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LIST OF ABBREVIATIONS AND ACRONYMS

AFS = Annual Financial Statement

AG = Auditor General

APAC= Audit & Performance Audit Committee

COGTA = Co-operative Governance and Traditional Affairs

DEDEAT = Department of Economic Development and Tourism

DTI = Department of Trade and Industry

ECPTA = Eastern Cape Parks and Tourism Agency

EEP = Employment Equity Plan

EPWP = Extended Public Works Programme

GCIS = Government Communication and Information System

ICT = Information and Communication Technology

IDP = Integrated Development Plan

KSDM = King Sabata Dalindyebo Municipality

LED = Local Economic Development

LRED = Department and Regional Economic Development

MAYCO = Mayoral Committee

MOU = Memorandum of Agreement

MPAC = Municipal Public Accounts Committee

PI = Presidential Intervention

PMS = Performance Management System

PMU = Project Management Unit

PSC = Project Steering Committee

SALGA = South African Local Government Association

SCM = Supply Chain Management

SCOA = Standard Charter of Accounts

SDBIP = Service Delivery and Budget Implementation Plan

SMME = Small, Medium, Micro Enterprise

SPLUMA = Spatial Planning Land Use Management Act

WSP = Works Skills Plan

CHAPTER 1: EXECUTIVE MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.1 Executive Mayors Foreword



King Sabata Dalindyebo Municipality is grateful to outline the annual report for 2020/2021. The year has been a year of mixed emotions as the current challenge of the COVID-19 pandemic continues to create socio-economic challenges and has led high death rate ever since it engulfed the world. The trends in our local death rate are significantly high compared to other years and the economy continues to underperform. In the previous financial year, KSDM's economic performs was at -0,6 and has contributed less to the GDP as per the economic projections. The municipality had to ensure that within the financial year, it adopts measures that will warrant that there is a proper response to the COVID-19 pandemic.

Part of the response measures that were adopted firstly was to ensure that there are incentives for residential and business properties for rate rebates through periodic amnesty calls for support, secondly, the municipality through Local Economic Development had to introduce a help desk that would assist businesses that were feeling the financial strain to make applications for funding relief through all the funding agencies as introduced by the government, there were also weekly Joint Operation Command meetings that were dedicated to all COVID-19 pandemic for all government departments and internal inter-directorate reporting indicating all sectoral challenges that required leadership intervention.

The municipality had further interpreted the South African Government approach for economic recovery as outline by National Treasury to ensure that the municipality can attract resources through our resource mobilization plan and secondly to adjust the regulations and ensure proper adherence to COVID-19 pandemic protocols and regulations, to also prioritize socio-economic support for businesses through favorable policies to ensure that business is retained to reduce the possibility of job losses, the creation of the conducive environment for investment and also ensure proper turnaround time for all the required development approvals and lastly, to enhance skills to develop the local economy.

It is worth noting that without the support of government departments, SETA's and our partners being the Institutions of Higher Learning, we would not have achieved some of the targets that we had set ourselves and the support had ensured that our communities benefit extensively in all the training opportunities especially our vulnerable groups. The municipality had further identified two projects for mixed-use development within the Mthatha node to be used for economic recovery and these two projects were submitted to the Office of the Premier for their consideration. The

aforesaid projects are private sector driven and are to create job opportunities during construction and to bring about a massive investment of approximately R 20 billion over the next 10 years. Besides, the two projects, it is important also highlight many projects that are regarded to be turnkey in nature and that will contribute to the development local economy, the proposed projects are as follows: N2 and R 61 upgrade by the South African National Roads Agency Limited (SANRAL), Motortown Development in Norwood and Vulindlela Industrial Park by Eastern Cape Development Corporation (ECDC), Special Economic Zone closer to the airport by DTIC (implemented by COEGA).

It is also worth noting that the municipality has significantly improved in its performance with many of the targets set for 2020/2021 achieved with overall performance being at 67%. The performance report has since been audited and will be table to Council for noting and will be taken through public participation processes. All the council meetings and section 79/80 sat promptly without challenges. The municipality has held all the required IDP engagement platforms, stakeholder meetings with traditional leadership, activation of war rooms, but due to the COVID-19 pandemic, communities were engaged through local radio stations, social media, and virtual meetings or by loud hailing.

As outgoing leadership and this being our last report for the current term, we wish to extend the work of gratitude to our hard-working employees, the multi-party-political support, our communities, and our distinguished community-based organisations, ie Traditional Leadership, Religious Groups and many other groups. We have had many of our employees losing their loves during the year in question, may their souls continue to rest in eternal peace!


G N NELANI
EXECUTIVE MAYOR

DATE: _____

15.1 Municipal Manager's Overview



King Sabata Dalindyebo Municipality has put in place all the necessary administrative measures to encourage and improve municipal service delivery and inculcate a performance-driven culture for sustainable development. The municipality has achieved most of the targets set during the year under review. Quarterly reviews of the municipal performance were done, and reports were submitted to the council for their endorsement.

The municipality has experienced serious financial challenges that have been caused by many revenue sources underperforming for various reasons. A revenue enhancement plan was developed wherein all the revenue sources were monitored closely, and challenges were identified for early warning as well as for readjustment of plans for improved revenue collection. However the reason for the underperformance on revenue collection is economic downturn caused by the COVID-19 pandemic.

The pandemic has also affected municipal operations from time to time, however, proactive measures were put in place to manage and contain the spread of the COVID-19 pandemic, whilst we also emphasize the importance of business continuity for service delivery. Some of the government departments have not maintained their obligations leading to the municipality under collecting in terms of its revenue projections.

In the debtor's age analysis, it is noted that government departments have not been paying the municipality on time and therefore, leading to some challenges in terms of the operational plans for service delivery. The municipality also as another strategy had to assemble a team for resource mobilization to ensure that we leverage possible funding opportunities from government departments and other entities. Further measures implemented was an introduction of the rates amnesty to relieve some of the businesses and also to ensure investments are retained within the local space.

There has been a drive to attract government and private sector investments to ensure that there is better circulation of income within the local space, employment creation, small business development, and poverty alleviation. The municipality through local business structures has been proactive to ensure that the opportunities created within KSDM benefit as many local businesses as possible.

In terms of good governance council structures seating quarterly such as Audit & Performance Committee meetings, Risk Management Committee, and Municipal Public Accounts Committee. All these structures have helped to improve the internal capacity to respond to all challenges and also improved the municipal

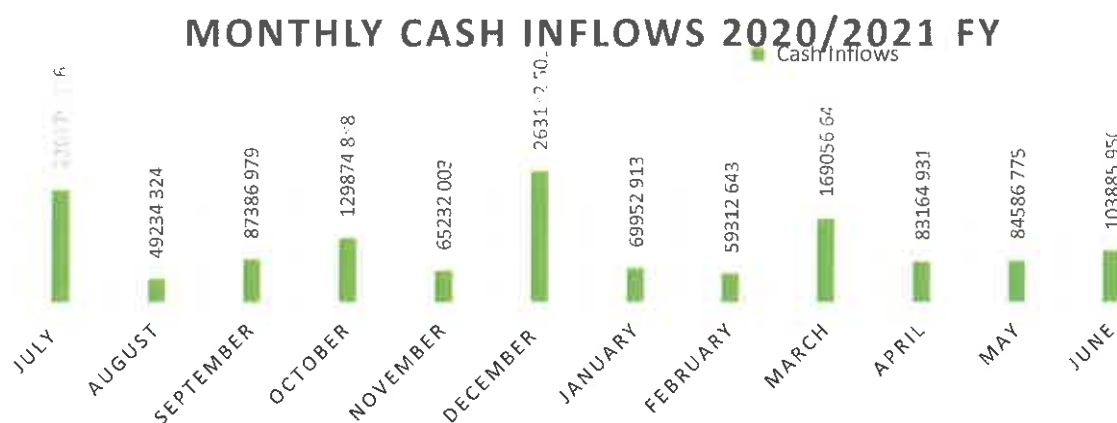
risk exposure on fraud and corruption. A hotline is dedicated to reporting service delivery challenges as well as reporting any fraud related activities.

The municipality during the year under review further appointed personnel mostly for critical posts within our organogram and the old organogram was reviewed to ensure that the relevant skills needed are aligned with the municipal strategy. Through municipal partnerships with institutions of higher learning, KSDM has committed to capacitate municipal employees, political leadership, and relevant stakeholders within the municipal jurisdiction.

Lastly, the municipality has just concluded its partnership with the City of Surrey in Canada through the South African Local Government Association (SALGA) and Federation of Canadian Municipalities (FCM). The program was aimed at improving the LED capacity of South African Municipal Governments to support effective service delivery, inclusive local green economic growth. The municipality has managed to develop the Film Making By-Law, Business Licensing, LED strategy, and gender strategy together with many other initiatives that were mainly focusing on support for vulnerable groups.

This is our last report for this term of council, the municipality hereby appreciates the support received from government departments, entities, and other partners for the achievements made in the 2020/2021 financial year. Without their support, understanding, and commitment KSDM would not have overcome all the challenges experienced and we were able to withstand some of the challenges posed by the COVID-19 pandemic through their funding relief schemes and packages for the investors and small businesses from the municipal jurisdiction.

The municipality has committed itself to ensure there is an improved financial recovery through the exploration of all possible revenue sources. The management is concerned about the revenue collection rate and the debtor’s age analysis that remains a biggest challenge. With all the measures put in place, the management is optimistic that it will achieve the desired outcomes.



The collection can be broken down into three categories:

- Billed income made up of electricity conventional, fire levies, rates, refuse removal and rental of facilities are 40 per cent of the total inflows at R554.9 million
- Grant received are also at 40 per cent of the total inflows at R555.9 million. This has significantly increased due to additional allocation on equitable share amounting R75.87 million and R3.2 million for disaster to deal with the impact of COVID 19.
- The balance at 20 per cent relates to all other income that is on cash basis including pre-paid electricity sales.

The monthly own revenue collection of the municipality is on average R69 million and cannot sustain the municipality without grants in the form of equitable share. This fluctuates between R50 million and R117 million (peak) in October.

The Integrated Development Plan for the year was assessed and rated high and the new policies and by laws were continued to be developed and approved in this financial year. The municipality is committed to clean governance and therefore, the approved policies and by laws will be implemented to achieve this desired outcome.



N PAKADE
MUNICIPAL MANAGER

DATE: 13 January 2022

15.2 OVERVIEW OF KING SABATA DALINDYEBO LOCAL MUNICIPALITY



1. MUNITATA BUILDING – KSD HEAD OFFICE

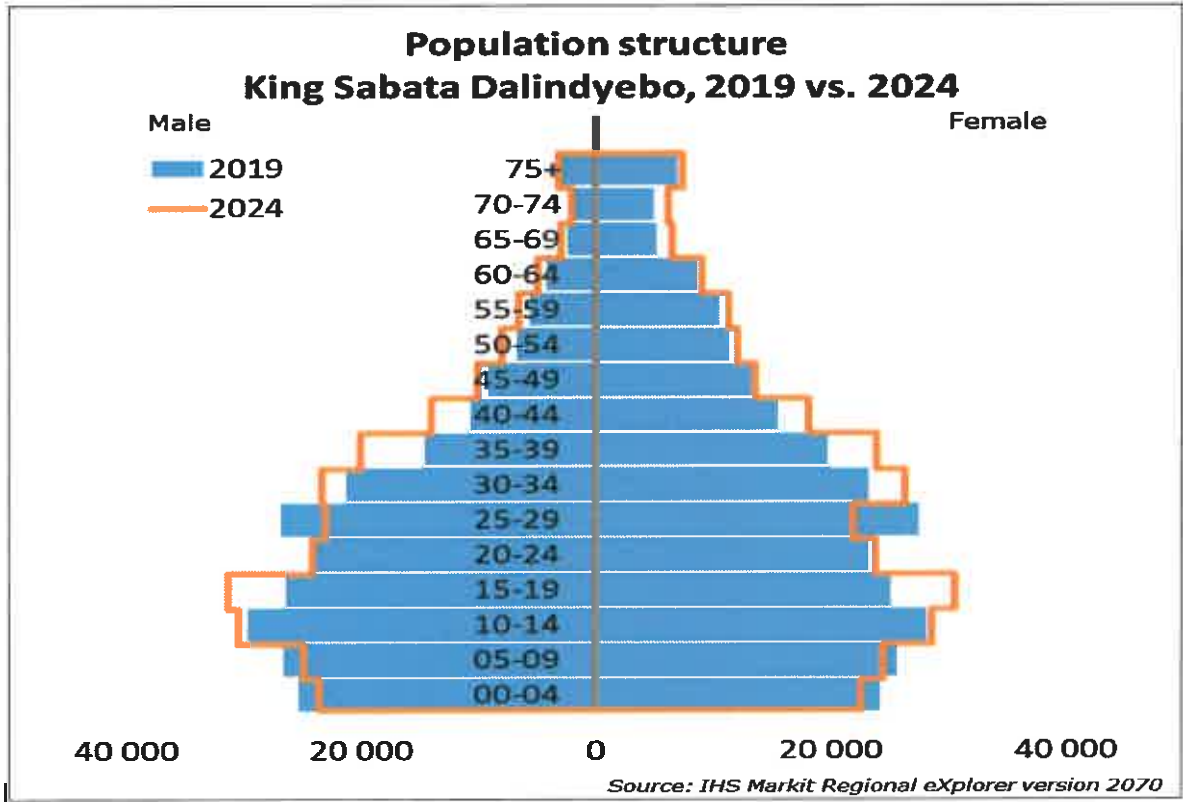
15.2.1 Municipal Overview

This section provides an overview on how the King Sabata Dalindyebo Municipality functions based on its relationship with other political structures, office bearers, administration, and the community. Information on the demographics, economic growth, population, growth and development structures of the municipality should be reported including the outcomes both success and not so successful initiatives embarked upon.

KSD Municipality is one of the five municipalities located within the OR Tambo District Municipality (ORTDM) in the Eastern Cape Province. KSD Municipality is the biggest municipality in the District in terms of its contribution to the Gross Domestic Product (GDP) and population demographics. KSD Municipality is also regarded as the regional center of the District. The municipality covers an area of 3027 square kilometers with 36 wards in total as against 35 prior 2016 Local Government accommodating an estimated population of 512 000 people in total according to ECSSEC. This equates to an average annual growth rate of 2.10% in the number of households from 2006 to 2016. With an average annual growth rate of 1.23% in the total population, the average household size in the KSD Municipality is by implication decreasing. This is confirmed by the data where the average household size in 2006 decreased from approximately 4.6 individuals per household to 4.2 persons per household in 2016. KSD Municipality ranked second (relative to its peers in terms of growth) with an average annual growth rate of 1.3% between 2008 and 2018. There

might be further decreases due to potential high death rate caused by COVID -19 pandemic, expectedly the population was estimated to grow between 2018 and 2023.

However, as from 2019-2020, it was noted that there is a significantly larger share of young age working people between 20 and 34 (28.9%), compared to what is estimated in 2023 (26.7%). It is worth noting that the age category of young working age population will decrease over time with the fertility rate in 2023 is estimated to be slightly higher compared to that experienced in 2018. Therefore, there different population demographics with the children between the ages of 0 to 14 years projected at (29, 2) which will be significantly smaller in 2023 when compared to 2018 (31.6%). The female population for the 20 to 34 years age group amounts to 14.7% of the total female population while the male population group for the same age amounts to 14.2% of the total male population. In 2023, the male working age population at 13.2% does not exceed that of the female population working age population at 13.5%, although both are at a lower level compared to 2018. The youthful population is infected by HIV/aids at 61 400 of the people being infected with an annual rate of 2, 90% since 2006 to 2016.



The Gross Domestic Product of the region is expected to be at 26.8 billion in 2018 (up from R 12.8 billion in 2008), the KSD Municipality contributed 65.95% to the O.R. Tambo District Municipality GDP of R 40.7 billion

in 2018 increasing in the share of the O.R. Tambo from 64.80% in 2008. The KSD Municipality contributes 7.12% to the GDP of Eastern Cape Province and 0.55% the GDP of South Africa which had a total GDP of R 4.87 trillion in 2018 (as measured in nominal or current prices). Its contribution to the national economy stayed similar in importance from 2008 when it contributed 0.54% to South Africa, but it is lower than the peak of 0.58% in 2012. Just before, the lockdown projections, it was anticipated that by 2023, KSD's forecasted GDP will be an estimated R 17.6 billion (constant 2010 prices) or 66.0% of the total GDP of O.R. Tambo District Municipality. The ranking in terms of size of the King Sabata Dalindyebo Local Municipality will remain the same between 2018 and 2023, with a contribution to the O.R. Tambo District Municipality GDP of 66.0% in 2023 compared to the 66.1% in 2018. At a 1.06% average annual GDP growth rate between 2018 and 2023, KSD ranked the third compared to the other regional economies.

