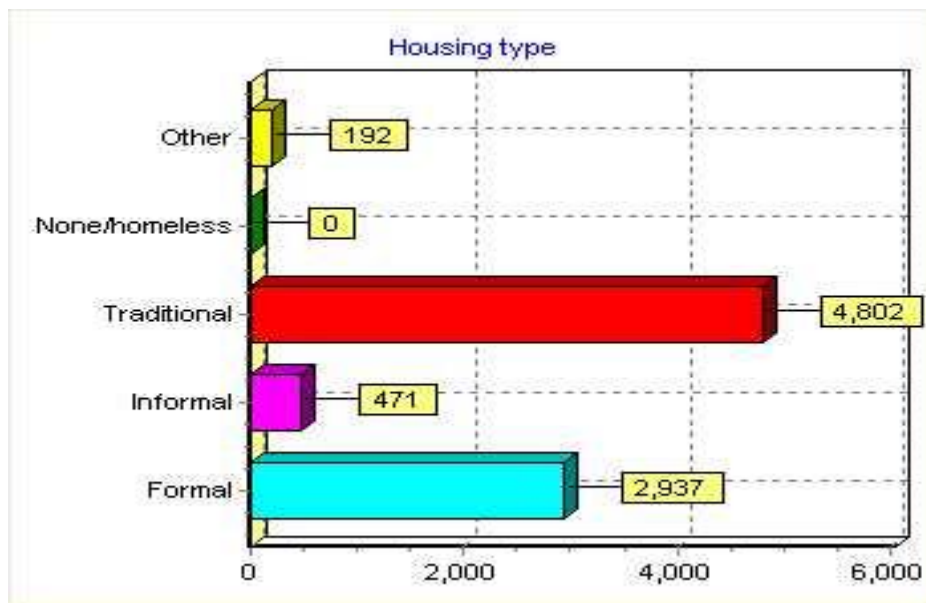
Pic: Phumelele Day Care Centre – Eluqolweni, Zozo Village in Kwelerha

## **Human Settlements**

### **A) Housing**

The Great Kei Municipality has a diverse housing need relating to the fact that many families live in traditional dwellings in Mooiplaas and Kwelerha (see bar chart below). Komga and the coastal towns of Kei Mouth, Morgan's Bay, Haga Haga, Crossways, Bulugha, Glen Muir and Chintsa East have a need to provide serviced sites and low cost housing for the workers who would like to live in these centres. There is also potential for development of holiday homes and tourism related accommodation. Currently, we've applied to our provincial housing department for the following projects: Komga Zone 10 1200 units, Komga phase 2 400 units, Haga Haga 300 units, Cefane 250 units.

**Figure: Housing Type**



Source Department of Housing & Local Government, 1997

**Table: Housing Type**

<b>Traditional</b>	<b>Informal</b>	<b>Formal</b>	<b>Other</b>
57%	6%	35%	2%

Most households live in traditional structures (57 percent) with 35 percent of households living in formal structures (refer to Table 14). The total housing need for low-income families in Komga is estimated by the Council at 3 000 houses with serviced sites. The settlements in Kwelera and Mooiplaas also require formalization of tenure and infrastructure. The municipality has to plan for the extension of services inclusive of housing for Chintsa East, Kei Mouth and Komga.

### **B) Formal Housing**

Private developers are involved in the provision of most formal housing within the urban areas; however people in the lower income groups have been marginalized by this as they cannot afford the types of housing presently provided. This has led to a high demand for rented accommodation, overcrowding and increased numbers of backyard shacks. A very high demand for serviced sites and housing thus exists.

The Provincial Housing Board subsidy projects have the opportunity of making inroads into the affordable and low cost housing need. However, the over allocation of funding together with the slow rate of delivery places a number of new housing projects on the waiting list.

During the IDP/ Budget Review 2005/ 2006 an allocation of 6000 Units was identified and it was broken down into allocation by Wards that is, 1000 Units per Ward. Due to the problem with the existing housing projects a Directive from the Office of The MEC, Housing, that priority must be given to blocked, stopped, and incomplete projects.

Developments are that, the Icwili Phase I (255) housing project has been unblocked and therefore 84 houses will be built an additional 19 houses will be completed. With regard to Chintsa East housing project, bulk infrastructure is the problem and the Municipality is advised to talk to ADM for temporary provision of these services whilst waiting for the completion of Bulk Water Scheme project.

The Municipality has forged relations with Afesis Corplan and our Provincial Housing Department. Afesis Corplan promotes a concept known to be LAND first in an attempt to discourage expansion of shacks. The approach emphasizes the notion of being pro-active as government of the people by providing surveyed sites to all home seekers, provide basic servicers and guarantee the occupant to be the owner of that piece of land through certificate of ownership. We have identified Kei Mouth –Icwili as a pilot. We have consulted the immediate community and agreed to the program/project. We are now awaiting approval from the office Surveyor General.

The Municipality with the Department of Human Settlement have agreed to work together: The main purpose was for the Department to provide technical support to the municipality by developing business plans for capacity enhancement in performing the housing function including management of housing projects.

**Table 15: Current Housing Access****Proposed Housing Development**

Morgan's Bay	200
Kei Mouth (Icwili)	250
Chintsa East	500
Komga Zone 10	1140
Komga Phase 1	96
Komga Phase 2	400
Haga-Haga	300
Cefani	250
Tainton	250
Municipal wide	6000

**Informal Housing**

The in-migration of people to urban centres is manifest in informal settlements developing in the periphery of towns and small centres. This leads to an increase in the urban population density through further fragmentation of urban land for housing, including the establishment of backyard shacks.

The number of informal settlements is growing because existing accommodation cannot meet the demand for housing. There is an increasing demand by the lower income groups for land and services for housing.

**2015/ 2016 Housing Development Allocation**

PROJECT	MUNICIPALITY	SITES	UNITS	BUDGET
<i>Rectification Project for Kei Mouth Cwili 278 - (226)</i>	Great Kei	0	7	<b>R 169 267</b>
<i>Great Kei LM Vulnerable Groups/Destitute persons (86)</i>	Great Kei	2	2	<b>R 188 000</b>
<i>New Housing Units Cwili 278 (79)</i>	Great Kei	0	45	<b>R 3 825 000</b>

## C) HEALTH

Health facilities within the area consist of one community health centre (Komga) and 5 clinics (Komga, Kwelera, Mooiplaas (2), and Icwili). The availability of health facilities is an important determinant of the health status of the sub-region. However, the Restructuring of Health Care Services has brought new challenges particularly the demarcation issue when it comes to provision and management of Health Care Services, this has been an outcry by the Great Kei Community due to the fact that Kwelera Clinic is managed under Buffalo City Health Services and Kopmga, Ngxingxolo, Sotho and Kei Mouth Clinic are managed by Amahlathi Health Services.

This refers not only to their existence, but also ease of access to and quality of health facilities. As most health facilities fall within the urban areas, most of the rural population has limited access to these facilities. Some 58% of people live more than 5 km from medical facilities and only 1, 5% have access to a medical benefit fund (DBSA, 1997).

**Table 7: Hospital Beds**

Hospital beds	Number of persons per hospital bed.	
	Total population should be divided by number of beds.	
	Great Kei Municipality	Number of beds
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6	Total	20
5	Number of person/ bed	2234

### Source Department of Housing & Local Government, 1997

According to the Department of Housing and Local Government (1997) the total capacity of hospitals and clinics in the district is 20 beds (refer to Table 7). This amounts to ½ bed / 1 000 people in the district or 2 234 persons/bed. This figure is much lower than that of the central sub region (2, 3 beds per 1 000 people) and 5, 1 beds / 1 000 for South Africa.

There is a strong trend towards decentralization in South Africa and tremendous demands are being placed upon the local government sphere. Local government currently does not have the capacity to accept and carry out additional functions.

It is in this context that the *District Health System* is being established. The process of developing such a system will have to take account of current reality and the various processes that will impact on health service delivery. It will be important for people involved in the health sector to:

- participate in the Integrated Development Planning process;
- explore new mechanisms for delivering services;
- engage with the allocation of health service functions to Municipalities;
- continue to improve the rendering of high quality health care in an integrated manner.

## **c. Transport Services and Roads Infrastructure**

### **a) Transport Services**

It is a known fact that public transportation is very limited in GKLM. A Roads Management Plan would address the above issues and the Amathole District Municipality and Department of Roads and Transport were approached for funding. A Transport Forum is functional and they meet on a quarterly basis.

The provision of formal public transport is lacking between the major travel destinations within the area. There are few registered taxi routes and no formal bus routes. Formal bus terminals and taxi ranks do not exist either.

A backpacker bus runs on request between Kei Mouth and East London but is expensive. The Baz bus (a back packer bus) from Cape Town to Durban stops daily at Buccaneers at Chintsa West.

There is a Kei-Rail passenger service running between East London and Umtata passes through Komga. The East London, Amabhele to Umtata Railway which once was an important service to the Transkei has come back in the area. The Provincial Government and Department of Transport has revived this railway to offer commuter and freight transport opportunities.

As a result of the current lack of formalized public transport, commuters travelling between Komga and Kwelera must travel via East London.

There is a need to establish formal taxi and bus routes within Great Kei to link Kwelera, Mooiplaas, Komga, other coastal towns and East London. Transport routes traversing in an East-West direction should be investigated to link Mooiplaas and Kwelera, currently situated either side of the N2 to the N6. There is a functional vehicle/licensing and testing station that is operating five days a week.

### **b) Integrated Spatial Development Framework in terms of transportation**

The spatial characteristics of the Great Kei Municipal area are largely determined by the influence of the coast, the Great Kei River and the National Road which dissects it in an east/west direction. There are four main nodes which are dominated by the influence of nearby Buffalo City. Komga is the main service centre, with Kei Mouth, Haga Haga, Chintsa and the Glens forming the other nodes.

There are three significant development areas in the area; the two settlement areas of Kwelera and Mooiplaas and the coastal belt. The settlements of Kwelera and Mooiplaas can be classed as model 2 type settlements. Formal planning has been carried out in Kwelera and currently being carried out in certain villages in Mooiplaas. Small scale subsistence farming is practiced in both settlement areas. Densification of these settlements is proposed, with the provision of basic services.

The areas of Kei Mouth and Chintsa East are regarded as major coastal resorts and settlement model type 1.

With the upgrading of the main road MR 695/687 to Kei Mouth, tourism has increased significantly. These areas have large amounts of tourism potential but an upgrade in infrastructure is required to support development.

Within the municipality itself there are agricultural areas and game/ tourism reserves which offer a wide variety of land uses and opportunity. It is significant to note that the entire municipal area is dissected by roads but the majority of the population is living in areas which are relatively remote from the service centres, the municipal offices and the coastal employment opportunities.

Upgrading of the road network, especially the links between Kwetyana (Newlands on the N6) and the junction with the N2 at the Mooiplaas Hotel area and onwards to Kei Mouth, has a significant impact on development and transportation in the area. In addition, it is envisaged that focused development in the vicinity of Mooiplaas junction could see the longer term establishment of a service centre which would bring services, commerce and local economic development closer to the communities of Kwelera and Mooiplaas. This is enhanced by the location of the Multi-Purpose Centre and the Sports Complex in closer proximity to rural communities.

Finally, it is noted that from a transportation point of view, this junction is at the central pivotal point in the area where all transport has to pass. This creates an opportunity for travelers fuelling centre, tourism information centre, taxi and bus facility shops, workshops, education, skills training. It is anticipated that private sector investment will occur in all areas of the Municipal area provided an enabling environment of infrastructure and Land Use Management is created. Prime areas for investment are in coastal resorts, eco-tourism, game farming and commercial development.

### **c) Roads Infrastructure**

Road construction and improvement is considered as the prime infrastructural component to the municipality that would assist in bringing about improved access for tourism, health facilities and agricultural developments. Roads leading to coastal areas are usually gravel or in a state of disrepair.

The road network within the Great Kei Municipality consists of 729, 55 kilometers of surfaced and unpaved road. Unpaved roads are defined as gravel roads as well as non-gravelled roads and tracks i.e. identified access or minor roads that have not been upgraded in any way. The responsibility for capital expenditure and maintenance rests with various authorities including the Great Kei Municipality.

The Table below schedules the various categories of road, the length of road and the authority responsible for capital expenditure and maintenance.

**Table: Categories of Road**

Road Classification	Lengths (km)		Responsible Authority
	Paved	Unpaved	
<b>National</b>	48,97	0	South African National Roads Agency  Department Of Roads and Public Works  Great Kei Municipality
<b>Trunk</b>	23,45	0	
<b>Main</b>	4,27	41,11	
<b>District</b>	32,45	71,82	
<b>Minor</b>	21,30	463,65	
<b>Access</b>	0	22,53	



<b>TOTAL</b>	<b>130,44</b>	<b>599,11</b>	
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The Great Kei Municipality is thus directly responsible for 21, 30 kilometers of surfaced and 486, 18 kilometers of unpaved road.

Available records indicate that, of the unpaved minor and access roads approximately 258 kilometers have gravel surfacing i.e. some betterment, drainage work and gravelling has taken place previously while approximately 228 kilometers can be classified as non-graveled roads or tracks i.e. no improvement has taken place and roads have only been identified but are in use.

It is also important to note that located on the unpaved minor and access roads a total of approximately 41 structures i.e. stream crossings with minor structures and causeways (not pipes) have been identified and a total of approximately 56 stream crossings requiring minor structures have been identified. The status of unpaved minor and access roads in terms of upgrading and structures is given in the table below:

**Table: Road Status**

<b>Road Classification</b>	<b>Roads Status 1.</b>		<b>Structure 2.</b>	
		<b>Non-gravelled/Tracks</b>	<b>Existing</b>	
<b>Minor Access</b>		214 14	401	
<b>TOTAL</b>	258	228	401	

Structures exclude all pipe culverts.

Existing gravel roads and structures have been assessed to determine if the existing infrastructure meets desirable standards and any upgrading required.

With the establishment of the Transport Forum, Great Kei Municipality can safely say coordination and management of various activities implemented by responsible authorities such as the Department of Roads and Public Works in regard to both capital and maintenance works on roads under their jurisdiction i.e. trunk and minor roads to ensures a holistic approach. Existing infrastructure as well as infrastructure developed through capital expenditure requires regular and on-going maintenance to preserve the asset created and to prevent premature deterioration.

An overall integrated strategy will be achievable which will address issues such as higher order strategies developed by National Departments, Provincial Departments and the District Municipality as well as local issues and requirements such as, road standards, policy. This must also integrate with other initiatives within the Great Kei Municipality e.g. the construction of a clinic, school or sports facility should be preceded by the construction of an access road to ensure a holistic approach to the provision of services.

Municipal Infrastructure Grant (MIG) has been utilized by the municipality in the last three financial years for construction of roads. The municipality adopted a three year capital plan which is reviewed each financial year. A capital grant (MIG) of R12 M has been set aside for roads and bridges construction projects in

2014/2015 financial year. The municipality has a functional Project Management Unit, responsible for implementation, reporting and monitoring of capital projects.

**GREAT KEI 3 YEAR CAPITAL PLAN : 2013 /14; 2014/15 & 2015/16**

**PROPOSED PROJECTS TO BE FUNDED BY MIG FOR 2013/14 FINANCIAL YEAR**

**MIG ALLOCATION**

**R 13 696 000**

**5% FOR PMU ADMINISTRATION**

**R 684 800**

**TOTAL FOR PROJECTS**

**R 13 011 200**

<b>WARD NO.</b>	<b>PROJECT NAME</b>	<b>Budget amount</b>	<b>PROJECT STATUS</b>	<b>COMMENTS</b>
3	Internal streets of Silatsha	R 1 250 000	In Construction March 2014	Registered on MIS
3	Rehabilitate Cefane Bridge	R 106 020	In Construction March 2014	Registered on MIS
5	Siviwe Internal Road	R 1 500 000	In Construction March 2014	Registered on MIS
4	Manxiweni internal street/Mzwini Ext.	R 1 500 000	In Construction March 2014	Registered on MIS
7	Komga Internal Streets	R 1 137 100	In Construction March 2014	Registered on MIS
6	Morgans Bay Access Road	R 2 000 000	In Construction March 2014	Registered on MIS
6	Cintsa East Township Road	R 1 320 000	In Construction March 2014	Registered on MIS
4	Sotho Soccer Pitch	R 1 600 000	Design stage	To DAC for approval March 2014
6	Kei Mouth roads	R 1 100 000	In Construction March 2014	Registered on MIS
2	Eluphindweni Community Hall	R 1 354 100	In Construction March 2014	Registered on MIS
3&7	Two taxi ranks	R 2 224 700	In design stage – to be advertised for Contractors in March 2014	To DAC for approval March 2014
	<b>TOTAL</b>	<b>R 15 091 920.00</b>		

**PROPOSED PROJECTS TO BE FUNDED BY MIG FOR  
2014/2015 FINANCIAL YEAR**

**MIG ALLOCATION R 12 821 000**  
**5% FOR PMU ADMINISTRATION R 641 050**  
**TOTAL FOR PROJECTS R 12 179 950**

<b>WARD NO.</b>	<b>PROJECT NAME</b>	<b>Budget amount</b>	<b>PROJECT STATUS</b>	<b>COMMENTS</b>
1	Nomzamo Day Care Centre	R 1 000 000	Consultant appointment stage	Registered on MIS
5	Road to Orphanage Home	R 1 500 000	Consultant appointment stage	Registered on MIS
3	Makhazi Internal Streets	R 1 000 000	Consultant appointment stage	Registered on MIS
5	Zone 10 internal streets	R 1 250 000	Consultant appointment stage	Registered on MIS
4	Belekumntana Internal streets	R 1 185 000	Consultant appointment stage	Registered on MIS
7	Sidi Internal Streets	R 3 308 100	Consultant appointment stage	Registered on MIS
4	Mangqukelala Internal Streets	R 1 000 000	Consultant appointment stage	Registered on MIS
4	Lusasa Internal Streets	R 1 000 000	Consultant appointment stage	Registered on MIS
6	Bhola Day Care Centre	R 936 850	Consultant appointment stage	Registered on MIS
	<b>TOTAL</b>	<b>R 12 179 950</b>		

**PROPOSED PROJECTS TO BE FUNDED BY MIG FOR 2015/2016  
FINANCIAL YEAR**

**MIG ALLOCATION R 13 354 000**  
**5% FOR PMU ADMINISTRATION R 667 700**  
**TOTAL FOR PROJECTS R 12 686 300**

<b>WARD NO.</b>	<b>PROJECT NAME</b>	<b>ESTIMATED AMOUNT</b>	<b>PROJECT STATUS</b>
1	Jongilanga Internal streets	R 1 200 000	Tender Stage Design Complete
1	Tuba internal streets and stormwater	R 1 300 000	Tender Stage Design Complete
2	Internal streets Chris Hani Zozo loc	R 1 100 000	Tender Stage Design Complete
3	Makhazi sportsfield	R 1 600 000	Tender Stage Design Complete
3	Lusizini internal streets	R 1 100 000	Tender Stage Design Complete
3	Ncalukeni Internal streets	R 1 000 000	Tender Stage Design Complete
4	Elityeni daycare centre	R 1 100 000	Tender Stage Design Complete
5	Sivwe Internal streets	R 1 600 000	Tender Stage Design Complete
6	Happy Valley / T Peace Community hall	R 1 300 000	Tender Stage Design Complete
	<b>TOTAL</b>	<b>R12 686 300</b>	

The municipality plans to develop and implement its own Roads Management Plan in 2015/2016 financial year.

## **9. Community Services**

### **PROTECTION SERVICES**

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The GKM has three sections dealing with Protection Services, namely: Traffic, Fire and Disaster Management.

Traffic services are the core competency of the Department of Transport, and GKM and the Department of Transport have a formal working relationship guided by a Service Level Agreement (SLA). The GKM has five traffic officers and there is still a need to appoint one officer and an examiner of vehicles.

Fire Services and Disaster Management are core functions of ADM. The ADM however renders the services on behalf of the GKM. Disaster Management volunteers have been established in the three (3) towns of Kei Mouth and Morgan's Bay, Chintsa and Komga. All of them have been trained on basic disaster management principles such as first aid; radio communications, firefighting, etc. The Fire Services have appointed Fire Fighters and a Station Commander who are working in putting the systems in place. There is a fully Hazmad vehicle and a Fire engine fully equipped stationed at the Fire station at Komga

Traffic By-laws are available. Great Kei Disaster Management Risk Assessment Profile will be developed in partnership with ADM. Peace Officers have been trained, but not yet appointed as such.

The Community-based planning initiative identified a major need for crime prevention associated with community based Taverns and alcohol consumption. In an attempt to address such instances of crime by means of a Community Policing Forum, which could undertake nightly neighborhood watches. The Municipality is represented in the Community Policing Forums. The GKM plans to develop a Liquor Trading By-Law.

Protection services are an important function of the municipality because it provides vital emergency services as well as signage, etc. that make the navigation of the towns easy for tourists and potential investors.

## **10.Institutional Development and Organizational Transformation**

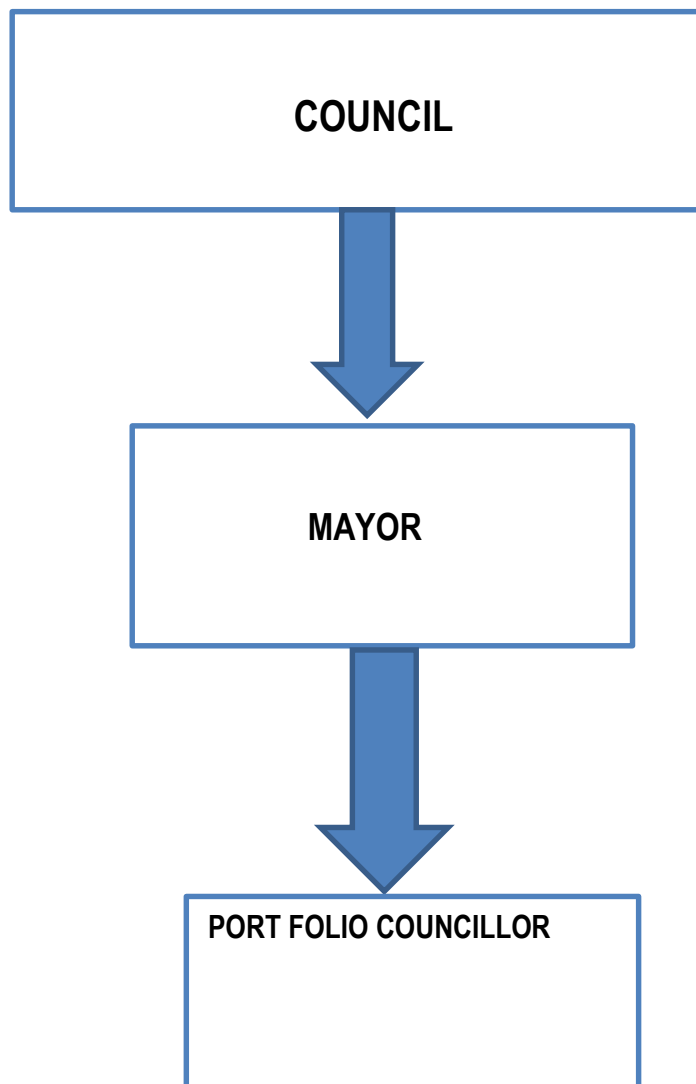
### **10.1 ADMINISTRATION**

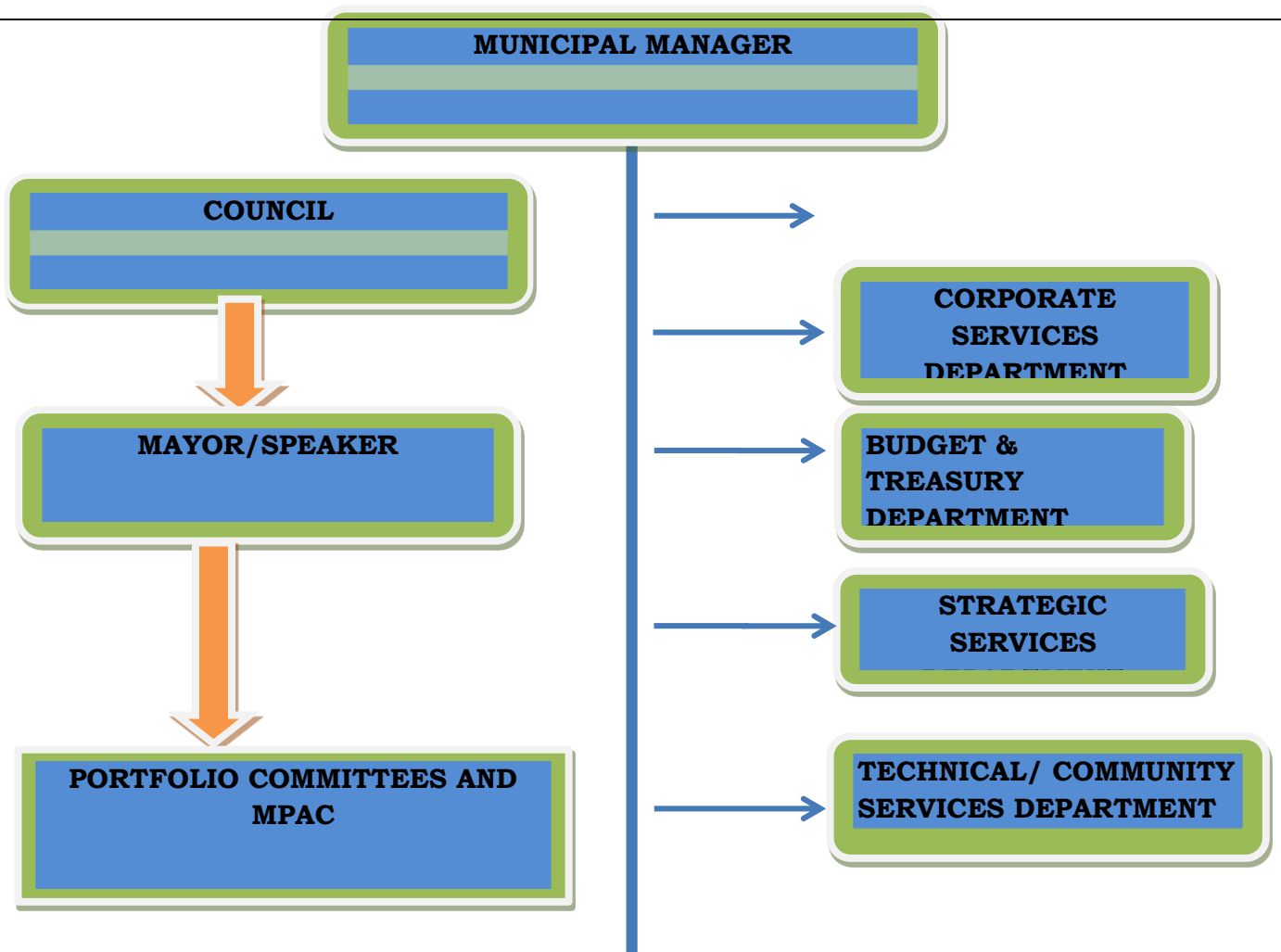
On Institutional Development and Organizational Transformation, the municipality has adopted an Organizational Structure in 2013/2014 financial year. The GKLM Organizational Structure is reviewed simultaneously with Integrated Development Plan for 2015/2016. Statistics on recruitment are as follows:

Year	Total Posts	Filled Posts	Vacant Posts
2009/2010	110	102	8
2010/2011	120	106	20
2011/2012	134	123	11
2012/2013	173	126	47
2013/2014	134	133	6
2014/2015	389	143	246

# GKLM Organisational Structure 14/15

## COUNCIL STRUCTURE







## 11. Employment Equity Plan

The Municipality has established an Employment Equity Committee. In the financial year 2013/2014 the municipality plans 60 % compliance to the Employment Equity Act. It is against the background that the Committee will be trained and committee sittings will be included in the Institutional Calendar. Summary of the Profile is as follows:

### Workforce profile including people with disabilities

Extracted in the Employment Equity Plan form November 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	1	0	0	1	2	0	0	2	0	0	6
Professionally qualified and experienced specialists and mid-management	14	2	0	1	9	1	0	1	0	0	28
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	8	3	0	2	11	3	0	2	0	0	29
Semi-skilled and discretionary decision making	2	2	0	1	15	2	0	1	0	0	23
Unskilled and defined decision making	31	1	0	1	23	1	0	1	0	0	58
<b>TOTAL PERMANENT</b>	<b>58</b>	<b>9</b>	<b>0</b>	<b>6</b>	<b>59</b>	<b>7</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>145</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL</b>	<b>58</b>	<b>9</b>	<b>0</b>	<b>6</b>	<b>59</b>	<b>7</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>145</b>