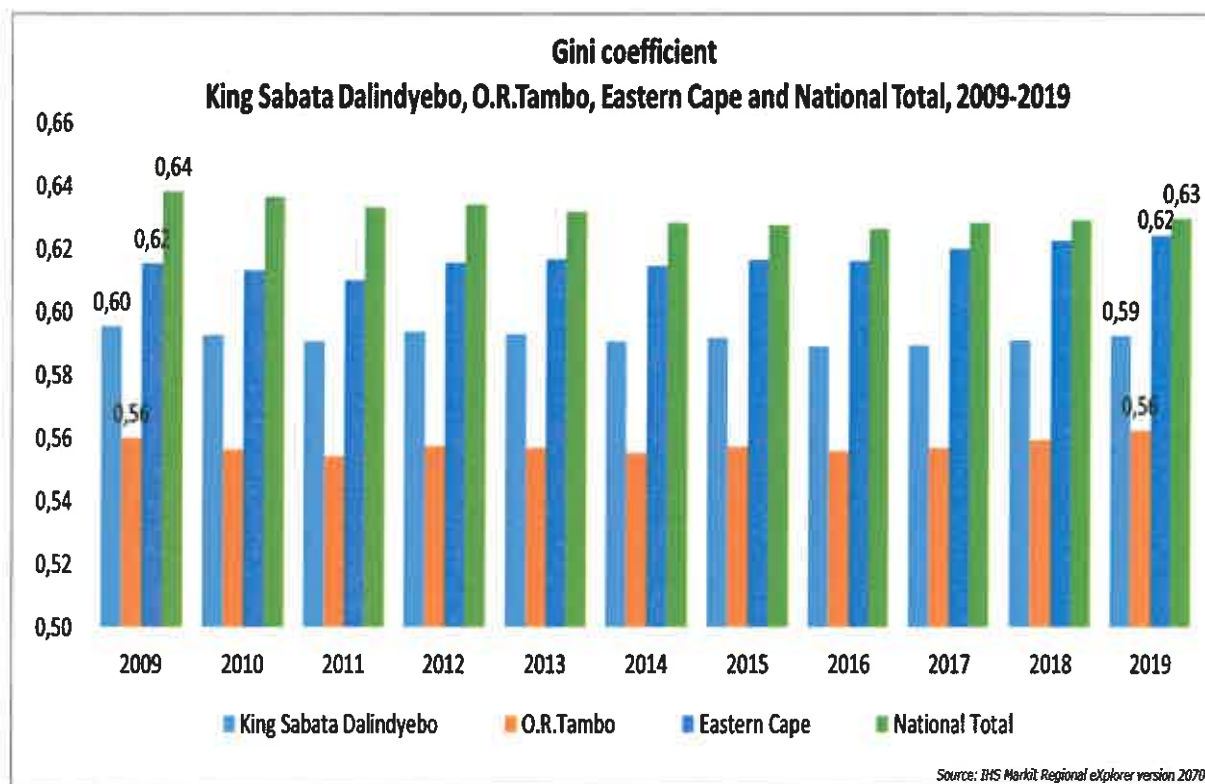
In 2018/2019, the community services sector is the largest within KSD Local Municipality accounting for R 9.15 billion or 36.9% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the KSD Local Municipality is the trade sector at 22.6%, followed by the finance sector with 21.6%. The sector that contributes the least to the economy of King Sabata Dalindyebo Local Municipality is the mining sector with a contribution of R 23.2 million or 0.09% of the total GVA. The tertiary sector contributes the most to the Gross Value Added within the KSD Local Municipality at 87.1%. This is significantly higher than the national economy (68.5%). The secondary sector contributed a total of 12.0% (ranking second), while the primary sector contributed the least at 0.9%. The labour force participation rate increased from 45.86% to 49.60% which is an increase of 3.7 percentage points.

KSD Local Municipality had the highest total personal income with R 16 billion which increased from R 7.01 billion recorded in 2008. It can be seen that the Port St Johns Local Municipality had the lowest total personal income of R 2.9 billion in 2018, this increased from R 1.41 billion in 2008. KSD Local Municipality has a 0.9% share of the national population, 0.5% share of the total national income and a 0.6% share in the total national retail, this all equates to an IBP index value of 0.0055 relative to South Africa as a whole. O.R Tambo has an IBP of 0.012, where Eastern Cape Province has and IBP index value of 0.089 and South Africa a value of 1 relative to South Africa as a whole. The considerable low index of buying power of the KSD Local Municipality suggests that the local municipality has access to only a small percentage of the goods and services available in all of the O.R. Tambo District Municipality. Its residents are most likely spending some of their income in neighbouring areas.

In 2018, with an average of 168 people per square kilometer, KSD Local Municipality had a higher population density than O.R. Tambo (124 people per square kilometer). Compared to Eastern Cape Province (42.7 per square kilometer) it can be seen that there are more people living per square kilometer in KSD Local

Municipality than in Eastern Cape Province. In 2018, KSD Local Municipality had a population density of 168 per square kilometer and it ranked highest amongst its peers.

In terms of growth, KSD Local Municipality had an average annual growth in its population density of 1.28% per square kilometer per annum and KSD is slightly below Ingquza Hill Local Municipality in terms of the population density. The population of KSD Municipality mainly made up of the youthful population with the life expectancy having improved over the years. The Human Development Index for KSD is at 0.47 with Gini-coefficiency of 0.62, dependency ratio of 61.8 and poverty levels at 61.9%.



15.2.2 Municipal Information

KSD Municipality wards are 36 in total as a result of the population increase and the land area has not changed.

- Vision

A developmental municipality that “strives for socio-economic transformation thereby improving the lives of people”.

- Mission

King Sabata Dalindyebo will strive to be a developmental municipality that is able to provide to the best of its ability.

- Principles

- Values,
- Innovation,
- Commitment to society and Participatory governance,
- Transparency, Openness to public scrutiny and Serving,
- Honesty, and
- Trust.
-

1.3.3 Local Economic Development

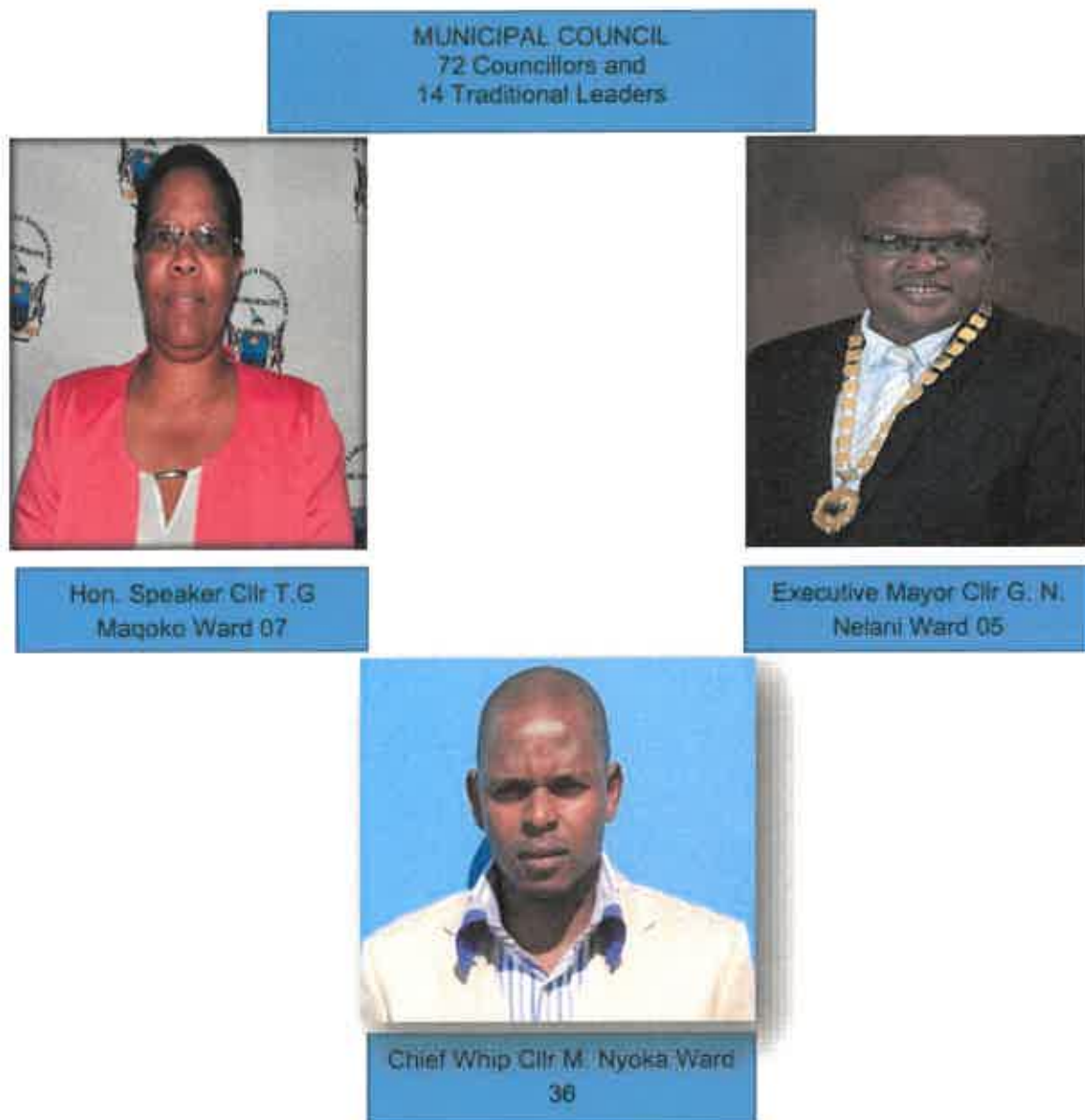
Local Economic Development engages local stakeholders through various platforms such as the Integrated Development Program outreach programs, Intergovernmental Relations, stakeholder session for the business chambers, hospitality industry, banks, traditional leadership and through the war rooms as advocated by government. The forums and stakeholder sessions are held quarterly, and municipal performance reporting is done in these forums. The municipality has also ensured that there is a representation of the vulnerable groups and sector focused plans to ensure the municipality reaches to all its citizens.

CHAPTER 2: GOVERNANCE

2. COMPONENT A: Political governance and Administrative Governance Structures

2.1 Introduction to Political Governance

King Sabata Dalindlebo Municipality has the Executive Mayoral system which allows for the exercise of executive authority through the Executive Mayor in whom the executive leadership of KSD is vested. There is also a Mayoral Committee, which is responsible for day to day decisions of the municipality. The Council has a Speaker who chairs the meetings of Council. The Council is the legislative arm of the municipality and is ultimately responsible for the approval of IDP and Budget and other important decisions of the institution.



MAYORAL COMMITTEE MEMBERS



**Cllr N. Sibeko MMC –
Technical Services Ward 13**



**Cllr L. N. Ntlonze MMC –
Corporate Services**



**Cllr M. T. Mirara MMC –
Human Settlement**



**Cllr Z. Madyibi MMC –
Community Services**



**Cllr E. T. Mapekuia MMC –
Budget and Treasury Ward
06**



**Cllr Z. Nokayi MMC –
Planning, Research and
IGR**



**Cllr N. Gcingca. MMC –
Rural & Economic
Development Ward 02**



**Cllr T. Machaea MMC –
Public Safety and Traffic
Ward 06**



**Cllr Z. Gana MMC –
Special Programmes Unit**

All spheres of government must provide effective, transparent, accountable and coherent government for the Republic of South Africa to secure the well-being of its people and the progressive realisation of their rights to a healthy environment. This is in line with the objectives of the Constitution and other pieces of legislation.

Evaluation of the ongoing effectiveness of Public officials or public bodies ensures that they are performing to their potential, providing value for money in the provision of public services, instilling confidence in the government and being responsive to the community.

The King Sabta Dalindyebo Municipality embraces the principles of the Back to basics programme that emphasises good governance. The Council have number of governance structures.

2.1.1 Speaker of Council

The legislative arm of Council is led by the Speaker of Council, who presides over Council meetings, Councillor (Cllr) Thandeka Grace Maqoko. The Speaker is responsible for coordinating and managing the functioning and development of Section 79 committees and Councillor Affairs in order to ensure openness, transparency, and accountability on the part of the Council, its political structures and its administration by providing for citizens to exercise their right to public participation. In addition, the Speaker fulfils the role of building democracy; and managing community participation in local government, particularly through the participation of ward committees, community forums, ward war rooms and traditional councils in order to ensure effective functioning of people in government programmes and process. The Speaker has to ensure public consultation, involvement and participation in the affairs of the Municipality and fully mainstream public participation in municipal processes.

2.1.2 Chief Whip of Council

The Speaker is supported by the Chief Whip of Council, Cllr Mzukisi Nyoka, whose role is to maintain cohesion between the governing party and Council and to build relationships with other political parties represented in Council. Other tasks include:

- Ensuring that each of the political parties are properly represented on the various committees;
- Maintaining sound relations between the various political parties; and
- Attending to disputes between political parties.

The Chief Whip is further responsible for enhancing the maintenance of sound relations and speedy resolution of disputes among various represented political parties.

2.1.3 Councillors and Traditional Leaders

The King Sabatha Dalindyebo Municipality has in terms of allocation of seat has a total of 72 Councillors, which include 36 elected Ward Cllrs and 36 appointed proportional representative Councillors. Nevertheless, in the end of 2020/2021 Financial Year Ward 04 Councillor M. Mabaso was removed for office as Member

of Council, and there has been no replacement as IEC had closed By-Elections. As issue of governance cannot be put on halt whilst there's vacancy, the Council agreed to nominate Cllr N. Sobahle to serve as a Caretaker Councillor.

Each of the 36 Ward Cllrs chairs a Ward Committee as part of the Ward Participatory System that encourages participation at a community level. Ward Councillors, as representatives of wards, have a responsibility to make sure that the voices of the communities in their respective wards are heard in Council and its structures. They are also responsible for creating a two-way link between communities and Council thus have direct access to the Speaker of Council. The King Sabatha Dalindyebo Municipal Council is also composed of 14 Traditional Leaders, who play a participatory oversight role over the Council with non-voting status on Council decisions and also play a meaningful role in support of the Traditional Initiation and Moral Regeneration Movement programmes within the municipal area as they are the custodians of culture. Unfortunately, one, Nkosi DD Mtirara passed away, leaving 13 Members of the Traditional Leaders participating in Council.

2.1.4 Political Decision Making

The Council remains the highest decision-making structure in the municipality which is made up of 71 Councillors (due to removal of one Councillor) and 13 Traditional Leaders sitting in plenary (due to the deceased Traditional Leader). It is empowered by section 160 (1) of the Constitution to make decisions concerning the exercise of its powers and the performance of its functions, and by section 59 of the Municipal Systems Act to delegate some of its powers to any of the municipality's political office bearers, political structures, Councillors or staff members.

There is a distinction drawn on how Council runs its business on matters delegated to the Executive Mayor and his Mayoral Committee have the authority to make decisions and implement, and non-delegated matters on which Council retains the powers to make the final decision.

Table in Appendix I, depicts seating of Councils both Ordinary Council and Special Councils, including the attendance of members of Council to such meetings.

2.1.5 Ward Report

The report provides for an overall functioning of ward committee structures in line with set target for the functioning of ward committees as outline in the Standard Guidelines and Strategies for Ward Committee in KSD Municipality as well as the Code of Conduct, which set out performance, functioning and management of ward committees, as means to measure, evaluate and corrective action.

In the first term of the Local Government in 2016, Ward Committees were established, in terms of the Local Government Structures Act 117, in line with the legislation, in all the 36 Ward in the 36 KSD Wards.

As required Ward Committee meetings are held every month and submitted to the Speaker's office, analysed by office to monitor discussions and follow up on issues raised in the Ward Committee meetings, but there were challenges noted in the minutes submitted with regards to quality of minutes and the discussions with the Ward Committee Meeting.

In terms of the Ward Committee Functionality, in the year under review the Ward Committee numbers were varying due to deaths and resignations, by the end of the financial year were had 353 Ward Committees in place and Seven (7) vacancies due to various reasons i.e. resignation and death. Ward Committee vacancies are filled whenever time and COVID-19 protocols permit.

The Community Development Workers are housed in the office of the Speaker and work directly with the Ward Councillors in the wards to assist communities. There has since been improvement on the employment of CWDs by the Department of Corporative Governance and Traditional Affairs 35 CDWs are in place in the King Sabatha Dalindyebo Municipality. The remaining challenge is for COGTA to evenly allocate one to where there is vacancy, where the ward with two (2), and one (1) vacancy due to death.