# **GREAT KEI MUNICIPALITY EMPLOYMENT EQUITY PROFILE- 2014**

Employment category											
	African		Coloured		Indian		White		Total		Total
	M	F	M	F	M	F	M	F	M	F	
SOC 100 Legislators	5	6	0	0	0	0	1	1	6	7	13
Directors	1	1	0	0	0	0	1	0	2	1	3
Soc 100 – Total Personnel	6	7	0	0	0	0	1	1	8	8	16
SOC 200 Corporate Managers	5	3	0	0	0	0	0	1	5	4	9
Professionals	6	12	1	0	0	0	1	2	8	14	22
Soc 200 - Total Personnel	11	15	1	0	0	0	1	3	13	18	31
SOC 300 Technicians and Trade Workers	2	0	0	0	0	0	0	0	2	0	2
SOC 400 Community and Personal Service Workers	13	8	2	0	0	0	1	1	16	9	25
SOC 500 Clerical and Administrative Workers	1	16	0	2	0	0	0	1	1	19	20
SOC 700 Machine Operators and Drivers	10	0	0	0	0	0	0	0	10	0	10
SOC 800 Labourers	26	19	1	0	0	0	0	0	27	19	46
Apprentices	0	0	0	0	0	0	0	0	0	0	0
TOTALS	69	65	4	2	0	0	3	6	77	73	150
People with Disability	M					F					
	1					0					

	-20		21-30		31-40		41-50		50+		Total
	M	F	M	F	M	F	M	F	M	F	
SOC 100 Legislators	0	0	0	0	0	0	0	0	0	0	13
Directors											3
Soc 100 – Total Personnel											16
SOC 200 Corporate Managers											9
Professionals											22
Soc 200 - Total Personnel											31
SOC 300 Technicians and Trade Workers											2
SOC 400 Community and Personal Service Workers											25
SOC 500 Clerical and Administrative Workers											20
SOC 700 Machine Operators and Drivers											10
SOC 800 Labourers											46
Apprentices											0
<b>TOTALS</b>	<b>60</b>	<b>47</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>80</b>	<b>37</b>	<b>150</b>

## Soc 100 LEGISLATORS

## SOC 200 PROFESSIONALS AND CORPORATE MANAGERS

GENDER	RACE	TOTALS = 13
MALES	African	5
	Whites	1
	Coloured	0
	Indian	0
FEMALES	African	6
	Whites	1
	Coloured	0
	Indian	0

Mayor / Speaker	Male	African
Ward Councillor	Male	African
PR Councillor	Male	African
Ward Councillor	Male	African
Ward Councillor	Male	African
P.R Councillor	Male	White
P.R Councillor	Female	African
P.R Councillor	Female	African
Ward Councillor	Female	African
Ward Councillor	Female	African
Ward Councillor	Female	African
Ward Councillor	Female	African
P.R Councillor	Female	White

## TOTAL SOC 100 DIRECTORS

GENDER	RACE	TOTALS = 3
MALES	African	1
	Whites	1
	Coloured	0
	Indian	0
FEMALES	African	1
	Whites	0
	Coloured	0
	Indian	0

Municipal Manager	Male	African
Director – Technical Comm Services	Male	White
Director Strategic Services	Female	African

## SOC 200 PROFESSIONALS AND CORPORATE MANAGERS

GENDER	RACE	TOTALS = 31
MALES	African	11
	Whites	1
	Coloured	1
	Indian	0
FEMALES	African	15
	Whites	3
	Coloured	0
	Indian	0

Administration and Asset Manager	Male	African
Infrastructure Manager	Male	African
Project Manager	Female	White
Community Services Manager	Male	African
Office Manager	Female	African
Internal Audit Manager	Female	African
Human Resources Manager	Female	African
IDP/PMS Manager	Male	African
Human Resources Practitioner	Female	African
Supply Chain Management Practitioner	Female	African
IT Officer	Male	African
Personnel Officer	Male	African
Income Accountant	Female	White
Senior Accountant Revenue	Male	African
Expenditure Accountant	Male	White
Evaluation Officer	Female	African
Public Participation Officer	Male	African
Building Inspector	Male	Coloured
Forman Roads	Male	African
Supervisor	Male	African
Operations and Maintenance Superintended	Male	African
Budget and Treasury Officer	Female	African
Supervisor	Female	White
Finance Intern	Female	African
Finance Intern	Female	African
Finance Intern	Female	African
LED Officer	Female	African
Snr Accountant Revenue	Female	African
Payroll Officer	Female	African
Admin Officer	Female	African
Records Officer	Female	African

## SOC 300 TECHNICIANS & TRADE WORKERS

GENDER	RACE	TOTALS = 2
MALES	African	2
	Whites	0
	Coloured	0
	Indian	0
FEMALES	African	0
	Whites	0
	Coloured	0
	Indian	0

Electrician	Male	African
Assistant Electrician	Male	African



## SOC 400 COMMUNITY & PERSONNEL SERVICES

GENDER	RACE	TOTALS = 25
MALES	African	13
	Whites	1
	Coloured	2
	Indian	0
FEMALES	African	8
	Whites	1
	Coloured	0
	Indian	0

Librarian	Male	African
Assistant Librarian	Female	African
Chief Traffic Officer	Male	White
Vehicle Licence Clerk	Female	African
Vehicle Licence Clerk	Male	African
Traffic Officer	Male	African
Traffic Officer	Male	African
Special Programmes Officer	Male	African
Traffic Officer	Male	Coloured
Superintendent Solid Waste	Female	African
Traffic Officer	Male	African
Librarian( Part time)	Female	White
Supervisor Cemetery Attendant	Female	African
Superintendent Environmental Amenities	Female	African
Security Officer	Male	African
Security Officer	Male	African
Security Officer	Male	African
Security Officer	Male	African
Security Officer	Male	African
Supervisor MVR	Male	Coloured

Vehicle Licence Clerk	Female	African
Security Officer	Male	African
Security Officer	Female	African
Security Officer	Female	African
Security Officer- Mayor	Male	African

## SOC 500 CLERICAL & ADMINISTRATION WORKERS

GENDER	RACE	TOTALS = 20
MALES	African	1
	Whites	0
	Coloured	0
	Indian	0
FEMALES	African	16
	Whites	1
	Coloured	2
	Indian	0

Typist Clerk- HR	Female	African
Receptionist	Female	African
SCM Clerk	Male	African
Stores Clerk	Female	African
Clerk	Female	Coloured
Personal Assistant – Office of the Mayor	Female	African
Committee Clerk	Female	African
Cashier	Female	African
Accounts Clerk	Female	Coloured
Council Support Clerk	Female	African
Town Planning Clerk	Female	African
Executive Secretary	Female	African
Admin & Finance Assistant	Female	African
Expenditure Clerk/Typist	Female	White

Creditors Clerk	Female	African
Committee Clerk	Female	African
Committee Clerk	Female	African
SCM Clerk	Female	African
Meter Reader/ Messenger	Female	African
LED Assistant	Female	African

## SOC 700 MACHINE OPERATORS & DRIVERS

GENDER	RACE	TOTALS = 10
MALES	African	10
	Whites	0
	Coloured	0
	Indian	0
FEMALES	African	0
	Whites	0
	Coloured	0
	Indian	0

Mayoral Driver	Male	African
Foreman Driver	Male	African
Truck Driver	Male	African
Truck Driver	Male	African
Foreman Driver	Male	African
Grader Driver	Male	African
Tractor Driver	Male	African
Tractor Driver	Male	African
Tractor Driver	Male	African
Tractor Driver	Male	African

## SOC 800 GENERAL WORKERS

GENDER	RACE	TOTALS = 46
MALES	African	26
	Whites	0
	Coloured	1
	Indian	0
FEMALES	African	19
	Whites	0
	Coloured	0
	Indian	0

General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African

General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
General Worker	Male	African
Messenger	Male	Coloured
Office Cleaner	Female	African
Office Cleaner	Female	African
Office Cleaner	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African
General Worker	Female	African

Gender	Total				Educational level			
	Female	47	Male	60	Female		Male	
Africans	Female	2	Male	2				
Coloureds	Female	4	Male	2				
Whites	Female	0	Male	0				
Indians	Female		Male					



## 11.1 Workplace Skills Plan 2015/2016

Workplace Skills Plan for the financial year 2014/15 has been developed and the Municipality is currently developing Training programs implemented are as follows:

### a) 2014/2015 FINANCIAL YEAR Plan

Beneficiaries	Designation	Course Name	Type of Learning Programme
1	Mayor	Advance Diploma in Local Government	Skills Programme
15	General Workers	ABET Training	Skills Development
2	HR Practitioner & Shopsteward	OD -ETDP	Skills Development
2	Managers	Strategic leadership Training Course	Skills Development

Beneficiaries	Designation	Course Name	Type of Learning Programme
5	BTO Officials	Municipal Finance Management Programme	Skills Development
9	Managers and Officials	CPMD	Skills Development
1	1 Assistant Electrician	General Electrical Training on high voltage	Skills Development
	Administrators and Clerks	Basic Computer	Skills Development
10	Finance Officials	Venus Training	Skills Development
4	HR Staff	HR Module	Skills Development
2	SCM Official	Contract Management	Skills Development
	Finance interns	Grap Training	Skills Development
	General Workers	Solid Waste Management	Skills Development
10	General Assistant	First Aid Training	Skills Development
			1



## CORPORATE SERVICES DEPARTMENT- HUMAN RESOURCES DEPARTMENT QUARTER Q1 & Q2 - JULY - DEC 2014

### SKILLS PROGRAMME

DATES FOR THE TRAINING	SERVICE PROVIDER	INTERVENTION	NO OF STAFF TRAINED	MODE OF DELIVERY	MODE OF DELIVERY	STAFF CATEGORY	SECTOR
Yr course- Nov 2013 - until Nov 2014	Life Long ABET Consulting	AET Training	17	Short courses	Learnership	General Workers	General Workers
Yr course- February - until 31 Dec 2014	Councilor/ Mayor SALGA training vs UFH	Certificate in Public Administration	1	Short courses	Learner ship	Councillors	Councillors Capacity Building
Yr course- February - until 31 Dec 2014	Councilor/ Mayor SALGA training vs UFH	Certificate in Local Government law and Administration	2	Short courses	Learnership	Councillors	Councillors Capacity Building

### QUARTER 3- JAN - MAR 2015

### SKILLS PROGRAMME AND SHORT COURSES

DATES FOR THE TRAINING	SERVICE PROVIDER	INTERVENTION	NO OF STAFF TRAINED	MODE OF DELIVERY	MODE OF DELIVERY	STAFF CATEGORY	SECTOR
Yr course- February - until 31 Dec 2015	Councilor/ Mayor SALGA training vs UFH	Diploma in Public Administration	1	Short courses	Learnership	Mayor	Councillors Capacity Building
Yr course- February - until 31 Dec 2015	Councilor/ Mayor SALGA training vs UFH	Certificate in Local Government law and Administration	1	Short courses	Learnership	Councillors	Councillors Capacity Building
16-20 February 2015, 2- 6March 2015	LGSETA	OD- ETDP L5	2		Learnership	Professionals	HR Practitioner, Public Participation Officer [Shopsteward]



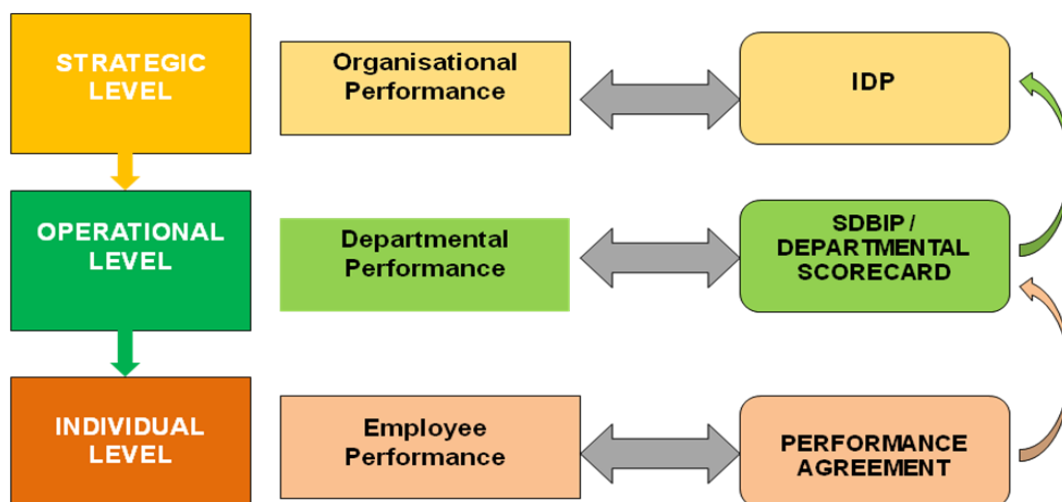
14 Feb-30 March 2015	University of Fort Hare/ Forte Solutions	CPMD	7		Learnership	3 X Interns, 3 x Professionals, 1 x Manager	3 x Finance Inters, Budget & Treasury Officer, IDP/PMS Manager, HR Practitioner, Snr Accountant Revenue and Expenditure
<b>WORKSHOP/S</b>							
<b>DATES FOR THE TRAINING</b>	<b>SERVICE PROVIDER</b>	<b>INTERVENTION</b>	<b>NO OF STAFF TRAINED</b>	<b>MODE OF DELIVERY</b>	<b>MODE OF DELIVERY</b>	<b>STAFF CATEGORY</b>	<b>SECTOR</b>
5&6 February 2015	PAYDAY	Tax Training	2	Workshop		Professionals	HR/Finance-Payroll
<b>INTERNSHIP PROGRAMMES</b>							
<b>PERIOD</b>	<b>SERVICE PROVIDER</b>	<b>INTERVENTION</b>	<b>NO OF STAFF TRAINED</b>	<b>MODE OF DELIVERY</b>	<b>MODE OF DELIVERY</b>	<b>STAFF CATEGORY</b>	<b>SECTOR</b>
	National Treasury	Municipal Finance Management Internship	3		Internship	Finance Interns	Finance
	Amathole District Municipality	Internal Auditing Internship	1		Internship	Internal Audit	Internal Audit/ M.M's Office

## 11.2 Human Resources Planning

In 2014/2015 Financial year the municipality identified a need to review and draft Job Descriptions for all positions in the adopted Organizational Structure and evaluation has been conducted. The project has been completed in November 2014 financial year. However the Implementation of Job Evaluation Outcomes will be conducted in July 2015 when there is an approved budget for the implementation..

### Performance Management System

Great Kei Local Municipality Performance Management Systems is illustrated in the figure below:



### A Summary of Levels of Performance Management

The Great Kei Local Municipality Performance Management System at organizational level in the Municipality is characterized by the steps that are set out in the figure below. Although the steps and what follows relate mainly to performance management at organizational level, the principles and approaches as espoused could also be applied to performance management at departmental level.



## FIGURE: STEPS FOR MANAGING PERFORMANCE AT ORGANISATIONAL / DEPARTMENTAL LEVEL

Great Kei Municipality Local Municipality monitors performance through reports submitted to the following authorities on monthly, quarterly and annually:

Submitted to	Frequency
<b>Council</b>	at least quarterly
<b>Municipal Manager</b>	at least monthly
<b>Internal Audit</b>	at least quarterly

As indicated earlier, the organizational scorecard and SDBIP has been adopted by Council in 2013/2014 financial year for consideration and review on a quarterly basis. The reporting therefore took place as follows in 2014/2015 financial year:

Quarter	Period Under Review	Month of Reporting
<b>1<sup>st</sup></b>	<b>July to end of September</b>	<b>October</b>
<b>2<sup>nd</sup></b>	<b>October to the end of December</b>	<b>January</b>
<b>3<sup>rd</sup></b>	<b>January to the end of March</b>	<b>April</b>
<b>4<sup>th</sup></b>	<b>April to the end of June</b>	<b>July</b>

The annual review in January coincided with the mid-year performance assessment as per section 72 of the MFMA. In this realm, GKLM also tabled the Annual Report to Council in December 2014 and Final Annual Report in January 2015, which was further publicized for public comments. It is also important to note that Performance Contracts for the Directors Appointed in November 2014 were developed and signed.

### 11.3 Policy Environment for Institutional Development and Organizational Transformation

It is important to note that ADM has appointed Service Provider to review and identify Policy Gaps on behalf of GKM. The following Corporate Services policies have been reviewed and adopted by Council in June 2014:

- Acting Allowance Policy
- Bereavement Policy
- Code of Conduct Employment Equity Policy
- Recruitment and Selection Policy
- Leave Encashment Policy
- Subsistence and Travelling Allowance Policy
- Leave Policy
- Telephone Usage Policy
- Employee Assistance Policy

- Promotion , Demotion and Transfer Policy
- Training and Development Policy

It is envisaged that the draft Reviewed Policies including unavailable policies such as Attraction and Retention Policy and Human Resources Plan; Occupational Health and Safety Policy will be adopted by Council before end of the Financial Year

#### **11.4 Major challenges and remedial actions in regard to human resource and organizational management:**

<b>Challenges</b>	<b>Remedial Action</b>
Skill gap: Labour relations and Employee wellness	<ul style="list-style-type: none"> <li>➤ Funding of Labour Relations officer.</li> <li>➤ External Assistance sought for EWP</li> </ul>
Audit Queries:  Leave and overtime	<ul style="list-style-type: none"> <li>➤ Improving internal controls: Written Procedures</li> <li>➤ Improve functionality of HR Module ( Pay Day)</li> <li>➤ External Assistance sought to put leave proper leave administration in place and clean the current leave information.</li> </ul>
Records Management	<ul style="list-style-type: none"> <li>➤ Request Assistance from Sector Departments</li> </ul>

## **12 LOCAL ECONOMIC DEVELOPMENT ANALYSIS**

The profile highlighted key challenges facing GKM that impact on local economic development:

- The structural profile (small population, large area and resultant low population density) of the GKM limits access to facilities, services and employment;
- Disparity exists between development in urban and rural areas within the municipality;
- Rural areas have seen a decline in investment;
- High levels of unemployment (40% of economically active population);
- A concentration of employment opportunities (75%) in agriculture and community/ government services;
- High levels of poverty within GKM (more than half of the population living below poverty line);
- Developmental role of LED stakeholders and principles of LED are not clearly understood;

Possible causes of some of these challenges include:

- Low levels of investment;
- Lack of opportunities;
- National trends;
- Lack of skills, education and support;
- Regional influences;
- Developed tourism potential and facilities.

The municipality has developed Local Economic Development Strategy, through funding by Amathole District Municipality; focusing on the potential commodities such as agriculture, SMMEs and tourism (arts and craft, heritage)

**Key objectives of the LED Strategy are as follows:**

As outline on the national led framework, the led strategy creates an environment that enables sustainable economic growth that creates jobs for the local community.

- An economy that emerges to support the national framework and promote sustainable human settlements in rural and urban areas.
- To exploit opportunities in agriculture and tourism, as outlined in the Eastern Cape medium term strategic framework.
- Build the capacity of local community members and other local stakeholders to plan and manage local economic development.
- Stimulate and develop partnerships to plan and implement sustainable local economic development projects
- Facilitate business growth (especially small & medium enterprises) and lever private investment that will specifically benefit the poor.
- Monitor and evaluate led with a view to understand its impact and share learning's.

The Feasibility study commissioned by the Municipality to University of Fort Hare identifies stock farming as the main activity in the local municipality. Historically, the commercial farmers have produced slaughter stock, wool, grains, fruit, vegetables, poultry and poultry products, milk and dairy products (Houghton, 1960).

The coastal belt is the main area of production of cash crops; dairy farming is done on irrigated pastures. Inland, commercial livestock production is the main focus. For the winter months commercial farmers plant fodder crops. Game farming has expanded in the commercial sector, with provision of watering points. In the communal farming sector cattle, goats and sheep are kept in patches in both the coastal belt and inland.

There is a need for farm managers to develop responses that are specific to each farm, based on an assessment of resources and climate risks. The management plan must have four major components (Mavi & Tupper, 2004):

- Identification of the risks to enterprises. This involves estimating the critical times for rainfall and the absolute minimum required to operate
- Analysis of the local climate to establish the chances of the risk occurring – e.g. historical patterns and seasonal forecasts, etc.
- Identification of factors to monitor (rainfall measurement, thresholds of pasture loss before action is taken, e.g. % of ground cover, species changes and weed percentage per paddock, and dry matter produced in kg/ha
- Formulation of an action plan; for crops this tends to involve yes/no decisions; for livestock a wide range of decisions is involved, e.g. areas to be protected from stock, areas that need additional fencing or watering points, which classes of stock to sell, whether to sell or keep stock.

On Tourism, The Department of Environmental Affairs is the lead department in streamlining LED programmes in partnership with municipalities and public entities.

The municipality further plans to develop Business Retention, Expansion and Attraction Strategy.

On EPWP, the Municipality is working in partnership with Department of Environmental Affairs and ADM. A Memorandum of Understanding between Department of Environmental Affairs and the municipality for funding of Municipal Recreation Park and Working for the Coast Project Cwili and Kei Mouth funded in 2014/2015 financial year.

There are 68 Job opportunities created through EPWP and 306 Jobs created through CWP

The objectives and four year term strategic prioritized within LED are outlined in Chapter 6 subsection 6.3 of the IDP are informed by community interactions.

### **12.3Retail Industry**

The Spatial Development Framework identifies Primary, Secondary, Local Mixed Land Use and Local- Level Rural Development Nodes. Kei Mouth and Chintsa East are secondary Administrative Centres of the municipality as well as areas with good tourism development potential. Intersection of Schafli Road and Chintsa East Access Road and

Intersection of the N2 roadway and the Mooiplass access road are seen as having the potential for the development of mixed land uses of a business/service character as well as outlets for locally produced crafts and associated products, subjects to approval of access arrangements off N2.

#### **12.3.1 SMME development**

The municipality plans to develop Business Retention and Expansion Strategy to focus on amongst other things:

- Establishment of Strategic Partnerships in of Support to SMME's
- Training and Capacity Building of SMME's
- Implementation of Programs towards sustainability of SMME's.
- Cooperative Incentive Development Programmes to assist with incubation of Cooperatives in GKM.

#### **12.3.2 LED Stakeholder forums**

The municipality has established Agricultural Stakeholder Forum and Local Tourism Forums in 2014/2015 Financial Year.

Amongst other key role players to be involved in planning, implementation and monitoring of programs and projects are as follows:

- DEDEAT
- SEDA
- ADM
- DLGTA
- ECDC
- DWAE
- DRDAR
- DSRAC
- ASGISA-EC
- IDC
- DAFF
- Aspire
- Dohne Agric. Development Institute
- Fort Cox College of Agriculture
- University of Fort Hare
- Commercial Farmers
- Emerging Farmers
- Tourism Product Owners

In 2012/2013 financial year, the municipality coordinated Project Steering Committee for the Development of GKM LED Strategy. At least four meetings were arranged represented by the following stakeholders:

- ADM
- DLGTA
- DRAR
- DEDEA.

A budget amount of 100 000.00 was set aside for LED Projects for implementation 2014/2015 financial year, however due to limited resources the project were not implemented as the budget was utilized for development of LED Strategy.

#### **12.4 Tourism**

The coastal settlements of Kei Mouth, Morgan's Bay, Haga Haga and Chintsa, whilst having a small number of permanent residents, have over many years provided a tourism and holiday destination for both local and national visitors who regularly spend their holidays in the area.

The municipality does not have a Tourism Sector Plan that would set out the strategic direction for tourism within the GKLM. In order to assess the best strategic direction to grow tourism within GKM, GKM LED Strategy has been developed and is addressing the following Tourism issues:

- Product strengths and Unique Selling Points (USP)
- Market segmentation and target markets
- Proposed strategic direction

In terms of the current market, the situational analysis for the GKLM showed the following:

- Most of the visitors to the area are domestic tourists.
- The primary reason for international tourists to come to the area is for hunting and to visit natural attractions, and these visitors are primarily from Europe.
- In line with the trends within the province as a whole, the majority of tourists to the GKLM are from within the province, Gauteng and the Free State.

The Tourism Plan would therefore be based on the following five (5) focus areas, which are used as reference points to identify specific projects:

- Focus Area 1: Tourism Product Development
- Focus Area 2: Tourism Marketing
- Focus Area 3: Tourism Infrastructure
- Focus Area 4: Human Resource Development
- Focus Area 5: Creating an Enabling Environment

### **13 FINANCIAL VIABILITY AND MANAGEMENT**

The GKM strives to comply with all financial management requirements. The GKM is in the process of implementing free basic services to Indigent households. In order to provide these services the municipality annually reviews the indigent policy as well as implementing annual registration and review of all municipal beneficiaries. The municipality is further involved in improving revenue generation, hence the appointment of a Service Provider for Revenue Project Solution to that would boost the financial status of the municipality. The municipality reviews its tariff structure annually. (Refer to the attached 2014/2015 Tariff Structure) The financial management analysis reflects detail to include updated information regarding financial resources differentiated by source income and type of expenditure. **Policies such as Credit Control & Debt Collection Policy, Indigent Policy, Investment & Banking Policy, Asset Management Policy, and Supply Chain Management Policy are available.**

**Great Kei Local Municipality infrastructure and capital projects are predominantly funded through conditional grants i.e.**

**MIG. Below is the summary of the municipality's sources of revenue for 2015/2016 Financial Year:**

Sources of revenue	Amount Projected
Rates	R22 500 000
Refuse	R6 600 000
Electricity	R5 728 023
Other Revenue	R9 971 497
<b>TOTAL PROJECTED INTERNAL REVENUE</b>	<b>R44 799 520</b>

**DRAFT EXPENDITURE BUDGET PER DEPARTMENT**

DEPARTMENT	UNIT	ANNUAL BUDGET 2015/2016
Municipal Council	Municipal Council	R7 851 015
Municipal Manager		R8 350 227
Strategic Services	LED, IDP & SPU	R3 825 132
Budget & Treasury		R45 268 225
Engineering & Technical Services	Streets	R39 865 649
	Electricity	R10 765 099
	Town Planning	R2 146 892
Community Services	Refuse	R10 242 339
	Library	R1 112 898
	Caravan Park	R375 000
	Cemeteries	R915 297
	Admin & Comm Serv	R100 000
	Amenities	R1 848 027
	Traffic Services	R3 403 967
Corporate Services		R13 457 380
TOTAL		R149 527 146



## INTERNALLY FUNDED PROJECTS PER DEPARTMENT

DEPARTMENT	SECTION/ UNIT	PROJECT NAME	ANNUAL BUDGET ALLOCATION
<b>Council</b>	Mayor's Office [Public Participation]	Ward Committee Meetings & Stationary	130 000
		MSIG	
		Public Participation	80 000
	Mayor's Office [Special Programmes]	MRM	50 000
		Mayor's Cup	40 000
		Mayor's Other Event	200 000
<b>Municipal Manager's Office</b>	Internal Audit	Audit Committee Meetings	160 000
		AG's Audit Fees	3 200 000
		Turnaround Strategies	55 500
		Team Building	
	Legal	Legal Costs	500 000
		Professional Fees	25 000
<b>Strategic Services</b>	MSIG Grant	Turnaround Strategies	
	LED Unit	Summer Festival	150 000
		Tourism Support	150 000
		Agricultural Support	150 000
		Business/ SMME's/ Co-op Support	100 000
		Life Saving Services	300 000
	IDP/ PMS	IDP/PMS	200 000
<b>Budget &amp; Treasury Office</b>	IT Unit	Firewall (Internal for Information Security)	192 000
		New Network Points, Radios, Wi-Fi and Data & Voice Cabling for all Sites ( Chintsa = R90 000, Kei Mouth = R20 000, Komga = R300 000)	410 000
		New Network Switches (Cisco or HP POEs)	200 000
		Boardrooms Revamp and Voice Management Systems (Mounted Projectors, LED Screens, Mics and voice recorder that will be helpful and stored in Server room	800 000

DEPARTMENT	SECTION/ UNIT	PROJECT NAME	ANNUAL BUDGET ALLOCATION
		UPS Upgrade for servers	40 000
		Server Upgrade (Domain Controller with Active Directory configuration and hosting)	50 000
		New Implementation for Cibecs (Laptops & Desktop Backup)	120 000
	Revenue	ITRON Electricity Vending System (Cloud Solution)	420 000
		<b>VPN Solution</b>	<b>600 000</b>
		Diesel Generator (Power Outage Backup)	<b>650 000</b>
		Financial Management System Backup Tapes	30 000
<b>Community Services</b>	Libraries	Literature	60 000
		Library Projects	100 000
		Library Subsidy	410 000
	Refuse	Plant Equipment & Tools	150 000
		Cage Truck*3	1 400 000
	Caravan Park	Recreation Facilities - Caravan Park Paving	350 000
	Cemeteries Services	Pauper Burials	45 000
		Fencing	200 000
	Amenities	Halls	400 000
		Ablution / Sewerage & Sanitation	200 000
		Plant Equipment & Tools	80 000
	Traffic Services	Traffic Signs/Paint & Street Names	31 650
		Traffic Lights & Equipment	21 100
	Infrastructure	EPWP - Grant Expense	300 000
		PMU Administration/MIG	73 250
		Roads Street Lighting & Pavements	2 000 000
		Electricity Services	300 000
	Town Planning	Professional Fees	100 000
		Land Buildings & Fencing	700 000
<b>Corporate Services</b>	Training & Development	Employee Wellness	100 000
		Job Evaluation/Description	100 000
		Training Cost: Staff	500 000
		Internship	75 000
		LG SETA Training	100 000
	Administration	POSTAGE	10 000

DEPARTMENT	SECTION/ UNIT	PROJECT NAME	ANNUAL BUDGET ALLOCATION
	Labour Relations	Health and Safety Equipment	200 000
		Protective Clothing/Uniforms for Staff	100 000

Great Kei Municipality has a Financial Plan which includes budget projections for the next 3 financial years in line with section 26(h) of MSA and other Treasury requirements.