APPENDIX I

1. Council Meeting and Attendance of Cllrs

The King Sabatha Dalindyebo Municipal Council meets as required by the Local Government Municipal Structures Act, 117 of 1998-chapter 3 Section 18 and as and when a need arises. The Council approved Institutional Calendar gives a guide as to when an Ordinary Council Meeting and a Special Council Meeting seat. Presented below is a depiction of the dates of all Council Meetings sat in 2020/2021 Financial Year as well as attendance of such meetings by the Members:-

INITIALS AND SURNAME	31-07-20	07-08-20	31-08-20	07-09-20	30-09-20	30-10-20	30-11-20	10-12-20	29-01-21	26-02-21	31-03-21	13-04-21	28-04-21	30-04-21	30-04-21	31-05-21	15-06-21	30-06-21
	Honourable Speaker, Cllr T.G. Maqoko	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
His Worship the Executive Mayor, Cllr G.N. Nelani	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr A. Babile	1	1	*	*	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr B.D. Bara	*	1	1	A P	1	*	1	A P	*	1	*	1	*	1	1	*	AP	1
Cllr T. Bhova	1	*	1	1	1	1	1	1	1		1	1	1	1	1	1	1	1
Cllr B. Bikani	1	AP	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr M. Bunzana	1	1	*	A P	*	1	*	*	*	AP	1	1	*	1	1	*	1	1
Cllr U. Daniso	1	1	*	1	1	1	1	*	1	1	1	1	1	1	1	1	1	1
Cllr N. Diblokwe	1	1	*	A P	1	A P	1	*	*	*	*	*	*	*	*	*	AP	1
Cllr E.M. Fileyo	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Cllr M. Fukula	1	1	1	1	1	*	1	1	1	1	*	1	1	1	*	*	1	
Cllr M. Gogo	-	-	-	-	-													
Cllr N. Gcinindawo	1	1	A P	A P	A P	*	1	1	*	1	1	1	1	*	*	*	*	*
Cllr B.B. Gqwetha	1	1	A P	A P	A P	*	1	1	*	1	1	1	*	1	1	1	1	AP
Cllr Z.M. Gusana	1	1	1	1	A P	1	1	1	1	AP	1	*	*	*	*	1	*	*
Cllr S.D. Jadiso	1	1	1	1	1	1	1	1	1	1	1	1	*	*	*	*	1	1
Cllr O. Khotso	1	1	1	1	1	*	1	1	1	1	1	1	1	*	*	1	1	1
Cllr R. Knock	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr Z.D. Kutu	1	1	1	1	1	1	1	A P	*	1	1	1	*	*	*	1	1	1
Cllr L.D. Liwani	1	1	1	1	1	1	1	1	1	1	1	1	*	1	1	1	1	AP

INITIALS AND SURNAME	31-07-20	07-08-20	31-08-20	07-09-20	30-09-20	30-10-20	30-11-20	10-12-20	29-01-21	26-02-21	31-03-21	13-04-21	28-04-21	30-04-21	30-04-21	31-05-21	15-06-21	30-06-21
	Cllr G.N. Lusu	1	AP	1	1	AP	1	1	1	1	1	1	1	1	1	1	1	*
Cllr Z. Luvantyu	1	*	1	*	1	1	1	1	AP	1	1	1	1	1	1	1	1	1
Cllr L.M. Luwaca	1	1	1	*	1	1	*	1	1	1	1	1	1	*	*	1	1	1
Cllr M. Mabaso	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cllr R.T.G. Machaea	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr Z. Madyibi	1	1	1	1	*	AP	1	1	1	1	AP	1	1	1	1	1	1	1
Cllr B. Malghas	1	1	1	*	AP	*	1	AP	1	1	1	1	1	AP	AP	*	1	AP
Cllr U.N.V. Malghas	1	1	1	AP	AP	1	AP	1	1	1	1	1	1	1	1	1	1	*
Cllr M.W. Malotana	1	1	*	*	1	1	1	1	1	1	1	1	1	*	*	1	1	1
Cllr P. Molakaiaka																	1	1
Cllr M.A. Manzolwandle	1	1	1	1	1	1	1	*	1	1	1	1	*	1	1	1	1	1
Cllr E.T. Mapekula	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr M. Marasha	1	1	*	1	AP	1	1	*	AP	1	1	1	1	*	*	1	1	1
Cllr N.R. Gcingca	1	1	1	1	1	*	1	1	1	1	1	1	*	1	1	1	1	1
Cllr Z. Gana	1	1	1-	-	*	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr X.M. Mbongwana	1	1	*	*	1	1	1	*	1	1	*	1	*	1	1	1	1	1
Cllr T.E. Mcimbi	*	1	*	1	*	1	1	1	*	1	*	*	*	*	*	1	*	1
Cllr M. Menzelwa	1	1	1	1	1	1	1	1		1	1	*	*	1	1	1	*	1
Cllr N. Mgugudo	-	-	-	-														
Cllr A. Mgquba	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	*	1	1
Cllr S. Mhlaba	1	1	1	1	1	1	1	1	1	1	1	1	*	1	1	1	1	1
Cllr L.L. Mkhonto	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr M. Mkhoteli	1	1	1	1	1	1	AP	*	1	1	1	1	1	1	1	1	*	1
Cllr N. Mkhontwana	1	1	1	AP	AP	1	1	*	*	*	1	1	1	1	1	1	*	*

INITIALS AND SURNAME																		
	31-07-20	07-08-20	31-08-20	07-09-20	30-09-20	30-10-20	30-11-20	10-12-20	29-01-21	26-02-21	31-03-21	13-04-21	28-04-21	30-04-21	30-04-21	31-05-21	15-06-21	30-06-21
Cllr S. Mlotywa	-	-	-	-	-													
Cllr T. Mngoma	1	1	1	*	1	1	1	1	1	1	1	1	1	1	1	*	1	*
Cllr M. Mpangele	1	1	*	*	*	*	1	*	*	1	1		*	1	1	*	1	1
Cllr M. Mrwebi	1	1	*	*	*	*	*	*	*	1	1	1	1	1	1	1	*	*
Cllr M.J. Msakeni	*	*	*	*	A P	1	1	*	*	*	*	*	*	*	*	1	*	*
Cllr T.M. Mtirara	1	1	1	1	1	A P	1	1	1	1	1	1	1	1	1	1	1	1
Cllr N. Mtwana	1	1	*	1	*	*	1	1	1	*	*	*	1	*	1	*	AP	1
Cllr N.F. Mzimane	1	1	*	1	*	1	1	1	1	1	1	*	1	*	1	1	*	1
Cllr B. Ndlabongela	1	1	*	*	*	*	1	*	1	1	1	1	1	1	1	1	1	1
Cllr A. Ndzendze	1	1	*	1	1	1	1	*	1	1	1	1	1	1	1	1	1	1
Cllr N.M. Nqwazi	*	1	1	1	*	1	1	1	1	*	1	1	*	1	1	*	*	*
Cllr N. Ngqongwa	1	1	1	A P	A P	1	A P	1	A P	1	1	*	AP	*	*	AP	1	1
Cllr Z. Nokayi	AP	1	*	*	1	A P	1	A P	1	1	1	1	*	1	1	1	1	1
Cllr Z. Ntliziyombi	1	1	1	1	1	1	*	1	1	*	*	*	*	*	1	*	*	*
Cllr L.N. Ntlonze	1	1	1	*	1	1	1	1	1	1	1	1	AP	1	1	1	1	1
Cllr N. Nyangani	*	*	A P	1	1	*	1	1	*	1	AP	AP	AP	AP	AP	1	1	1
Cllr S. Nyengane	1	1	1	1	*	1	1	1	1	1	1	AP	*	1	1	1	1	1
Cllr N. Nyoka	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

INITIALS AND SURNAME																		
	31-07-20	07-08-20	31-08-20	07-09-20	30-09-20	30-10-20	30-11-20	10-12-20	29-01-21	26-02-21	31-03-21	13-04-21	28-04-21	30-04-21	30-04-21	31-05-21	15-06-21	30-06-21
Cllr N.P. Ngalo	*	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cllr N. Pali	SP	AP	A P	*	A P	A P	A P	A P	A P	AP	AP	AP	AP	AP	AP	AP	AP	AP
Cllr M. Qotyana	1	1	*	*	1	*	1	*	*	1	1	1	*	1	1	1	AP	1
Cllr V.N. Roji	1	*	1	A P	1	1	*	*	1	1	1	1	1	*	*	1	1	1
Cllr W.V. Sanda	-	-	-															
Cllr N. Sibeko	1	1	A P	*	1	1	1	1	1	1	1	1	*	1	1	1	1	1
Cllr S. Sikrenya	*	1	1	*	1	*	*	*	*	*	*	*	*	*	*	*	*	*
Cllr M. Sitshwala	-	-	-	-	-	-	-	-	-	-	-	-	-					
Cllr N. Siyo-Sokutu	-	-	-	-	-	-	-	-	-	-	-	-	-					
Cllr N.A. Sobahle	1	1	1	1	1	1	1	*	1	1	1	1	1	1	1	1	1	1
Cllr D.M. Teti	1	1	1	*	1	A P	1	1	1	1	1	1	1	1	1	1	1	1
Cllr C.S. Tokwana	1	1	1	1	1	A P	1	1	1	1	1	1	1	1	1	1	1	1
Cllr Tukayi	-	-	1	*	*	1		1	*	1	1	1		1	1	1	1	1
Cllr K.W. Tsipa	-	-	-	-	-										1			
Cllr L.A. Tshiseka	1	1	1	1	1	1	1	*	1	1	1	1		1	1	1	*	*
Cllr J. Voko	1	1	*	1	1	*	1	1	1		1	1		1	1	*	1	*
Cllr L.P. Zuma	1	1	*	*	1	1	*	1	1	1	1	*		*	1	1	1	*
Cllr D.M. Zozo	1	AP	1	*	A P	A P	1	*	1	*	1	1		*	*	*	*	1

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP, Standing Apology = SAP

INITIAL AND SURNAME																		
	31-07-20	07-08-20	31-08-20	07-09-20	30-09-20	30-10-20	30-11-20	10-12-20	29-01-21	26-02-21	31-03-21	13-04-21	28-04-21	30-04-21	30-04-21	31-05-21	15-06-21	30-06-21
Chief E.S. Tswina	1	1	*	*	1	1	*	*	*	*	1	1	*	*	*	*	1	1
Chief Z. Momoza	*	*	1	1	*	1	*	1	1	*	*	1	1	*	*	1	AP	*
Chief T.M. Sandile	*	*	*	*	*	1	*	*	1	*	1	*	*	*	1	1	AP	*
Chief G.V. Ndevu	*	1	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Chief N.R. Mandela – Perry	*	*	*	*	*	*	*	*	*	*	1	*	1	1	1	*	*	*
Chief M. Pongomile	*	1	*	1	*	1	1	1	*	1	*	1	1	1	1	1	1	*
Chief L.J. Dalibango	*	*	1	*	*	*	*	*	*	*	*	1	*	*	*	1	*	*
Chief T. Mtwa	*	1	A P	*	*	*	*	1	*	1	*	1	*	*	1	*	1	1
Chief N.N.G. Maxwele	*	*	*	*	*	*	*	*	*	-	-	-	-	*	-	-	*	*
Chief W.L. Mtirara	*	*	*	*	*	*	*	*	*	1	1	1	*	1	*	AP	*	1
Chief D.D. Mtirara	*	*	*	*	*	*	*	*	*	-	-	-	-	-	-	-	-	-
Chief Z. Mjanyelwa	1	1	1	*	1	1	*	*	1	1	1	1	1	1	1	*	1	1
Chief Nogwebile						1	*	*	*	*	*	*	*	*	*	*	*	*
Chief M. Ngonyama	*	*	*	*	1	1	*	*	*	1	*	1	*	1	*	*	1	*
Chief M.C. Bavuma	*	*	*	*	*	*	*	*	*	*	1	*	*	*	*	*	1	1

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP

2. COMMITTEE AND COMMITTEE PURPOSE

2.1. SECTION 79 COMMITTEES

The King Sabatha Dalindyebo Municipal Council in 2016 established Section 79 Committees in terms of the Local Government Structures Act which are political structures as envisaged in the Municipal Structures Act, and are:

- Municipal Public Accounts Committee
- Rules Committee
- Ethics and Members' Interest Committee
- Public Participation and Petitions Committee
- Women's Caucus
- Geographic Names Committee
- Audit & Performance Audit Committee (APAC)

The purpose of each committee, Cllrs serving, and attendance is dealt with below.

2.1.1 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The MPAC performs an oversight function on behalf of council and is not a duplication of and should not be confused with the roles and responsibilities of the audit committee or the finance portfolio committee.

It is important to also highlight that in April 2019 there was redeployment of the Chairperson of the MPAC to be the Speaker of Council, hence the new Chairperson is Cllr (Cllr) Sihlwele Nyengane.

Table below depicts how the Committee is structured, meetings of the Committee as well as attendance of the Committee:

INITIALS AND SURNAME	DATE					
	12/08/2020	07/10/2020	08/12/2020	03/02/2021	17/05/2021	26/05/2021
1. Cllr S. Nyengane Chairperson	1	1	1	1	1	1
2. Cllr A. Ndzendze	1	1	1	1	1	1
3. Cllr M. Mkhotele	1	1	1	1	1	1
4. Cllr Z. Ntliziyombi	1	1	1	1	*	1
5. Cllr C.S. Tokwana	1	1	1	1	*	1
6. Cllr N. Diblokwe	*	1	1	1	1	1
7. Cllr B. Malghas	Removed Him Self			Removed Him Self		
8. Cllr A. Mgquba	1	AP	1	*	*	*

9. Cllr L.D Liwani	1	1	1	1	1	AP
10. Cllr N.F. Mzimane	*	1	1	*	*	*
11. Chief S.E. Tswana	*	*	*	*	1	*

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP

2.1.2. RULES COMMITTEE

The purpose of this committee is:

- To promote the realisation of the vision, strategic objectives and priorities of the King Sabatha Dalindyebo Municipality.
- To assist the Council in developing and administering Standing Rules and for Council meetings for its efficient functioning of the Committees of Council.
- To develop, advise and monitor the implementation of Council's Policy with regard to Civic Functions and presentations.
- To diligently perform its power and functions in terms of the Council approved terms of references.

It is constituted in the following manner and number of Committee Sitting as well as attendance by Cllrs:

INITIALS AND SURNAME	COMMITTEE DATE			
	14/ 08/2020	20/ 11/ 2020	12/02/2021	05/05/2021
1. Speaker – Cllr T.G. Maqoko – Chairperson	AP	1	1	1
2. Cllr M. Menzelwa	1	1	1	1
3. Cllr M. Qotyana	1	1	1	1
4. Cllr J. Voko	*	*	1	*
5. Cllr C.S. Tokwana	1	*	1	1
6. Cllr B. Bikani	1	1	1	1
7. Cllr M.W. Malotana	1	1	1	1
8. Cllr M.A. Fukula	1	1	1	1
9. Cllr L.D. Liwani	1	*	*	*
10. Cllr B.B. Gqweta	*	*	*	1
11. Chief T.M. Sandile	*	*	*	*

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP

2.1.3. ETHICS AND MEMBERS INTEREST

The purpose of the EMIC is:

- To promote adherence to the Code of Conduct for Cllrs and Traditional Leaders.
- To develop, advise and monitor the implementation of Council's policy with regard to Cllr's and Traditional Leader's welfare and benefits.
- To diligently perform its power and functions in terms of the Council approved Terms of References.
- To promote adherence to appropriate Dress Code Policy for all Council and Committee meetings.

The Table below depicts the Committee is composition and the members' attendance in meeting dates:

INITIALS AND SURNAME	DATE											
	16/10/2020	19/10/2020	17/11/2020	27/11/2020	19/02/2021	23/02/2021	02/03/2021	10/03/2021	23/03/2021	14/04/2021	10/06/2021	
1. Cllr N. Nyangani (Chairperson)	AP	AP	AP	AP	1	1	1	1	1	*	1	
2. Cllr O. Khotso	*	1	*	*	1	*	1	1	1	1	*	
3. Cllr U. Daniso	1	1	1	AP	1	1	1	*	1	1	1	
4. Cllr L.L. Mkhonto	1	1	1	1	*	1	1	1	1	1	1	
5. Cllr N. Mkhontwana	*	*	*	*	1	*	1	1	1	1	*	
6. Cllr M. Mabaso	SUSPENDED = REMOVED											
7. Cllr T. Mngoma	1	1	1	1	1	1	1	1	1	*	1	
8. Cllr M.A. Manzolwandle	1	1	1	1	1	1	*	1	1	1	*	
9. Cllr R. Knock	1	1	1	1	1	1	1	1	1	1	1	
10. Chief T. Mtwana	*	*	*	*	*	*	*	1	*	1	1	

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP

2.1.4. PUBLIC PARTICIPATION AND PETITIONS COMMITTEE

The purpose of this Committee is:

- To encourage active involvement of communities and Community organisations in the affairs of the municipality;
- To increase the effectiveness of Public Participation in the affairs of the municipality;
- To ensure the consideration, monitoring and tracking of petitions lodged to the municipality;
- To ensure that timeous feedback is given to Petitioners;
- To ensure development and adherence to Community Complaints and Petitions Handling Policy; Public Participation Policy; and Public Participation Strategy; Guidelines and strategy for Ward Committees.

The PPP Committee is constituted as follows and the meeting held as well as attendance by members:-

INITIALS AND SURNAME	DATE				
	16/07/2020	02/10/2020	22/01/2021	18/03/2021	23/04/2021
1. Cllr S. Jadiso (Chairperson)	1	1	1	1	1
2. Cllr X.M. Mbongwana	1	AP	1	1	1
3. Cllr D.M. Teti	1	1	1	1	1
4. Cllr Z. Luvantyu	*	1	1	1	1
5. Cllr Z.D. Kutu	1	1	1	1	1
6. Cllr M.A. Fukula	*	AP	1	1	*
7. Cllr B. Malghas	1	1	1	1	AP
8. Cllr B. Bara	1	*	1	1	1
9. Chief Z.N. Momoza	*	1	AP	AP	*

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP

2.1.5. WOMEN CAUCUS

The purpose of the Women Caucus Committee is:

- To act as an advisory, influencing and consultative body by representing the interests and concerns of women members in Council and making submissions to the Council.
- To engage on empowerment issues with women in political structures outside Council.

The Women's Caucus Committee is constituted as follows:-

INITIALS AND SURNAME	DATE
	11/04/2021
1. Cllr N. Sobahle - Chairperson	1
2. Cllr V.N. Roji	*
3. Cllr N. Mkontwana	*
4. Cllr T. Mcimbi	1
5. Cllr Z. Luvantyu	*
6. Cllr N.F. Mzimane	*
7. Cllr G.N. Lusu	1
8. Cllr N. P Ngalo	1
9. Cllr T. Mgquba	1
10. Chief N. Maxwele	REMOVED

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP, Standing Apology = SAP

2.1.6. GEOGRAPHIC NAMES COMMITTEE

The Local Geographic Naming Committee advise the local communities in identifying geographical names for:

- Possible standardization,
- Facilitate the drafting of by-laws
- Receive and process of geographical names
- Conduct public participation program.
- Ensure that the standardization of geographical names take place in its jurisdictional area.
- Conduct awareness activities about the program of standardization
- Create atmosphere for the participation of stakeholders and public
- Receive and strive to solve any objection
- Prepare and submit report to Council, (DGNC) (ECPGNC)

The GNC is constituted as follows:-

INITIALS AND SURNAME	DATE		
	07/10/2020	20/01/2021	08/06/2021
Cllr T.G Magoko - Chairperson	1	1	1
Cllr B. Ndlobongela	AP	*	*
Cllr M.W. Malotana	1	1	1
Cllr B.B Gqwetha	*	1	1
Cllr Z.D. Kutu	1	1	1
Cllr R. Knock	1	1	1
Cllr Mhlaba	*	1	1
Cllr A. Mqguba	*	1	1
Cllr U. Malghas	1	1	1
Chief T.M Sandile	*	*	*

2.1.7. AUDIT & PERFORMANCE AUDIT COMMITTEE (APAC)

The APAC is established in accordance with section 166 of the MFMA read together with MFMA Circular 65 issued by the National Treasury and Para 14 of Planning and Performance Management Regulations. The APAC charter requires that the committee comprises a minimum of three members not in the employ of the municipality and can be increased to address the requirements, particularities and needs of the municipality.

The APAC comprises four members, including the chairperson. In terms of section 166(4)(b) of the MFMA, the APAC must meet at least four times a year. During the financial year ended 30 June 2021, the APAC met on six (6) occasions.

The APAC performs an oversight function on behalf of council and is not a duplication of and should not be confused with the roles and responsibilities of the MPAC rather they complement each other. It is important to also highlight that we started the financial year with the new committee upon expiry of term to the previous one, and the Chairperson is Mr Bongani Mbewu.

The APAC is constituted as follows:

INITIALS AND SURNAME	DATE					
	31/07/2020	15/09/2020	26/10/2020	20/01/2021	21/04/2021	18/06/2021
Mr. B. Mbewu – Chairperson	1	1	1	1	1	1
Mr. A. Wakaba	1	1	1	1	1	1
Mr. L. Galada	1	1	1	1	1	1
Dr E.P Vermaak	AP	1	1	1	1	1

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP

2.2. SECTION 80 COMMITTEES

The Executive Mayor, guided by the Local Government Structures Act presented to Council of 17 August 2017 Section 80 Committees, which are meant to assist him in the performance of his roles and responsibilities as delegated by Council. These Section 80 Committees are chaired by the Members of the Mayoral Committee and are mostly aligned with the current departmental set up.

The sitting of these committees is scheduled as per the approved Council Institutional Calendar and are listed here below where in Attendance to the meetings is demonstrated as follows Present = 1, Absent = *, Apology = AP, Standing Apology = SAP

2.2.1. BUDGET AND TREASURY

INITIALS AND SURNAME	DATE FOR MEETING									
	28-07-2020	25-09-2020	20-10-2020	26-11-2020	19-01-2021	18-02-2021	22-02-2021	23-03-2021	22-04-2021	
Clr E.T Mapekula - Chairperson	1	1	1	1	1	1	1	1	1	
Clr B. Bikani	1	1	1	1	1	1	1	1	1	
Clr D.M. Teti	1	1	1	1	1	1	1	1	1	
Clr U.N.V. Malghas	1	*	1	1	1	1	*	1	1	
Clr M. Menzelwa	1	1	1	1	1	1	1	1	1	
Clr B. Malghas	1	1	AP	1	1	*	1	AP	1	
Clr M. Bunzana		*	*	*	*		*	*	*	
Clr M. Fukula		1	1	1	*	1	1	1	1	

Cllr R. Knock	1	1	1	1	1	1	1	1	1	1			
Cllr M. Mabaso	1	Removed					*	Removed					
Cllr N.M. Nqwazi		AP	AP	AP	*	*	1	1	1	1			
Chief E.S Tswina		*	*	*	1	*	1	1	*				

2.2.2. PUBLIC SAFETY COMMITTEE

INITIALS AND SURNAME	DATE OF MEETING			
	01/09/2021	10-02-2021	25-06-2021	
Cllr R.T.G Machaea	1	1	1	
Cllr N. Nyangani	1	*	1	
Cllr M. Mkotheli	1	1	1	
Cllr O. Khotso	1	1	AP	
Cllr S. Mhlaba	1	1	1	
Cllr N. Diblokwe	*	*	*	
Cllr A. Babile	1	1	AP	
Cllr T. Mngoma	1	1	*	
Cllr L.D. Liwani	*	*	*	
Cllr B.D. Bara	1	*	AP	
Cllr N. P Ngalo	*	1	1	
Cllr M.A Manzolwandle	1	AP	1	
Chief C.V. Ndevu				
Chief Z. Mjanyelwa				

2.2.3. COMMUNITY SERVICES

INITIALS AND SURNAME	DATE OF MEETING			
	28-07-2020	18-11-2021	04-03-2021	10-03-2021
Cllr Z. Madyibi	1	1	1	1
Cllr J. Voko	1	*	*	AP
Cllr V.N, Roji	1	AP	AP	*
Cllr Z. Luvantyu	1	1	1	1
Cllr M. Qotyana	AP	1	AP	1
Cllr L.L. Mkhonto	1	1	1	1
Cllr N. Mkontwana	1	AP	1	*
Cllr M.A. Malotana	*	*	*	*
Cllr G.N. Lusu	1	1	AP	1
Cllr L.M. Luwaca	1	1	1	1
Cllr N.M. Nqwazi	1	1	AP	*
Cllr B.D. Bara	1	1	AP	1
Cllr B. Bikani	*	*	*	*
Cllr A. Mgquba	*	*	1	*
Cllr Siyo-Sokutu	*	*	*	*
Chief T.M. Sandile				

2.2.4 HUMAN SETTLEMENT AND DISASTER MANAGEMENT

INITIALS AND SURNAME	DATE OF MEETING		
	15/09/2020	23/02/2021	13/05/2021
Cllr T.M. Mtirara	1	1	1
Cllr L.L. Mkhonto	1	1	1
Cllr M. Mkotheli	1	1	1
Cllr X. M. Mbongwana	*	1	1
Cllr S. Sikrenya	*	*	*
Cllr S. Mlotywa	*	*	*
Cllr N. Ngqongwa	AP	*	*
Cllr M.A. Malotana	*	*	*
Cllr L.D. Liwani	1	AP	1
Cllr L.A. Tshiseka	*	*	*
Cllr T. Bhova	1	1	1
Cllr T.M. Mtirara	1	1	1
Cllr L.L. Mkhonto	1	1	1
Cllr M. Mkotheli	1	1	1
Cllr X. M. Mbongwana	*	1	1

2.2.5. RURAL AND ECONOMIC DEVELOPMENT COMMITTEE

Initial and Surname	DATE OF MEETING				
	08/09/2020	15/09/2020	26/01/2021	14/04/2021	10/06/2021
Cllr N.R. Ggcingca	1	1	1	1	1
Cllr N.A. Sobahle	1	1	1	1	1
Cllr A. Ndzendze	1	1	1	1	AP
Cllr Z. Ntliziyombi	1	1	*	*	AP
Cllr Z.M. Gusana	1	AP	1	1	1
Cllr M. Menzelwa	1	1	1	1	1
Cllr N. Gcinindawo	1	1	1	1	1
Cllr J. Msakeni	*	AP	1	*	*
Cllr B. Malghas	AP	AP	1	1	1
Cllr L.D. Liwani	1	1	*	1	*
Cllr B.B. Gqwetha	AP	*	1	1	1
Cllr M. Mrwebi	*	*	*	1	1
Cllr M. Fukula	*	*	*	*	*
Cllr N.R. Ggcingca	1	1	1	1	1
Cllr N.A. Sobahle	1	1	1	1	1

2.2.6. CORPORATE SERVICES

INITIALS AND SURNAME	DATE OF MEETING			
	04/11/20	13/08/20	28/05/21	21/01/21
ClIr L.N. Ntlonze – Chairperson	1	1	1	1
ClIr Z.M Gusana	1	*	1	1
ClIr X.M. Mbongwana	1	1	1	1
ClIr M.W. Malotana	L.O.A	L.O.A	*	L.O.A
ClIr S. Jadiso	L.O.A	*	L.O.A	L.O.A
ClIr M. Mpangele	1	1	1	*
ClIr U. Daniso	L.O.A	1	1	1
ClIr T. Mngoma	1	1	1	1
ClIr N. Mkontwana	1	1	1	1
ClIr T. Mcimbi	*	*		*
ClIr C.S. Tokwana	*	L.O.A	L.O.A	L.O.A
ClIr A.N. Sobahle	1	1	1	1
ClIr B. Ndlobongela	*	*	*	*
ClIr R. Knock	*	*	*	*
Chief L.J. Dalibango	*	*	*	*

2.2.7. INFRASTRUCTURE COMMITTEE

INITIALS AND SURNAME	DATE OF MEETING					
	06-08-2020	22-10-2020	21-01-2021	25-01-2021	01-04-2021	12-05-2021
Cllr N. Sibeko	1	1	1	1	1	1
Cllr Z.M. Gusana	1	1	1	1	1	1
Cllr V.N. Roji	*	1	1	1	1	1
Cllr U. Daniso	1	1	1	1	1	1
Cllr E.M. Fileyo	AP	AP	AP	AP	AP	AP
Cllr A. Ndzendze	1	1	1	1	1	1
Cllr R. Knock	1	1	1	1	1	1
Cllr L.P. Zuma	1	1	AP	AP	AP	1
Cllr M. Fukula	1	1	1	1	1	AP
Cllr N. Nyangani	*	*	AP	AP	*	1
Chief M. Pongomile	1	1	AP	AP	AP	1
Chief W.L. Mtirara	AP	AP	AP	AP	AP	1
Cllr M. Mabaso	*	Removed				
Cllr M.A. Manzolwandle	Not a member	1	AP	AP	AP	1

2.2.8. SPECIAL PROGRAMMES UNIT COMMITTEE

Initials and Surname	Date of Meeting							
	20/01/21	15/02/21	02/03/21	23/03/21	08/06/21	22/07/21	20/01/21	15/02/21
Cllr N.R. Gcingca	1	1	1	1	1	1	1	1
Cllr Z. Gana	1	1	1	1	1	1	1	1
Cllr Z.D. Kutu	L.O.A	1	1	1	1	1	L.O.A	1
Cllr Z. Luvantyu	*	1	1	1	1	L.O.A	*	1
Cllr C.Z. Tokwana	1	1	*	1	1	1	1	1
Cllr S. Mhlaba	1	1	1	L.O.A	1	1	1	1
Cllr S. Sikrenya	*	1	*	*	*	1	*	1
Cllr E.M. Fileyo	1	1	1	1	1	1	1	1
Cllr G.N. Lusu	1	*	*	*	*	*	*	*
Cllr B.D. Bara	*	1	*	*	*	*	*	1
Cllr L.P. Zuma	*	*	*	*	*	*	*	*

2.2.9. PLANNING, RESEARCH AND IGR COMMITTEE

INITIALS AND SURNAME	DATE OF MEETING						
	29/09/20	14/10/20	26/01/21	22/07/21	29/09/20	14/10/20	26/01/21
Cllr Z. Nokayi	1	1	1		1	1	1
	1	1	1		1	1	
Cllr U.N.V. Malghas	1	1	1	1	1	1	1
Cllr N. Mtwana	1	1	L.O.A	L.O.A	1	1	1
Cllr J. Voko	1	1	1	L.O.A	1	1	L.O.A
Cllr A. Mgquba	1	1	1	L.O.A	1	1	1
Cllr N. Pali	L.O.A	1	1	1	L.O.A	1	1
Cllr S.D. Jadiso	L.O.A	1	1	1	L.O.A	1	1
Cllr C.S. Tokwana	*	*	*	1	*	*	
Cllr Z. Ntliziyombi	1	*	1	1	1	*	1
Cllr O. Khotso	*	*	*	*	*	*	*
Cllr M.W. Malotana	1	1	1	1	1	1	1
Cllr T.E. Mcimbi		1				1	1

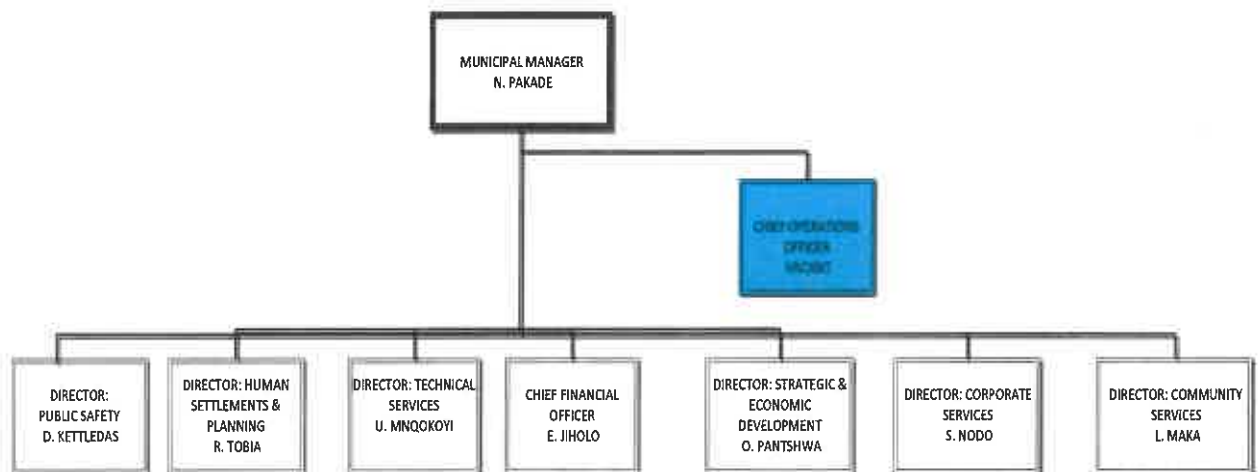
2.2.10 MAYORAL COMMITTEE

INITIAL AND SURNAME	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	DATE OF MEETING	
His Worship the Executive Mayor, Cllr G.N. Nelani	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
	*	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

NB: Attendance is demonstrated as follows Present = 1, Absent = *, Apology = AP

2.2. ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the accounting officer of the municipality for the purpose of the Municipal Finance Management Act and provides guidance on compliance with this act and all other legislation applicable to local government, to political structures, political office bearers and officials of the municipality and any entity under the sole or shared control of the municipality. The Municipal Manager is also responsible to support the Office of the Executive Mayor and the Office of the Speaker.



The Municipal Manager is responsible for the institution. The municipality has seven (7) directorates, namely.

- Technical Services
- Community Services
- Public Safety
- Human Settlements
- Strategic and Economic Development
- Budget and Treasury, and
- Corporate Services.

The municipality further has the following units attached to the Office of the Municipal Manager under Chief Operations Officer:

- Mqanduli unit
- Internal Audit
- Performance Management
- Risk
- Communications

Senior Managerial Level

One (1) senior managerial position was vacant and filled during the year under review, Director Human Settlements. COO position remains vacant, is a new position in the structure.

Section 56/57 Managers contracts

All section 56 managers are on fixed term performance contracts.

NAME	POSITION	START DATE	EXPIRY DATE
N Pakade	Municipal Manager	01 February 2019	31 August 2022
F.E Jiholo	Chief Financial Officer	01 July 2019	30 June 2022
O Pantshwa	Director Rural and Economic Development	03 July 2017	30 June 2022
L Maka	Director Community Services	01 July 2017	30 June 2022
U Mnqokoyi	Director Technical Services	14 October 2019	14 September 2022
D KettleDas	Director Public Safety	03 September 2018	30 March 2023
S.N Nodo	Director Corporate Services	13 May 2019	30 June 2024
G.R Tobia	Director Human Settlements	04 January 2021	04 December 2026

COMPONENT B:

2.3 INTERGOVERNMENTAL RELATIONS

The KSD participates in the political as well as intergovernmental structures. In addition, the local municipality participates in forums that are dedicated for specific purpose in the District. In order to comply with the legislation requirements and fulfil its obligations in terms of co-operative governance and intergovernmental relations, KSD Municipality has number of internal structures and systems in place.

Inter-Governmental Planning and Participation

Section 41(1) of the Constitution contains the principles of co-operative governance and inter-governmental relations. Accordingly, Section 41(1) determines that: All spheres of government and all organs of state within each sphere must:–

- a. Preserve the peace, national unity and the indivisibility of the Republic;
- b. Secure the well-being of the people of the Republic;
- c. Provide effective, transparent, accountable and coherent government for the Republic as a whole;
- d. Be loyal to the Constitution, the Republic and its people;
- e. Respect the constitutional status, institutions, powers and functions of government in the other spheres;
- f. Not assume any power or function except those conferred on them in terms of the Constitution;
- g. Exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere; and
- h. Co-operate with one another in mutual trust and good faith by:-
 - i. Fostering friendly relations;
 - ii. Assisting and supporting one another.
 - iii. Informing one another of, and consulting one another on matters of common interest;
 - iv. Coordinating their actions and legislation with one another.
 - v. Adhering to agreed procedures; and
 - vi. Avoiding legal proceedings against one another.