The IDP has been implemented with our own Revenue and external grants.

**GAZZETTED ALLOCATIONS**

Allocations as per DORA	Allocation 2014/2015	Allocations 2015/2016	Allocation 2016/2017	Allocation 2017/2018
Equitable Share	R36 762 000	R42 202 000	R41 379 000	R39 588 000
Municipal Systems Improvement Grant	R934 000	R930 000	R957 000	R1 033 000
Municipal Infrastructure Grant	R32 815 000	R13 065 000	R13 413 000	R13 935 000
Finance Management Grant	R1 800 000	R1 875 000	R2 010 000	R2 345 000
Library Funding	R410 000	R410 000	R410 000	R431 000
Extended Public Works Programme Grant	R1 000 000	R1 000 000		
Intergrated National Electrification Programme		R1 000 000	R2 000 000	R2 000 000
<b>TOTAL</b>	<b>R 83 721 000</b>	<b>R60 482 000</b>	<b>R60 169 000</b>	<b>R59 332 000</b>

## **TARRIF STRUCTURE – 2015/2016**

- Rates – 4.4%
- Refuse – 4.4%
- Electricity – 12.20%
  
- National Electricity Regulator (Nersa) has advised municipalities to structure their 2015/16 electricity tariffs based on the 12.20% guideline.
  
- Other tariffs – 4.4%

### **d. ANNUAL FINANCIAL STATEMENTS**

The 2014/2015 annual financial statements are yet to be prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These annual financial statements; including Asset Register will be prepared in accordance with Generally Recognized Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003). The municipality does have annual financial statements process plan and there is a clear financial recovery plan to address cash flow problems.

### **e. DEBTORS AND CREDITORS TURNOVER RATE**

The municipality has a Credit and Control Policy; which has been reviewed in 2014/2015 financial year. As at 30<sup>th</sup> April 2015 the rate per category is as follows:

#### **i. DEBTORS COLLECTION RATE**

##### **Debt Collection Rate as at 30 April 2015**

<b>MONTHS</b>	<b>SERVICE BILLED</b>	<b>ACTUAL BILLED</b>	<b>ACTUAL RECEIVED</b>	<b>VARIANCE</b>	<b>Overall Collection Rate</b>
<b>July – Apr 2015</b>	RATES	14 493 736	8 404 025	6 089 711	57%
<b>July – Apr 2015</b>	REFUSE	3 407 092	1 749 101	1 657 991	51%
<b>July – Apr 2015</b>	BILLED ELECTRICITY	2 108 038	1 130 439	977 599	53%
<b>Total</b>		<b>20 008 866</b>	<b>11 283 565</b>	<b>8 725 301</b>	<b>56%</b>

ii. **CREDITORS AGE ANALYSIS as at 30 April 2014**

Description R thousands	Budget Year 2014/15							Total
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	
Bulk Electricity	0100	765	–	–	–	–	–	765
Bulk Water	0200	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–
Trade Creditors	0700	359	1050	963	1539	391	–	4 302
Auditor	0800	160	442	45	164	379	2289	–
General	0800	160	442	45	164	379	2289	3 479
Other	0900	2205	–	–	–	–	–	2 205
Total By Customer Type	1000	3489	1492	1008	1702	770	2289	–
Total By Customer Type	2 807 832	3489	1492	1008	1702	770	2 289	10 751

**GKM's Top Creditors are as follows:**

Amathole District Municipality (Water)	R1, 3m
Auditor General	R3, 4m
PWC	R767 000
Bulk Electricity	R765 000
Other Creditors :	R3, 5m

The table below illustrates the Audit history for the municipality and the improvement is been recognized in the last three financial years as reflected:

Financial Year	Audit Opinion
2009/2010	Disclaimer
2010/2011	Disclaimer
2011/2012	Disclaimer
2012/2013	Adverse
2013/2014	Disclaimer

**An action plan towards clean audit has been developed and is currently implemented; however an external support has been acquired by the municipality to expedite its implementation.**

Summary of the issues raised by the Auditor General in the last three financial years relate to:

- Property, Plant and Equipment
- Receivables

## 2014/ 2015 AUDIT ACTION PLAN

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
<b>ASSETS</b>									
32	Property, plant and equipment: Fully depreciated Assets (EX 129) - During the audit, it was identified that the municipality had a number of fully depreciated assets included in the Fixed Asset Register. A sample of these assets was selected for audit purposes and it was found that most of these assets were still being used by the municipality and were still in a good condition.	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Disposal of assets no longer needed for service delivery 2. Full verification of assets will be conducted 3. Assessment of useful lives annually	1. A service provider has been appointed to assist the municipality with auctioning of assets no longer needed for service delivery 2. As from the 4th April 2014 full verification of assets started 3. Condition assessment is being done during the verification process and the reviewal of useful life to be done by the CFO	1. 31/05/2015 2. 31/05/2015 3. 30/06/2015	50%		BTO



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
33	Property, Plant and Equipment: Duplicate assets in the fixed asset register (Ex 181) - Computer Aided Audit Techniques (CAATs) were utilised to identify duplicate assets within the fixed asset register. The following asset number were duplicated in the asset register.J.7.5	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. A recon to be done from the verification results against the existing asset register 2. Full verification of assets will be conducted 3. Development of accurate fixed asset register	1. A full physical asset verification already in progress	31/05/2015	30%		BTO
35	PPE: Differences between fixed asset register and AFS (Ex 52) - During the audit the following differences were identified between the fixed asset register and note 10 on the annual financial statements:	Head of SCM	1. Lack of monitoring over preparation of AFS and reconciliation of FAR and the GL 2. no staff member allocated to perform the duties	1. Asset Management Officer will be appointed 2. Development of new fixed asset register 3. Reconciliation between FAR and GL	1. Asset Management Officer has been appointed 2. Currently verification is in progress that will assist in working out opening balances in addressing the AG finding	31/05/2015	20%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
37	Property, Plant and Equipment: Lead-Differences between AFS & caseware TB (Ex.74) - Differences were identified between the AFS and the TB and between the TB and the lead schedules for the following assets:	Head of SCM	1. Lack of monitoring over preparation of AFS 2. no staff member allocated to perform duties for preparation of AFS	1. AFS to be reviewed by the CFO before submission to the AG	1. BTO Manager has been appointed to assist in monitoring of accuracy disclosures in the AFS	01-Apr-15	80%		BTO
38	PPE: Non-submission of RFI 54: Supporting documents for carrying amount (Ex 77)	Head of SCM	Inadequate document management systems	1. Develop document management system 2. Implement and monitor	1. A FAR preparation file is being developed as we are busy collecting data for the preparation of the FAR	30/06/2015	60%		BTO
39	Property, Plant and Equipment: Differences in depreciation - infrastructure (EX 93)	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Develop a new fixed asset register 2. Prepare recons between FAR and GL 3. Review recons	1. Physical asset verification is in progress in working towards the development of new FAR	30/06/2015	50%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
40	PPE:WIP- Difference between the WIP expenditure disclosed on the FAR and the supporting documents (Ex.95)	Head of SCM	1. Lack of monitoring over preparation of AFS 2. no staff member allocated to perform the duties 3. Inadequate communication between PMU and BTO	1. PMU to provide BTO information of WIP on a monthly basis 2. Recons to be prepared 3. Review recons	1. Information have been requested from PMU with regards to projects in preparation for the Infrastructure register and projects that are not yet completed will be recorded under WIP	30/06/2015	10%		BTO
41	PPE:Additions Differences identified between carrying as per FAR and auditors recalculation of carrying amount (Ex.99)	Head of SCM	1. Lack of monitoring over preparation of AFS 2. no staff member allocated to perform the duties	1. Develop a new fixed asset register 2. Prepare recons between FAR and GL 3. Review recons	1.A recon between the FAR and the GL for this financial year has been done bt the problem was with opening balances	31/05/2015	50%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
43	Investment property: Investment Property register is not complete (Ex 61) - During the audit of completeness of investment properties, it was identified that the properties listed in the table below that meet the definition of investment properties as per GRAP 16 - Investment properties were not included in the investment property register. This register was used as a supporting schedule to the figure disclosed in the AFS in note 9 - Investment Property.	Head of SCM	1. Lack of understanding of GRAP standards 2. No staff member allocated to perform the duties 3. Inadequate systems of monitoring and review over AFS	1. Develop a new Investment Property register 2. To do an assessment on municipal properties to ensure that all properties listed under investment property meets the recognition criteria of GRAP 16 3. Review recons	1. A data of municipal properties have been collected and an assessment is yet to be done to identify properties that meets the criteria as set out in GRAP 16	30/06/2015	20%		BTO
44	Investment Property: Properties could not be verified (Ex.120)	Head of SCM	1. Lack of asset management systems 2. no staff member allocated to perform the duties	1. Physical verification of assets to be performed quarterly 2. GPS coordinates to be utilised	1. Physical asset verification is in progress	30/06/2015	30%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				for each asset, for ease of location					
45	Investment Property: Non submission of RFI 66 (Ex 89)	Head of SCM	Inadequate document management systems	1. Develop document management system 2. Implement and monitor	1. Asset Management Officer has been appointed	01-Apr-15	60%		BTO
124	No loss control register and reconciliation for PPE (Ex 20) - During the understanding of business processes and relevant internal controls for property, plant and equipment, it was identified that the municipality does not maintain a loss control register. The asset register is also not updated to reflect assets that are lost, stolen or damaged.	Head of SCM	1. Lack of asset management systems 2. no staff member allocated to perform the duties	1. Develop loss register 2. Update register on a monthly basis 3. Reconcile on a monthly basis 4. Review recons	1. A claims register have been acquired from our insurance company that will assist us in compiling the losses register	30/06/2015	30%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
141	Planning: No monthly calculations for depreciation (Ex 40) - During understanding of business processes and relevant controls for Property, Plant and Equipment (PPE), it was discovered that monthly calculations of depreciation have not been performed.	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Develop a new fixed asset register 2. Prepare monthly depreciation calculation or make use of FAR module where depreciation will be calculated systematically 3. Recons between FAR and GL 4. Review recons	1. Depreciation calculations not yet started as we are fixing the FAR first	30/06/2015	10%		BTO
142	Planning: Fixed asset register is not reviewed (Ex 41) - During the planning phase of the audit, it was identified that the fixed asset register was not reviewed by CFO or the delegated official.	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Develop a new fixed asset register 2. Recons between FAR and GL 3. Review recons	1. The CFO can only start reviewing the FAR once the asset register when is complet	30/06/2015	10%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
170	Property, Plant and Equipment :Fixed asset register not complete (EX 127) - The following assets were randomly selected from the floor and were not recorded on the fixed asset register:	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Physically verify all municipal assets and update the fixed asset register 2. Recons between FAR and GL 3. Review recons	1. Physical verification of assets is in progress	31/05/2015	40%		BTO
172	The following assets do not have asset numbers (EX 136)	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Asset Management Officer will be appointed 2. Full verification of assets will be conducted to identify all assets without barcodes 3. Barcode all assets	1. Physical verification of assets is in progress and the tagging of assets thereof	31/05/2015	40%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
173	Heritage Assets: There are differences between TB and the AFS (Ex 174)	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Physically verify all municipal heritage assets and update the fixed asset register 2. Recons between FAR and GL 3. Review recons	BTO Manager have been appointed to assist in the monitoring figures disclosed in the AFS	01-Apr-15	80%		BTO
174	Heritage Asset: This asset was not found during physical verification (Ex 180)	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Physically verify all municipal heritage assets and update the fixed asset register 2. Recons between FAR and GL 3. Review recons	1. Physical verification in progress	31/05/2015	30%		BTO
175	PPE:Incorrect asset number recorded on the FAR and assets incorrectly disclosed as land in the FAR (Ex 193)	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Asset Management Officer will be appointed 2. Full verification of assets will be	1. Physical verification in progress	31/05/2015	30%		BTO



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				conducted to identify all assets without barcodes 3. Barcode all assets					
177	PPE: No monthly reconciliation done between the FAR and the GL (Ex 216) - While auditing assets it was identified that there are no monthly reconciliations done to reconcile the fixed asset register to the general ledger. The asset officer position is vacant; therefore no one performs this procedure. Movements in assets (additions, disposals, depreciation) might not be included correctly in the fixed asset register or the general ledger.	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Develop a new fixed asset register 2. Recons between FAR and GL 3. Review recons	1. The recon between FAR and the GL have already been done but the problem was with the opening balances	31/05/2015	50%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
178	PPE: Completeness of WIP (Ex 242)	Head of SCM	1. Lack of monitoring over preparation of AFS 2. no staff member allocated to perform the duties 3. Inadequate communication between PMU and BTO	1. PMU to provide BTO information of WIP on a monthly basis 2. Recons to be prepared 3. Review recons	1. Not yet addressed bt is part of the information gathered for the preparation of FAR	30/06/2015	20%		BTO
180	Inventory: The is no policy in place for inventory (Ex 169) - There is no policy in place for inventory as the municipality has disclosed land allocated for the development of RDP houses as inventory.	Head of SCM	Inadequate inventory management processes in place	1. Develop inventory policy 2. Submit to Council for approval 3. Implement and monitor	1. Not yet addressed bt will be rectified during AFS preparation and to disclose as land held for sale	30/06/2015	10%		BTO
182	Inventory: Land classified as inventory does not meet the definition per GRAP (Ex 193) - During the audit, it was identified that the municipality disclosed in the statement of financial position and note 4 - Inventory to the AFS land that has been designated for housing	Head of SCM	Inadequate understanding of GRAP standards	1. Attend training on GRAP standards 2. Prepare inventory listing 3. Reconcile listing to GL 4. Review recon	1. Not yet addressed bt will be rectified during AFS preparation and to disclose as land held for sale	30/06/2015	10%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	development amounting to R25 824 610,00 as inventory defined in GRAP 13 - Inventory.								
183	Investment Property: Non submission of RF35 - Supporting documents were not submitted (Ex 56)	Head of SCM	Inadequate document management systems	1. Develop document management system 2. Implement and monitor	1. A FAR file is being prepared with supporting document	30/06/2015	30%		BTO
186	Finance Leases: These finance lease equipment were not found during the physical verification (Ex 149)	Head of SCM	1. Inadequate management over municipal assets 2. no staff member allocated to perform duties for asset management	1. Physically verify all municipal heritage assets and update the fixed asset register 2. Recons between FAR and GL 3. Review recons	1. Physical verification have already started	31/05/2015	30%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
187	Finance Leases: These lease agreements were not signed by the authorised signatories (Ex 151)	Head of SCM	Lack of contract management	1. Identify all lease agreements and ensure that there is a contract in place 2. Contract to be reviewed and signed by the MM	1. Not yet done	30/06/2015	10%		BTO
188	Finance Leases: Recalculated note15 for finance lease and identified the following differences (Ex 260)	Head of SCM	Lack of systems in place over leases	1. Prepare a lease schedule monthly 2. Reconcile GL and schedule 3. Review recon	1. Asset Management Officer has started on 01 April 2015	01-Apr-15	30%		BTO
<b>BUDGET AND REPORTING</b>									
21	Municipality did not submit all the monthly budget statement to treasury within 10 working days. (Exc 259)	Head of Section	GL is not closed exactly at the end of each month.	That the ledger be closed on the 03rd day of each month to give allowance for preparation of reports.	S71 reports were submitted on time from July - December 2014	Performed Monthly	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
22	Investigations on unauthorised, fruitless and wasteful and irregular expenditure identified in the prior year investigation process was still not complete at year end during the current year. (Exc 261)	Head of Section	Inadequate systems in place to investigate unauthorised expenditure.	1. A list of unauthorised expenditure items will be prepared and submitted to council.2. Council to investigate and timeously make recommendations on action plan.	1. Unauthorised expenditure identified was addressed through an adjustment budget. 2. Any other identified unauthorised expenditure will be recorded and submitted to Council for further investigations.	28 February 1015	80%		BTO
24	Through comparison of the disclosed final budget and the approved final budget, there was an unexplained difference that was identified. (R335 967 for revenue and R1,1m for expenditure). (Exc 143)	Head of Section	Inadequate budget vs expenditure monitoring	1. On a monthly basis perform and actual vs budget report. 2. Investigate all variances	Monthly budget vs actual report is printed and verified at end of each month to detect variance.	Performed Monthly	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
64	The municipality did not perform a mid-year assessment (Ex 57)	Head of Section	Strike action in January and February 2014, resulted in delays on submission of mid year information.	1. Prepare a schedule of all required legislated submissions and assign the responsible official. 2. Implement and monitor compliance to the schedule.	1. National Treasury Calender is utilised in order to adhere to all legislated submission dates. 2. Mid term report was submitted to Provincial and National Treasury and Council.	25-Jan-15	100%		BTO
65	Adjusted budget not submitted by the legislated time frame (Ex 58)	Head of Section	Strike action in January and February 2014, resulted in delays on submission of adjustment budget.	1. Prepare a schedule of all required legislated submissions and assign the responsible official. 2. Implement and monitor compliance to the schedule.	1. National Treasury Calender is utilised in order to adhere to all legislated submission dates. 2. Adjustment budget was tabled to council before the 25th of February 2015. 3. Adjustment budgbruary	28-Feb-15	100%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
					2015.et was submitted to National and Provincial Treasury on the 28th Fe				
74	Government grants and subsidies, sufficient appropriate audit evidence could not be obtained for the following: 1. The full allocation per DORA was not received of R34 158 000, resulting in difference of R236 027 which could not be verified. (Exc 142)	Head of Section	Inability of municipality to spent conditional grants within the specified time frame and failure to apply for rollover.	1. A detailed plan for spending conditional grant to be developed 2. Must be implemented and monitored on a monthly basis 3. Variances to be investigated	1. Activity plans were prepared at the beginning of the financial year for all conditional grants. Departments spend as per their activity plans. 2. A report on the performance of grants is submitted through S71	On going process	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
					reports at end of each month.				
75	Unspent conditional grants: MIG grant expenditure (Ex 164) - Money allocated to a specific project on the MIG Project was spent on a different project on the project list without the approval from National Treasury.	Head of Section	Inadequate systems and procedures in place to monitor grants spending.	1. A detailed plan for spending conditional grant to be developed2. Must be implemented and monitored on a monthly basis3. To spend according to approved activity plans.	1. Activity plans were prepared at the beginning of the financial year for all conditional grants. Departments spend as per their activity plans. 2. A report on the performance of grants is submitted through S71 reports at	On going process	90%		BTO



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
					end of each month.				
82	Non-submission of RFI 113 and RFI 114 (Ex 232) - Adequate supporting documentation could not be obtained for the difference per the VAT reconciliation and the VAT Receivable per note 7 of the AFS.	Head of Section	1. No proper systems and procedures in place over vat management. 2. There is no person allocated to perform the vat function.	1. Put processes in place for accounting for vat 2. Assign a responsible person to perform the vat function. 3. Ensure that reconciliations are done on a monthly basis and are done in the FMS. 4. Ensuring that FMS	1. Vat Workshop has been attended by all relevant official on the 19th Febr 2015. 2. The function has been assigned to Budget & Reporting section. 3. Reconciliations are performed outside the	30-May-15	55%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				reconciles with VAT 201's.	system and will be consolidated onto the financial system.				
83	Other financial liabilities: Balance per loan register does not agree with amount per AFS (Ex 139)	Head of Section	1. No proper systems and procedures in place over liability management.	1. Prepare a loan register using the DBSA amortisation schedules. 2. Prepare loan reconciliations 3. Investigate variances.	A loan register is maintained. No reconciliations are performed at this point	30-May-15	55%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
122	VAT reconciliation is not reviewed by CFO (Ex 18)	Head of Section	There were no systems in place to ensure that vat processes are reviewed.	1. Put processes in place for accounting for vat 2. Assign a responsible person to perform the vat function. 3. Ensure that reconciliations are done on a monthly basis and are done in the FMS. 4. Ensuring that FMS reconciles with VAT 201's.	1. Systems for vat have been developed and were be submitted to council for approval. 2. Budget & Reporting section has been assigned to perform this function 3. Reconciliations are performed outside the system and will be consolidated onto the financial system.	30-May-15	55%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
155	Fruitless and wasteful, irregular and unauthorised expenditure (Ex 26) - it was identified that the municipality does not keep a schedule for unauthorized, irregular and fruitless and wasteful expenditure.	Head of Section	Inadequate systems and procedures to monitor unauthorised expenditure.	1. Develop and implement processes for preventing and detecting this type of expenditure. 2. Prepare a register of this expenditure on a monthly basis 3. Reports to council 4. Consequence management	1. Unauthorised expenditure identified was corrected through the process of adjustment budget. 2. List of over spent votes are identified and recorded as such.	On going process	60%		BTO
135	Unspent Grant: Monthly reports sent to Provisional Treasury are not signed by the Accounting Officer (Ex 33)	Head of Section	Inadequate review by management	1. Monthly reports to be reviewed and signed by the accounting officer. 2. Proper filing system must be developed.	1. All recons are prepared and will be signed . 2. Reports are all signed by the accounting officer and CFO.	On going process	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
136	Unspent conditional grants: No proof of monthly reconciliations being reviewed by a senior personnel (Ex 34)	Head of Section	Inadequate review by management	1. Monthly reconciliations to be reviewed and signed by the accounting officer.2. Proper filing system must be developed.	1. Monthly recons are submitted to CFO for signature.2. All signed reconciliations are filed.	07-Mar-15	80%		BTO
153	Grants compliance: Expenditure made in accordance with the purpose of the Grant (Ex 196) - a portion of the amount allocated to MIG for the Morgan's Bay Access Road was spent on a different project without approval from National Treasury.	Head of Section	Inadequate systems and procedures in place to monitor grants spending.	1. A detailed plan for spending conditional grant to be developed 2. Must be implemented and monitored on a monthly basis 3. To spend according to approved activity plans.	1. Activity plans for conditional grants have been completed and are adhered to. 2. Progress is monitored on a monthly basis.	On going process	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
155	Adjusted budget: Over/under budgeting of the votes (Ex 227) - variances between budgeted amount and actual amounts were as a result of under/ over budget in the votes and no other explanations were provided by management.	Head of Section	Inadequate budget vs expenditure monitoring	1. On a monthly basis perform and actual vs budget report. 2. Investigate all variances 3. Explanations for variances to be included in the AFS.	1. Budget vs Actual reports are submitted to departments on a monthly basis. 2. Variances are investigated. 3. Explanation of variances when performing AFS.	30-Jun-15	60%		BTO
<b>EXPENDITURE</b>									
38	Non submission of RFI 50 Expenditure batches Payment Vouchers. This is a result of inadequate record keeping. This may result in a factual limitation of scope over Expenditure R340 296.18 and a projected limitation of R1 188 747.72. (Ex 77) COAF 8	HEAD OF SECTION	1.Inadique system of monitoring and safe guarding of documents..	1. Weekly to check availability of payment batches. 2. To agree filed payment batches to system generated report of payments made.	Document verification is currently performed from July 2014 to date	30-Apr-15	70%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
53	Non submission of RFI 82 Salary suspense and payments received in advance. This has resulted in the limitation of scope over salary suspense accounts of R734 733. (Ex 121) COAF 20	HEAD OF SECTION	1.Inadequate systems and processes in place to clear suspense accounts. 2. Differences are not investigated on regular basis.	1.To develop systems and processes for clearing of suspense accounts 2. To perform monthly reconciliations for all balance sheet items 3. To Investigate closing balance as at June 2014,and identify single transactions making up the difference.	Nothing has been done on the opening balance, currently we are attending differences of the current year. The problem has been identified through investigation on the current yaer differences, BCX to asist to correct parameters on payday on the week of the 16th March 2015.	30-May-15	40%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
54	Difference in trade payables reconciliation. This has resulted in a difference of R1 845 527.31 and a total difference between the Accruals/Creditors listings and the AFS of R2 295 524.41. This is a result of inadequate controls over the processing of creditors and preparation of year end reconciliations. This has resulted in an unreconciled difference in trade payables of R2 295 524.41, which is a limitation of scope. (Ex 131) COAF 22	HEAD OF SECTION	1. Inadequate systems and procedures on ensuring completeness of Creditors on monthly basis.	1.To raise a creditor on a monthly basis, prepare Creditors reconciliations for creditors. 2.To correct closing Balance of 2014 by raising all outstanding Creditors as at June 2014.	Currently the Creditor is raised on receipt of an Invoice. Journals are drafted pending presentation to the CFO	31-Mar-15	70%		BTO
55	Non submission of RFI 83 - Original invoices were not submitted for audit. This is a result of inadequate filing of creditors invoices. This results in a limitation of scope of R650	HEAD OF SECTION	1. Inadequate system of ensuring that original Invoices are obtained from suppliers and filed accordingly.	1.To ensure availability of original invoice at all times prior processing of payment on FMS.	Document verification is currently performed as from July 2014 to date	31-Mar-15	50%		BTO