Intergovernmental relations: three spheres of government are distinctive, inter-dependent and inter-related. They are autonomous, but exist in a unitary South Africa and have to cooperate on decision-making and must co-ordinate budgets, policies and activities, particularly for those functions that cut across the spheres. Cooperative governance means that national, provincial and local government should work together to provide citizens with a comprehensive package of services. They have to assist and support each other, share information and coordinate their efforts. Implementation of policies and government programmes particularly require close cooperation between the three spheres of government.

A number of policies, strategies and development indicators have been developed in line with the prescriptions of legislation to ensure that all government activities are aimed at meeting the developmental needs expressed at the local government level. This section outlines the national and provincial policy directives, sector plans and legislation that set the strategic direction and with which local government must align to ensure that government spending is aligned to the more pressing needs of communities and those that make the economy to grow.

COMPONENT C:

2.4 PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1 Mechanisms and Procedures for Public Participation in the Integrated Development Planning (IDP).

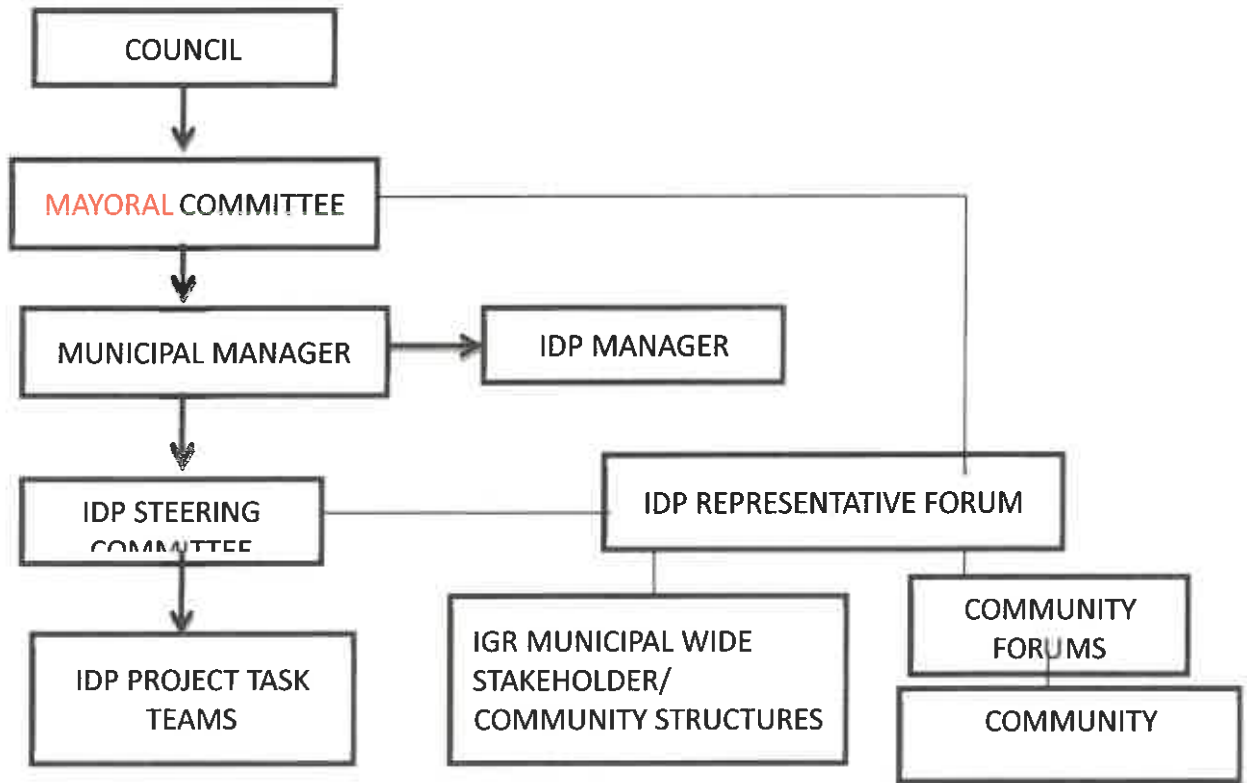
One of the main features of the IDP Process is the involvement of the community and stakeholder organization in the process as well as participation of affected and interested parties to ensure that the IDP addresses the real issues that are experienced by the citizens of the municipality.

2.4.2 Public Participation Principles

- In order to ensure public participation, Chapter 4 (Sec 17 to 22) of the Municipal Systems Act requires the municipality to create appropriate conditions that will enable participation as a minimum requirement,
- The elected Council is the ultimate decision-making body on IDP s,
- The role of participatory democracy is to inform stakeholders and negotiate with them on issues of development planning,
- To give stakeholders an opportunity to provide input on decisions taken by Council, and
- This should be done in particular with regard to disadvantaged and marginalized groups.

2.4.3 Structured Participation

- A structured public process followed is depicted in the diagram below:
- Participating Structures in the IDP Process



- It is critical for the municipality to embark on a ward-based approach in order to reach the vast majority of the community and document their needs and aspirations,
- Use of ward to ward community IDP Outreach,
- Existing public participation structures were utilised, for example the existing Representative Forum,
- The residents and stakeholders were informed of the Municipalities intention to embark on the IDP Process,
- Appropriate forms of media are utilised to ensure that all members of the community are notified of progress of the IDP as well as planned meetings,
- The Municipality website is also utilised to communicate and inform the community. Copies of the IDP and Budget are uploaded on the website,
- All relevant community and stakeholder organizations are invited to register as members of the IDP representative Forum,
- An appropriate language and accessible venues are used to allow all stakeholders to freely participate,

- The IDP Rep Forum meetings are scheduled to accommodate the majority of members,
- The Community and Stakeholders representatives are further given adequate time to conduct meetings or workshop with the groups they represent,
- Copies of the final IDP documents adopted by Council are accessible for all communities and stakeholders with adequate time provided to comment, and
- Council meetings regarding the approval of IDP are made open to the public, and
- IDP Outreach meetings are called and communicated with the Traditional Leaders and the bigger community.

One of the major challenges is the lack of participation of sector departments; as a result, the municipality had a meeting focusing on strengthening the IGR Forum. The participation of government departments has improved but it needs a concerted effort to ensure that it is honoured by all stakeholders.

2.4.4 Public Participation Process

Public participation was encouraged throughout the IDP process, to empower communities and harness vibrant democratic culture within the decision making processes of the municipality. Public participation was promoted in the following manner:-

- Use of the IDP Representative Forum to afford participants an opportunity to contribute to the process and share the views of their communities,
- Use of the IDP Steering Committee to debate technical solutions, even though participation was found to be weak in some instances. The need to intensify the IGR structure cannot be overemphasized,
- Traditional Leaders, Ward Councillors, Community Development Workers and Ward Committees who convene meetings to keep communities informed on the IDP progress as well as conveying community needs to the IDP process,
- Newspaper advertisements to inform communities of the key steps in the IDP processes,
- Making the IDP available for public comment and once adopted making the IDP document accessible to members of the public,
- Appropriate language usage including isiXhosa, in the IDP meetings, and
- The management of the high levels of illiteracy in the community through facilitation, simple linguistics and explanations in mass meetings which ensured that people understand the processes and are empowered to participate in the IDP process.

a) Intergovernmental support: Representative Forums, Technical Committee and IGR meetings: Process plans advocates monthly engagements.

The participation of all government departments in the affairs of the municipality are guided by various legislations and specifically by Intergovernmental Relations Act.

The IDP of KSD Local Municipality is guided and aligned, but not limited to the following:

- The Millennium Development Goals (MDGs)
- The National Development Plan (Vision 2030)
- The Provincial Development Plan (PDP)
- Back to Basics Programme (Principles)
- OR Tambo District Municipality-IDP
- Local Government Turn-around Strategy

The Constitution of the Republic of South Africa , 1996 regulates and directs the operations and existence of the local sphere of government. Section 152 of the Constitution clearly sets out the objects of local government. A municipality must strive to achieve the following objects:-

- a) To provide democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment and;
- e) To encourage the involvement of communities and community organization in matters of local government.

Section 153 of the Constitution also stipulates that a municipality must:-

- a. Structure and manage its administration and budgeting and planning process to give priority to basic needs of the community and to promote the social and economic development of the community; and
- b. Participate in national and provincial development programmes.

Section 25 of the Local Government Municipal Systems Act (Act 32 of 2000), amended 2009 (MSA) stipulates that each municipal council must, after the start of its elected term, adopt a single, inclusive and Strategic Plan for the development of the municipality which links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality and which aligns the resources and capacity of the municipality with the implementation of the plan. The IDP should form the policy framework and general basis by which annual budgets must be based on and should be compatible with the national and provincial development plans and planning requirements. Section 26 of the

Municipal Systems Act, 2000 prescribes the following peremptory components that an IDP must reflect on:-

- a. The Municipal Council's vision including the municipal critical development and transformation needs;
- b. An assessment of existing level of development in the municipality;
- c. The Council's developmental priorities and objectives including its local economic development aims;
- d. The Council's developmental strategies which must be aligned to national and provincial sector plans;
- e. A spatial development framework which must include the provisions of basic guidelines for a land use management system;
- f. The Council's operational strategies;
- g. A financial plan; which must include a budget projection for the next three years; and
- h. The key performance indicators and performance targets determined in terms of section 41. of the MSA 34 of 2000.

The Municipal Planning and Performance Management Regulations (2001) further sets out the following requirements for IDP:

- a. An institutional framework for implementation of the IDP and to address the municipality's internal transformation;
- b. Investment initiatives must be clarified;
- c. Development initiatives including infrastructure, physical social and institutional development; and
- d. All known projects plans and programmes to be implemented within the municipality by any organ of state.

The Municipal Finance Management Act (Act 56 of 2003) (MFMA) provides for closer alignment between the annual budget and the compilation of the IDP.

2.4.5 Communication and Public Relations

KSD has developed communication as a strategic function and has established effective communication systems and structures. The municipality has the unit in place to develop and implement intentional and planned communication programmes. The strategy is in place

COMPONENT D:

2.5 CORPORATE GOVERNANCE

Corporate governance is the process of developing, implement and monitoring good governance systems (Policies and Structures) to ensure strategic objectives of the institution are achieved in line with the constitutional mandate of the institution. Corporate governance essentially involves balancing the interests of all stakeholders. The Municipal Council and Executive Management of the municipality are responsible for ensuring good corporate governance and setting the right tone for entire workforce of the municipality to follow.

2.5.1 Risk Management

The municipality has an existing Risk Management Unit within the Office of Municipal Manager, to ensure implementation of risk management functions within the municipality. The municipality has developed the Risk Management Policy and Strategy.

There is also an existing Risk Management Committee which plays a vital role in monitoring risk management processes and report on quarterly basis to the Audit Committee about its functions.

There is an existing risk register that is reviewed annually, and monitored quarterly for challenges, implementation of strategies and or emerging risks identified.

2.5.2 Anti-Fraud and Corruption

The municipality has developed the Whistleblowing Policy, Anti-Fraud and Corruption Policy and Plan.

The activities of the anti-fraud and corruption are monitored and reported upon on quarterly basis to the Risk Management Committee and Audit Committee.

The Anti-Fraud and Corruption Policy and Plan with Whistleblowing Policy are implemented and monitored through sourcing relevant information in line with applicable laws and regulations. A system of reporting and safeguarding / protecting whistle-blowers is established, and lines of reporting published in the municipal website.

2.5.3 Supply Chain Management

There is an existing Supply Chain Management office which has been established in line with section 7(1) of the Municipal SCM Regulations, this unit is fully fledged and functional. All the bid committees have been established and have been fully functional during the 2020/21 financial year, the committees are as follows: Bid Specification, Bid Evaluation and Bid Adjudication.

SCM policy is in place and is aligned to the Municipal SCM regulations this policy is reviewed annually and submitted to Council for approval, the policy for 2020/21 financial year was approved by Council on the 31 May 2020.

Reports on SCM as prescribed by section 6 of the Municipal SCM regulations are prepared monthly, quarterly and annually for submission to Council.

The unit is constantly striving to improve internal controls to ensure compliance with all applicable laws and regulations, these controls includes amongst others the SCM checklists for all thresholds of procurement as well as vetting of suppliers to prevent making awards to companies with directors in the service of the state. Supply Chain Management has performed well as a result there are no significant findings from the Auditor General.

2.5.4 By-laws

There are by laws in place and these by laws are used to guard against illegal activities. By-laws are developed as an when there is a need. There are by laws that are reviewed on an annually basis.

2.5.5 Websites

KSD Municipality undergone website refurbishment during the period under review. The service level agreement was for the period of 12 months starting from June 2020 to June 2021 to develop and maintain the website of the municipality. The website has been revamped last year 2020. It is currently being update on weekly basis to ensure that the content is always up to date whilst ICT is behind the development of the website, Communications ensures that the website is up to date and interactive.

2.5.6 Public satisfaction on municipal services

The municipality used roadshows, public participation meetings and forums to assess the satisfaction and perceptions of communities. The municipality uses public meetings to gather information on satisfaction and there is no survey that is carried out periodically

CHAPTER 3: SERVICE DELIVERY PERFORMANCE REPORT

3.1 SUSTAINABLE HUMAN SETTLEMENTS

Functions related to Housing section:

Focuses on the provision of housing developments for the residents of KSD Municipal jurisdiction

The registration of beneficiaries on the housing needs register

Capturing of housing needs register questionnaires onto the system

Checking of beneficiary status on the system for approvals/declines

The monitoring of housing construction by the appointed contractors

The allocation and handover of houses upon completion

Provision of sustainable human settlements is a strategic priority for the municipal council. Rural urban migration and slow pace of delivery (low, middle, and upper income) have combined to pose a very daunting challenge for the municipality. The result being the rampant growth in peri-urban area and land invasion.

Notably, the Municipality has been granted approval by the Minister of Human Settlements (National) as a Restructuring Zone in order to provide social housing units (rental stock).

The Projects are as follows

Project A -Maydene Farm Extension

Project B - Zimbane Heights Extension (50ha) and Transkei United Dairies,

Project C – Zimbane Valley

New Brighton

Silverton

De Coligny

Payne's Farm

3.1.1. HOUSING PROJECTS EXECUTION

The following section depicts progress in the housing projects for the period under review.

(i) Maydene Farm housing project

Stedone as the Implementing Agent has prepared house plans that are inclusive of the steel trusses and PVC ceilings to be firstly approved by KSDM and thereafter Department of Human Settlements and NHBRC. KSDM will be dispatching the approved plans to the Department of Human Settlements on the 30th June 2021 so that the approval processes of DOHS and NHBRC can resume.

The table below reflects schedule of work done:

CONSTRUCTION MILESTONE	PROGRESS ACHIEVEMENT PER MILESTONE in 2020/21				TOTAL
	Q1	Q2	Q3	Q4	
Foundations	00	00	12	174	186
Wall plates	90	00	00	41	131
Roof & Electrical	10	00	17	60	87
Completions	00	10	17	00	27
TOTAL	100	10	46	275	431

Challenges and Recommendations

The contractor shut down between March 2020 and October 2020 as a result of the COVID pandemic which affected the project delivery. The project was delayed by about 6 months due to this closure. In addition, the construction industry experienced shortage of timber supply for the roof trusses. This led to a change in the specification from timber roof trusses to steel roof trusses. As a result, the project had to be re-registered with NHBRC. A three-month delay was experienced. In all, the project suffered about 9 months of down time.

Discussions with the contractor were held and it was agreed that the project needs to be placed in an acceleration plan. This plan will mainly focus on increasing the capacity of resources on site where the main contractor will consider subcontracting options. This will enable execution of the project by more than one contractor in order to increase production.

(ii) New Brighton Housing Project – 131 housing units and Kei Rail Housing Project: 537 housing units

Funds were received in April 2021, from the Department of Human Settlements for the unblocking of the project. The two (2) housing projects are at beneficiary identification stage. The priority for the identification will be in line with the MEC speech for 2021, which is as follows:-

Destitute elderly people,

People with disabilities,

Child headed households and

Military veterans

(iii) Rural Housing Programme

The Department of Human Settlements unblocked six housing projects that were blocked during their implementation by the PDOHS. KSDM has been appointed as the implementing agent for these housing projects. The unblocking of these projects was initiated by a business plan signed between

KSDM and PDOHS in November 2020 making available a budget for the financial year 2021 of R32 million. The projects are: -

New Payne 300 (72)

New Payne 200 (53)

Mahlungulu 350 (260)

Willow 200 (63)

Zidindi 300 (105)

Ntshabeni 200 (27).

The first payment tranche of R17 million was signed by KSDM on the 17th of February 2021 and payment of R12 022 739.05 was received by KSDM has been made in respect of :-

New Payne 300 (72),

New Payne 200 (53),

Mahlungulu 350(260),

Zidindi 300 (105) and

Willow 200 (63)

Ntshabeni 200 (27).

At the end of the period under review, the projects were at the procurement stage.

(iv) Informal Settlements Upgrading (ISUP) Programme

KSDLM has received confirmation of funds (2020/21 financial year) that will assist towards upgrading of informal settlements. Seven (7) projects will benefit from the funding totaling R21.8m. The Municipality will then appoint contractors in order to ensure speedy execution of the projects. The informal settlements to benefit are: -

Zone 14 for 882 units

Chris Hani for 3 436 units

KwaSgebenga for 145 units

KwaMadala for 128 units

KwaTembula for 109 units

Khayelitsha for 9 units and

Emakhaphetshwini for 11 units.

The funding agreement in terms of informal settlements upgrading was signed between KSDM and DOHS on the 10th of March 2021 for a period of three years (2020/2021-2022/2023). A claim for the

payment of the budgeted R21.8m was signed by KSDM on the 28th of April 2021 and later revised on the 20th of May with the hope that funds will be transferred to KSDM by the end June 2021. Department of Human Settlements is to gazette the funding allocation for informal settlements upgrading prior transferring the money to KSDLM. A tender for the panel of professional service providers has been advertised in the Media on the 21st of May 2021 and it closed on the 25th of June 2021 with 83 submissions registered.

(v) Housing Strategy Planning: Preparation of Municipal Housing Sector Plan

Preparation of the Municipal Housing Sector Plan has been included in our adjusted SDBIP as it has budget implications within the municipal operating budget for 2020/2021. Ilizwe Planners was appointed on the 16 April 2021. The inception meeting took place on the 28th of April 2021 where the inception report was presented. The project will run for a period of six months. The service provider submitted the second phase of the Housing Sector Plan -Situational Analysis Report on the 24th June 2021.

(vi) Housing coordination: sitting of housing forum meetings

The housing forum is an IGR forum that is established for the purpose of information sharing amongst the housing stakeholders. These are inclusive of Ward Councilors, sector Departments concerned and other role players. The annual target is to hold four (4) sittings of the forum. The sitting of the quarter 4 housing forum meeting was held on the 22nd June 2021 and the attendance was satisfactory.

(vii) Housing Partnerships: Proposed Partnership between the Housing Development Agency (HDA) And KSDM for the Implementation of various Development Programmes

KSDM is among the three local municipalities within the O R Tambo region who have areas that have been gazetted by the Minister of Human Settlements as Priority Human Settlements and Housing Development Areas (PHSHDA). In these areas the municipality is expected to implement: -

Integrated Residential Development Programme (IRDP)

Social Housing Programme (SHP) in Restructuring Zones

Informal Settlement Upgrading Programmes (ISUP)

Finance linked Individual Subsidy Programme (FLISP)

The Special Presidential Package (SPP) Programme on Revitalization of Distressed mining Communities and;

Enhanced peoples Housing Process (EHP)

Notably, the proposed partnership is a culmination of engagements between King Sabata Dalindyebo Municipality and the Housing Development Agency that commenced at the Strategic Planning session

held on the 14-15 March 2021 at Hotel Savoy Conference Centre. Subsequent meetings were held with HDA to formalise the engagements and outline areas of mutual interest which are inclusive but not limited to the following: -

- Land Purchases for human settlement development
- FLISP – Finance Linked Individual Subsidy Programme
- CRU - Community Residential Units
- ISUP – Informal Settlement Upgrading Programme
- Social Flats
- IRDP – Integrated Residential Development Programme; and
- GIS Infrastructure and Systems
- Inner City Development
- Emergency housing

The proposed partnership will be guided by an agreement, the Implementation Protocol (IP). The IP coins the nature of the relationship with no actual commitments on the projects to be allocated. The Council, in a meeting held on the 18th June 2021 took a resolution on the partnership between KSDM and HDA.

(viii) Relocation of Beacons prior to house construction

Communities who require to fence their properties but are not sure of their boundary pegs are making arrangements with the Survey Assistant to be shown where their fences should be placed to avoid conflicts with their neighbors. In cases where there are boundary conflicts the conflicting members are referred to a registered surveyor of their choice as there are financial implications involved.

Boundary pegs were identified in the following areas:

NO.	SUBBURB	SITES INPECTED PER QUARTER (2020/21) FINANCIAL YEAR			
		Q1	Q2	Q3	Q4
1	Kuyasa	20	11	20	19
2	Ilitha	26	03	22	18
3	Maydene Farm - 969	07	07	08	09
4	Zimbane Valley	07	21	79	50
5	Maydene Farm Ext.	26	15	22	07
6	Mqanduli	00	00	17	52
7	Kei Rail	00	00	09	10
8	Waterfall Park	00	00	02	31
9	Ikwezi	00	00	02	05
10	Ngangelizwe	00	00	00	41
	TOTAL	86	57	181	242

3.1.2. HOUSING CAPITAL GRANT EXPENDITURE

The following table reflects the capital grant performance on for the period under review. Detailed project execution will be discussed thereafter.

Capital Expenditure						
Capital Project	2018/2019		2019/2020		2020/21	
	Budget	Actual Expenditure	Budget	Actual Expenditure	Budget	Actual Expenditure
Maydene Farm Ext (Project A)	23,994,300	R14,101,560	5.8M	R6, 500, 304.28	R26 400 000.00	R9 075 148.57

The capital grant expenditure for the period under review reflects a very low percentage 34.37%. The main reasons for the reduced expenditure are the covid shut down and the poor performance of the contractor for the period post the shut down. To mitigate the risk of poor performance, enforcement of the contract provisions is being enforced.

3.1.3 SPATIAL PLANNING

Spatial planning is responsible for the following functions :-

Property management (leases and disposal).

Geographic Information Systems

Zoning certificates issuance

Processing of Rezoning applications

Processing of Subdivisions applications

Processing of Township establishment applications

Functionality of the Spatial Planning and Land Use Management Act Tribunal

Forward Planning

3.1.3.1 PROPERTY MANAGEMENT

Functions related to property management are as follows :

Maintain administrative system for land & property issues (i.e. alienation of land).

Acquisition & / Expropriation of Immovable Property / Transfers

Registration & transfer of Municipal properties,

Renewal of leases and updating of lease register.

Administer Council's Asset Register; Commercial, Residential & vacant land.

Implementing of the EEDBS which provides security of tenure to previously disadvantaged beneficiaries

Transfer of Council Properties – Bottom Hill Township

This township comprises of 47 sites, thirty-eight (38) sites are developed and are in the process of being transferred to prospective owners, nine (09) sites are undeveloped (vacant) and have been valued by Khanyisa Properties. There are 21 properties registered to private people, 2 properties are with the

conveyancer (purchase price settled) and 15 properties (tenants) are still owing on Bottom of the Hill. In February 2021 one property was transferred from KSD Municipality to N. Maqhekeza. In March 2021 one property transferred KSD Municipality to Mr Silo.

Notices to Bottom of the Hill lessees were prepared, and they were advised to settle their outstanding debt within a 12-month period due by March 2022. The matter was presented to the Standing Committee meeting of 23 March 2021 and to the Mayoral Committee in March 2021. Council took a resolution on the 15 June 2021 to serve notices to the people who sign the deed of sale, the letters to lessees are drafted.

The table below indicates monthly progress for Bottom of the Hill property transfers.

Monthly Progress	No. of Transfers per quarter (2020/21) financial year				TOTAL
	Q1	Q2	Q3	Q4	
Bottom of the Hill	0	0	2	0	2
Ngangelizwe EEDBS	0	0	5	7	12
Maydene Farm	0	0	22	0	22
Waterfall	0	0	4	0	4
Kuyasa	0	0	1	0	1
TOTAL	0	0	34	7	41

Enhanced Extended Discount Benefit Scheme

The Enhanced Extended Discount Benefit Scheme is a National programme that is aimed at ensuring that there is improved security of tenure. The programme ensures that communities that used to live on properties under a long term (99-year lease) are converted to full ownership. In King Sabata Dalindyebo Municipality, the affected townships are New Brighton; Hillcrest; Ikwezi and Ngangelizwe Townships with a total of 2 487 properties.

The table below shows EEDBS progress on the transfers of properties within the listed townships.

NO	TOWNSHIP NAME	NO OF UNITS	TRANSFERRED	NOT TRANSFERRED
1	New Brighton	21	21	0
2	Hillcrest	244	232	12
3	Ikwezi	457	447	10
4	Ngangelizwe	1765	1 379	355
	TOTAL	2487	2106	375

Transfer of Owen Dam Park Homes

Kanyisa Properties undertook the valuation process of 91 properties at Owen Dam Park-home, Council has approved to dispose all the properties. Municipal Manager appointed Land Allocation Committee by 21 April 2021 to dispose Council properties. Human Settlements officials and members of Human Settlements and Disaster Standing Committee visited vacant sites at Owen Dam and Bottom of the Hill for disposal purposes. Draft letters awaiting to be signed informing the lessee with the municipal purchase offer as per the current market value.

The first meeting of allocating committee is scheduled for the 14th of July 2021. Draft Terms of reference completed.

3.1.4 LAND USE MANAGEMENT

Functions related to land use management reflect as follows : -

The focus of spatial planning is on land use management (forward planning & development control) which centres it's processes on frameworks and policies for a controlled development application process.

Considers applications received from developers or property owners on proposals of new commercial, agricultural or residential ventures/improvements related to spatial planning environment and processed through Municipal Planning Tribunal (MPT) and Authorized Official (AO).

(i) MPT approvals

TYPE OF APPLICATION	NUMBER OF APPLCIATIONS PER APPLICATION TYPE / QUARTER				TOTAL
	Q1	Q2	Q3	Q4	
Township Establishment	0	1	1	1	3
Rezoning	1	2	1	1	5
Special Consent	2	1	1	0	4
Rezoning, Subdivision, Consolidation, Departure, and removal of restrictions	1	0	3	2	6
Total	4	4	6	4	18

(ii) Preparation of a Land Use Management Scheme (LUMS)

The municipality is finalizing its Land Use Management System (LUMS) in line with the requirements of the Spatial Planning and Land Use Management Act, 2013. The LUMS is at the Gazetting stage.

(iii) Zimbane Heights Planning and Survey

The Zimbane Heights Planning and Survey project is at the feasibility stage. The land is under claim. Confirmation of the status of bulk services was requested from OR Tambo District Municipality.

3.1.5. FORWARD PLANNING

(i) Mission Extension Planning and Survey; Mqanduli Township Establishment 150 Business; Mqanduli 500 Planning and Survey

This is a layout planning project. Terms of reference have been completed and invitation to call for proposals was signed by the Municipal Manager in August 2020. The project is at feasibility stage. Confirmation of bulk services is still outstanding.

(ii) Mthatha CBD Public Parking Garage

The project is to develop a parking garage within the Mthatha CBD to curb the parking and traffic congestions that the town faces. Information collection and research on CBD parking garage specifications for drafting terms of references. The identification of underutilized municipal land for parking garages exercise was done. Sites were identified and will be advertised once the report has been endorsed by Council.

(iii) BNG Housing – 937 (Relocated from Zimbane Valley)

A Meeting was held with the Traditional Authority, but no consensus was reached, and the meeting as adjourned and rescheduled for a future date. As an outcome of the delays encountered it was decided that an application for an interdict to evict persons and demolish all the structures be submitted to the High Court. The project will be finalized once the land invasion case has been resolved.

(vi) Durham Street Precinct Development

King Sabata Dalindyebo Municipality entered into a partnership with Public Investment Corporation to develop Durham Street Precinct on proposed Erven 2784 and 185 owned by the Municipality. The initiative was approved by the Council in May 2018. A brief presentation to update the Mamela Taxi Industry about the upcoming development was done on the 3rd of June. The project is at public participation stage.

(vii) Sprigg Street / Buwa Precinct Project

The Council approved Sprigg Street Precinct Plan subject to Public Participation engagement. The main purpose of a public participation meeting is to outline the rezoning proposals, procedures and requirements to have an action plan or way forward with regards to bulk rezoning of the properties. The project is at a public participation stage. It is envisaged that it will be completed by December 2021.

(viii) Nduli Nature Reserve Township Establishment

Nduli Nature Reserve is situated on Erf 934 and a portion of Erf 912, located in Mthatha. The reserve is situated adjacent to the National Road (N2) approximately 3km from the Mthatha Central Business District. The Nduli Nature Reserve was established, and boundaries were defined in 1972, the purpose of the proclamation was for nature conservation activities. In 1998 the Council endorsed the proposal to establish an Environmental Education Centre on the remaining portion of Nduli Game Reserve and supported the extension of the boundaries of the Nduli Game Reserve to include that portion of Thornhill Farm that is bounded by the R61 road. In 2003, Council supported a concept proposal for the proposed development of an accommodation establishment and ancillary facilities on Nduli Nature Reserve. The project is at the stage of confirming the land claim.

(ix) Coffee Bay and Hole in the Wall LSDF project

In 2011 the KSD Municipal Council resolved that Coffee Bay be proclaimed as a Town and this would be the first proclamation of this nature in the new democracy in 1994. Following the proclamation was the development of the Coffee Bay LSDF in 2015. The project is funded by the Development Bank of South Africa. The project will commence in 2021/22 financial year.

x) Coffee Bay Town Establishment

one of the strategic programmes that are key is the establishment of the Coffee Bay New Town. The plan being to have an additional economic node for the coastal town. Community consultations were undertaken since 2014. The final leg is expected to be completed by June 2021.

(xi) Qunu Local Spatial Development Framework (LSDF)

Urban Dynamics Town and Regional Planners have been appointed to Develop an LSDF for Qunu Nodal area (KSDM SCM No. 013/2020/21). The Service Provider accepted the appointment and awaited the Service Level Agreement from the Municipality. The service level agreement was drafted by the legal unit and circulated amongst the relevant unit heads for consideration. The SLA was signed and sent to the appointed service provider on the 11th of April 2021. The inception meeting was scheduled for the 31st of March 2021. The inception meeting took place on the abovementioned date and a stakeholder list was generated and sent to the service provider on the 19th of April 2021. At the end of the period under review, the project was at analysis phase.

(xii) Ncamedlana Local Spatial Development Framework

Urban Dynamics Town and Regional Planners have been appointed to Develop an LSDF for Qunu Nodal area (KSDM SCM No. 013/2020/21). The Service Provider accepted the appointment, and the SLA was signed and sent to the appointed service provider on the 11th of April 2021. The inception meeting scheduled for the 31st of March 2021. The inception report was submitted, and draft

stakeholder list was generated and sent to the Service Provider on the 13th of April 2021. At the close of the period under review, the project was at analysis phase.

3.1.6 BUILDING CONTROL

Functions related to building control section are:

Facilitation of Building Plan, Demolition Permit and Outdoor Advertising approval by Local Authority

Provides inspection support to enforce compliance on all constructed buildings in according with approved legislation.

Provides inspection support to enforce compliance on Outdoor Advertising.

Focuses on ensuring systematic and quality buildings are constructed thereby improving the property value of the economic market.

Undertake routine building control inspections.

The following table presents the total number of activities undertaken per quarter for the building control section.

Period	Activity			
	Submitted Plans	Approved Plans	Contraventions	Approval Fees
Q1	49	38	06	R 153 794,13
Q2	54	28	10	R 343 927,98
Q3	43	18	0	R 221 4753
Q4	63	42	25	R 410 297,84
TOTAL	209	126	41	R 2 214 753,00

3.1.7 OUTDOOR ADVERTISING

The outdoor advertising function has 4 main programmes, of which three are proceeding. The projects are discussed below:-

Outdoor advertising regulation

	Activity	Progress	Comments
1.	Policy and By Law prepared and tabled in Council	Completed A	Pending fines approval by Magistrate
2.	Public Participation	Completed - Oct 2020	None

3.	Adoption by Council	Completed – March 2021.	None
4.	Draft Tariffs	Proposal – May 2021 (to be presented to BTO for recommendations).	Completed
5.	Gazette of the adopted By-Law	Requisition stage	Quotation for Gazetting in place.

Outdoor advertising digital signage – outsourced 3 - year contract

Five digital outdoor advertising signage boards will be constructed and managed by an external service provider.

Description	Planned	Progress
Appointment of Service provider on 3-year Contract effective from May 2020.	36 Months	16 Months Lapsed
Contract value:	R9 457 200	
Project Planned implementation: 3 Stages Consulting Stage Infrastructure Development (materials, labour, connect) Stage Management Stage	10 Weeks (June – 14 Aug 2020) 16 Weeks (ending 11 Dec 2020) 118 Weeks (Ending May 2023)	36 weeks ending Feb 2021.
Project Expenditure FY 2021/2022:		R 1 200 000.00
Cession Request : R 2 320 125,00 to Sensation Signs.		17 June 2021 NOT APPROVED AS IT REQUIRED UP FRONT PAYMENT
Description	Planned	Progress
KSDLM Roll-out plan issued to the Service Provider. Planning for construction 1 x Billboard on the FY 2021/2022 4 x Billboards on the FY 2022/2023	Year 2	No progress Made. Service Provider was supposed to align execution to the roll out Plan and

		provide clear cashflows.
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Outdoor advertising digital signage – other municipal spaces

	Activity	Progress	Comments
1.	Development of Framework for development for Identification of potential zones potential for Outdoor advertising	June 2021	Framework for management of potential outdoor advertising zones presented to Management committee.
2.	Identification of potential zones potential for Outdoor advertising,	September 2021	
3.	Advertise spaces for lease	November 2021	
3.	Selection and appointment	Jan 2022 to Feb 2022	

Management of Static Outdoor advertising signage

The following table reflects the actions for the management of static outdoor signage

No.	Activity	Progress	Comments
1.	Signage Audit Project	In progress from June 2021	Newly placed sign boards invited for registration.
2.	Draft notice developed for invitation of illegal placed sign boards.		Final Notice to be advertised to media platforms by 30 June 2021
3.	Identification of zones applicable for Static Signage	Project has stated September to February 2022	Zone identified to be approved by council structures.

3.2 INFRASTRUCTURAL SERVICES

3.2.1 PROJECT MANAGEMENT UNIT

KSDM was allocated R 84.4m for 2020/21 financial year, the projects for the financial year were aligned with the 2020/21 SDBIP. The projects were broken down for roads infrastructure, construction of community halls and installation of solar streetlights.