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	932.52 over note 16: Payables from exchange transactions: Trade payables (Ex 183) COAF 35								
46	Interest received per the GL does not agree to bank statements. This is a result of inadequate recording of interest on a monthly basis into the GL.  This has resulted in a limitation of scope of R377 803 over Interest from investments. (Ex 166) COAF 39	HEAD OF SECTION	1.No systems and procedures in place to review Bank Transactions in the GL	1. To develop systems and procedures to review Bank transactions in the GL 2.To review all GL accounts after updating Bank Transactions 3. To ensure completeness and correctness	After uploading of Bank Statement to the FMS, all GL are updated with Bank transactions, these are reviewed every first week of the month.	Monthly	75%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
195	Limitation of scope over unallocated transfer. During the audit of payables. It was identified that note 16: Payables included the following item: Unallocated transfer: R331 748. This will result in a limitation of scope over the Unallocated transfer in the AFS of R331 747.55. (Ex 209) COAF 45	HEAD OF SECTION	1.No systems and procedures in place to review Bank Transactions in the GL	1. To develop systems and procedures to review Bank transactions in the GL	After uploading of Bank Statement to the FMS, all GL accounts are updated with Bank transactions, these are reviewed every first week of the month.	Monthly	75%		BTO
57	Paid creditors included as part of payables at year end Management did not ensure that only suppliers that were not paid formed part of the creditors balance in the Financial Statements.  Overstatement of payables in the Annual Financial Statements by R 801 732.33 (Ex 185) COAF 54	HEAD OF SECTION	Inadequate systems and procedures over Creditors	2.To review all GL accounts after updating Bank Transactions	Currently a Creditor is raised on receipt of Invoice	Ongoing	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
196	Reconciliations are not prepared at year end. During the audit of Trade Payables, it was identified that creditors reconciliations as at 30 June 2014 was not prepared by the municipality. This may result in errors going undetected if reconciliations are not prepared and approved. (Ex 212) COAF 45	HEAD OF SECTION	Inadequate systems and procedures over Creditors	1.To raise a creditor on a monthly basis, prepare Creditors reconciliation for creditors. 2.To correct closing Balance of 2014 by raising all outstanding Creditors as at June 2014.	Currently a Creditor is raised on receipt of Invoice	30-Jun-15	80%		BTO
189	Bulk Electricity Accrual not raised at year end (Ex.111) Lack of oversight and monitoring controls to ensure the completeness of expenditure and payables. COAF 58	HEAD OF SECTION	Inadequate systems and procedures over Creditors	1.To raise a creditor on a monthly basis, prepare Creditors reconciliation for creditors. 2.To correct closing Balance of 2014 by raising all outstanding Creditors as	Currently a Creditor is raised on receipt of Invoice	31-Mar-15	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				at June 2014.					
48	Supplier invoices not settled within 30 days. The municipality might incur interest and penalties which will result in fruitless and wasteful expenditure. (Ex.112) COAF 58	HEAD OF SECTION	Cash flow challenges in the Municipality	1. To develop strategies for enhancing Revenue 2. To develop strategies for cost cutting.	All telephone pin codes have been disconnected, HOD's have submitted names of the people to be allocated pin codes.	30-Jan-15	50%		BTO
190	Invoices received were not made out to Great Kei Municipality Management did not ensure that the invoices were made out to the municipality. (Ex.113) COAF 58	HEAD OF SECTION	Inadequate systems and procedures for processing of payments of creditors	1.To check, identify involves and verify validity of all paid Involves if they are in the name of the municipality. 2. To request	All identified invoices have been corrected, Verification of all invoices is still in progress	31-Mar-15	70%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				suppliers to provide invoices that have the name of the municipality					
191	Municipality's vat number not captured on the invoice. (Ex.114) COAF 58	HEAD OF SECTION	Inadequate systems and procedures for processing and payment of creditors	1.To check, identified the validity of all paid Invoices if they contain Vat number of the municipality 2. To request suppliers to provide invoices that have the Vat number of the municipality	Document Verification is in progress starting from July 2014. Currently the checklist is improved with new items to verify prior approval of any payment	31-Mar-15	50%		BTO
17	Vat registration number on invoice does not match supplier name (Ex.146) COAF 58	HEAD OF SECTION	Inadequate systems and procedures for processing of payment of creditors	To compare vat number on the invoice with the Tax clearance	No Progress to date	31-Mar-15	0%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				certificate at all times.					
198	Understatement of Creditors. This is a result of the processing of creditors on the Venus system after the TB had been run and given to the Consultants to prepare the AFS. (Ex 241) COAF 61	HEAD OF SECTION	Inadequate systems and procedures over Creditors	1.To raise a creditor on a monthly basis, prepare Creditors reconciliations for creditors. 2.To correct closing Balance of 2014 by raising all outstanding Creditors as at June 2014.	All Creditors journals have been prepared	31-Mar-15	75%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
19	Amount relating to fruitless and wasteful expenditure not disclosed. This is as a result of management not properly investigating amounts pertaining to fruitless and wasteful expenditure. (Ex 252) CPAF 63	HEAD OF SECTION	Inadequate systems and procedures in place to prevent and detect F & w Expenditure	1.To improve cash flow management 2. To Develop a system to detect F & w expenditure 3. Report F & W Expenditure on a monthly basis 4. Consequence management	Reports are submitted	Monthly	70%		BTO
1	Cash and Bank: Bank fraud. This is due to inadequate controls over Cash and Bank and payments made.  This has resulted in fruitless and wasteful expenditure. (Ex 257) COAF 66	HEAD OF SECTION	No agreement in place between the bank and municipality regarding unknown debit orders	1.To instruct the bank not to honour any debits without prior authorisation by the municipality. 2.To allocate an official to monitor bank unknown debits and recover	Currently all unknown debits are sent to the bank to be reversed	28-Feb-15	50%		

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				them 3. To write letter to Standard bank for all debits that have not been recovered.					
22	Consequences Management: Investigation of unauthorised, F &W and irregular expenditure (Ex 261)	HEAD OF SECTION	Inadequate systems and procedures in place to avoid F & w Expenditure	1.To develop systems and procedures to prevent and detect F & w expenditure 2. To regularly report any transgressions of any irregularities and recommend clear actions.	F & W expenditure was submitted at the end of the second quarter.	28-Feb-15	50%		



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
152	Fruitless and wasteful expenditure not disclosed in the AFS .This is as a result of management not properly investigating amounts pertaining to fruitless and wasteful expenditure. (Ex 266) COAF 69	HEAD OF SECTION	Inadequate systems and procedures in place to prevent and detect F & w Expenditure	1.To develop a system of ensuring that payments to suppliers are made on time.2. Develop a system to detect F & W expenditure 3. Report F & W expenditure on a monthly basis 4. Consequence management to be Implemented	Reports are submitted	Monthly	50%		BTO
5	Non submission of RFI 65 Travel, motor car,accomodation,su bsistence and other allowances . This is due to lack of proper record keeping. (Ex 86) COAF 13	HEAD OF SECTION	No proper document keeping and monitoring thereof	1. To implement a proper filling system , 2. To review filling system on a monthly basis. 3.To procure Steel	All Payroll Supporting documents are filed as from July 2014.	30-Apr-14	65%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				Cabinet and readily made Personal Files for Payroll Officer					
6	Non submission of RFI 64 - Basic salaries. This is due to lack of proper record keeping. (Ex 87) COAF 13	HEAD OF SECTION	No proper document keeping and monitoring thereof	1. To implement a proper filling system , 2. To review filling system on a monthly basis. 3.To procure Steel Cabinet and readily made Personal Files for Payroll Office	All Payroll Supporting documents are filed as from July 2014.	30-Apr-14	65%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
7	Non submission of RFI 62 COE Journals. These journals were identified from the payroll reconciliation of PAYDAY to the GL.This is a result of inadequate record keeping. (Ex. 88) COAF 14	HEAD OF SECTION	No proper document keeping and monitoring thereof	1. Information to be captured accurately on the system to avoid processing of Journals 2. Journals to be authorised and sequentially numbered before processing 3. Journals to be captured and authorised by separate officials 4. Journal supporting documents to be filed	All salary related Journals are filed with	Monthly	100%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
94	Employee costs: Overtime worked incorrectly calculated. During the audit of overtime paid, overtime payments were incorrectly calculated (EX. 152)	HEAD OF SECTION	Inadequate systems and procedures over overtime management	1.To ensure adequate staffing of departments 2. To capacitate payroll personnel on calculating of overtime payments in line with Basic Conditions of Employment Act.	Basic Conditions of Employment Act is fully implemented on how to calculate overtime as from January 2015.	28-Feb-15	80%		BTO
95	Employee costs: Incorrect calculation of bonus paid to employees. During the audit of bonuses paid, bonuses were incorrectly calculated: (Ex.154) COAF 27	HEAD OF SECTION	Inadequate systems and procedures over bonuses payments	1. To capacitate payroll personnel on calculating of bonus payments in line with Basic Conditions of Employment Act.	We have started with the packages of employees that are employed on Contract basis. Training has been conducted on payroll calculations	30-Apr-15	50%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
96	Employee costs: Municipal contributions to employee funds not in accordance with the main collective agreement (Ex.156) COAF 27	HEAD OF SECTION	Inadequate systems and procedures over municipal contributions of payments	1. To capacitate payroll personnel on calculating of Municipal Contributions in line with Basic Conditions of Employment Act.	Training has been conducted on payroll calculations	30-Apr-15	100%		BTO
98	Employee costs: Exception reports on overtime . No exception reports are generated and reviewed by management for possible exceptions in overtime worked and paid by employees. Lack of review of overtime worked by employees. (Ex.159) COAF 27	HEAD OF SECTION	Inadequate systems and procedures over overtime management	1.To ensure adequate staffing of departments 2. To capacitate payroll personnel on calculating of overtime payments in line with Basic Conditions of Employment Act. 3. Exception reports to be generated	Currently no exception reports generated to check exceptions on Overtime, Payroll is reviewed using monthly changes report from payroll system against approved overtime forms. Training has been	30-Apr-15	100%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				on a monthly basis for review	conducted on payroll calculations				
100	COAF 27: Employee costs: Acting Allowances. During the audit, it was identified that the employees were paid acting allowances that don't equate to the difference between an employee's salary and the commencing notch of the salary scale of the post in which he acts: (Ex.161) COAF 27	HEAD OF SECTION	Inadequate systems and procedures over the payment of acting allowances.	1. Verify whether the acting allowances have been calculated accurately in terms of SALGBC 2. To capacitate Payroll Officer	Currently all payroll input is recommended by Director Cooperate Services and Approved By CFO prior processing on the payroll system. Training has been conducted on payroll calculations	30-Apr-15	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
101	COAF 27: Employee costs: Home owner allowance paid to employee exceeds maximum amount stipulated in SALGBC Circular (Ex.162)	HEAD OF SECTION	Inadequate systems and procedures over the payment of home owners allowances	1. To verify whether the home owners allowances have been calculated accurately in terms of Basic Conditions of employment	Currently all payroll input is recommended by Director Cooperate Services and Approved By CFO prior processing on the payroll system.	30-Apr-15	20%		BTO
2	COAF 28: Employee costs: Non-submission of RFI 57: Overtime This is due to lack of proper record keeping. (Ex.157)	HEAD OF SECTION	Inadequate systems and procedures over overtime management	1. To implement a proper filling system , 2. To review filling system on a monthly basis. 3.To procure Steel Cabinet and readily made Personal Files for Payroll Office	Currently all payroll input is filed as from July 2014.	30-Apr-14	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
37	COAF 59: Remuneration of councillors: No supporting documents for SnT claimed and included in the earnings of councillors (Ex.235)	HEAD OF SECTION	No proper document keeping and monitoring thereof	1. To implement a proper filling system , 2. To review filling system on a monthly basis. 3.To procure Steel Cabinet and readily made Personal Files for Payroll Office	Currently all payroll input is filed as from July 2014.	30-Apr-15	80%		BTO
38	COAF 60: Employee costs: EFT listing of salaries not kept on file (Ex.186)	HEAD OF SECTION	No proper document keeping and monitoring thereof	1. EFT listing to be printed and filed on a monthly basis 2. EFT to be reviewed and signed by CFO	Currently all payroll input is filed as from July 2014. And all salary related documents	30-Apr-15	80%		BTO



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
102	COAF 60: Employee costs: Late submission of IRP5 to SARS and lack of reconciliation performed (EX. 218)	HEAD OF SECTION	Inadequate systems and processes in place over SARS submissions and preparation of reconciliations	1. Schedule of dates for submission of information to SARS to be developed 2. Adherence to the set timelines to be monitored on a monthly basis 3. Consequence management	Currently all 3rd party payments are paid before the 07th of each month.		100%		BTO
3	COAF 60: Employee costs: Validity of reconciling items on the payroll reconciliation (Ex. 188)	HEAD OF SECTION	Inadequate systems and processes in place over the preparation of payroll reconciliations	1. Payroll reconciliation to be performed on a monthly basis 2. Obtain supporting documentation for all reconciling items 3. Investigate all	Currently Payroll Recons are prepared and reviewed, correcting Journals are attached on the Recon File		75%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				reconciling items4. Payroll reconciliation to be reviewed and signed by CFO					
108	COAF 60: Remuneration of councillors: Cell phone expenses deducted from payroll. Inappropriate accounting treatment of recoupment of cell phone expenses paid by the municipality on behalf of the councillors. (Ex.234)	HEAD OF SECTION	Inadequate systems and processes in place over accounting for council cell phone costs deducted from their salaries	1. Identify all the payments made to Vodacom on behalf of councillors on a monthly basis 2. Account correctly for the transaction in the GL	None.	30-Apr-15	0%		BTO
REVENUE									

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
8	COAF 2: Planning: No interest charged on overdue debtors accounts (Ex 32), Interest was only charged from October 2013. Thus no interest was charged in July, August and September.	Head of Section	Inadequate systems and procedures over management of overdue accounts.	1. To raise interest on overdue accounts on a monthly basis. 2. To verify that interest parameters are set correctly in FMS. 3. To correct inaccuracies of interest calculations for the months of July, August and September 2013.	Interest is charged on all overdue accounts.	Monthly before billing is processed.	100%		BTO
14	COAF 65: Asset compliance: The following information was not documented on the policy (Ex 168)	Head of Section	Municipal Investment policy is inadequate.	1. To review and update Investment policy in line with regulation 5, 6 and 10 of MFMA. 2. Submit policy to council for approval.	Policy has been reviewed and updated pending public participation process and approval by council.	31-Mar-15	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
23	ADJUST: COAF 21: MFMA disclosure: Distribution losses incorrectly disclosed (Ex 117)	Head of Section	Inadequate systems and procedures over management and monitoring of distribution losses.	1. Preparation of a process plan for distribution losses. 2. To calculate rand value of distribution losses. 3. Monthly calculation of distribution losses.	Distribution losses are calculation is up to November 2014.	Monthly	70%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
36	COAF 7: PPE: Non submission of RFI 33 - Supporting documentation for carrying amount and some of the assets were not found. Land Land value is based on the valuation roll that was compiled by a value five years ago. On the request of the inputs, assumptions, methodology, calculations and data used by the experts to audit this value, no information was provided. This has resulted in a limitation on all land included in the fixed asset register:	Head of Section	1. Inadequate systems and procedures over management of valuation processes. 2. Lack of capacity in relation to valuation processes and procedures.	1. To obtain methodology , calculation and data used by the municipal valuer in arriving at market values for all properties in the general valuation roll. 2. To request support from COGTA to review correctness of methodology used. 3. Request assistance from COGTA with the preparation of supplementary val. rolls	A formal request has been made to the municipal valuer. Follow ups have been made telephonically in May but there is no response as yet.	30-May-15	0%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
42	COAF 65: Inventory: Land value differences between list approved by council and the valuation roll and some of the land is not on	Head of Section	1. Inadequate systems and procedures over inventory management. 2. No-alignment of FAR and GV on Council properties.	1. To update inventory (FAR) register with values on the valuation roll. 2. To submit updated inventory register to council for approval.	Preperation of fixed asset register in underway, and the update of inventory register is included	30-Jun-15	40%		BTO
45	COAF 15: Investment Property: Non submission of RFI 66 (Ex 89), Point 3: The methodology, working papers and reports presented by the expert valuer to management on completion of the task. The Working papers of the expert were not received.	Head of Section	1. Inadequate systems and procedures over inventory management. 2. No-alignment of FAR and GV on Council properties.	1. To update investment (FAR) register with values on the valuation roll. 2. To submit updated inventory register to council for approval.	Preperation of fixed asset register in underway, and the update of investment register is included	30-Jun-15	40%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
58	COAF 40: Payables: Non-submission of RFI 102 deposits received (Ex 197), RFI 102, was issued on 17 October 2014, due for 22 October 2014, the following information was not submitted for audit	Head of Section	Inadequate systems and procedure over management of consumer deposits.	1. To prepare and maintain deposit register of the current and prior years. 2. Maintain proper filing of all prior registers. 3. File supporting documentation. 4. Reconcile to FMS. 5. Create files for all new account applications. 6. Identify accounts without agreement forms. 7. Publish a notice and loud hailing for account holders to submit their details to	None.	30-Jun-15	0%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				their nearest.					



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
70	COAF 30: Receivables: Non submission of RFI 96 Listings (Ex 175), A listing of individual debtors and individual unallocated receipts was not received, only a copy of the Caseware TB.	Head of Section	Inadequate systems and procedures over management of suspense accounts and debtors.	1. To prepare a listing of unallocated receipts for current year and prior years. 2. Obtain and file all bank statements for all receipts. 3. Reconcile listing to the GL. 4. Write-off all unallocated receipts older than 3 years.	1. A list of unallocated receipts has been prepaid. 2. Bank Statements obtained for all unidentified receipts. 3. listing is reconciled to the GL. 3. Receipts older than 3 years to be submitted to council for approval.	31-Mar-15	1.) Transferred 19%. 2.) Identified 72%. 3.) Unidentified 9%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
71	ADJUST: COAF 34: Receivables: Non-submission of RFI 41 Debtors Age Analysis (Ex 179), The debtor's age analysis received for audit did not agree the disclosure of the aging of debtors in the AFS for note 5: Receivables from exchange transactions and note 6: Receivables from non-exchange transactions.	Head of Section	1. Inadequate systems and procedures over debtors. 2. Non-Integration of transactions from billing module to GL.	<p><u>Prior year</u></p> <p>1. Ensure that all prior year transactions are integrated in order to updated closing balances. 2. Agree age analysis to TB.</p> <p><u>Current year</u></p> <p>1. Ensure that all current year transactions are integrated in order to updated closing balances. 2. Agree age analysis to TB.</p>	All current year transactions have been intergrated to the GL and agreed to age analysis.	31-Mar-15	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
72	COAF 17: Revenue: Non-submission of RFI 78 market values (Ex 109), Provide the experts workings and working papers for the Market values of properties selected from the valuation roll. This calculations for the market values for the full sample could not be provided:	Head of Section	1. Inadequate systems and procedures over management of valuation processes. 2. Lack of capacity in relation to valuation processes and procedures.	1. To obtain methodology , calculation and data used by the municipal valuer in arriving at market values for all properties in the general valuation roll. 2. To request support from COGTA to review correctness of methodology used. 3. Request assistance from COGTA with the preparation of supplementary val. rolls	A formal request has been made to the municipal valuer.	27-Feb-15	0%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
73	COAF 21: Revenue: Completeness of traffic fine revenue (Ex 122), During the audit of Traffic Fines, sufficient supporting documentation could not be provided to test the completeness of traffic fines as a register of all the individual traffic fines paid during the 2013/2014 financial year are not kept by the Municipality.	Head of Section	Inadequate systems and procedures over traffic fines	1. To obtain a register of fines issued. 2. To raise debt for all fines issued. 3. To develop procedure and a processes over fines.	None.	31-Mar-15	0%		
76	COAF 38: Revenue: Revenue disclosure of valuations (Ex 178), Disclosure note 24: Property Rates - Valuations could not be agreed to the valuation roll as the valuation roll included duplicate properties. It was therefore not possible to determine if the disclosure was correct. This has resulted in a	Head of Section	1. Lack of monitoring 2. General Valuation roll and Supplementary Valuation Rolls were combined in one schedule.	1. To upload GV SV accurately in FMS.  2. Safe keeping of original source documents.	1. GV and SV available in soft copies for submission to CFO. 2. SV has been advertised for objections and the process closes on the 17th of March 2015.	1.) 31 March 2015.  2.) 31 March 2015.	80%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	limitation of scope over the disclosure of valuations.								
77	COAF 3: Revenue: Non submission of RFI 30 - Revenue reconciliation (Ex 54), The monthly billing reports were received, however the reconciliation received was not a reconciliation of the monthly billing reports (BM30) to the GL, it was a debtor's reconciliation.	Head of Section	1. Reconciliation of the billing was not performed 2. Debtors reconciliation was not done based on the debtors age analysis and control accounts not the billing reports.	1. To ensure that billing reports are prepared for each month and are reconciled to the ledger. 2.Ensure monthly integration of transaction to GL.	1. Billing reconciliations are prepared up to january 2015. 2. Debtors reconciliations are prepared up to january 2015	31 March 2015.	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
78	COAF 6: Revenue: Non submission of RFI 36 Remaining population (Ex 59), The following information was not submitted as per the RFI point 1: Supporting documentation	Head of Section	1. Lack of understanding of the RFI management.	1. To seek clarity on all RFI's. 2. Encourage the technical steering committee to discussion of RFI registers. 3. To confirm with auditor concern of the correctness of information submitted.	None.	When audit is being conducted.	0%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
79	COAF 21: Revenue: No register kept for hall hire (Ex 72), During the testing of completeness of Revenue from exchange transactions it was noted that the municipality does not have a register for hall hire. The hall bookings are entered in a diarybook by dates. Inspected the diary book maintained for bookings and noted that only the detailsof the person making the booking and the dates requested are recorded. The amount due forthe rental and confirmation of whether the amount has been paid or not is not recorded.	Head of Section	1. Systems and procedures not in place.Hall hire register was kept and maintained by community services by diarising all bookings in a diary which is not reduced into a register which is accompanied by all supporting documents at the end of the month.	1. To keep and maintain a register of hall hire at BTO.2. To reconcile register to the GL.	1. The hall hire register is being updated from July 2014 by BTO.2. Reconciliation with GL has been started.	1. daily as and when a hall is being hired.2. ) 31 March 2015	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
80	COAF 11: Revenue: Non submission of RFI 68 Cut off (Ex 83), Information must be submitted to the auditors timeously within the agreed RFI deadline.	Head of Section	1. Lack of corporation with AG over the RFI management.	1. Improve communication with AG. 2. Encourage the technical steering committee to discussion of RFI registers. 3. To confirm with auditor concern of the correctness of information submitted.	None.	When audit is being conducted.	0%		BTO
126	COAF 2: Planning: Non-recoverable debts has not been written off (Ex 23), During the understanding of business processes and relevant controls for receivables, it was identified that the large number of the outstanding debtors and are unlikely to be recovered. No bad debts have been	Head of Section	1. Inadequate systems and procedures long over due debtors. 2. The municipality did not have a write off policy.	1. Develop write off policy. 2. Submit to council for approval 3. Implementation of approved policy. 4. To prepare a listing of	1. Write off policy has been developed. 2. Write off policy has been approved by council for 14/15 FY implementation. 3. Not implemented.	31 March 2015	75%		BTO



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	written off in the current year and prior financial years.			debt that relate to balances from pastel FMS for approval of write-offs by Council	4. Age analysis report from Pastel is readily available to support write off of old debt.				
127	COAF 2: Planning: Cash daily takings summary and remittance register not reviewed (Ex 24), Through inspection the cash daily takings summary for 07/02/2014 confirmed that it was not signed as reviewed by the revenue accountant and the remittance register for 2013/2014 was not reviewed by the administration officer.	Head of Section	Inadequate systems in place.	1. Daily takings summary to be prepared accurately.  2. To ensure that a summary of cash received register is kept and signed by senior official.	1. Daily takings summary is accurately prepared daily. 2. Summary of cash received is signed daily and kept by senior official.	1. Daily.  2. Daily	100%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
146	COAF 2: Planning: System description for material losses not provided by management (Ex 45), During understanding of business processes and related internal controls for material losses, the system description for material losses was not provided by the management when required.	Head of Section	1. Systems description not in place	1. To ensure that a policy or a process manual is prepared to deal specifically with material losses.	None.	31-Mar-15	0%		BTO
181	COAF 65: Inventory: No supporting documents for valuation (Ex 171), The following supporting documents working papers, methods, inputs and assumptions made by the expert to value land were not submitted as per RFI 92 due for submission on the 17th of October 2014	Head of Section	1. Inadequate systems and procedures over management of valuation processes.2. Lack of capacity in relation to valuation processes and procedures.	1. To obtain methodology , calculation and data used by the municipal valuer in arriving at market values for all properties in the general valuation roll.2. To request support from COGTA to review correctness	1. A formal request has been made to the municipal valuer.2. None.3. None.	1. 27 February 2015.2. Upon receiving of information from the valuer.3. Upon receiving of information from the valuer.	0%0%0%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				of methodology used.3. Request assistance from COGTA with the preparation of supplementary val. rolls					
184	CoAF 37: Investment Property: Property not owned by municipality (Ex 62), No one accompanied the consultants who prepared the valuation roll to ensure all properties included in the FAR exist and actually belong to the municipality	Head of Section	1. Inadequate monitoring of the valuation process.	1. Deeds search. 2. Compare Deeds search to the GV. 3. Obtain maps. 4. Update GV and FAR.	1. Deeds search not yet done. 2. Not yet done. 3. Maps are available. 4. Not yet done	1.) 16 February 2015. 2.) 23 February 2015. 3.) Maps are available. 4.) 02 March 2015	0		

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
200	COAF 45: Receivables: Limitation over disclosure notes (Ex 208), the Debtors Age Analysis, BP 136-02 report, it does not include a breakdown of the split of the R54 100 715 into different categories as disclosed in the AFS. Therefore it is not possible to agree the amounts as disclosed in the Debtors Age Analysis disclosure note in the AFS.	Head of Section	1. Inadequate management of debtors information	<p><b><u>Prior year</u></b></p> <p>1. Ensure that all prior year transactions are integrated in order to updated closing balances. 2. Agree age analysis to TB.</p> <p><b><u>Current year</u></b></p> <p>1. Ensure that all current year transactions are integrated in order to updated closing balances. 2. Agree age analysis to TB.</p>	1. All current year transactions have been intergrated to the GL and agreed to age analysis. 2. Detailed debtors age analysis agrees to debtors age analysis per category.	15-Feb-15	100%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
202	COAF 21: Revenue: Compliance of the Valuation roll (Ex 105), Part 5 further states that a municipality must at regular intervals, but at least annually, update Part B of the register. Part A of the register must be updated in accordance with the provisions of this Act relating to the updating and supplementing of valuation rolls.	Head of Section	1. Inadequate systems over valuation processes. 2. Part B of the valuation roll showing exempted and rebated properties was not done.	1. Develop, monitor and implement systems to deal with valuations. 2. Develop Part B of the GV.	None.	30-Apr-15	0%		BTO
203	COAF 21: Revenue: Rate-able valuation reconciliation not performed (Ex 106), A manual reconciliation between the rate-able valuations as per the valuation rolls and the rates raised on the billing system was not performed on a regular basis during the year under review, the same findings were raised	Head of Section	1. Inadequate systems over rates.	1. A manual reconciliation is been performed between valuation roll and billing system. 2. Review of the reconciliation.	1.) Exercise has been allocated to an Official.  2.) Not yet Reviewed.	30-Apr-15	40%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	in the prior 2012/2013 financial year.								
204	COAF 24: RFI 89: Revenue management: Non-submission of RFI 89 policies (Ex 141),	Head of Section	1. Unavailability of policies.	1. To review and update budget related policies. 2. Submit policy to council for approval.	1.) Policies are under review. 2.) Policies not yet submitted to Council for approval	31-Mar-15	90%		BTO
205	COAF 62: Revenue: Non-submission: Remaining Sample - Library subsidy (Ex 255), The business plan for the Library Subsidy was not submitted, therefore it could not be determined what the subsidy was received for and if	Head of Section	1. Lack document management	1. Develop a system of documents management 2. Implement and monitoring.	1.) Business plan for Library subsidy has been obtained and filed.	15-Feb-15	100%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	was classified correctly								
206	ADJUST: COAF 21: Revenue: Sundry revenue 2013 figures not accurately disclosed (Ex 50)	Head of Section	Lack of revenue management systems over revenue management.	1. To keep and maintain building plans register. 2. To keep and maintain Clearances fees register. 3. To keep and maintain a register of grants received. 4. Perform monthly reconciliations.	1.) No progress made. 2.) Clearance fees register is done on a book monthly and will be captured on excel. 3.) Grants register is kept and maintained monthly. 4.) Reconciliation performed monthly.	1.) 15 February 2015. 2.) 31 March 2015. 3.) Monthly. 4.) Monthly.	60%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
53	COAF 20: Payables: Non submission of RFI 82 Salary suspense and payments received in advance (Ex 121)	Head of Section	1. Inadequate systems and procedures over management of suspense. 2. difference not investigated frequently.	1. Develop processes and procedure for clearing of suspense accounts. 2. to perform monthly recons for balance sheet items. 3. To investigate closing balance as June 2014.	1.) A process is in place where all unidentified receipts are captured on a spreadsheet and traced weekly.	1.) A process is in place.	75%		BTO
81	COAF 21: Revenue: LED Subsidy incorrectly processed in the GL (Ex 97)	Head of Section	1. Lack of monitoring of AFS preparation process.	1. Preparation of monthly recons. 2. Review of monthly recons.	1.) Grants register is kept and maintained monthly. 2.) No reviews done	1.) Grants register is maintained monthly. 2.) To be reviewed monthly.	75%		BTO
SUPPLY CHAIN MANAGEMENT									



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
11	Irregular expenditure: Irregular expenditure not disclosed in the AFS (Ex 263)	Head of SCM	1. inability for the municipality to identify irregular expenditure there incorrect disclose in the AFS.	1. to ensure the planning is adhere to. 2. to ensure management adhere to SCM prescripts 3. Monthly reporting  4. Consequence Management	1. Procurement plans are implemented 2. SCM workshop is conducted 3. Currently monthly irregular register is being performed and reported to all relevant structures 4. To include in then report the recommendation on section 32 of the MFMA	On-going	70%		BTO
12	Irregular expenditure not disclosed in AFS (Ex 271)	Head of SCM	the municipality does not have the system of checking ID numbers of the bidders that are appearing on the company formation or CK documents, we relay on the information provided to the	1. All awarded service provider will sign to MBD 4 before award. 2. SCM Clerks to verify all awarded	1. All awarded contracts are sign MBD 4 to declare their interest. 2. SCM Clerks verified all awarded contracts	On-going	80%		SCM

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
			declaration of interest (MBD 4) before awarded a contract .	contract as from 01 July 2014					
28	SCM: Bids advertised for less than 14 days (Ex 103)	Head of SCM	the municipality deviated in advertising for the period of 14 or 30 days due to urgency of the projects as the municipality was approaching the financial year. Then the municipality advertised for a shorter period (7 days) and the memo indicating reasons for deviation was approved by the AO and was provided to AG for audit.	1. to ensure the planning is adhere to. 2. to ensure management adhere to SCM prescripts 3. Monthly reporting will be performed 4. Consequence Management	1. Procurement plans are implemented 2. SCM procedure manual is developed and implemented 3. Currently monthly reports are being performed and reported to all relevant structures 4. To include in the report for the recommendation on	On-going	90%		SCM