Table 3.2.1 PMU Implementation Plan For 2020/21 FY

	Project Name	No. Km's/sqm	No. of bridges	Status
Surfaced Roads				
29	Vigies to Sawmill Road Surfacing	2.1	0	Design
	King Edward Road Surfacing	1	0	Design
9	Callaway & Eagle Streets	2.63	0	Tender for Construction
8	Norwood Internal streets - Phase 1	4.3	0	Construction
7,9	Chartam To Tembu Surfacing	1.51	1	Complete
6,7	Surfacing of Elliot Street	2	0	Complete
Gravel Roads				
17	Nyokinala to Mbozwana Access Road	29	1	Complete
01	Silverton Access Road	10	0	Complete
14	14 Sai Tunxe Access Road	5.9	0	Complete
29	Upper Ngqwarha Access Road	12.34	0	Complete
27	Mncwasa to Kunene via Haji Access Road	12	0	Complete
5,11,12	Slovo, Chris Hani, Marhambeni Internal Roads	27.5	3	Complete
	Mqanduli sidewalks	5	0	Complete
	Mthatha sidewalks	7	0	Construction
28	Blekana to Mqanduli Access Road	1	1	Construction
26	Mxambule to Jojweni Access Road	8.36	0	Construction
13	Highbury Access Road	10	0	Construction
21	Khalalo Access Road	10	0	Construction
20	Mcakathini to Pshesheya Kolwalwa Access Road	6.5	0	Construction
15	Baziya Clinic to Sxuzula Access Road	13	1	Construction
32	Luthuthu to Upper Qweqwe access road	15.5	0	Construction
31	Dumrhana to Cimela via Gubevu Access road	21.5	0	Construction
24	Zinkawu access road	10	0	Construction
Streetlighting				
	Installation of solar streetlights in Mthatha	30	0	Construction
Community Halls				
33	Qweqwe Community Hall	365	0	Complete
10	Rosedale Community Hall	365	0	Complete

13	Northcrest Community Hall	365	0	Construction
Planning Projects				
34	Planning: Bridge Tyeni to Mbozisa	1	0	Complete
29	Planning - Makhenkesi Main Street Surfacing	1	0	Complete
	Kwezi Extension Roads Phase 1 - Planning	1	0	Complete
9	Maydene Farm Phase 2 -Planning	1	0	Complete
Other Projects				
29	Mqanduli driving licence testing centre -Planning	1	0	Design
	Covid - 19 provision of sanitation infrastructure in public places or facilities	4	0	Construction
	Covid - 19 provision of goods/consumables for sanitization at site meetings, site handover, taxi ranks, war rooms, PMU staff etc		0	Construction

EMPLOYMENT GENERATION ON MIG PROJECTS

A local labour had been employed in different projects with a total number of 105 people through the EPWP programme.

Table 3.2.2 Employment generation.

Total Labour	Adult Men	Adult Women	Young Men	Young Women
105	28	18	38	21

Application received for the placement of students are 75, only placed 19 students in various projects implemented by PMU.

CHALLENGES

- Poor performance by contractors leading to late completion of projects
- Contract employment to the PMU staff
- Encroachments in peri-urban and urban areas
- Drainage discharge in rural settlements
- Borrow pits access – Communities selling material to contractors or denying access to borrow pits
- No transport is committed to the PMU staff
- Long approval processes by DMR for licensing of borrow pits
- Change and extension of scope by communities and leaders during construction

3.2.2 ROADS MAINTENANCE

The road section had three areas of focus.

- Pothole patching
- Gravel roads maintenance: this includes dry blading, wet blading and regraveling.
- Stormwater infrastructure maintenance: this includes desilting of channels, stormwater pipes and manhole unblocking.

Maintenance method

The municipality utilizes its internal resources to maintain surfaced roads and gravel roads.

In utilization of internal resources, the department had a responsibility to capacitate its internal resources in a form of: -

1. Procuring the required equipment
2. Recruitment of personnel
3. Training of personnel
4. Provision of tools of trade and office space.

Achievement in capacitating of internal resources.

Procurement of the required resources: This has been done in 2018/2019 financial year and the following equipment has been procured.

Item number	Description	Number
1	Grader	6
2	Excavator	2
3.	Dozer	1
4.	TLB	3
5	Roller	7
6	Loader	1
7.	Tipper truck	14
8	Water cart.	2
9	Stormwater Jetting truck	2
10	4 Ton truck	4

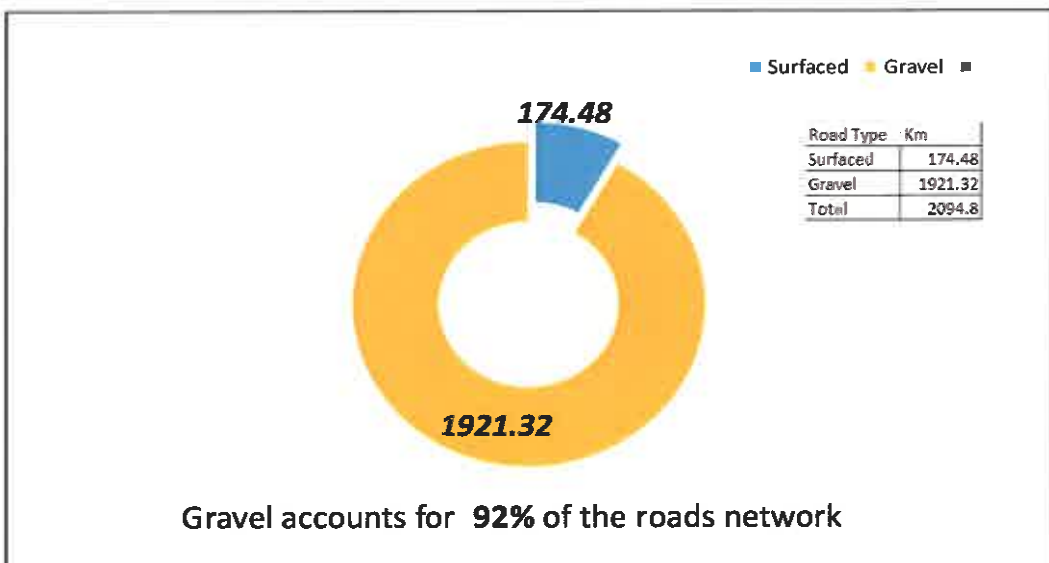
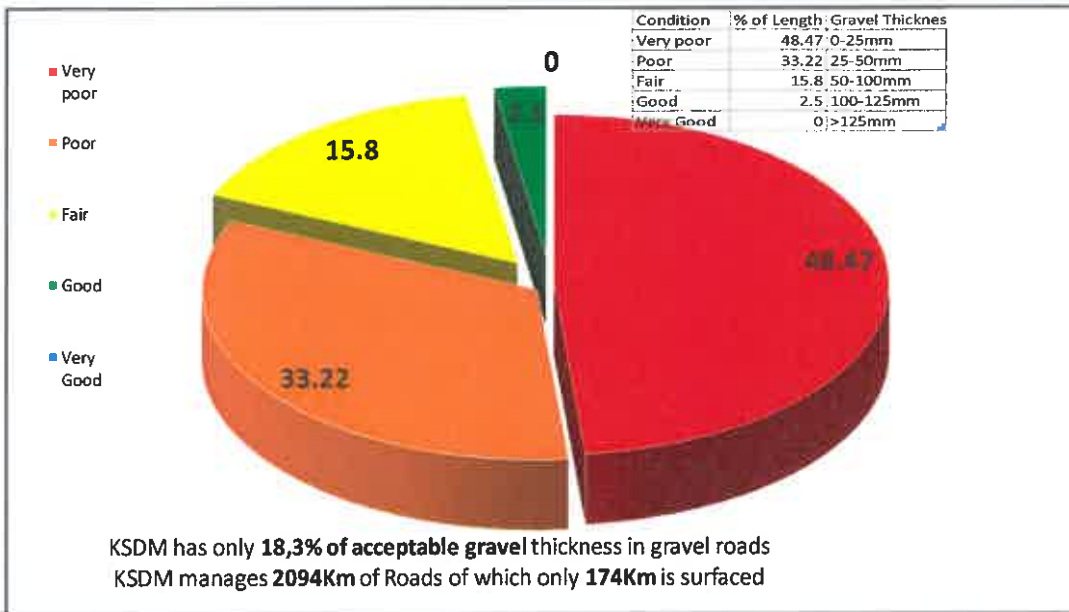
Recruitment of personnel: whereas the plant was procured in 2018/2019 financial year the operator and drivers were employed int 2019/2020 financial year. The detail of operators is shown in the table below.

Item number	Description	Number
1	Civil Engineering Technician	1
2.	Grader operator	5
3.	Dozer operator	1
4.	Excavator operator	1
5.	Roller operator	6
6.	TLB operator	4
7	Loader operator	2
8.	Water cart operator	2
9.	Tipper truck driver	14
10	4-ton truck driver	4
11	General workers	72
12	Bricklayers	2

2020/2021 Recruitment of personnel :

Item	Discription	Number
1	Urban Roads Superintendent	1
2	Foreman	3
3	Team leaders	2
4	Dep Clerck	1

Conditional assessments of roads



Achievements as per areas of focus

No	Description	Number of Teams	Unit	Total Available	Total Archived
1	Surfaced streets (pothole patching)	7	No	512 streets	153
2	Gravel roads	2	Km	1900	809.8
3	Stormwater drainage	8	m	261000	118341.4

Regravelling of road in ward 20 Dalinyebo



Surface street (Pothole Patching in ward 13, North crest, Jizana street.



Departmental Training of personnel: the following training has been done

Item number	Description	Number of employees
1.	Civil Designer	12

3.2.3 ELECTRICITY

For financial year 2020/2021, Department of Energy had allocated KSD R7.2m for electrification of Mthatha West Phase 4, however they only transferred R2.5m and the balance was never transferred. Despite the budget shortfall 482 connections were achieved at Mthatha West. Mthatha West connections were in Ward 12 at Masimini and Sifubeni settlements

Nobhula project which was due to completed in the 2018/19 financial was delayed due to the poor performance of the appointed contractor. In the 2020/21 financial year the 243 households were connected to the grid and the only challenge was the customer data which is needed to enable customers to register their meters in the Eskom vending system. Nobhula village is in ward 21

KSD Networks

KSDM network is more stable than before. KSDM has upgraded 3 Substation out of 4

- Hillcrest
- Sdwadwa
- Thornhill

Unitra is the one that needs upgrading for approximately R50million. Whilst the Hillcrest Substation is new, the specs and equipment does not synchronise with our modernised existing 3 substations. A business plan was also prepared and submitted to DBSA for the upgrade of Unitra substation and for correcting Hillcrest substation.

KSD Powerlines

- Upgraded Mthatha 1 from ESKOM to Sdwadwa substation. Mthatha 1 has not faulted in the past 2 years.
- In 2020/21 financial year we were able to successfully upgrade and commission Mthatha 2 from ESKOM via Unitra to Thornhill substation and the project was funded by OR Tambo DM as part of the Bulk Water supply programme at R100m. Since we have commissioned this line, we noticed a vast improvement in its performance as we have experienced few short duration interruptions due a weak protection system.
- Sustainable Stability of the KSDM network is reliant on the construction and development of the last line from Hillcrest substation to Sdwadwa to complete the loop/Ring at around R60m.

Medium Voltage and Low Voltage

Medium Voltage – has been upgraded up to 90% supported by Provincial Treasury with R150m, the remaining area is:

- Vulindlela Industrial Area – for approximately R15m
- Fortgale – underground network is very old made of Aluminium which cannot take high temperatures.

- Nkululekweni – lines are very old (old key points) also very deep more than 2m deep underground making it unsafe for electricians to repair due to years of neglect by Public Works.
- Low Voltage (LV) is very old, rotten and unsafe. The Kiosks are vandalised and in a dilapidated state. An estimated R90m is necessary to improve the efficiency of the LV and reduce losses. As part of DBSA submission, the LV network was also submitted for funding consideration

Low Voltage Network

Critical areas that need attention on the Low voltage lines are Ngangelizwe, Northcrest, Kwezi, Ncamedlana, Hillcrest, Norwood, Fortgale, Southernwood and CBD.

The LV network also affects the functioning of Street lights and Robots.

Challenges

- Shortage of tools and materials to implement operations and maintenance, in the event of repairs or breakdowns, contractor need to provide the resources, this exhausts the limited budget available.
- Cable theft and wilful damage to Municipal electricity infrastructure like kiosks and robots.
- Vandalism of the mini-substations and the LV power lines poses a huge risk to reliability of supply.
- Illegal connections, tempering and electricity theft is the additional challenge we are experiencing on our network.
- The fact that most of the time the Municipality is not in good standing when it comes to COIDA is a serious risk to the electricity employees when they are injured on duty as it is very difficult to provide them with good medical support. This problem is compounded by the fact that employees are given an option not to join medical aid schemes. The institution is vulnerable to litigation from its own employees if this risk is not mitigated.
- Due to shortfall in budget, service providers' claims cannot be processed, this may lead to them withdrawing their resources until payment is made.
- In the event of a major breakdown, outage downtime will be prolonged due to lack on internal resources and capacity.
- Delay in the payment of Service Providers is a challenge as the Service Providers are reluctant to support us with essential materials like robot controllers as they sight cash flow problems, thereby impacting negatively on the restoration time.
- Shortage of vehicles, shortage of staff, shortage of office equipment.
- Low voltage in Bongweni due to illegal connections and upgrading

3.2.4 SWORT ANALYSIS

Strength	Weaknesses	Opportunities	Threats
Experienced and long serving employees	Potholes in the urban roads Blocked storm water drains	Grant funding in the form of MIG and INEP	Critical staff shortages
	Damaged gravel roads due to heavy rains in various wards		Critical staff shortages
	Huge demand for access roads from various wards coupled with limited funding		Dilapidated roads and Electricity infrastructure
Yellow fleet in the road division	Non availability of mechanical workshop in the municipality.	SLA agreement with the Provincial Department of Transport.	Long return period of fleet from repairs.
Access to young professionals in the form of interns supported by both MISA and National Treasury.	Huge demand for public lighting in both urban and some rural wards		Backlog in both access roads and household electrification which lead to community protests
Road and Electricity Master Plans	High frequency of power interruptions in medium voltage (11Kv) lines in Mthatha West and Bongweni and Zimbane.		Dilapidated roads and Electricity infrastructure.

3.2.5 STAFF IMPLICATION

Critical positions

Position	Planned	Filled	Vacant
PMU SECTION			
PMU Manager	1	1	0
Project Managers	4	4	0
PMU Accountant	1	1	0
ISD Officers	2	1	1
Data Captures	4	2	2
ROADS SECTION			

Roads Manager	1	1	0
Superintendent	2	2	0
Foreman (Supervisors)	8	5	3
Technicians	6	2	4
ELECTRICITY			
General Manager	1	1	0
Design & Planning Manager	1	0	1
Network Control Manager	1	0	1
Technicians	6	2	4
Electricians	12	6	6
WORKS			
Manager	1	0	1
SNR Artisan – Bricklaying & Painting	2	2	0
Artisans (Painters, bricklayers, etc)	20	7	13
Semi-skilled Artisan	20	4	16

3.2.6 EPWP

POLICY

The policy was adopted by the Council.

The Municipality Steering committee.

As per EPWP Steering committee terms of references,

- the Executive Mayor appoints one member of the Mayoral Committee to chair the Steering Committee.
- The Municipal Manager appoint a champion and technical member from various Departments.

Progress

- Member of Mayoral committee are appointed as political steering committee.
- Director Technical Services has been appointed as a Champion and all the Directors are appointed as the members of the Technical Steering Committee.

Incentive grant agreement

Grant allocation was R 4 143 000.00.

Grant expenditure was R 4 143 000.00.

Employment

Total employment created was 786.

3.3 WASTE MANAGEMENT SERVICES: STREET CLEANING, REFUSE COLLECTION, WASTE DISPOSAL AND RECYCLING

Waste Management function is the mandate of the municipality within KSD Municipality Jurisdiction and notable improvement is evident in respect to street cleaning, refuse removal, illegal dumping clearing, waste minimisation and waste disposal through landfilling. The targets in relation to rendering of uninterrupted waste management service have been achieved through the Implementation of the integrated waste Management Plan in response to the following principles:

- a) The duty to develop policies related to solid waste management (the whole value chain including re-use, recycling, or recovery of waste).
- b) The duty to pass and implement by-laws with respect to waste management services.
- c) The duty to develop an Integrated Waste Management Plan.
- d) The right to decide on the mechanisms for providing the service (i.e. Internal vs external)
- e) The duty to regulate and monitor external providers of waste management services and the effectiveness of waste management services in its area.
- f) The right to set tariff with respect to waste management services provided by the municipalities and to levy penalties.

The Integrated Waste Management Plan (IWMP) which was approved by Council and endorsed by the MEC in 2018 is being implemented, however due to lack of financial resources and capacity, the plan is not fully implemented resulting in provision of unsustainable service to our communities and leakages of waste from peri urban areas and rural areas finding space in the urban centre. Waste Management By Laws have been developed in terms of the Waste Act, Act No 59 of 2008 and approved by Council.

In terms of the structure, the waste management function is rendered under 3 Service Units:

- a) Cleansing Unit
- b) Refuse Removal Unit
- c) Waste Disposal Unit

The Directorate managed to successfully provide an uninterrupted street cleaning and refuse removal service to residents (urban & rural), commercial and industrial consumers. This has been intensified by implementing IWMP in partnership with National Department of Fisheries, Forestry and Environment, Department of Transport, Department of Public Works, Provincial Department of Economic Development, Environment and Tourism, OR Tambo District Municipality, Community Organizations and the Business Sector through 'Adopt a Street Programme'.