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
					section 32 of the MFMA				
29	The reason of deviating from SCM processes is not justifiable (Ex 231)	Head of SCM	the municipality deviated in advertising for the period of 14 or 30 days due to urgency of the projects as the municipality was approaching the financial year. Then the municipality advertised for a shorter period (7 days) and the memo approving the deviation was approved by the AO and was	1. to ensure the planning is adhere to. 2. to ensure management adhere to SCM prescripts  3. Monthly reporting  4. Consequence Management	1. Procurement plans are implemented 2. Workshop management on policies 3. Currently monthly reports are being performed and reported to all relevant structures 4. To include in then report the recommend	On-going	90%		SCM

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
			provided to AG for audit.		ation on section 32 of the MFMA				
30	CAATS: Interest - state findings (Ex 270)	Head of SCM	the municipality does not have the system of checking ID numbers of the bidders that are appearing on the company formation or CK documents, we relay on the information provided to the declaration of interest (MBD 4) before awarded a contract .	1. All awarded service provider will sign to MBD 4 before award. 2. SCM Clerks to verify all awarded contract as from 01 July 2014	1. All awarded contracts are sign MBD 4 to declare their interest. 2. SCM Clerks all awarded contracts if mbd 4 has been signed	On-going	75%		SCM

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
31	CIDB irregularities (Ex 67)	Head of SCM	The municipality was still in process of getting the access to CIDB hence they were not advertised to CIDB website and some of these contract were procured through regulation 32.	1. the municipality advertises contracts to CIDB at the same with news paper. 2. Within 21 days will register the contract awarded with CIDB.	1. all construction tenders are advertised with CIDB 2. All awarded tenders for construction are uploaded in the CIDB within 21 days	On-going	80%		SCM
49	SCM processes not followed resulting in irregular expenditure (EX. 144)	Community and Services	1. the council resolved that the function to be transferred to ADM. 2. management thought that ADM would take it over and it was agreed that it must be extended on to month basis.	1. Appointment of service provider for portable toilets will go on tender and the old contract will be cancelled	The tender for portable toilets has been awarded to a new service provider	On-going	0%		Technical and Community Services
89	Overstatement of commitments (Ex 243)	Head of SCM	Inadequate monitoring of commitment on a monthly basis	1. updating the contract register on monthly basis with awarded contracts 2. updating the	1. Commitment Register is in place and is maintained on a monthly basis.	On-going	80%		SCM

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				payments made against the contract amount. 3. Commitment to be reported on a monthly basis.					
90	Incorrect disclosure of commitments (Ex 254)	Head of SCM	Inadequate review of a disclosure in the AFS	1. updating the contract register on monthly basis with awarded contracts 2. updating the payments made against the contract amount. 3. Commitment to be reported on a monthly basis. 4. Disclosure will be made accurate	1. Commitment Register is in place and is maintained on a monthly basis.	On-going	70%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				and be reviewed by the CFO					
121	No policy for managing consultants (Ex 21)	Head of SCM	the municipality has a draft policy develop and awaiting council approval.	1. CFO will review the exiting policy.2. policy awaiting council approval	The municipality has a policy and has been approved by council.	30-Mar-15	90%		MM's Office
125	No policy for managing consultants (Ex 21)	Head of SCM	the municipality has a draft policy develop and awaiting council approval.	1. CFO will review the exiting policy. 2. policy awaiting council approval	The municipality has a policy and has been approved by council.	30-Mar-15	90%		MM's Office

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
129	Fruitless and wasteful, irregular and unauthorised expenditure (Ex. 26)	Head of SCM	Unauthorised, irregular and fruitless and wasteful expenditure was reported on a quarterly basis	1. Unauthorised, irregular and fruitless and wasteful expenditure will be identified on a monthly basis. 2. registers will be performed. 3. unauthorised, irregular and fruitless and wasteful expenditure will be reported to all municipal structures	1. Unauthorised, irregular and wasteful expenditure is in place. 2. registers is performed on a monthly basis 3. unauthorised, irregular and fruitless and wasteful expenditure is reported to all municipal structures	On-going	60%		MM's Office



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
132	Commitments register not reviewed by CFO or Leadership (Ex 29)	Head of SCM	Commitment register that was given to AG during planning was not sign by the CFO due to the fact that there was not person appointed as CFO at the time.	1. updating the contract register on monthly basis with awarded contracts 2. updating the payments made against the contract amount. 3. Commitment to be reported on a monthly basis. 4. Disclosure will be made accurate and be reviewed by the CFO	1. Commitment Register is in place and maintained and reviewed by CFO on a monthly basis.	On-going	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
139	No controls over amendments made to supplier database (Ex 39)	Head of SCM	head of SCM does not have a password for excel database.	1. SCM head will get access control from IT to lock excel database. 2. excel database will be printed and signed by MM and CFO. 3. excel database will be updated bi-annually.	To get access control from IT to lock excel database	30-Mar-15	0%		BTO
147	Contracts with suppliers not compliant with laws and regulations (Ex 6)	Head of SCM	1. Terms and condition of a contract were not included in the contract document by error. 2. inadequate system of review and monitoring.	1.Contracts documents will be compiled as per GCC, National Treasury guideline and CIDB will be incorporated in the tender document 2. to develop a procedure manual	1. Tender document is incorporated as per the standards of GCC, National Treasury and CIDB. 2. SCM procedure manual is in place	On-going	70%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
149	Irregular expenditure: Amount incorrectly identified and disclosed as irregular expenditure (Ex 201)	Head of SCM	1. inability for the municipality to identify irregular expenditure there incorrect disclose in the AFS.	1. to ensure the planning is adhere to. 2. to ensure management adhere to SCM prescripts 3. Monthly reporting on 4. Consequence Management	1. Procurement plans are implemented 2. SCM to conduct regular workshops 3. Currently monthly are being performed and reported to all relevant structures 4. To include in then report the recommendation on section 32 of the MFMA	On-going	50%		BTO
157	Measures to monitor transfer of skills were not implemented (Ex 262)	Head of SCM	high vacancy rate in BTO on critical post	1. Staff will be appointed 2. project plane will allocate specific individual for skills transfer	1. Manual and attendance register is in place for conducting training for skills transfer	01-Apr-15	60%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
159	Bid specifications not approved by the accounting officer (Ex 102)	Head of SCM	the bid specification approval form was not part of the specification	The bid specification form will be form part of the tender document	1. The bid specification form is utilised and is approved by MM. 2. MM also signs specification	On-going	95%		BTO
160	Sub-delegations by the accounting officer regarding the power to make final award are not listed in the SCM Policy .	Head of SCM	SCM policy had no clause as per section 5(2) of the SCM reg.	1. SCM Policy will be updated with the identified clause 2. Policy will be reviewed by CFO 3. SCM policy will be approved by council	SCM Policy has been reviewed and approved by council.	30-Apr-15	100%		MM's Office
161	SCM: No person appointed for dispute resolution (Ex 140)	Head of SCM	Head of SCM was performing this function	1. The municipality will identify the relevant person who will perform this function 2. Roles and responsibilities to be defined.	Disputes will be submitted to legal adviser	On-going	0%		MM's Office

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
162	Lack of competencies of SCM Staff (Ex 230)	Head of SCM	Not all the SCM were ear-marked for training	1. PDP to be developed for each official in finance 2. PDP to be approved by the relevant manager for implementation and roll out	SCM is in the process of appointing a service provider that will be conducting training CPMD.	31-May-15	50%		BTO
163	CAATS: Interest in suppliers (Ex 269)	Head of SCM	the municipality does not have the system of checking ID numbers of the bidders that are appearing on the company formation or CK documents, we rely on the information provided to the declaration of interest (MBD 4) before awarded a contract .	1. All awarded service provider will sign to MBD 4 before award. 2. SCM Clerks to verify all awarded contract as from 01 July 2014	1. All awarded contracts are sign MBD 4 to declare their interest. 2. SCM Clerks checked all declaration has been filed.	On-going	60%		SCM
164	No approved order for approval of quotation from supplier (Ex 49)	Head of SCM	Purchase order was not generated to the FMS as it was an emergency procurement	1. To ensure that the purchase order is generated on Venus for all procurement	1. Purchase orders have been generated on the FMS for all procurement	On-going	89%		SCM

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				2. Suppliers not to perform any duties without an official order.					
165	The bid adjudication committee consisted of at least 4 senior managers (Ex 64)	Head of SCM	National treasury guideline relating to quorum of the BAC were not included in the policy	1. National treasury guideline will be included to the SCM policy 2. The policy will be reviewed by CFO 3. Scm policy will be submitted to council for approval	SCM Policy has been reviewed and has been approved by council.	30-Mar-15	60%		SCM
166	Bid adjudication committee did not make final award (Ex 66)	Head of SCM	Inadequate review of submission of information to BAC	All awarded will be taken to BAC for recommendation	All awarded tenders are taken to BAC for recommendation by the AO.	On-going	90%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
167	Great Kei SCM Policy is not compliant with SCM Regulations (Ex 69)	Head of SCM	SCM policy had no clause as per section 17(1) (c) of the SCM reg.	1. SCM to make reference to sec 17(1)(c) of the scm rag will be included to the SCM policy 2. The policy will be reviewed by CFO 3. SCM policy will be submitted to council for approval	SCM Policy has been reviewed and has been submitted to Council for approval.	30-Mar-15	60%		BTO
168	Contract not included in contract management documents (Ex 71)	Head of SCM	1. Contract document was erroneously not signed by the end user department 2. inadequate system of review and monitoring.	To ensure that all awarded contracts will be signed by both parties	All contract has been sign by both parties	On-going	80%		BTO
201	Related parties: incorrect disclosure of related parties (Ex 268)	Head of SCM	lack of understanding of a definition of a related party in terms of GRAP 20	1. Understand the definition of a related party as per GRAP 20 2. The municipality will identify	the municipality will identify all related parties that meets the definition.	31-Jul-15	0%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
				all related parties that meets the definition 3. Disclose in the AFS					
208	Delivery note not signed (Ex 22)	Head of SCM	1. delivery note was erroneously not signed by the end user department 2. inadequate system of review and monitoring.	1. Delivery note will ensure that are signed by the end user. 2. To develop a procedure manual	1. Delivery note has been signed by the end user. 2. SCM procedure manual is in place.	On-going	90%		All departments
IT									



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
179	<p>Inadequacies over backups (Ex 274) - During the review of IT, the following was noted:</p> <p>1. Financial information was not backed up to ensure availability in the event of a disaster.</p> <p>2. Formal off-site backup arrangements for the all systems had not been documented and approved by management. Consequently, backups were not taken to the off-site backup location periodically. This could have the effect that it would not be possible to recover all the data on all the systems and to resume processing in the event of a disaster. This is a resulted in inadequate backup procedure being in place.</p>	IT Officer	<p>1.1 Lack of capacity to do backups.</p> <p>1.2 Outdated IT Infrastructure.</p> <p>2. The municipality doesn't have Off-Site Backup.</p>	<p>1.1 IT Department needs to be capacitated.</p> <p>1.2 Need to identify the IT Infrastructure that needs to be replaced or updated and procure.</p> <p>2. We need to identify a service provider to provide Off-Site Backup Facilities for all IT Systems.</p>	<p>1.1 Training has been provided to IT Official in May.</p> <p>1.2 IT Infrastructure has been budgeted for in the 2015/16 budget.</p> <p>2. Back ups are done on a regular basis</p>	01-May-15	60%		BTO

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	This will potentially result in loss of information.								
CORPORATE SERVICES & REPORTING									
#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 28	<p><b>Employee costs:</b> <b>Non-submission of RFI 57 : Overtime (Ex.15)</b></p> <p>Section 74(1) of the MFMA states that the accounting officer of a municipality must submit to the AGSA such information, returns, documents, explanations and motivations as may be prescribed or as may be required. RFI number 57 was submitted on the 17 September 2014 due on the 22 September 2014 and supporting documentation was not submitted for the following</p>	Head of Section	HR did not keep Payroll records as the custodians of payroll coordination and welfare of the employees.	Sourcing of payroll information from BTO payroll section and audit personnel files to identify outstanding documents and file them accordingly.	Appointed two Casual employees to assist in sourcing of documentation from BTO – Payroll section.	Jun-15	40%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 60	<p><b><u>Employee costs: SALGA - wage curve agreement (Ex. 247)</u></b></p> <p>In terms of section 62(1)(c)(i) of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The municipality has overpaid employees as a result of implementing the requirements of the wage curve agreement which had been nullified. The municipality</p>	Head of Section	There are different understanding of the implementation of Wage Agreement between AG and the Municipality, In that , the Agreement implemented by the Municipality is not the one nullified by Court as AG alluded.	Verification of the wage agreements, the process followed and culculation	Verification of Agreements has been done	Apr-15	50%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	<p>has not taken any steps or processes in order to deal with the overpayments (e.g. council resolution to recover or not to recover overpayments, agreements with employees to recover overpayments, etc.)</p> <p>The following differences were identified upon recalculation:</p>								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 13	<p><b><u>Non submission of RFI 65 Travel, motor car, accommodation, subsistence and other allowances (Ex.86)</u></b></p> <p>Section 74(1) of the MFMA states that the accounting officer of a municipality must submit to the AGSA such information, returns, documents, explanations and motivations as may be prescribed or as may be required. RFI number 64 was submitted on the 19 September 2014 due on the 25 September 2014 the following supporting documentation was not submitted for basic salaries: responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable</p>	Head of Section	Poor keeping of records by Corporate services	To ensure that Corporate services review and keep Pay roll files for each month. Go through all the pay roll documents for previous and current financial year and ensure that all the information is arranged properly and personal files are updated	None	Ongoing	0%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	<p>steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The municipality has overpaid employees as a result of implementing the requirements of the wage curve agreement which had been nullified. The municipality has not taken any steps or processes in order to deal with the overpayments (e.g. council resolution to recover or not to recover overpayments, agreements with employees to recover overpayments, etc.) The following differences were identified upon recalculation:</p>								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 13	<b>Non submission of RFI 64 - Basic salaries (Ex.87)</b> Section 74(1) of the MFMA further states that the accounting officer of a municipality must submit to the AGSA such information, returns, documents, explanations and motivations as may be prescribed or as may be required RFI 65 submitted on the 19 September 2014 due on the 25 September 2014 the following was not submitted for supporting documentation for travel, motor car, accommodation, subsistence and other allowances:	Head of Section	Poor keeping of records by Corporate services	To ensure that Corporate services review and keep Pay roll files and travelling arrangement file on monthly basis. Go through all the pay roll documents for preveous and current fincial year and ensure that all the information is arranged properly and personal filesare updated	Copies of payroll files have been made and are kept at Human Resource division.	Ongoing	40%		CORPORATE SERVICES



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 64	<p><b><u>HR compliance: Employees do not have the necessary competencies for the position (Ex 246)</u></b></p> <p>In terms of section 83 of the MFMA and 107 Municipal Regulations on Minimum Competency Levels reg. 4 and 5(GNR 493); a Chief Financial Officer is required to obtain a higher education qualification of: a) NQF level 6 (3 year Bachelor's degree); or b) Certificate in Municipal Financial Management (SAQA ID No. 48965) In terms of the Municipal Regulations on Minimum Competency Levels reg. 6 and 7(GNR 493), The senior managers obtained a higher education qualification of: a) NQF level 6 (3 year</p>	Head of Section	The incumbent to assume acting responsibility is not required to be in possession of all the requirements applicable to Position of the CFO. The Policy states that a person to be appointed in Acting capacity should be next senior official in the department. Due to none appointment of Senior Managers led to appointment of acting incumbents. Due to the nature of the Municipality and poor revenue base the Municipality is unable to attract highly qualified incumbents	Appointment of Senior Managers	Recruitment for Director Strategic has been completed pending council approval	01-Jun-15	75%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	<p>bachelor's degree) relevant to the senior management position;b) Certificate in Municipal Financial Management (SAQA qualification ID No. 48965)The senior managers obtained a higher education qualification of:a) NQF level 7 (Honours, Post graduate Certificate &amp; Diploma) relevant to the seniormanagement position.During the audit it was discovered that the following officials do not have the necessaryrequireme nts required for their positions:The acting CFO who has the following qualifications(i) Pastel Accounting Proficiency Training Course certificate (Border Technikon)(ii) National Diploma in</p>								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	Local Government Finance (Border Technikon)(iii) Pastel Accounting 6.0 Certificate (University of Fort Hare)(iv) Computer Literacy Certificate (University of Fort Hare)The technical and community services direct who has a certificate for Management Development Programme at the University of Stellenbosch and Construction & Engineering Law Course.The previous director of strategic services (resigned) who has a Diploma in Travel & Tourism from the Eastern Cape Technikon.A lack of vetting the potential candidates that apply for positions within the municipality.This may lead to incompetent staff acting in positions to								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	which they are not qualified to act.								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 43	<p><b><u>Payables: Differences between leave provision per system and auditor calculation (Ex 210)</u></b>  <b><u>Audit finding</u></b>            Section 74(1) of the MFMA states that the accounting officer of a municipality must submit to the AGSA such information, returns, documents, explanations and motivations as may be prescribed or as may be required. During the audit we identified the following differences between the leave provision per the system and per the auditor calculation:</p>	Head of Section	There is a difference in how the sytem is calculating leave provision versus the ideal formual on how leave provision should be made, ie System leaves from the date of appointment of the individual employee. Lack of understanding of understanding in terms of processing leave provision . Poor of Managment of leaves by Directorate	Adherence to leave procedure. Rectification of the sytem not to take into acoount leaves of the previous cycle. To request hands on support Provision of training in Pay Day. Increase of users in pay day	Leave procedure has been developed. Workshop has been conducted in Leave procedureLe ave procedure has been developed. Workshop has been conducted in Leave procedure	01-Jun-15	25%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 27	<p><b><u>Employee costs: Municipal contributions to employee funds not in accordance with the main collective agreement (Ex.156)</u></b></p> <p>Section 62 (1)(c)(i) of the MFMA states that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality and for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal controls. Section 67 of the Municipal Systems Act states that a municipality, in accordance with applicable law and subject to any</p>		There are 3 former employees who have had a verbal agreement with the Municipality, that in their conditions of services the employer will continue to contribute 70% of the employee medical aid until the ex employee passed away. However there is no supporting documents.	To regularise the expenditure /conditions of service by sending the report to Council for rectification	We have investigated the matter and found out that there were conditions of service however the municipalities do not have the documentation. SALGBC has sent us a court case that we can use to authenticate the contributions paid to pensioners	Jun-15	50%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	<p>applicable collective agreement, must develop and adopt appropriate systems and procedures, consistent with any uniform standards prescribed in terms of section 72(1) (c), to ensure fair, efficient, effective and transparent personnel administration. Paragraph 4.1.2.1 (a) and (b) of the South African Local Government Bargaining Council Main Collective Agreement states that an employer shall contribute 60% of the monthly medical aid membership contribution to a maximum of R3 557.65 per month. During the audit, it was identified that the municipality made contributions for employees to the accredited</p>								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	medical schemes. However, certain contributions made were in excess of the 60% limited to R3 557.65 monthly threshold.								



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 27	<p><b>Employee costs: Leave- Overtime taken without pre approval (Ex.158)</b></p> <p>Section 62(1)(c) of the MFMA, states that the accounting officer for a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems. The leave policy (par 6.3) of Great Kei Local Municipality states that, no overtime may be worked without the expressed prior permission or instruction of the Municipal Manager or departmental head concerned.</p>		<p>None existence of overtime proceudre.</p> <p>None existence of the overtime policy.</p> <p>Lack of understanding of the process of the process to be followed</p> <p>Disragarding of the overtime prior approval form</p>	<p>To develop overtime procedure</p> <p>To conduct a Workshop on the overtime procedure</p> <p>To develop an overtime policy</p> <p>Enforcement of adherence on policy and procedure</p>	<p>Overtime Procedure has been developed .</p> <p>Workshop was conducted on Overtime Procedure for all Directorateo n the --</p> <p>December Draft overtime policy is in place.</p> <p>Enforce of adherence o</p>	01-Jun-15	50%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	During the audit of overtime paid to employees, it was noted that the employees listed in the table below worked overtime without prior approval from the supervisor, head of department or Municipal Manager								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 27	<p><b><u>Employee costs: Exception reports on overtime (Ex.159)</u></b> -This the same as exception 158 and must be removed</p> <p>Section 62(1)(c) of the MFMA, states that the accounting officer for a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems. The leave policy (par 6.3) of Great Kei Local Municipality states that, no overtime may be worked without the expressed prior permission or instruction of the Municipal Manager</p>		<p>None existence of overtime procedure. None existence of the overtime policy. Lack of understanding of the process of the process to be followed. Disregarding of the overtime prior approval form</p>	<p>To develop an overtime policy and workshop it. Enforcement of adherence on policy and procedure .</p>	<p>Overtime Procedure has been developed .Workshop was conducted on Overtime Procedure for all Directorate during December. Draft overtime policy is in place. Enforcement of adherence to procedure</p>	Jun-15	50%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	or departmental head concerned. During the audit of overtime paid to employees, it was noted that the employees listed in the table below worked overtime without prior approval from the supervisor, head of department or Municipal Manager:								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 27	<p><b>Employee costs: Attendance registers and overtime forms not authorised by all officials (Ex.160)</b></p> <p>Section 62(1)(c)(i) of the MFMA states that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of financial and risk management and internal control. During the audit of overtime paid to employees, it was noted that the attendance registers and overtime forms were</p>		<p>Attendance registers are not monitored.</p> <p>No compliance reports are being done</p> <p>leave policy is not compared with and attendance</p>	<p>Directorates will be advosed to submit attendncae register at corporate services on daily basis before 9a.m for monitoring of attendance</p> <p>Develop complaican e reports with recommodat ions of the action to be taken.</p> <p>Compare leave and attendance register</p>	<p>Departments have been advised to submit attendance register to Human Resource Division every day at 09h00.</p> <p>We are monitoring the signing of attendance registers by Directorates and compiling a checklist for each Directorate.</p>	On going	40%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	not authorised by all the officials:								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 27	<p><u>Employee costs: Home owner allowance paid to employee exceeds maximum amount stipulated in SALGBC Circular (Ex.162)</u></p> <p>Section 67 of the Municipal Systems Act states that a municipality, in accordance with applicable law and subject to any applicable collective agreement, must develop and adopt appropriate systems and procedures, consistent with any uniform standards prescribed in terms of section 72(1) (c), to ensure fair, efficient, effective and transparent personnel administration. Paragraph 1.1 of the South African Local Government Bargaining Council Main Collective Agreement states</p>		The payment of the homers allowance is implemented in accordance with the circular giving figures from SALGBC and that has been done by the Municipality	To ensure that every month Payroll is made aware of the circular that gives guide for payment of the homeowners allowance	None	Ongoing	None		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	that the home owners allowance shall be extended to all employees subject to the requirements of the scheme, which provides for a subsidy in respect of a mortgage bond to a maximum amount. During the audit, it was identified that the employee listed in the table below was paid a homeowner allowance that exceeds the maximum monthly amount stipulated in the SALGBC Circular No. 01/2014: No. Surname Initial Item descriptions								



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 64	<p><b><u>Employee costs: Senior management vacancy rate has regressed (Ex 220)</u></b></p> <p>Section 62(1)(c)(I) of the MFMA states that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of financial and risk management and internal control. The senior management vacancy rate has regressed from 0.23 in the prior year to 0.6 in the current financial year.</p>		<p>In the position of Director Corporate there were labour disputes by previous Director. In the position of Director Strategic services proper recruitment process was not followed and as such it has to be re done.</p> <p>In the position of the CFO after the expiry of the contract of the previous CFO, short term contracts were made for the previous CFO and exceeded 6months period and that delayed recruitment process.</p>	Accelerate recruitment process of the Director Strategic Services	CFO and Director Corporate Services have been appointed and Recruitment for Director Strategic has been conducted waiting for council approval	Jun-15	80%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	Senior management posts were vacant during the financial year. This can be attributed to the instability at leadership level. Due to senior management posts being vacant during the financial year, there is a lack of supervision/monitoring in the respective departments of the municipality.								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 60	<p><b><u>Employee costs: Overtime worked (Ex.221)</u></b></p> <p>Section 62(1)(c)(i) of the MFMA states that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purposes take all reasonable steps to ensure that the municipality maintains effective, efficient and transparent systems of financial and risk management and internal control. While auditing employee costs, it was noted that excess overtime was paid out. In terms of the policy in place, no employee may work more than ten hours overtime in a week except when overtime is required to be done</p>		<p>None existence of overtime procedure. None existence of the overtime policy. Lack of understanding of the process of the process to be followed regarding of the overtime prior approval form. Directorate has not been conducting verification of whether overtime worked is compliant with Act and Collective Agreement</p>	<p>To develop overtime procedure To conduct a Workshop on the overtime procedure To develop an overtime policy Enforcement of adherence on policy and procedure</p>	<p>Overtime Procedure has been developed .Workshop was conducted on Overtime Procedure for all Directorate during December Draft overtime policy is in place. Enforcement of adherence to procedure is being done. Verification of compliance of the overtime worked is being done</p>	Jun-15	60%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	without delay owing circumstances for which the municipality couldnot reasonably have been expected to make provision and which cannot be performed byemployees during their ordinary hours of work.The above was caused by non-compliance with policies and procedures on overtime worked.The impact is that overtime paid will be overstated and a non-compliance with policies andprocedures of the municipality.								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 60	<p><b><u>Employee costs: Processes and procedures were in place to monitor sick leave (Ex. 222)</u></b></p> <p>Section 62(1)(c)(i) of the MFMA states that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of financial and risk management and internal control. While auditing employee costs, identified that there no processes and procedures in place to monitor sick leave to</p>		<p>None adherence to leave procedure.</p> <p>None adherence to Collective Agreement.</p> <p>Poor Monitoring of sick leaves.</p>	<p>To workshop Directorate on Leave procedure. Monitoring of attendance register and compare it with leave registers</p> <p>Develop compliacne report to monitor implementati on of Policy and Procedure</p>	<p>Leave procedure has been developed. Workshop has been conducted</p>	Ongoing	50%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	<p>ensure that no employee exceeds the 80 days of sick within a 3 year cycle. No internal control in place to monitor sick leave over a 3 year cycle.</p> <p>Employees would exceed their sick leave entitlement. Where the sick leave entitlement is exceeded, employees would have to take other forms of leave. This would impact the leave days outstanding at year end and affect the accrual of leave pay</p>								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 60	<p><b><u>Compliance :</u></b>  <b><u>vacant (Ex.237)</u></b>  According to section 62 (c) (i) of the MFMA, "the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control." The CFO post was held by Mrs T. Sontshaka, in an acting role during the financial year. The position was not filled for the entire financial year. The cause of the above is that management of the various departments is not</p>		In the position of the CFO after the expiry of the contract of the previous CFO, short term contracts were made for the previous CFO and exceeded 6 months period and that delayed recruitment process.	The CFO has been appointed with effect from 01 November 2014	Appointment has been conducted	N/A	100%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	ensuring that therelevant vacant positions are filled.The result of the above is a negative impact on service delivery and general staff morale at themunicipality. There is also an impact on the control environment due to insufficient number of staffto adequately address segregation of duties.								



#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 60	<p><b>Employee costs:</b>  <b>Key position in SCM is vacant (Ex.238)</b>  According to section 62 (c) (i) of the MFMA, “the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.” During the audit it was identified that the key position in SCM Management of a Manager is vacant and was vacant during the year review. The most senior manager in the unit</p>		The position was freed due to financial constraints	Coordinate recruitment process by advising Directorates of the existing budgeted vacancies so that they can forward the recommendation for the Directorates to proceed with recruitment	None	Jun-14	0%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	is the SCM officer. The vacant position was also not advertied since 16th November 2012.								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 10	<p><b><u>Non submission: Acting and Housing Allowance RFI 58 (Ex 79)</u></b></p> <p>Section 74(1) of the MFMA further states that the accounting officer of a municipality must submit to the AGSA such information, returns, documents, explanations and motivations as may be prescribed or as may be required. RFI number 58 was submitted on the 19 September 2014 due on the 25 September 2014 and the supporting documentation requested was not submitted for the below allowances:</p>		Communication break down as the information was provided to AG but there was not proper handing over of information within AG Officials and further communicate that with the Municipality.	To improve communication with AG and develop a tracking register for issued information	None	Ongoing	0%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 2	<p><b><u>Planning: Monthly leave reconciliations are not reviewed by the Senior Official (Ex 1)</u></b></p> <p>Section 62(1)(c)(i) of the MFMA states that the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of financial and risk management and internal control. During the understanding of business processes and relevant controls, it was identified that the leave reconciliation</p>		<p>We did not made provision to access payday, ie. To increase user for monitoring purpose.</p> <p>We lack capacity in understanding of the system.</p> <p>Lack of internal control for monitoring purpose,ie compliance reports</p>	<p>To make recommendation to increase users.</p> <p>Facilitate training on Pay Day</p> <p>Compile compliance report.</p>	None	Ongoing	0%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	that was prepared by the HR Officer for March 2014 was not reviewed by the Acting Director for corporate services. There is poor monitoring of adherence to controls by senior personnel. This will result in the inaccuracy of the leave accrual at year end as the leave accrual could be overstated or understated.								

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
CO AF 2	<p><b><u>Planning: Key positions vacant (Ex 13)</u></b></p> <p>In terms of section 62(1)(c)(i) of the MFMA states that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of financial and risk management and internal control. During the planning phase of the audit, it was identified that the following key positions in the municipality were vacant throughout the financial year under audit.</p> <ul style="list-style-type: none"> <li>• Chief Financial</li> </ul>		<p>Labour Dispute in Corporate Services. Proper Recruitment processes were not followed in Strategic Services. CFO - after the contract expired short term contracts were made on which they exceeded six months - delayed recruitment process.</p> <p>2. Supply Chain Manager - due to financial constraints the position was frozen.</p> <p>3. I.T. Specialist - due to financial constraints the position could not be filled. 4. Chief Accountant - this position was vacant unfunded in 2013/14. Municipal Manager - Due to administrative instability he had to work at home.</p>	<p>1. CFO - Position has been filled.</p> <p>2. Director: Corporate Services - position has been filled.</p> <p>3. Director : Strategic Services - interviews conducted waiting for Council approval.</p> <p>4. Supply Manager , IT Specialist, Chief Accountant - To coordinate the role of Recruitment and Selection process by advising the Budget and Treasury Office.</p>	<p>1. CFO - Position has been filled.</p> <p>2. Director: Corporate Services - position has been filled.</p> <p>3. Director : Strategic Services - interviews conducted waiting for Council approval.</p> <p>4. No progress on IT Specialist, SCM Manager.</p> <p>5. Chief Accountant - position was advertised in December 2014, shortlisting to be conducted soon.</p>	Chief Accountant - to be appointed in May 2015	50%		CORPORATE SERVICES

#	AUDIT FINDINGS	RESPONSIBLE PERSON	ROOT CAUSE	ACTION PLAN	PROGRESS	TIME FRAME	% WORK DONE	LEVEL OF IMPLEMENTATION	DEPT
	<p>Officer</p> <ul style="list-style-type: none"> <li>• Director: Corporate Services</li> <li>• Director: Strategic Services</li> <li>• Head of Supply Chain Management</li> <li>• IT Manager</li> <li>• Chief Accountant</li> </ul> <p>Additionally, the Municipal Manager (MM) was not physically present at the municipality throughout the financial year under audit. The MM was suspended by council during March 2014.</p> <p>There has been a high staff turnover at senior management level over the past three years. Management has not been able to attract people with the relevant skills and competencies. The vacancies in key positions leaves Great Kei open to fraud risk opportunities.</p>								

## **f. REVENUE MANAGEMENT FRAMEWORK**

### **REVENUE ENHANCEMENT STRATEGY**

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The Great Kei Municipality is experiencing challenges that are inherent in many municipalities in that the level of municipal revenue generated is not at a stage where the municipality would like it to be. As a result, the municipality has embarked on a conscious revenue enhancement strategy to address the challenge in 2014/2015 financial year. This revenue enhancement strategy is a combination of bringing about additional revenue streams and also increasing revenue within existing revenue streams. This strategy includes immediate and short-term revenue enhancement goals, medium term and long-term goals.

#### **OBJECTIVES**

Develop and implement a revenue enhancement strategy which will serve as a strategic framework for addressing revenue management challenges of the Municipality. The objective is to identify opportunities, prioritize these and allocate approaches [and responsibilities] to ensure that the desired revenue enhancement outcomes are achieved and sustained.

#### **a. DELEGATION REGISTER**

The Municipal delegation register is in place, it has been structured in line with Institutional Arrangements. It delegates powers to Directors reporting to the Municipal Manger (S56 Managers) and all other managers (middle managers)



b. SUMMARY OF GRANT FUNDING AS AT 30 APRIL 2015

<b>Grants</b>	<b>Allocation</b>	<b>Received to date</b>	<b>Spent to Date</b>	<b>Variance to date</b>	<b>%</b>
Finance Management Grant (FMG)	1 800 000	1 800 000	1 457 177	342 823	80%
Municipal Systems Improvement Grant (MSIG)	934 000	934 000	278 184	655 816	29%
Municipal Infrastructure Grant (MIG)	12 815 000	32 815 000	11 495 822	21 319 178	35%
Extended Public Works Programme (EPWP)	1 000 000	1 000 000	965 969	34 031	98%
<b>Total</b>	<b>16 549 000</b>	<b>36 549 000</b>	<b>14 197 151</b>	<b>22 351 849</b>	<b>38%</b>

c. **PERCENTAGE OF OWN REVENUE FOR MAINTENANCE OF INFRASTRUCTURE 2014/2015 FINANCIAL YEAR**

<b><u>DESCRIPTION</u></b>	<b><u>BUDGET - INFRASTRUCTURE</u></b>
HALLS	R400 000
ROADS & STREETS	R2 000 000
ELECTRICITY RETICULATION	R300 000
RECREATIONAL FACILITIES	R350 000
TOTAL	R3 050 000

**BUDGET – REPAIRS & MAINTENANCE: R3 050 000**

**PERCENTAGE OF OWN REVENUE ON REPAIRS AND MAINTAINANCE: 6.82%**

## E) CASH FLOW PROJECTIONS

### EC123 Great Kei - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Cash Receipts By Source</b>													1		
Property rates	1875	1875	1875	1875	1875	1875	1875	1875	1875	1875	1875	1875	22500	23828	25257
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	550	550	550	550	550	550	550	550	550	550	550	550	6600	6989	7409
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	477	477	477	477	477	477	477	477	477	477	477	477	5728	6066	6430
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	19	19	19	19	19	19	19	19	19	19	19	19	223	236	250
Interest earned - external investments	125	125	125	125	125	125	125	125	125	125	125	125	1500	1589	1684
Interest earned - outstanding debtors	404	404	404	404	404	404	404	404	404	404	404	404	4849	5135	5443
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines	2	2	2	2	2	2	2	2	2	2	2	2	25	26	28
Licences and permits	208	208	208	208	208	208	208	208	208	208	208	208	2500	2648	2806
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer receipts - operational	3868	3868	3868	3868	3868	3868	3868	3868	3868	3868	3868	3868	46417	44756	43397
Other revenue	73	73	73	73	73	73	73	73	73	73	73	73	875	927	983

<b>Cash Receipts by Source</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>91217</b>	<b>92199</b>	<b>93686</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	21501			1000	4355				4355			-	31211	15413	15935
Contributions recognised - capital & Contributed assets												-			
Proceeds on disposal of PPE												-			
Short term loans												-			
Borrowing long term/refinancing												-			
Increase (decrease) in consumer deposits												-			
Decrease (Increase) in non-current debtors												-			
Decrease (increase) other non-current receivables												-			
Decrease (increase) in non-current investments												-			
<b>Total Cash Receipts by Source</b>	<b>29102</b>	<b>7601</b>	<b>7601</b>	<b>8601</b>	<b>11956</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>11956</b>	<b>7601</b>	<b>7601</b>	<b>7601</b>	<b>122427</b>	<b>107612</b>	<b>109621</b>
<b>Cash Payments by Type</b>															
Employee related costs	3708	3708	3708	3708	3708	3708	3708	3708	3708	3708	3708	3708	44495	47120	49947
Remuneration of councillors	311	311	311	311	311	311	311	311	311	311	311	311	3727	3947	4183
Finance charges	35	35	35	35	35	35	35	35	35	35	35	35	422	447	474
Bulk purchases - Electricity	583	583	583	583	583	583	583	583	583	583	583	583	7000	7413	7858
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	4868	4868	4868	4868	4868	4868	4868	4868	4868	4868	4868	4868	58415	61861	65573

Cash Payments by Type	9505	9505	9505	9505	9505	9505	9505	9505	9505	9505	9505	9505	114059	120788	128035
Other Cash Flows/Payments by Type															
Capital assets												–			
Repayment of borrowing			79			79			79			79	317	335	355
Other Cash Flows/Payments												–			
Total Cash Payments by Type	9505	9505	9584	9505	9505	9584	9505	9505	9584	9505	9505	9584	114375	121123	128391
NET INCREASE/(DECREASE) IN CASH HELD	19597	(1904)	(1983)	(904)	2451	(1983)	(1904)	(1904)	2372	(1904)	(1904)	(1983)	8052	(13511)	(18769)
Cash/cash equivalents at the month/year begin:	211	19808	17905	15922	15019	17470	15488	13584	11681	14053	12149	10246	211	8263	(5248)
Cash/cash equivalents at the month/year end:	19808	17905	15922	15019	17470	15488	13584	11681	14053	12149	10246	8263	8263	(5248)	(24017)

**SUMMARY OF BUDGET MEDIUM TERMS REVENUE AND EXPENDITURE FRAMEWORK 2014/2015  
AND 2016/ 2018**

<b>SUMMARY OF MEDIUM TERM AND EXPENDITURE FRAMEWORK 2015/16 - 2016/18</b>			
<b>VOTE DESCRIPTION</b>	<b>BUDGET 2015-2016</b>	<b>BUDGET 2016-17</b>	<b>BUDGET 2017-2018</b>
<b><u>BUDGETED REVENUE</u></b>			
INTERNAL REVENUE	44 799 520.00	47 442 691.68	50 289 253.18
OPERATING GRANTS	46 417 000.00	44 756 000.00	43 397 000.00
CAPITAL GRANTS	14 064 999.00	15 413 000.00	15 935 000.00
ESTIMATED ROLLOVER	17 145 839.00	0.00	0.00
<b>TOTAL REVENUE</b>	<b>122 427 358.00</b>	<b>107 611 691.68</b>	<b>109 621 253.18</b>
<b><u>BUDGETED EXPENDITURE</u></b>			
EMPLOYEE RELATED COSTS	44 495 000.00	47 120 205.00	49 947 417.30
COUNCILLORS ALLOWANCES	3 726 000.00	3 945 834.00	4 182 584.04
BULK ELECTRICITY PURCHASES	7 000 000.00	7 413 000.00	7 857 780.00
GENERAL/ADMINISTRATIVE EXPENSES	26 350 737.00	27 905 430.48	29 579 756.31
DEPRECIATION	23 000 000.00	23 000 000.00	23 000 000.00
PROVISION FOR BAD DEBTS	4 100 000.00	4 100 000.00	4 100 000.00
REPAIRS AND MAINTENANCE	4 965 000.00	5 257 935.00	5 573 411.10
DBSA LOAN REPAYMENT	738 500.00	782 071.50	828 995.79
CAPITAL PROJECTS	35 152 122.00	14 642 350.00	15 138 250.00
<b>TOTAL EXPENDITURE</b>	<b>149 527 359.00</b>	<b>134 166 825.98</b>	<b>140 208 194.54</b>

## **14.GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

### **14.1 Overview of the Executive and Council functions and achievements;**

Great Kei Municipal Council is a Plenary Type Municipal Council wherein all its decisions are taken by Council. The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Mayor

Up until May 2011, the Council comprises of only 13 elected Councilors, some come from Proportional Representation (PR). There are portfolio head councilors.

The municipality has established Section 79 Committees in the form of 7 Standing Committees namely: Public Participation & Social Needs Committee, ICT, Finance & Risk Management, Corporate Services, Infrastructure & Community Services, IDP/ LED & Strategic Services, Municipal Public Accounts Committee and the Audit Committee. All these committees have functioned relatively well, they have set as per the 2013/2014 and 2012/2013 Annual Council Schedule, their resolutions or recommendations have been escalated to Council for consideration.

### **14.2 Governance Structures**

#### **a) Audit Committee**

The Great Kei Municipality has an Audit Committee as prescribed by the Municipal Finance Management Act, Chapter 14, Section 166(1), that serves the purpose of being an independent advisory body to the Council, Political Office Bearers, Accounting Officer, Management and Staff, thereby assisting Council in its oversight role. The role, functions and authority of the Audit Committee are prescribed in terms of Section 166(2) of the Act. Audit Committee Charter is available to guide functioning of the Audit Committee and implementation of the IDP is audited through the framework available.

Amongst other functions of the Audit Committee, the following are the core functions:

- To monitor the integrity of the Council's financial statements and announcements relating to its financial performance, review significant financial reporting judgments;
- To review the reliability and effectiveness of the financial and internal control systems of the municipality.
- To monitor the effectiveness of the internal audit function and review its material findings.

The audit committee of Great Kei Municipality consists of three independent members, with experience in the field of Auditing, Local Government and Law.

#### **b) Internal Audit**

Section 165 of the MFMA prescribes the establishment of the internal audit activity. Internal audit is an important component of internal control, risk management and corporate governance and provides the necessary assurance and advisory services to the organisation. The municipality has internal audit function to:

- Provide an independent appraisal function to examine and evaluate the Municipality's activities as a value added service.
- Review the adequacy and effectiveness of systems of control, governance and risk management.
- Assist members of the Municipality in the effective discharge of their duties and responsibilities via its reviews, reporting and recommendations.
- Provide analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed.
- Promote effective control at reasonable cost.
- Assist management by facilitating risk and fraud management

### **Risk Management**

Section 62 of Municipal Finance Management Act states that the duty of Municipal Manager is to ensure that a Municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control.

The municipality has risk management framework and policies to ensure that the implementation of an enterprise risk management is effective and efficient in order to promote the realization of the Intergrated Development Plan through sound and appropriate management of risks. Risk Management Committee sits on a quarterly basis to monitor and review the annual risk management implementation plan. The framework and policies were reviewed and adopted by the Council in 2014/2015 financial year.

#### **c) Anti- Fraud and Prevention Plan**

The Municipality has Fraud prevention strategy, which is currently reviewed to ensure its alignment with National and Provincial Legislative Framework. Anti-fraud strategy is the integral part of risk management. Risk Management Committee is also responsible for ethics and fraud management. The strategy and policy were reviewed and adopted by the Council in 2014/2015 financial year.

#### **14.3Ward committees' establishment and functionality**

The Municipality has an approved Policy on the Establishment and Functionality of Ward Committees, Public Participation and Petitions Policy.

All the 70 Ward Committees have been elected in all 7 Great Kei Municipal Wards, in electing Ward Committees Great Kei Council resolved on an election criterion which stated that there will elected Voting District Representation, Stakeholder/ Sector representation. All the 70 elected Ward Committees with all the prescribed election adopted by Council. The municipality also adopted a Public Participation Plan and will be developing a Public participation Strategy in 2013/2014 financial year.

A Memorandum of Understanding has been signed between the Department of Local Government and Traditional Affairs for functioning, implementation of programs and monitoring of Community Development Workers.

#### **(d)Ward committee relations with community members**

Relations between ward committees and community members are not hostile; ward committees convene meetings in their respective wards once a quarterly under the leadership of their ward councilor's as chairpersons, the reports by ward committees find space to council also participate and channel their ideas through IDP Forums.



#### **14.4 Marketing Communication Strategy**

Great Kei Local Municipality does not have an approved Communication Strategy; however a budget has been set aside for the financial year 2012/2013 to develop an Institutional Marketing Communication Strategy. Furthermore the Communication plan has been adopted by Council in 2012/2013 financial year.

The Strategy is expected to have an action plan to detail the resources and the infrastructure required for its implementation. The function is thus performed within the Municipal Manager's office.

#### **14.5 Social Cohesion Programs**

In partnership with the Department of Home Affairs the municipality has established a Home Affairs Forum.

An annual event of Mayor's Cup is coordinated annually with the aim of ensuring integration of all sporting activities at ward level to municipal level and enhances social cohesion to nation building.

Moral Regeneration Movement has been established with the aim of championing and initiating dialogues amongst communities. Working Committee also been established to ensure implementation of Moral Regeneration Programs. A budget has been set aside for 2014/2015 financial year to ensure implementation of the Program.

#### **14.6 Special Groups**

The municipality identifies Women, Youth, Physically Challenged, Elderly OVC's and HIV/AIDS as groups with special needs. The strategy for HIV and AIDS mainstreaming is in place.

Statistics 2011, indicates 62% of total population is at the age of 15-64 years. High percentage is female population at 53%. This therefore indicates that the municipality must focus on special groups' activities. A budget has been set aside in 2013/2014 and 2014/2015 financial year for:

- Revival of Youth Council
- Revival of Local Aids Council
- Establishment of Women's Caucus
- Revival of Elderly Forum
- Revival of Disability Structure

The municipality has a Special programs Officer who performs all functions of the special groups. It is thus the plan of the municipality to Mainstream Special Programs within its jurisdiction. After Setting up of Structures the focus will be to develop Sector Plans for each focal area; which is also envisaged to be completed by June 2013. A service Provider has been appointed to assist in this regard.

#### 4. OVERARCHING STRATEGY

The main purpose of a vision statement is to link the current situation with the future potential of an area. As such a vision statement plays a central role throughout the various processes of the IDP. It guides the prioritization of needs, the setting of objectives and the implementation of various strategies and projects. The vision statement should be brief, inspiring, realistic, relevant and mobilizing.

#### Vision and Mission for the Great Kei Municipality

##### VISION

“To achieve a peaceful and sustainable environment, where all communities enjoy an improved quality of life”

##### MISSION

Provide affordable services, democratic governance and employment through infrastructural development, thriving agriculture, commerce, SMME's and tourism activities.”

##### SWOT ANALYSIS

It is also important for Great Kei Local Municipality to clearly identify our Strengths, Weaknesses, Opportunities and Threats. Great Kei Local Municipality SWOT Analysis serves as a basis of providing information that is helpful in matching resources and capabilities to the competitive environment.

	FINANCIAL, HUMAN RESOURCES, MARKETING, ADMINISTRATION, MANAGEMENT	
	STRENGTHS	WEAKNESSES
INTERNAL	<ul style="list-style-type: none"> <li>Financial Systems in place.</li> <li>Internal policies, by laws &amp; procedures in place.</li> <li>Planning systems in place</li> <li>IDP, Budget Steering Committees, IDP Representative Forum, Ward</li> <li>Councillors and Committees.</li> <li>We have PMS in place and Performance reviews are conducted quarterly also quarterly performance reports.</li> </ul>	<ul style="list-style-type: none"> <li>Asset inflation.</li> <li>Economic shocks and low economic growth.</li> <li>Unrealistic real rate of exchange</li> </ul>
	LAND, LOCAL ECONOMIC DEVELOPMENT & ENVIRONMENT	
	OPPORTUNITIES	THREATS
EXTERNAL	<ul style="list-style-type: none"> <li>Availability of prime land for local economic development initiatives i.e. agriculture</li> </ul>	<ul style="list-style-type: none"> <li>Lack of institutional credibility as a result of disclaimer audit opinions</li> <li>Poor road infrastructure</li> <li>Soil erosion</li> <li>Poor technology infrastructure,</li> </ul>

- |  |  |  |
|--|--|--|
|  | <ul style="list-style-type: none"><li>▪ Tourism opportunities i.e. coastal location, unique culture, heritage sites; arts &amp; crafts and</li><li>▪ natural attractions</li></ul> |  |
|--|--|--|

## CHAPTER 5: COMMUNITY PARTICIPATION.

The White Paper on Local Government 1998, establishes the basis for a new developmental local government system, which is committed to working with citizens, groups and communities to create sustainable human settlements which provide for a decent quality of life and meet the social, economic and material needs of communities in a holistic way.

The Local Government Municipal Systems Act, Act 32 of 2000 Chapter 4 and Chapter 5 respectively prescribe as follows:

**Section 16 “(1)** A municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose-

Encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in—

- (i) The preparation, implementation and review of its integrated development plan in terms of Chapter 5”.

**Section 29. (1)** The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must--

- (a) be in accordance with a predetermined programme specifying timeframes for the different steps;
- (b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for—
  - (i) the local community to be consulted on its development needs and priorities;
  - (ii) the local community to participate in the drafting of the integrated development plan; and
  - (iii) organs of state, including traditional authorities. and other role players to be identified and consulted on the drafting of the integrated development plan;

It is against this background, Legislative Mandate that Great Kei Local Municipality in line with her vision and mission is committed in ensuring a sound participation by members of the community.

### 5.1 Community Participation Mechanisms

In pursuing the legislative mandate and its mission, Great Kei Local Municipality has vigorously engaged community members in the form of IDP Road Shows and Mayoral Imbizo every financial year and community members raised issues as listed below. The table below illustrates the summary of priority issues raised by community members. The picture depicts that Great Kei Local Municipality must robustly focus on Basic Service Delivery and Socio-Economic Development. There is a need to develop Public participation strategy/Plan in 2014/2015 financial year as well as stakeholder Communication Strategy.

The five priority issues relate to:

#### 1. Institutional Development and Organizational Transformation

- Skills Development Programs for the Youth

## **2. Basic Service Delivery**

- Roads Construction and Maintenance
- Transport Networking
- Water and Sanitation
- Electricity
- Installation of Street Lights
- Access to Free Basic Services
- Construction, and Maintenance and Furnishing of Public Amenities (Pre-Schools, Community halls, Sport Facilities, Clinics)
- Human Settlement (Provision of RDP Houses to deserving Community Members)

## **3. Socio-Economic Development:**

- Funding of Community Development Initiatives/SMME's
- Mainstreaming of vulnerable groups into economic activities
- Access to Enabling documents and Social Relief Programs
- Safety and Security
- School Transport and School Nutrition Program
- Conservation of Environment
- Land Reform
- Construction of Dams, Dipping Tanks & Irrigation Schemes

## **4. Good Governance and Public Participation**

- Communication Mechanisms and Public Participation of the municipality to ensure maximum community participation
- Ward Based Community Involvement in programs and projects
- By-Law Formulation and Enforcement – Traffic Regulations, Roads and Safety
- Sitting of Audit Committee to provide independent oversight responsibilities on corporate governance, risk management and internal control environment.
- Independent assurance and consulting activities to improve control environment
- Implementation of risk and fraud management strategies
- Sitting of Risk Management Committee meetings
- Promote effective functioning of oversight committees
- Audit improvement plan for better audit outcomes
- Intergovernmental relations
- Institutional marketing and communication strategies for internal and external communication
- Delegation of authority
- Functional performance management system
- Development and implementation of Integrated Development Plans
- Community Satisfaction Surveys
- Corrupt Free Governance

## **5. Public participation challenges**

The public participation challenges includes the following, it is law of nature that every achievement is accompanied by its challenges, the challenges are as follows.

- Unsatisfactory implementation of the community needs solicited during IDP road shows.
- Poor expenditure of the Municipal Infrastructure Grant (MIG) while service delivery is not satisfactory.
- Poor monitoring of Municipal Projects by the municipal officials at the construction stage, that results to bad output.

That was the summary of the major challenges of service delivery.

## REPORT OF THE IDP AND BUDGET ROADSHOWS



### **Background**

Great Kei Municipality has embarked on IDP and Budget Roadshows on 12<sup>th</sup> to 13<sup>th</sup> April 2015 to present its draft IDP 2015/17, SDBIP and Budget for 2015/16 to the communities.

### **Statutory and Legal Framework**

- The Municipal Systems Act of 32 of 2000 requires municipalities to adopt a 5 year Integrated Development Plan (IDP) that is reviewed annually in accordance with the assessment of its performance measurements and the extent that changing circumstances so demand.
- Municipal Finance Management Act 56 of 2003, requires the Mayor of a municipality to coordinate the processes of preparing the annual budget and for the reviewing of the IDP and budget related policies to ensure that they are mutually consistent and credible.

### **Issues raised per ward**

A number of issues were raised by the members of the communities over the 2 days. Furthermore it should be noted that issues raised will be referred to their relevant champions so that they can be addressed. Both internal and external departments will be expected to make follow up on the issues raised. The Strategic Services Department will from time to time require feedback **on progress**.

## ISSUES RAISED DURING IDP/ BUDGET ROADSHOW

Key Issue	Cause	Effect/Impact	Ward affected	Sector department responsible
Indigent Register	Limited awareness campaigns to communities.	High rate of electricity tampering, GKM spend huge amount on bulk electricity. Low registered Indigents	All wards	GKM/ ADM
ADM Water account	RDP houses not transferred to rightful owners.	Increase in water account	All wards	Dept of Human Settlement
Supply Chain Management Day	Insufficient knowledge or information on SCM issues	Disqualification from bid processes due to non-compliance	All wards	
Payment procedures	Internal control procedures not maintained.	Non – compliance to MFMA S 65.	Cash flow problems of SMME's due to late payments	GKM
Utilisation of prospective service providers, registered in the suppliers database	Rotation of suppliers.	Dissatisfaction of suppliers, which leads to instability	Slow development of suppliers in GKM area	GKM
Unauthorised expenditure	Filling of budgeted vacant positions	Acting allowance being reimbursed to employees for a long period of time, which lead to unauthorised expenditure.	Recruitment of contractual workers, to increase job opportunities	GKM
Payment procedures	Internal control procedures not maintained.	Non – compliance to MFMA S 65.	Cash flow problems of SMME's due to late payments	GKM

Key issue	Cause	Effect/Impact	Ward Affected	Sector Department Responsible
No Clinic	There is no mobile clinic to assist in some Villages	People are dying	Ward 1,2, 3, 4 and 6	DOH
No houses	Lot of shacks	Disturb planning and service delivery	All 7 Wards	Human Settlement
No Service Office for Home Affairs [Only Mobile Office]	Referred to DHA	People incur transport costs in Getting Services	All & wards	DHA
No Service Office for SASSA & Dept of Social Development [Only Mobile Office]	Referred to Department of Social Development	People incur transport costs in Getting Services	All & wards	Department of S Development
Youth center	Department	Youth involved in drugs/crime	All wards	DESRAC
Water not accessible.	Lack of additional stand pipe connections	People drinking dirty water from the dams	2,3,4,5 and 6	ADM
VIP Toilets	Poor planning	Poor construction of VIP Toilets	1,3,4,5 and 6	ADM
Extension of sanitation dams.	Spilages	Bad health hazards	6	ADM
New Informal settlements without tap water	No access to water	People drink dirty/unpurified water from dams	7	ADM



KEY ISSUE	CAUSE	EFFECT/IMPACT	WARD AFFECTED	RESPONSIBLE DEPARTMENT
Insufficient funds to fund LED projects	LED – Budget allocation	This leads to non-functional of SMME's.	All wards	GKM/Sector Departments
Lack of infrastructure for SMME's	There is no proper infrastructure for hawkers, access road to farms, fencing	This results to SMME's not being able to sell their products when its too hot and cold, therefore there is no business for them.	Ward 6 and 7	Public Works
LED Personnel	There is only 1 officer responsible for LED	This has a negative impact on some of the sectors as they will not get enough attention due to the fact that there is only 1 person designated for LED	All Wards	GKM
Access to market	Our SMME's in all sectors do not have potential markets	This has a negative impact as their produce will not be sold to relevant markets	All Ward that have Cooperatives	Agriculture and agrarian reform.
Key Issue	Cause	Effect/Impact	Ward affected	Responsible Department
Land Claim	Delays in the 1998 Kwelerha Villages Claims	This has lead to unauthorized land invasion in some Kwelerha Villages.	Ward 1 and 2	DRDAR & Land Claims Commission

KEY ISSUE	CAUSE	EFFECT/IMPACT	AFFECTED	RESPONSIBLE
Labour relations	Petition by the Workers	Non-delivery of Services	GKM	Corporate Services
Recruitment and Selection	Slow pace in filling of vacant positions	Poor delivery of Services	GKM	Corporate Services
Transfer of skills	Use of consultants	No skill transfer	GKM	Corporate Services
Employee wellness	Employee assistance programmes	Low staff moral	GKM	Corporate Services
Training & Development	Poor budgeting for Skills Development	High Staff Turn-over	GKM	

KEY ISSUE	CAUSE	EFFECT/IMPACT	WARD AFFECTED	RESPONSIBLE DEPARTMENT
Poor participation of Sector Departments	No Commitment to IGR structure, Senior Officials not Attending	Poor planning alignment and duplication of services	All Wards	All Sector Departments
No allocation for GKM by Certain Departments	Poor prioritization	Poor service Delivery	All Wards	Sector Departments
Poor direct link with GKM by DPTs	Non participation in IGR forums	No ownership and oversight by GKM.	All wards	Sector Departments
Inter-Governmental Relations	No Intergovernmental Relations Policy only the Framework	Poor Attendance by Sector Departments	GKM/ All Wards	Sector Departments
Public Participation & Petitions Policy	No strategy to deal with Petition and Public Participation.	Poor coordination and management of Petitions and Public Participation Structures		

# **CHAPTER 6**

## **4-YEAR**

### **OBJECTIVES AND**

### **STRATEGIES**



## 6.1 KPA 1: INSTITUTIONAL DEVELOPMENT AND ORGANIZATIONAL TRANSFORMATION

**National Priorities aligned to GKLM Priorities: OUTCOME 5:**

**A skilled and capable workforce to support inclusive growth**

**Provincial Priorities aligned to GKLM Priorities: Eastern Cape Provincial Priority 4: Strengthen education, skills and Human Resource Base**

**KPA 1: GKLM Strategic Priority: Ensure an Accountable and Responsive administration that adheres to Legislative Framework and GKLM Policies by 2017.**

Priority Area	Objectives	IDP Strategy	Key Performance Indicator	Funding Required	Funding Source	Measurement Source & Frequency	Baseline	Year 2	Year 3	Year 4	Year 5	Custodian
								2013/2014	2014/2015	2015/2016	2016/2017	
<b>Employment Equity</b>	To ensure compliance with the Employment Equity Act by June 2017	Review and monitor implementation of Employment Equity Plan and Policy	% of Employment equity Plan target implemented	100 000	GKLM	Compliance Reports on quarterly basis to Standing Committee/ Council and Dept. of Labor.	Employment Equity Plan and Committee	Ensure 60% compliance with Employment Equity Act	Ensure 60% compliance with Employment Equity Act	20 % of Employment equity Plan Target implemented	To ensure equitable representation on all levels	Director Corporate Services
<b>Payroll Information</b>	To ensure proper coordination of payroll information by 2017	Monitor accuracy of payroll information and ensure compliance with applicable legislation and policy	Number of errors reduced on payroll information	NIL	NIL	Quarterly progress reports on Internal Audit Action Plan implementation to Standing Committees and Council	Information on Payday system	Install Pay Day HR Module. Review Leave administration and overtime procedure	Monitor adherence to policy and procedure regarding Leave, attendance register and overtime	reduced errors on payroll information	Report on number of errors reduced on payroll information	Director Corporate Services
		By upgrading the system.	Pay Day System upgraded.	60 000.00	Operational	Quarterly progress reports to Standing Committees and Council	Pay Day System	N/A	N/A	Leave system upgraded	Leave system upgraded	Director Corporate Services

<b>Leave Management</b>	To ensure proper leave management by June 2017	By ensuring implementation and monitoring of leave Policy and Procedure.  By ensure capacity building on Payday system.	Accurate Leave balances.  Proper leave reconciliation.		GKM	Quarterly progress reports.	Pay Day Leave Management System.  Compliance reports(Attendance Register and Leave Book)	N/A	N/A	Upgraded Payday leave system"	Accurate Leave Balances	Director Corporate Services
<b>Organizational Structure</b>	To ensure reviewal municipality's organizational Structure aligned to the IDP & Strategies Objectives and available resources by June 2017	Consolidate inputs and review the draft and present to Standing Committee and Council	Adopted 2016/2017 Organizational Structure	Nil	GKM	Quarterly Reports on implementation of Organizational Structure, and developed Job Descriptions for new posts.	2015/2016 Organizational Structure available.	2013/2014 Organizational Structure, Reviewed Organizational Structure, Review Recruitment and Selection Policy, Properly written Job Descriptions	Reviewed 2014/2015 Organizational Structure	Approved 2016/2017 Organizational Structure	Reviewed 2016/2017 Organizational Structure	Corporate Services Director
		Coordination of effective and efficient Recruitment and Selection Process	% of prioritised positions filled by June 2016	Nil	GKM	Planned recruitment reports that have been approved by Municipal Manager	Number of filled vacant funded positions			Full implementation of the recruitment plan	60% of prioritised position filled	Corporate Services Director
<b>Human Resources Development</b>	To ensure the development, review, implementation and monitoring of WSP for	By coordinating of capacity building that enhances the skills of the workforce and	Reviewed and adopted Workplace Skills Plan for 16/17	R300 000	GKM and LGSETA	Quarterly Reports to Standing Committees, Council and LGSETA	Adopted WSP 15/16 and Annual Training Plan.	Implementation of WSP by training 65% of municipal employees	Implementation of Work-skills Plan by training 65 % of municipal	Review and adopted of WSP of the 2016/17 by June 2015.	Implementation of Work-skills Plan by training 65 % of municipal	Corporate Services Director

	Municipal Staff and Councilors by June 2017.	councilors in-line with legislative frame work to improve service delivery by June 2017	% of WSP Trainings conducted.					and councilors utilizing available resources	employees and councilors utilizing available resources.	Coordinate 50% of trainings in 2015/16 WSP.	employees and councilors utilizing available resources.	
<b>Legislative and Policy Compliance</b>	To ensure compliance with applicable legislation, regulations, policies and procedures by June 2017	By coordinating Developing, Review and implement all municipal policies, by-laws procedure manuals in line with a legislation	Number of policies reviewed and adopted	R500 000	GKM	Reviewed and Policies	Existing Policies and By laws need review  There is a gap in policy availability	Analysis of Gaps and review the existing policies and by-laws.  Develop non-existing policies and by-laws.	Co-ordinate implementation and enforcement of policies and by-laws.	Number of policies reviewed and adopted	Review Policies, By laws as the need arises	Director Coporate Services
<b>Council Support</b>	To ensure effective functioning of council and its committees by June 2017.	By Coordinating council and committee sittings in line with legislative framework	Number of Coordinated sittings of Council and its committees in line with the approved 2015/16 Council Calendar	R500 000	GKLM	Progress Reports on the implementation of Council Resolutions	Council Standing Rules of Order.  Terms of reference for all Standing Committees  Minutes and Resolution register	Development and implementation of annual institutional calendar for committee and council seating.  Implementation of the rules of order and council resolutions.	Development and implementation of annual institutional calendar for committee and council seating.  Implementation of the rules of order and council resolutions	4 ordinary Council Sittings  20 Standing Committee Sittings  4 Audit Committee, 8 MPAC, 4 LLF , and Risk Committes Sittings	Development and implementation of annual institutional calendar for committee and council seating.  Implementation of the rules of order and council resolutions	Director Corporate Service.

<b>Records Management</b>	To ensure proper keeping and maintenance of personnel records for Institutional information in line with The National Archives and Records Service of South Africa Act (Act. No. 43 of 1996, as amended) by June 2017.	By the Establishment of Records and Management Systems	Fully functioning mini registries in all Directorates 2016/17	R50 000	GKM	Quarterly Records management Status Reports	Records Management File Plan and Procedure Manual.  Manual record management system	Establish systems and procedures to protect municipal records (e.g. fire, pests, flooding etc.) Establish Municipal File Plan	Ensure adherence to Records Management Procedure Manual	functioning mini registries in all Directorates	Establish Electronic Records and Archives Systems	Corporate Services Director
<b>Labour Relations</b>	To create, regulate and improve the working relations between the employer and employees in line with SA Constitution, Labor Relations Act, Basic Conditions of Employment Act, BCEA and SALGBC Collective agreement by June 2017	By Conducting Awareness on the Code of Conduct, Code of ethics and Disciplinary Code  Effective engagement with labour  Implementation of employee benefits as per SALGBC Collective Agreement	Less disciplinary cases  number of LLF sittings  List of benefits offered to employees	R1m	GKM	Reports on Disciplinary Cases  Quarterly Reports to Standing Committee and Council:	Code of Conduct, Code of ethics and disciplinary Code.  LLF terms of reference  Medical Aid schemes, Housing Subsidy, Bonuses	Analysis of Gaps in the Existing Human Resources Policies and Review Develop non-existing Policies Ensure availability and effective functioning of LLF.	Reduction of employee cases against the employer and handling of grievances	2 workshops on disciplinary Code, Code of ethics and Code of Conduct  4 LLF sittings  List of benefits offered to employees	Human Resources Policies Review	Corporate Services Director

<b>Employment Wellness</b>	To ensure availability of competent healthy and motivated workforce	By Reviewing of Employee Wellness Policy &  By developing Employment Wellness Plan	Number of Team Building Exercises  Plan	R2.5 M	GKLM LGSETA	Quarterly Reports on staff turnover	Employee wellness policy	Development of Employee Wellness Strategy & Unit  Workshop on Capacity Building	3 Employment wellness Programs conducted for all employees	1 team building Conducted	Review and Monitoring effectiveness of the Policy.	Corporate Services Director
<b>Health and Safety Compliance</b>	To ensure compliance with Health and Safety Regulation by June 2017	By Reviewing Terms of Reference for Health and Safety Committee  Review OHS policy	Approved OHS by June 2016	R200 000	GKM	Quarterly Reports on Health and Safety Regulations to Standing Committees, Council.	OHS Policy	Analyses gaps in the existing health and safety policy, review and its implementation	Enforcement and Implementation of the policy,	Approved TOR  Approved OHS Policy June 2016	Policy review.	Director Corporate Services
<b>Audit Outcomes</b>	To ensure improvement of audit outcomes by June 2017	Develop and monitor audit action plan to reduce internal and external findings	Minimized Audit Findings,	nil	nil	Quarterly Reports submitted to Standing Committee and Council	Audit Report 2014/15,			Minimised Audit findings		
<b>Performance Management</b>	To develop and implement institutional performance Management Framework	Implement, monitor and Report on Directorate Performance	Approved and signed score cards			Quarterly Reports submitted to Standing Committee and Council	PMS Policy			Approved and signed score cards		
<b>Risk management</b>	To ensure that strategic and operational risk threatening	Implement and monitor the implementation of risk register	Risk Reduction			Quarterly Reports submitted to Standing	Risk Register			Reduction of Risks		



	organizational objectives are identified and managed to an acceptable level					Committee and Council						
<b>Auxiliary Services</b>	To ensure that the GKM Auxiliary Function contributes in the attainment of proper client service by June 2017	By proving cleaning services to the entire institution.  By handling of queries and diverting calls to create efficient and effective organizational image.	Clean and tidy offices  Effective and efficient client services			Monthly Reports	Centralize d Cleaning Services.  Functional reception services			Clean and tidy offices  Effective and efficient client services		

## 6.2 KPA 2: INFRASTRUCTURE AND COMMUNITY SERVICES

National Priorities aligned to GKLM Priorities: OUTCOME 8:						Sustainable human settlements and improved quality of household life						
Eastern Cape Provincial Priority 2:Massive programme to build social and economic infrastructure												
GKLM Strategic Objective BS2: To provide cost effective, quality and sustainable infrastructure thereby improving socio-economic lives of GKLM Communities by 2017.												
Priority Area	Objectives	IDP Strategy	Key Performance Indicator	Fundin g Required	Funding Source	Measureme nt Source & Frequency	Baseline	Year 2	Year 3	Year 4	Year 5	Custodian
								2013/2014	2014/2015	2015/2016	2016/2017	
Roads Construction Basic Service Delivery MIG	To develop, review and implement a three year capital plan; as informed by available budget; towards construction of new access roads by June 2017	Prepare planning documents (feasibility study reports; environmental impact assessments; tender documents) annually and Monitoring of MIG Capital Projects for 2015/2016 Financial yearBasic Service Delivery	20 kms of roads constructed as per three year capital plan by June 2015	R 50m	MIG /R12m/y ear	Progress reports Monthly / quarterly reports and annually reports	67km of municipal roads as per 14/15 Implimentat ion plan.	Planning and Design complete ready for tender	Tender for Contractors,a ppointment letters for contractors	Construction of 20km s of gravel road	Construction of 20km s of gravel road and completion	Director Technical/ Community Services
		Monitoring and implementation of MIG Capital Projects for 2015/2016 Financial year.	8 Projects to be implemented in 2015/16 FY				32 road projects implimente d in 14/15 financial year	Planning and Design complete ready for tender	Tender for Contractors,a ppointment letters for contractors	Construction of 8 gravel roads	Construction of 8 gravel roads and completion	

<b>Electricity [Grid Electrification]</b>	To upgrade the electrical network in Komga area by June 2016.	Develop , review business plan for electrification programme and implement in line with the available budget	Upgraded electrical network in KOMGA area	R2m	MIG/DOE	Progress reports Monthly / quarterly reports and annually reports	Phase 1 & 2 of Komga bulk upgrade done	Planning and Design complete ready for tender	Tender for Contractors, appointment letters for contractors	Implementation	100% completion of project through INEP programme completion letter.	Director Technical/Community Services
<b>Electrification House connections</b>	Facilitate the instalation of new connections by ESKOM to reduce backlogs in all areas excluding KOMGA	Solicit funds from DOE	Submission of the business plan to DOE			Progress reports Monthly / quarterly reports and annually reports	Electrical master plan in place with a backlog of 1800HH equivalent to R36m	Review electrical master plan and draw up new business plan	Submit business plan and application for funding to DOE	Review electrical master plan and draw up new business plan	Review electrical master plan and draw up new business plan	Director Technical/Community Services
<b>Electrification (Operation and Maintainance)</b>	To facilitate access to electricity to areas serviced by Great Kei LM	Allocate resources in line with the Operation and Maintenance Plan annually	Implementati on of the Electricity Operations and Maintenance Plan by June 2016	R2m	Equitable Share	Progress reports Monthly / quarterly reports and annually reports	Adhoc Operation and Maintainance	Feasibility study to be conducted by GKM and MISA eectrical expert	Feasibilty study continues	Draft plan	Adoption of the plan by Council	Director Technical/Community Services
<b>Sport Fields</b>	To develop, review and implement a three year capital plan; as informed by available budget; towards construction of new day Sportsfield by June 2017	Prepare planning documents (feasibility study reports; environmental impact assessments; tender documents) annually and Monitoring of MIG Capital Projects for	2 sportsfield to be constructed	R8 M	MIG GKLM DSRAC	Quarterly Progress on construction of sport fields to Standing Committees and Council	3 sportsfield constructed	Planning and Design complete ready for tender	Tender for Contractors, appointment letters for contractors	Construction of 2 sportsfield	Construction of 2 sportsfield and completion	Director Technical/Community Services

		2015/2016 Financial yearBasic Service Delivery										
<b>Community Halls</b>	To develop, review and implement a three year capital plan; as informed by available budget; towards construction of new community halls by June 2017	Prepare planning documents (feasibility study reports; environmental impact assessments; tender documents) annually and Monitoring of MIG Capital Projects for 2015/2016 Financial yearBasic Service Delivery	3 Community halls to be constructed	R6 M	MIG GKLM	Quarterly Progress on construction of community halls to Standing Committees and Council	20 Community halls constructed	Planning and Design complete ready for tender	Tender for Contractors, appointment letters for contractors	Maintenance of 2 Community Halls	Maintenance of 1 Community Halls	Director Technical/Community Services
<b>Construction of Day Care Centres</b>	To develop, review and implement a three year capital plan; as informed by available budget; towards construction of new day care centres by June 2017	Prepare planning documents (feasibility study reports; environmental impact assessments; tender documents) annually and Monitoring of MIG Capital Projects for 2015/2016 Financial yearBasic Service Delivery	2 day care centres to be constructed	R1,4m	MIG/ GKM	Progress reports Monthly / quarterly reports and annually reports	4 Day care centre constructed	Planning and Design complete ready for tender	Tender for Contractors, appointment letters for contractors	Construction of 2 day care centres	Construction of 2 day care centres and completion	Director Technical/Community Services

<b>Human Settlement</b>	Ensure Compliance with Housing Act.	Coordinate the development of housing sector plan by DoHS and ADM (June 2016)	Housing Sector Plan developed and approved by Council and MEC by ADM	R1m	Equitable Share/ DoHS & ADM	Progress reports Monthly / quarterly reports and annually reports	Draft Housing sector plan	Appointment of consultant for Housing Sector Plan	Developing and complete Housing Sector Plan by Consultant	Approval Housing Sector Plan by Council	Facilitate implementation of approved Housing Sector Plan by MEC	Director Technical/ Community Services
	Coordinate and facilitate the provisioning of houses by DoHS (6000 HH)	Confirm Land availability Facilitate the conduction of feasibilty studies for bulk services by ADM and DoHS	Coordinate the approval of 400 beneficiaries	Operat ional	GKM	Progress reports Monthly / quarterly reports and annually reports	Submitted list of beneficiari es to DoHS	Continuous engagement with DoHS and ADM	Continuous engagement with DoHS and ADM	Continuous engagement with DoHS and ADM	100 Beneficiaries list completed	Director Technical/ Communtiy Services
<b>Town Planning Services</b>	Town planning to ensure availability of Land Use Management Plan, Zoning Plans, Town Planning Scheme and implementation thereof by June 2017	Enure Town Planning regulations are adhered to	Full resourced funtional office	Operat ional	Equitable Share	Progress reports Monthly / quarterly reports and annually reports on Town Planning Approvals	Reviewed Spacial developme nt framework; Approved Town Planning Application s	Report on Town Planning Approvals.a nd revenue collection	Report on Town Planning Approvals.an d revenue collection	Report on Town Planning Approvals.and revenue collection	Report on Town Planning Approvals.and revenue collection	Director Technical/ Community Services
<b>Building Control Services</b>	To ensure that building regulations are adhered to by June 2017	Establish fully functional building control office	Approval of all applications for building plan within 3 months	Operat ional	Equitable Share	Progress reports Monthly / quarterly reports and annually reports on Building Plan Approvals	Building Control Officer, Approved Building Plans	Building Plans approved,sit e visits conducted and revenue collected	Building Plans approved,sit e visits conducted and revenue collected	Building Plans approved,site visits conducted and revenue collected	Building Plans approved,site visits conducted and revenue collected	Director Technical/ Community Services

<b>Traffic Services</b>	To enhance the enforcement of National Road Traffic Act 93 of 1996 by 2017	Conduct learners and drivers licence test.	Law Enforcement realized, Revenue collection by 20 % in 2017	Operational	Equitable Share	Monthly, Quarterly Reports and annual report . Traffic patrol register /log book.	1.Learners licence 100 per month and drivers tests conducted 100 per month.	1. Learners license 300 and Drivers license 300.	1.Learners license 300 and Drivers license 300.	1.Learners license 300 and Drivers license 300.	1. Learners license 300 and Drivers license 300.	Director Technical/ Community Services
		By generating revenue through conducting law enforcement services.					R65 000 per month	Income R175 000	Income R175 000	Income R175 000	Income R175 000	
		Conduct drivers renewals.					Drivers renewals 30 per month.	Drivers renewals 30.	Drivers renewals 30.	Drivers renewals 30.	Drivers renewals 30.	
		increase traffic visibility, issue fines to offenders and to conduct patrols.					Nil	Fines issued 75	Fines issued 75	Fines issued 75	Fines issued 75	
<b>Community Safety</b>	To ensure a safe and secure environment by June 2016	Coordinating sitting of community safety forum.	Number of community safety forums held.	Funded By ADM	ADM	Quarterly Reports and annual report 2. Impact assessment report with ADM	2014/2015 Community safety forum meeting(s)	One community safety forum meetings.	One community safety forum meetings.	One community safety forum meetings.	One community safety forum meetings.	Director Technical/ Community Services
		Co-ordinating drug and alcohol abuse awareness campaign in co-operation with ADM and SAPS	Number of Drug and alcohol abuse campaigns held.				2014/2015 drug and alcohol abuse campaigns	One drug and alcohol abuse awareness campaign.	Conduct Impact assessment.	One drug and alcohol abuse awareness campaign	Conduct Impact assessment.	

<b>Solid Waste</b>	To improve solid waste management by implementing integrated waste management plan in line with the applicable legislation by 2017	By increasing the number of collection points	Number of cleaning and waste disposal programmes carried out	Operational	Equitable Share	Monthly and quarterly Reports.	Waste collection roster and desposing the waste to existing landfill site.	Conduct refuse collection at all collection points.Maintenance of general cleanliness within the urban and peri-urban thorough implementation of cleaning programmes (street cleaning and waste collection) and report on waste disposal	1. Conduct refuse collection at all collection points.Maintenance of general cleanliness within the urban and peri-urban thorough implementation of cleaning programmes (street cleaning and waste collection) and report on waste disposal.	1. Conduct refuse collection at all collection points.Maintenance of general cleanliness within the urban and peri-urban thorough implementation of cleaning programmes (street cleaning and waste collection) and report on waste disposal.	1. Conduct refuse collection at all collection points.Maintenance of general cleanliness within the urban and peri-urban thorough implementation of cleaning programmes (street cleaning and waste collection) and report on waste disposal.	Director Technical/Community Services
		Increasing refuse collection points	increased refuse collection points - number of procured additional cagel trucks				There are 3994 refuse collection points.	Increase collection points by 28.	Increase collection points by 28.	Increase collection points by 28.	Increase collection points by 28.	
		Conducting educational and awareness on Solid Waste Management.	Number of educational programmes conducted				Educational programmes conducted in 6 schools.	Conduct 2 educational programmes.	Conduct 2 educational programmes.	Conduct 2 educational programmes.	Conduct 2 educational programmes.	
		By promoting recycling programmes.	Number of recycling programmes promoted				Recycling programme at one transfer station.	Promote 2 recycling programmes	Promote 2 recycling programmes	Promote 2 recycling programmes	Promote 2 recycling programmes	

			Number of solid waste cooperatives functioning by June 2016	Operational	Equitable Share		coordinating registration of two solid waste Co-operatives	Establish recycling co-ops	coordinate registration of co-ops	Monitor functioning of two recycling co-operatives	Monitor functioning of two recycling co-operatives	
			management of Komga landfill site as per licence by June 2016 and development of rehabilitation plan				Komga landfill site licensed towards closure	Request financial assistance for feasibility study from ADM, MISA and DEA to facilitate closure and rehabilitation of Komga landfill site.	Manage Komga landfill site towards closure and coordinate the development of rehabilitation plan	Manage Komga landfill site towards closure and coordinate the development of rehabilitation plan.	Manage Komga landfill site towards closure and coordinate the development of rehabilitation plan	
Library services	To co-ordinate fully functioning municipal libraries in the GKM area.	Engage DSRAC to increase funding of Library Services.	Number of community member/Leaners accessing library services in 2017	R2 M	DSRAC	Quarterly reports to standing committee and council on access to library services.	4 Libraries exist in GKLM	100 % of funds transferred by DSRAC as gazette.	100% fully fledged library services	100 % fully fledged library services	100 % fully fledged library services	Director Technical/Community Services
		By promote and use the libraries	Number of awareness campaigns.	R1m	GKM		2014/2015 Four Awareness campaigns for promoting culture of reading.	National book week and literacy day.	National book week and literacy day.	National book week and literacy day.	National book week and literacy day.	
			Number quarterly book club meetings.				Existing book club	Management of library activities	Management of library activities	Management of library activities	Management of library activities	



<b>Cemeteries services</b>	To improve in management of cemeteries	By ensuring the fencing and maintenance of existing cemeteries.	18 Cemeteries maintained in 2017	R1M	GKLM ADM	Quarterly reports to standing committee and council on fencing of cemeteries.	1 Cemetery in the urban area. 2 X in the township and 15 in the rural areas (Magrangeni & Cwili are fenced).	Ensure fencing of 2 cemeteries	Ensure 1 fencing and maintainance of cemeteries is complete	Ensure 1 fencing and maintainance of cemeteries is complete	Ensure 1 fencing and maintainance of cemeteries is complete	Director Technical/Community Services
		Develop procedure manual for cemetery maintenance										
		Implementation of Cemetery Management Plan (Numbering of graves)										
<b>Stray animals</b>	To minimize stray animals from entering public roads	By fencing for stray animals in Chintsa and Komga	Number of kms of fencing conducted	Operational	Equitable Share	Monthly report and quarterly reports	Cintsa and Komga partially fenced	Procurement of fencing material.	Hiring of casuals for fencing	Erect fencing	Erection and completion of fencing.	Director Technical/Community Services
<b>Disaster management</b>	To facilitate the management of disaster within Great Kei. By June 2017	By coordinating with ADM the response to disasters occurring within GKM	Number of reported of Disaster Management incidents and applications thereof		ADM GKM	Quarterly reports on disaster management to standing committee and council.	Disaster management profile in place.	To ensure 100% cooperation with ADM in preparing disaster management plan/profile.	To ensure 100% cooperation with ADM in preparing disaster management plan/profile	To ensure 100% cooperation with ADM in preparing disaster management plan/profile	To ensure 100% cooperation with ADM in preparing disaster management plan/profile	Director Technical/Community Services
<b>Environmental Management</b>	To Co-ordinate improvement of Municipal Environment by developing and	By co-ordinating the Implementation of environmental management programmes	Number of programmes implemented as per IEMP by June 2016	R5M	ADM Dept. Environmental Affairs GKLM	Quarterly Reports on the development and implementation of IEMP	Draft EMP and CMP in place	Phase 1. of developing IEMP. Approved CMP by DEA and ADM	Workshop GKM officials by DEA and ADM	Presenting draft reports	Adoption and approval	Director Technical/Community Services

	implementing integrated environmental plan in line with the applicable legislation by June 2016	in line with regulatory framework (IEMP)				to Standing Committee and Council						
		By implimenting soft landscape.	Number of areas with soft landscape				Parks, open spaces, machinery	Developing a greenest town proposal plan	implement greenest town program.	implement greenest town program.	implement greenest town program.	
<b>Public Amenities</b>	To enhance, upgrade the standard of public amenities by management and maintenance	By developing and Integrated maintenance and management plan	Public Amenities Plan developed and implemented by June 2016.	Operational	Equitable Share	Monthly and quarterly Reports	Ad hoc maintenance programme	Draft Public Amenities Plan.	Public Amenities Management and maintenance Plan workshoped, approved and implemented .	Approved Public Amenities and Management Plan	Approved and Implemented Public Amenities and Management Plan.	Director Technical /Community Services
			Number of Public Amenities maintained and managed by June 2016					community halls, sport fields, parks, open spaces, cemeteries maintained	community halls, sport fields, parks, open spaces, cemeteries maintained	community halls, sport fields, parks, open spaces, cemeteries maintained	community halls, sport fields, parks, open spaces, cemeteries maintained	
<b>EPWP</b>	To increase the number of jobs created by 20 % and accredit 10 learn ship by June 2016	Identify EPWP programs/projects	Number of jobs created	R15M	EPWP	Quarterly reports of the number of jobs created to Standing Committee and Council	205 work opportunities created; R283 000 incentives received	50 jobs through EPWP programs and Projects	70 Jobs created through EPWP programs and Projects	100 Jobs created through EPWP programs and Projects	EPWP policy review	Director Technical /Community Services
		Register on MIS										
		Develop business plans for EPWP										

		programs/projects										
		Develop reporting mechanisms in partnership with EPWP										
		Ascertain that projects are EPWP compliant										

## 6.3 KPA 3: LOCAL ECONOMIC DEVELOPMENT

<b>National Priority 1, 3 &amp; 7: Speeding up economic growth and transforming the economy to create decent work and sustainable livelihoods, Comprehensive Rural Development Strategy linked to land and agrarian reform and food security, build cohesive, Caring and sustainable communities.</b>												
<b>Eastern Cape Provincial Priorities 1, 3 &amp; 8: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods, Rural Development, Land and Agrarian Reform and food security , Building cohesive, caring and sustainable communities</b>												
<b>GKLM: LED Strategic Objective: Increasing number of employment opportunities in GKLM by creating enabling environment for a sustainable growing, diversifying economy by 2017.</b>												
Priority Area	Objectives	IDP Strategy	Key Performance Indicator	Funding Required	Funding Source	Measurement Source & Frequency	Baseline	Year 2	Year 3	Year 4	Year 5	Custodian
								2013/14	2014/15	2015/16	2016/17	
<b>LED Strategy:</b>	Ensure availability and implementation of LED Strategy by 30 June 2017	Establish LED Cluster	LED Strategy by 2017	R1M	COGTAADM, DBSA  DEDEA GKLM DTI SEDA	Quarterly progress Reports on development of the Strategy to Standing Committees and Council	LED Strategy currently funded by ADM on behalf of the LM	Develop institutional LED Plan as informed by ADM Strategy	Feasibility Study and Business Plans for potential commodities	Strategic Partnerships	LED Plan Review	General Manager
		Coordinate Great Kei Economic Summit										
		Conduct Baseline study										
		Identify potential commodities										
		Alignment with DM LED Plan, PDGP, NSDP										
		Establish partnership with strategic partners										
		Draft LED Plan										

		Lobby for funding										
<b>Tourism: Arts, Culture &amp; Heritage</b>	Develop and implement Great Kei Tourism Sector Plan in line with LED Plan by June 2017	Develop business plan to fund Great Kei Tourism Sector Plan	Great Kei Tourism Sector Plan by 2017	R15M	DEDEAT, DBSA GKLM	Quarterly progress reports on tourism development to Standing Committee and Council	Database of Tourism Products is available	Develop business plan and source funding for Great Kei Tourism Sector Plan	Marketing and Branding Tourism Destinations	Development of the Sector Plan	Registration of 20 Community Tourism Initiatives ( Tour Guides, IATA, Grading Council of SA)	General Manager
		Feasibility study to identify tourism, heritage, arts and culture in Great Kei						Summer Festival Co-ordination and Implementation				
		Coordinate declaration of Heritage Sites										
		Develop business plans as informed by feasibility study										
		Lobby funding for implementation of Tourism Sector Plan										
<b>Business Support: Retailers, SMME/Co-operatives</b>	Develop and Implement the Business Retention and Expansion Strategy in line with the Business Act, No 71 of 1991.	Collect and update database for SMME's	Business Retention Strategy in 2017	R200 000	SEDA, DEDEAT, SARS DTI GKLM DEAT	Quarterly Progress Reports on support provided to SMME's/Retailers	Support provided on Adhoc Basis	Develop database of all SMME's and Co-operatives in Great Kei	Develop Business Expansion and Strategy	2 SMME's Funded by Strategic Institutions	Review of SMME strategy	General Manager
		Conduct skills audit & needs analysis						Develop Business Plan and source funding to develop				
		Review GKLM Funding Policy										

								Business Retention and Expansion Strategy				
		Register contractors on CIDB, Hospitality industry on Tourism Grading Council, unregistered SMME's with CIPC and departments database										
		Desktop Research for the SMME's Strategy										
		Alignment of needs analysis report with desktop research										
		Consolidate Draft SMME Strategy and solicit inputs from all stakeholders										
		Co-ordinate approval of the Strategy by Council										
		Capacity building of SMMEs										
<b>Agriculture</b>	To co-ordinate support to 10 Substance Farmers towards	Collate database of Agricultural farmers	10 Substance supports in 2017	R3M	DARD Soc. Dev SEDA GKLM	Quarterly Reports to Standing Committee and Council	Projects funded on adhoc basis	Agriculture Stakeholder Forum Established	2 Substance Farmers Supported	Source funding by establishing Strategic partnerships	4 Substance Farmers Supported	General Manager

	commercialization in June 2017.	Establish Agricultural Forum							with Terms of Reference 2 Substance Farmers Supported		with funding institutions 2 Substance Farmers Supported		
		Co-ordinate implementation of recommendations of the feasibility study report											
		Develop Funding Policy as informed by SMME Strategy											

## 6.4 KPA 4: FINANCIAL VIABILITY AND MANAGEMENT

National Priorities aligned to GKLM Priorities: <b>OUTCOME 9: A response and, accountable, effective and efficient local government System</b>												
Provincial Priorities aligned to GKLM Priorities: <b>Eastern Cape Provincial Priority 7: Building a developmental state and improving the public services, and strengthening democratic institutions</b>												
KPA 4: GKLM Strategic Priority : <b>To create a sustainable financial environment through the implementation of good financial practices and ensure customer satisfaction by 2017.</b>												
Priority Area	Objectives	IDP Strategy	Key Performance Indicator	Funding Required	Funding Source	Measurement Source & Frequency	Baseline	Year 2	Year 3	Year 4	Year 5	Custodian
								2013/2014	2014/2015	2015/2016	2016/2017	
<b>Revenue Management</b>	To increase actual revenue collection by 10% in June 2017	Ensure accuracy of billing information	%ge increase in actual revenue collection.	R1,2m	MISG & operational	Monthly and quarterly reports to management , standing committee and council	1. Credit control and debt collection policy is implemented . 2. Reconciled customer accounts.	Alignment of billing information (debtors in the Venus system with valuation roll)  Age analysis and write off by council.	Review institutional revenue enhancement strategy.	Increase of revenue collection by 5%	Increase of revenue collection by 5%	Chief Financial Officer
<b>Supply Chain Management</b>	To ensure adherence to Supply Chain Management Regulations by June 2017.	Review and enforcement of SCM policies and procedure	Adherence to SCM regulations in 2017	N/A	N/A	Monthly SCM Reports	Supply Chain Management Policy available	Develop and Enforce Supply Chain Management Procedures & 100 % compliance.	100 % adherence to SCM regulations	Review and enforcement of SCM policies and procedure	100 % adherence to SCM regulations	Chief Financial Officer



<b>Expenditure Management</b>	To have effective and efficient processes and systems of managing municipal finances by 2017	Strengthen the effectiveness of expenditure management including process and procedures	Number of Reconciliation and compliance reports performed	NIL	NIL	Monthly reconciliations and compliance reports	Reconciliations are performed monthly and compliance reports submitted	100 % Expenditure of conditional grants	100 % Expenditure of conditional grants	12 monthly Bank, creditors, Payroll reconciliations and compliance reports	100 % Expenditure of conditional grants	Chief Financial Officer
<b>Reporting</b>	To strengthen reporting mechanisms in line with Municipal Finance Management Act and Treasury Regulations by June 2017	+6Submission of compliance reports within specified time frames.	Compliance reports submitted.	N/A	N/A	Compliance reports in place.	Compliance Reports as per Treasury and MFMA Regulations	100% compliance on reporting in line with Municipal Finance Management Act.	100% compliance on reporting in line with Municipal Finance Management Act.	Submission of compliance reports within specified time frame	100% compliance on reporting in line with Municipal Finance Management Act.	Chief Financial Officer
<b>Asset Management</b>	To ensure maintenance and management of assets.	Review and implement Asset management Policy and procedure	Approved asset policy and updated asset register.	R500 000	Operating budget , FMG	Quarterly reports to standing committee and council on asset additions schedule	Updated Asset register and asset management policy in place	100% updated asset register.	100% updated asset register	1.Maintenance, management and update of GRAP compliant asset register and approve asset management policy.	100% updated asset register.	Chief Financial Officer
<b>Indigent Administration</b>	To ensure availability , review and implementation of Indigent	Identification of indigent communities	Updated Indigent Policy and Indigent Register	R500 000	Equitable Share	Monthly and Quarterly reports to management , standing committee	Updated Indigent register for 2014/15 is in place.	Review Indigent Policy and Updated Indigent Register	100% updated indigent register and beneficiaries supported as	1.Updated indigent policy and register as per application	100% updated asset register 100% updated	Chief Financial Officer

	Policy and Indigent Register by June 2017					and council on indigent register.		Research on Alternative Energy Sources	guided by available resources	ns received2. Revive indigent steering committee	indigent register and beneficiaries supported as guided by available resources	
<b>Budgeting</b>	To ensure that Budget is aligned to IDP Objectives and Strategies, in line with MFMA and Treasury regulations by June 2017	Alignment of Budget with IDP Priorities	1. Process plan with key deadlines 2. Draft budget for 2015/16 3. Final budget for 2015/16 4. Reviewed budget related policies	N/A	N/A	Approved 2015/16 budget	Approved budget 2014/15 and budget related policies	2013/2014 Budget Approved by Council	2014/2015 Budget Approved by Council	2016/2017 Budget Approved by Council	2016/2017 Budget Approved by Council	Chief Financial Officer

## 6.5 KPA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION

<b>GOOD GOVERNANCE</b>												
<b>National Priorities aligned to GKLM Priorities: OUTCOME 9: A response and, accountable, effective and efficient local government System</b>												
<b>Eastern Cape Provincial Priority 7, 8: Building a developmental state and improving the public services, and strengthening democratic institutions, Building cohesive, caring and sustainable communities</b>												
<b>GKLM Strategic Objectives : -To promote the values of good governance and human rights -Ensure active community participation in government affairs by 2017</b>												
Priority Area	Objectives	IDP Strategy	Key Performance Indicator	Funding Required	Funding Source	Measurement Source & Frequency	Baseline	Year 2	Year 3	Year 4	Year 5	Custodian
								2013/2014	2014/2015	2015/2016	2016/2017	
<b>Public Participation and Management of Petitions</b>	To promote effective participation of community members in the affairs of governance by 2017	To review public participation & petitions policy	Approved and reviewed public participation & petitions policy	R4 m	MSIG GKM	Monthly, quarterly and annual reports	70 ward committee members elected from voting stations and Ward Committee Policy adopted by Council	Public Participation Strategy & Petitions Policy	Approved Public Participation and Petitions Strategy	Implementation, Review and approve public participation & petitions policy	Implementation, Review and approve public participation & petitions policy	General Manager
		Implement approved public participation & petitions strategy	Approved public participation & petitions strategy and report on the implementation of strategy			Monthly, quarterly and annual reports			Approved Public Participation and Petitions Strategy	Review and report on, implementation of approved public participation & petitions strategy	Implementation, Review and approve public participation & petitions strategy	General Manager
		Co-ordinate sittings of Ward Committees and CDW's and	"No meetings			Monthly, quarterly and annual reports			2014/15 meetings and reports	4 meetings 4 reports	4 meetings 4 reports	General Manager

		consolidate reports										
<b>Institutional Marketing Communication</b>	To Develop a comprehensive Communication, marketing and branding policy and strategy by 2017	To develop a marketing strategy	Date of approval of Marketing and communication strategy	R 500 000	GKLM GCIS	Quarterly, mid-year, annual communication annual reports.	Existing Marketing and Communication Policy	Existing Marketing and Communication Policy	Approved policy	Approve and implement GKM Marketing and Communication Strategy	Approve and implement GKM Marketing and Communication Strategy	Municipal Manager
		Review Marketing and Communication Policy	Approved Marketing and communication policy						Existing policy	Review and approve Marketing and Communication Policy	Review and approve Marketing and Communication Policy	General Manager
<b>Intergovernmental Relations</b>	To facilitate a sound intergovernmental Relations	Develop and implement intergovernmental Relations Policy	Report on the implementation of the adopted IGR policy			Monthly, Quarterly Reports			214/2015 Approved ToR	Approve and 4 reports on the implementing intergovernmental Relations Policy	Approve and 4 reports on the implementing intergovernmental Relations Policy	General Manager
		Strengthen IGR in the municipality through institutionalization and provincial/district structured support to participate in IGR forums	No of Provincial, District & Local IGR attended			Monthly, Quarterly reports			2014/2015 IGR meetings attended	4 of IGR meetings attended	4 of IGR meetings attended	General Manager

		Co-ordinate GKM IGR meetings	No GKM IGR attended			Monthly, Quarterly reports			4 IGR meeting attended	4 of IGR meetings attended	4 of IGR meetings attended	General Manager
<b>Delegation Framework</b>	To ensure fully functional delegation framework by June 2017	Review and adhere to delegation framework by June 2017	Adopted and approved Delegation framework and No reports on the implementation of framework			Monthly, Quarterly reports	Existing delegation framework	Existing delegation framework	2014/2015 approved delegation framework	Review and adopt delegation framework and report on the implementation of framework	Review and adopt delegation framework and report on the implementation of framework	General Manager
<b>Strategic Planning</b>	To ensure effective coordination of integrated planning implementation monitoring and evaluation by June 2017	Co-ordinate review, tabling and adoption of IDP as per process plan	Reviewed and approved 2016/2017 process plan and IDP (Council Resolution)	R4M		Monthly, Quarterly reports			14/15 process plan	Review and approval 2016/2017 IDP and process plan	Review and approval 2016/2017 IDP and process plan	General Manager
		Facilitate institutional strategic planning for 2016/2017 financial year	Strategic planning report tabled to Council (Council Resolution)			Monthly, Quarterly reports			2015/2016 strategic planning report	Strategic planning Report submitted to Council	Strategic planning Report submitted to Council	General Manager
	To ensure compliance of IDP Sector Plans with SDF	To co-ordinate Sector Plan compliance with SDF and establish partnership with ADM and other stakeholders	Reviewed and approved SDF with compliance Report. Signed SLA with ADM			Monthly, Quarterly reports			Existing SDF	Reviewed and approved SDF with compliance Report	Reviewed and approved SDF with compliance Report	General Manager

<b>Risk management.</b>	To ensure that strategic and operational risks threatening organizational objectives are identified and managed to an acceptable level by June 2017	Develop strategic and operation risk registers developed and approved	2015/2016 Approved risk register	R500 000	GKM	Monthly, Quarterly reports	Risk reports	Risk reports	Approved strategic 2016/2017 risk report	Ensure 80% implementation of action plans to mitigate identified risks as per risk register.	Ensure 80% implementation of action plans to mitigate identified risks as per risk register.	General Manager
		Approval of Risk Register										
		Review 2015/2016 risk management implementation plan	14/15 risk management implementation plan			Monthly, Quarterly reports	Risk reports	Risk reports	Progress on reports on the implementation of approved risk management plan	No of activities performed as per risk implementation plan	No of activities performed as per risk implementation plan	General Manager
		To stem out fraud and corruption activities	No of activities to implement of Anti-fraud and Corruption strategy			Monthly, Quarterly reports	Existing strategy	Existing strategy	Existing strategy	No of activities performed as per Anti-fraud and Corruption strategy	No of activities performed as per Anti-fraud and Corruption strategy	General Manager
			Establishment of GKM fraud hotlines services			Monthly, Quarterly reports	Presidential hotline as per strategy	Presidential hotline as per strategy	Presidential hotline as per strategy	Incident report tabled to Audit Committee and Council	Incident report tabled to Audit Committee and Council	General Manager

		Review and adopt risk and fraud management policies	Date of review and adoption of risk and fraud management policies			Monthly, Quarterly reports	Risk report	Risk reports	Existing risk and fraud management policies	Reviewed and adopted risk and fraud management policies	Reviewed and adopted risk and fraud management policies	General Manager
		Sittings of Risk Management Committee Meetings	No of meetings			Monthly, Quarterly reports	Audit Committee meetings	Audit & Risk Committee meetings	2014/2015 RIMCO meetings	4 meetings	4 meetings	General Manager
Internal Auditing	To provide independent professional advice on governance issues, risk management and internal controls	Prepare and execute approved risk based internal audit plan	Reports on the implementation of approved risk based internal audit plan	R800 000 R100 000	GKM FMG	Monthly, Quarterly reports	Risk based internal audit plan	Risk based internal audit plan	2014/2015 risk based plan and reports on the implementation of the plan	% on the implementation of approved risk based internal audit plan	% on the implementation of approved risk based internal audit plan	General Manager
		Independent review on the reported performance information	No of performance information audit reports			Monthly, Quarterly reports	Performance Information audit reports	Performance Information audit reports	2014/2015 internal audit reports	6 internal performance information audit reports	6 internal performance information audit reports	General Manager
		Monitor implementation of Audit Committee resolution	No of Audit Committee resolution implemented by management			Monthly, Quarterly reports	Resolution Registers	Resolution registers	2014/2015 resolution registers	Progress report on the implementation AC resolutions	Progress report on the implementation AC resolutions	General Manager
		Review and adopt Internal Audit and Audit Committee Charters	Date of approved Internal Audit and Audit Committee charters			Monthly, Quarterly reports	Internal and Audit Committee Charters	Internal and Audit Committee Charters	2014/2015 approved charters	Review and Approve Internal Audit and Audit Committee Charters	Review and Approve Internal Audit and Audit Committee Charters	General Manager

<b>Audit Committee</b>	To promote effective functioning of Municipal Public Accounts Committees , Audit Committee and Standing Committee	Sittings of Audit Committee Meetings	No of meetings	R160 000	GKM	Monthly, Quarterly reports	Audit Committee meetings held	4 Audit Committee meetings held	2014/2015 Audit Committee meetings	4 meetings	4 meetings	General Manager
<b>MPAC</b>		To coordinate sittings of MPAC meetings	Date of MPAC meeting before the sitting of Council			Monthly, Quarterly reports	MPAC meeting held	4 MPAC meeting held	2014/2015 MPAC meetings	4 meetings	4 meetings	General Manager
<b>Standing Committee</b>		To coordinate sittings of MPAC meetings	Date of MPAC meeting before the sitting of Council			Monthly, Quarterly reports	Standing committee meeting held	4 standing committee meeting held	2014/2015 standing committee meetings	4 meetings	4 meetings	General Manager
		Review structure of standing committee	Date of approval of of standing committee structure			Monthly, Quarterly reports	Existing standing committee structure	Existing standing committee structure	Existing standing committee structure	Existing standing committee structure	Reviewed structure of standing committees	General Manager
<b>Operational planning and performance monitoring</b>	To develop and implement Institutional Performance Management Framework by June 2017	Review institutional performance management framework/policy	Date of reviewed PMS framework and policy	R500 000	GKM	Monthly, Quarterly reports	Reviewed and adopted PMS framework /policy	Reviewed and adopted PMS framework /policy	Reviewed and adopted PMS framework/policy	Reviewed and adopted PMS framework/policy	Reviewed and adopted PMS framework/policy	General Manager
		Develop Institutional Strategic Score Card to inform individual Score Cards	Date of approved institutional strategic scorecard			Monthly, Quarterly reports	2013/2014 SDBIP	2014/2015 SDBIP	2015/2016 SDBIP	Approve 2016/2017 institutional strategic SDBIP	Approve 2016/2017 institutional strategic SDBIP	General Manager
		Cascading of institutional scorecard to individual levels	Date of signed Accountability Agreements and Performance Promise linked to individual scorecards			Monthly, Quarterly reports	No baseline	No baseline	No baseline	Approv and signed Accountability Agreements and Performance Promise for all employees	Approv and signed Accountability Agreements and Performance Promise for all	General Manager



											employees	
		Conduct quarterly performance reviews for section 56 Managers and Accounting Officer	No of signed quarterly performance evaluation reports			Monthly, Quarterly reports	Quarterly performance reports	Quarterly performance reports	Quarterly performance reports	Annual performance evaluation report for 4 section 56 managers and Accounting officer	Annual performance evaluation report for 4 section 56 managers and Accounting officer	General Manager
		Monitor and measure institutional performance quarterly	Number quarterly performance reports on monitoring of municipal performance produced within a month after the end of the quarter			Monthly, Quarterly reports	Quarterly and 2014/2015 APR performance reports	Quarterly and 2014/2015 APR performance reports	Quarterly and 2014/2015 APR performance reports	Approve 2015/2016 Annual Performance Report	Approve 2015/2016 Annual Performance Report	General Manager
<b>SPU: Youth, Women, Physically Challenged, Orphaned and Vulnerable Children, Elderly, HIV/AIDS</b>	To promote programs and projects that impact on youth, disabled, women and children, elderly and other vulnerable groups.	By reviewing plan that promote mainstreaming of Special programmes in all GKM programs, plans and projects	Report on the implementation of sport programs in line with approved plan	R500 000	GKM	Monthly, Quarterly reports	SPU Plan, Terms of Reference for all focal groups, SPU Forum, Children's Advisory Council, Youth Council, Women's Forum, Disability Council,	SPU Plan, Terms of Reference for all focal groups, SPU Forum, Children's Advisory Council, Youth Council, Women's Forum, Disability Council,	SPU Plan, Terms of Reference for all focal groups, SPU Forum, Children's Advisory Council, Youth Council, Women's Forum, Disability Council, Sports Council	Report on the implementation of Special programmes and projects in line with approved plan and re	Report on the implementation of Special programmes and projects in line with approved plan and re	General Manager

							Sports Council	Sports Council				
	To develop a plan that will promote sport in the area.	By ensuring coordination of sport activities throughout the year	Report on the implementation of sport programs in line with approved plan			Monthly, Quarterly reports	Constitution for Sports Council, Policy on Financial support for sport & Programme of action	Constitution for Sports Council, Policy on Financial support for sport & Programme of action	Constitution for Sports Council, Policy on Financial support for sport & Programme of action	Report on the implementation of sport programs in line with approved plan and reviewed structure	Report on the implementation of sport programs in line with approved plan and reviewed structure	General Manager
	To reduce impact of HIV AIDS by 2017	By implementing programmes that will impact positively in reducing the spread of HIV and Aids as per developed plan	Report on the implementation of HIV/ AIDS programs in line with approved plan			Monthly, Quarterly reports	2012/2013 Quarterly reports,	2013/2014 Quarterly reports,	2014/2015 Quarterly reports,	Report on the implementation of HIV/ AIDS programs in line with approved plan and reviewed structure	Report on the implementation of HIV/ AIDS programs in line with approved plan and reviewed structure	General Manager
<b>Moral Regeneration Movement Programme</b>	Develop and Implement GLKM Moral Regeneration Movement Charter by June 2017	Conduct awareness campaign on the Moral Regeneration Movement Charter	No of campaigns conducted	R200 000	GKM ADM	Monthly, Quarterly reports			2014/2015 activities held	4 campaigns on Moral Regeneration Movement National Charter	4 campaigns on Moral Regeneration Movement National Charter	General Manager
		Review and implement approved MRM annual plan	No of reports on the implementation of reviewed MRM annual plan			Monthly, Quarterly reports			Terms of reference, constitution, approved MRM annual plan	Report on the implementation of reviewed MRM annual plan	Report on the implementation of reviewed MRM annual plan	General Manager
<b>AUDIT OUTCOMES</b>	To ensure improve	Develop and monitor audit	Reduction in internal and	R2.5 M	MSIG	Monthly	2011/2012 Audit	2012/2013 Audit	2013/2014 Audit Action	Report on audit	Report on audit	General Manager

	nt of audit outcomes by 2017.	improvement plan to reduce internal audi external audit findings	external audit findings			Quarterly Reports to	Action Plan Report Opinion	Action Plan Report Opinion	Plan Report Opinion	improvement plans	improvement plans	
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<b>ICT Management and Governance</b>	Ensure effective and efficient Information and communication technology systems by June 2017	Review existing ICT Policies, procedures and systems	Reviewed existing ICT Policies, procedures and systems	R400 000	GKLM	1. Approve ICT policies and procedures 2. Efficient and reliable Network 4. Signed SLA 3. Upgraded electricity vending system.	ICT Policy available and ICT Committee available	Analysis of Gaps in the existing Policy, Procedures and Review	Upgrading of Backup Systems and Network Servers	Enforce ICT procedures and compilation of reports for ICT Governance	Review of Policy and Procedures	General Manager
		ICT Risk Profile Maintenance of Virtual private network Develop terms of reference, establish and training of ICT Committee						Co-ordinate Sitzings of ICT Committee	Enforce ICT procedures and compilation of reports for ICT Governance			
<b>LEGISLATIVE AND POLICY COMPLIANCE</b>	To ensure compliance with applicable legislation, regulations, policies and procedures by June 2017	Advise council on legislative, policy and compliance issues	No of reviewed and adopted policies	R500 000	GKM	Monthly Quarterly Reports to	Existing Policies and By-laws	Existing Policies and By-laws	Existing Policies and By-laws need review	12 reviewed and adopted policies complying with regulations, legislations and applicable guidelines	12 reviewed and adopted policies complying with regulations, legislations and applicable guidelines	General Manager
	Ensure effective and efficient resolution of legal cases	Resolve legal matters of the municipality	No of resolved municipal cases and legal services provided			Monthly Quarterly Reports to	Report on litigation	Report on litigation	2014/2015 report on legal matters	Progress report on the legal matters	Report on the legal matters	General Manager

# **CHAPTER 8**

## **SECTOR DEPARTMENTS AND ADM PROJECTS**



**PROJECTS FROM OTHER SECTOR DEPARTMENTS AND MUNICIPAL INFRASTRUCTURE GRANT**

**MIG Capital Project for Water and Sanitation**

**ADM budget for GKM**

Project Name	2014/15	2015/16	2016/17
Komga Commonage Settlement Services	5 000 000	8 000 000	1 000 000
New Waste Water Treatment Waste- Morgan's Bay	1 000 000	3 000 000	8 000 000
Area Wide Sanitation Projects (GKM Phase 1 A) All regions	10 000 000	- 136 000	5 000 000
: Department of Environmental Affairs: – Clearing and Beautification of Illegal Dumps.	R5 Million: 12 months period.	0	0
<b><u>NEW PROJECTS STILL TO BE REGISTERED TO MIG</u></b>			
Morgan's Bay Water Treatment Works Upgrade	-	1 000 000	1 000 000

Kei Mouth Reticulation	1 000 000	1 000 000	2 000 000
Upgrade Komga Water Treatment Works	1 000 000	3 000 000	100 000
Kei Mouth Pipe Replacement	1 00 000	2 00 000	1 000 000
Morgan's Bay Sewer Upgrade	-	-	5 00 000
Chintsa East Bulk Services Upgrade (to include Water Treatment Works and Waste Treatment Works)	1 00 000	-	
Kei Bridge Komga Water Treatment Works	-	1 00 000	5 00 000
Haga Haga Water Treatment Works	-	1 00 000	5 00 000
Komga Public Transport Facility (Preliminary designs, details Design and tender documentation Development)	120 000	1 000 000	3 000 000
Komga Sewer Reticulation upgrade (preliminary design, detailed design and tender documentation development)	350 000	2 000 000	4 000 000

Mooiplaas Public Transport (preliminary design, detailed design and tender documentation development)	180 000	1 000 000	4 000 000
Implement Sanitation Upgrade study recommendation in tourist nodes (Kei Mouth – Morgan's Bay	3 00 000	2 000 000	-
Clearing and Beautification of illegal Dumps [Funded by DEAT]	5 000 000	-	-
<b>Sub Total for Great Kei</b>	<b>24 150 000</b>	<b>26 536 000</b>	<b>30 600 000</b>



## **ADM Funded Projects in GKM**

- Komga Commonage Settlement [Zone 10] – R 5,5m
- Feasibility Study- [Morgans Bay] New Waste Treatment Works – R1m
- Great Kei Interim Water Supply – R 3m
- Upgrading of Sanitation Infrastructure [Kei Mouth] – R 400 000
- Feasibility Study [Komga Sewer Reticulation & Connection] – R 500 000
- Feasibility Study [Chintsa East Regional Sanitation Infrastructure Scheme - R 700 000
- Feasibility Study [Chintsa East Bulk Water Scheme] - R 700 000
- Wild Coast Jikeleza [Security, Cleaners and Crafters material] - R 30 000
- Great Kei Summer Festival [Security, Cleaners and Crafters material]- R 30 000
- Kei Mouth Zone Plan – R 200 000
- Komga Transfer Tittle Deeds Transfer [Conveyancing] – R 200 000
- Small Town Revitalization [Developing Regeneration Strategies for Kei Mouth & Komga]
- Chintsa East Settlement Planning [400 sites] – R 50 000
- Livestock Improvement [Kwelerha Villages]

## **OTHER SECTOR PLANS**

- DRDAR 2015/ 2016 – R 135 564, 73 – Agricultural Programmes,
- DEA – R 5 000 000 – Cleaning and Beautification of Komga Town
- EPWP – R 1 000 000 - Job Creation
- CWP – R 197 338 – Job Creation



## **GKM MIG Projects 2014/15**

<b>WARD NO.</b>	<b>PROJECT NAME</b>	<b>Budget amount</b>	<b>PROJECT STATUS</b>
1	Nomzamo Day Care Centre	R 1 000 000	Consultant appointment stage
5	Road to Orphanage Home	R 1 500 000	Consultant appointment stage
3	Makhazi Internal Streets	R 1 000 000	Consultant appointment stage
5	Zone 10 internal streets	R 1 250 000	Consultant appointment stage
4	Belekumntana Internal streets	R 1 185 000	Consultant appointment stage
7	Sidi Internal Streets	R 3 308 100	Consultant appointment stage
4	Mangqukela Internal Streets	R 1 000 000	Consultant appointment stage
4	Lusasa Internal Streets	R 1 000 000	Consultant appointment stage
6	Bhola Day Care Centre	R 936 850	Consultant appointment stage
	<b>TOTAL</b>	<b>R 12 179 950</b>	

## 2015/ 2016 MIG PROJECTS

PROJECT	NEW
Jongilanga Internal streets	1 200 000
Tuba internal streets and stormwater	1 300 000
Internal streets Chris Hani Zozo loc	1 100 000
Makhazi sportsfield	1 600 000
Lusizini internal streets	1 100 000
Ncalukeni Internal streets	1 000 000
Elityeni daycare centre	1 100 000
Sivwe Internal streets	1 600 000
Happy Valley / T Peace V Community hall	1 600 000
Gwaba Community Hall	1 600 000
Mtyana Day Care Centre	900 000
Komga Sportsfield	1 000 000
Chintsa East Sportsfield	1 400 000
Kwelerha Sportsfield	800 000
Chintsa East Community Hall	2 000 000
Sotho Soccer Pitch	1 100 000
<b>TOTAL</b>	<b>32 411 750</b>

**ATTACHED DRAFT 2015/2016 SERVICE DELIVERY AND BUDGET IMPLEMENTATION  
PLAN ALSO 2015/2016 ORGANISATIONAL STRUCTURE, REVIEWED GKM SDF, GKM  
LOCAL ECONOMIC DEVELOPMENT STRATEGY**