Street Cleaning

- The targets for street cleansing service have been achieved through 2 shift system and the situation has improved as compared to the previous years.
- The cleaning was intensified by recruiting 75 EPWP Beneficiaries and by appointing a panel of 15 Co - operatives and SMMEs.
- 100 EPWP work opportunities were also created as part of Vulindlela Industrial Park Rehabilitation Programme. The project was funded by the Department of Economic Development, Environment and Tourism.
- As part of promoting Waste Minimization, Environmental Awareness Programmes were launched in 8 schools.
- Clean up campaigns were conducted at least once per month in response to 'Thuma Mina Good Green Deeds Programme'.
- As part of promoting the culture of clean environment, the Department of Transport recruited 50 EPWP Beneficiaries to assist in cleaning taxi ranks and bus ranks.

Waste Collection/ Refuse Removal

In 2020/2021 financial year the municipality has a target of collecting refuse in 9094 billed households and the target was achieved resulting in 16 695 households serviced for refuse removal. These are households which are predominately in urban centres of the municipality (Mthatha and Mqanduli). 22 communal skips have been used to service informal areas and peri – urban areas and to curb illegal dumping.

Recycling & Illegal Dumping

- Recycling has been done in partnership with OR Tambo District Municipality, 2 Private Contractors and Waste Pickers in Mthatha and Mqanduli.

Waste Disposal

The KSD municipality has the following facilities:

- a) 2 x Landfill sites in operation and licensed
- b) 1 x Landfill Site under construction
- c) 1 x Waste Transfer Station constructed in Coffee Bay

The Mthatha landfill site has a gate fee charged to everyone disposing their waste as a means of revenue collection and the revenue collection improved. The business waste collection is not breaking-even, and it is the expectation that business waste collection should subsidize house waste collection. Maintenance of the landfill sites has been done as per the maintenance plan, however, Mqanduli Landfill site has a shortage of equipment to operate and maintain the site. Rehabilitation of the site is in progress to meet permit requirements.

5 External Environmental Audits conducted in Mthatha and Mqanduli landfill sites in line with the permit conditions for compliance. Construction of the new landfill site in ward 33 is in progress and the Waste Transfer Station in Ward 24 has been completed and handed over to the Municipality by the Department of Environment Forestry and Fisheries. The Waste Transfer Station in Ward 24 will provide additional airspace in landfill sites and will assist in promoting waste minimization and SMME development at Ward level.

In addition, the municipality has put the following measures in place in relation to the operational and management of waste management:

- a) Standard Operation Manuals developed
- b) Code of Conduct for Municipal Employees
- c) Maintenance Plans for Landfill Sites developed
- d) Attendance Registers utilised as control measure
- e) Weekly Plans, Weekly Reports, Monthly Reports, Quarterly and Annual Reports submitted as required.
- f) Time sheets utilized as controls for the shift system (drivers and crew members).
- g) Staff rotation, especially Supervisors on six months' periods.

Financial Performance in Refuse Collection & Waste Disposal

Original Budget	Adjusted Budget	Q1 Sept. Act	Q2 Sept. Act	Q3 Sept. Act	Q4 Sept. Act	YTD Variance	YTD Variance	Full Year
64 843	64 843	51 751	(578)	1 297	1 617	(10 757)	- 17%	64 843

Refuse removal Trolley bins/Skips shows a shortfall of R10 million. Of the total billed income for refuse amounting to R42 million, R34.7 million has been collected representing 82% of total billed income. Tariffs for the refuse removal in Coffee Bay, Hole in the Wall, Viedgesville and peri urban areas are established and approved.

Commercial Refuse Collection: Trolley Bins & Skip Bins

- The total number of municipal refuse bins rented out is **162**, this is also inclusive of a fraction of bulk waste removal in government institutions and in private institutions.
- This is comprising of Sixty-eight (68) business accounts for skip bins and ninety-four (94) business accounts for trolley bins that are in good standing.

Verification Process

- An Accountant has been transferred to Community Services from Budget & Treasury Office to conduct data cleansing and contract verification of commercial refuse removal.

Challenges

- Informal street trading in all streets affects the cleaning service.
- Lawlessness in streets resulting in illegal dumping.
- Businesses converted waste storage areas to businesses have a bearing in street cleaning as the waste is illegally disposed on the streets and drains.
- Blockages in drains as a result of street trading.
- Poor access of service in rural areas and peri urban areas resulting in waste dumped in the pavements and open spaces.
- Reduced revenue for the municipality as fewer businesses have refuse collection contracts
- Mushrooming of illegal dumps, as a result of a shortage of litter bins and service inconsistency
- Negative publicity which continues to dominate as a result of waste mushrooming from areas that are not billed or formalized.
- The landfill sites are not compliant due to lack of financial resources.

Waste Management Turnaround Plan Through SALGA Intervention

Following the country wide outcry and the bad media publicity on the deteriorating state of Mthatha, where the City of Mthatha has been regarded as the dirtiest city in the country, SALGA saw it fit to try and assist the municipality. SALGA support aimed at achieving the following:

- To determine municipality waste management service overview or status quo.
- To reflect on municipal performance on waste management service.
- To identify gaps in rendering waste management service.
- To reflect on implications of the current level of service.

- To propose short and long term solutions and possible partnerships to Council for efficient and effective waste management service.

The following root causes were identified as the barriers in rendering uninterrupted refuse removal service:

- Influx of people from other municipalities into Mthatha affects street cleansing service.
- Few bins to service that huge influx of people resulting in increased littering in the CBD, servicing people from other LM areas puts a strain on the waste management function in relation to street cleansing.
- The waste management service of KSDLM is not properly structured and capacitated in terms of the critical sub-functions of the services.
- The waste collection service is critically under-capacitated in terms of equipment, fleet, and personnel.
- The required capacity, in equipment (mainly waste bins), fleet and personnel is about more than 3 times the current capacity.
- Cleansing unit is operating at a deficit because of how the function is classified (the service is not classified as business or as logistics service hence the deficit).
- Lack of municipal driven proactive recycling, events waste management and illegal dumping response services.
- The operation of landfill sites within KSD does not meet the minimum requirements as stated in the National Environmental Management: Waste Act, 2008. Main amongst the contributing factors is inadequate equipment to operate the sites.

Proposed Remedial Actions and Recommendations

SALGA recommended the following solutions to Council:

- The proposed solutions are to re-engineer waste management services to have 6 units for efficiency and effectiveness:
 - Waste Collection Service Unit

- Street Cleansing Unit
 - Recycling, Events Waste and Illegal Dumping Unit
 - Waste Disposal Unit
 - Waste Depot & Fleet Management Unit
 - Corporate Service & Governance Support Unit (Business, Marketing & Contracts Management Unit)
- Prioritize waste management service as one of the biggest revenue sources.
 - A feasibility study be conducted in order to assess parts of waste value chain that can be implemented in a form Public Private Partnership (PPP).
 - The municipality to conduct data cleansing of properties in the Valuation Roll and on billed properties for waste management.
 - A Specialist to be appointed to review waste management organizational structure.
 - DEDEAT, SALGA to assist the municipality in gazetting Waste Management By Laws.
 - Peace Officers be recruited through Public Safety Directorate for enforcement of Waste Management By-Laws.
 - Corporate Services to assist with the capacitation of officials at junior management level to understand bylaws and be able interpret the departmental bylaws in order to stand in court (build required capacity within the short term of the action plan).
 - The current IWMP to be reviewed to include proposed SALGA Waste Management Action Plan.
 - Benchmarking to be done by Community Services Directorate to visit municipalities for best learning practices on the performance of the waste management function.
 - A team building session be coordinated in order for the departmental staff to have a shared vision on the effective functioning of the department (annual team building sessions to be convened).
 - Elements of the implementation plan to be on the overall municipal turnaround plan.

3.3.1 LIBRARIES

King Sabata Dalindyebo Library and Information Services is responsible for the provision of Library and Information Services that are aimed at promoting leisure reading, lifelong learning, and eradicating illiteracy rates in KSD Municipality. King Sabata Dalindyebo Library and Information services has got 11 library facilities.

Challenges

- Currently the Library Service is not funded fully by Department of Sport, Recreation, Arts and Culture resulting in municipality incurring cost for provision of the function

3.3.2 COMMUNITY FACILITIES

A policy has been developed and approved by council for management of municipal halls. Tariffs for booking of municipal facilities developed and implemented in terms of the tariff policy.

The municipality is collecting revenue in the following Halls.

- City Hall, Civic Centre, Rotary Hall, Waterfall Hall, Eli Spilkin Hall, Ikwezi Community Hall, Southernwood Hall and Mqanduli Hall

Challenges

- Not all facilities are generating revenue as most of them are currently used by communities at ward level.
- Vandalism and theft in municipal facilities remains a challenge due to lack of security services, resulting in revenue loss.

3.3.3 SPORT FACILITIES

King Sabata Dalindyebo Local Municipality has the responsibility to provide Sport and Recreational Facilities for the benefits KSD Municipality Communities. As part of Integrated Development Plan and the Service Delivery Budget and Implementation Plan, provision of facility management services and commercialization of sport and recreation facilities is a key deliverable.

The maintenance of Sport Facilities has been done successfully in terms of the maintenance plan and the tariffs have been implemented to collect revenue in sport facilities.

Challenges

- Not all facilities are generating revenue as most of them are currently used by communities at ward level.
- Vandalism and theft in municipal sport facilities remains a challenge due to lack of security services, however the

3.3.4 PARKS AND AMENITIES

Parks and Amenities Unit is responsible for Beautification of Parks and Amenities through greening and cleaning, Grass Cutting, Litter Picking, Tree Trimming, Maintenance of Islands. The municipality has 4 Parks that are existing, and the maintenance has been done in line with the maintenance plan.

Challenges

Vandalism and theft in Parks & Amenities is evident due to lack of security services, however a plan is in place to guard Parks division Unit.

3.4 PUBLIC SAFETY & TRAFFIC MANAGEMENT

Public Safety & Traffic Management is comprised of Protection Services Division which has (Traffic Services Section, Road Safety Unit, Licensing Section and Law Enforcement Section), Admin Section, Support Services, Fire Services & Emergencies and Disaster Management.

The purpose is to provide community safety by protecting life, +property, crime prevention, road safety and environment within KSD Municipality jurisdiction and OR Tambo Region from all harmful consequences of fire and disaster.

3.4.1. DEPARTMENTAL OVERVIEW/PROJECTS/STRATEGIES- Per SECTION

3.4.1.1 FIRE SERVICES

During the period under review KSD Fire and Emergency Service received and attended to 317 emergency Calls and they were all successfully attended to and there were no fatalities, they are as follows: -

House Fires	113
Grass Fires/Tyres/Rubbish:	107
Car Fires	15
Electrical Fires	14
Motor Vehicle Accidents	37
Special Service	22
Awareness Conducted	08

Flammable Permits

The division further conducted inspections and an amount of R189 622.20 was collected from flammable permits and fire compliance certificates in this financial year.

Flammable Permits Issued	65
Compliance Permits	81
TOTAL	146

Fire Hydrants Maintained: 408

There are 408 Fire hydrants that were checked and maintained in the CBD and surrounding areas.

3.4.1.2. DISASTER RISK MANAGEMENT

Disaster Risk Forum Meetings

Disaster Risk Forum was established after the looming looting from Durban and Johannesburg, 5 meetings were attended for prevention of looting incidents within KSD Municipality jurisdiction.

Awareness campaign was conducted on the 16 July 2021, for the community to be aware and alerted of the conduct. Further an assessment was conducted on 28 July 2021 where fire incident occurred at Grosvenor Building in Sutherland Street Central Town. Only one injury was reported and there were not deaths.

Incidents and Rehabilitation of Affected Wards

On the 22nd of April heavy rains and flooding affected 10 wards (Ward 10, Ward 11, Ward12, Ward 13, Ward 14, Ward 15, Ward 16, Ward 17, Ward 18 & Ward 34) which resulted to other residents being left homeless and destitute. They were assessed and assisted with food parcels, mattresses and blankets to all the disaster affected victims. Services like counselling and prayers were also conducted by relevant stakeholders.

A shocking incident happened at ward 24 where 3 children were burnt to death, but KSD Municipality and OR Tambo assisted the families with funeral costs.

On the 10th July 2021 three victims were murdered by unknown individual at Gengqe A/A Nkalweni Village at Mqanduli Ward 23. Assessment was done by disaster officers, there was support of groceries received from ORT Municipalities to assist the families of the victims in funeral service.

3.4.1.3. ROAD SAFETY

The main focus was to make sure that the Road Users travel safely on the roads and 79 awareness campaigns were conducted.

Awareness campaigns in schools, clinics and garages	48
Conducted inspection and road signage's audits	2
Conduct Arrive Alive Campaigns during Peak Seasons/Periods	7
Removed cows from the road within the CBD area	5

3.4.1.4. TRAFFIC SERVICES

4.1 Number of Tickets fines issued

There were 7755 tickets issued for various offences and is broken-down as follows:

- 6387 Sec 341 and;
- 1368 sec 56

4.2 Speed Enforcement

5431 images were captured through the X1 and Average Speed Determination Camera and 6802.

Ten (10) out of Twelve (12) Roadblocks were held in various sites (N2 & R61) respectively.

4.3 Number of manned Traffic Intersections

23 intersections were manned by means of Traffic control every morning and afternoon:-

4.4 Traffic escorts

There were 49 Escorts for Funerals, Weddings, Gender based violence and Fun Run etc.

4.5 Accident(s)

There were 42 reported accidents with at least 03 fatalities.

4.6 Joint Operation(s)

There were 10 Joint Operations between KSD Traffic Dep. & SAPS held for various purposes e.g. drunk and driving, unroadworthy vehicles.

3.4.1.5. LICENSING SECTION

5.1 MOTOR VEHICLE REGISTRATION AUTHORITY- MVRA

This section received 102 851 applications and captured them in the system (eNatis System) for vehicle renewals and issuing of licenses.

Registered & received	9292
Renewals	91961
Deregistration	682
Duplication	386
TSP	93
Searches	168
PLN	54
MTN	28
SLN	117

Total Amount of Revenue Collected

DOT	= R43 766 076.55
RTMC	= R3 436 344.00
MVRA KSD Municipality	= R11 832 073.14
TOTAL	= R59 034 393.09

5.2 DRIVING LICENCE TESTING CENTRE

During the year under review renewal of driving licences, application for professional driving permit, testing for learners and driving licences were reported as follows:

Learners Licences

Learner's license passed and issued.	3037
Applications for learner's licenses failed.	980
Absentees	135
Duplicates for learner's licenses issued.	331

Driving licenses transactions were captured as follows:

Passed and issued with driving licenses.	3753
Failed applications for driver's licenses	790
Absentee applications	504
Applications received for renewal of driving licenses	10288
Professional driving permit (Prdp)	2312
Temporal Drivers' Licenses issued.	8262

DLTC Revenue Generation

Total Monies Collected: **R5 700 662.00** and the breakdown is as follows:

DLCA = R830 782.00
DLTC KSD Municipality = R4 869 880.00

3.4.1.6. LAW ENFORCEMENT

Confiscated items

ITEMS	TOTAL
Knives	252
Dagga	43
Clothes	253
Cleaning material	154
Bucket	27

Land invasion

Law enforcement officers joined SAPS to disperse land invaders at old Nkululekweni, they were successfully dispersed

Illegal dumping

8 vehicles were impounded to VTS for illegal dumping:

4 Cars were fined for illegal dumping an amount totalling to R5000.00

7 Cars were fined and paid an amount totalling to R14 000.00 for illegal dumping

11 people paid fines for illegal dumping amounting to R16 500.00

Accidents

7 accidents were reported and attended with no injuries

Stray animals

77 Stray animals were found in the CBD and surroundings, and all were impounded to SPCA:

The office continues to chase away, and shepherds warned.

Joint operations

Joint operations were conducted between KSDM Law Enforcement, SANDF and SAPS to monitor compliance to the COVID-19 regulations in the jurisdiction of King Sabata Dalindyebo Local Municipality.

Section 341 tickets

43 tickets issued.

101 motor vehicles were searched during roadblock at Makhaphetshwini

1 summon issued for overloading and unlicensed driver.

Confiscated items

Items	Total
Knives	67
Dagga	37
Yoghurt	19
Bucket of Xhosa beer	5
Smoking pipe	08

3.4.1.7. ACCESS CONTROL

Safety guarding Municipal Properties and installations

We have 73 permanent Access Control Officers and 55 E.P.W. P. in Mthatha and 35 permanent staff and 4 E.P.W.P. in Mqanduli. There are 42 (forty-Two) sites for KSD Municipality 24 sites in mthatha are guarded and 5 in Mqanduli the rests of the sites are patrolled.

Due to shortage of personnel private companies were appointed to provide services to the following stations: -

1. WSU substation
2. Hillcrest substation
3. Ultra-City Tourism Centre
4. Mthatha Stadium
5. VTS

The control room was established in Munitata and following workstations CCTV cameras were installed, Roads, Fleet store, Rates Hall, Basement, and Front of munitata offices.

5.3 ANNUAL PERFORMANCE REPORT

1. Technical Services: APR 2020/2021

KEY PERFORMANCE AREA		IDP OBJECTIVE - To provide Basic Services Delivery in a Sustainable manner by 2022						BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT		
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Provision and maintenance of roads and storm water infrastructural services within KSD	3.2.1.1	Number of surfaced streets repaired and maintained	Maintenance & repairing of surfaced roads	214 Streets	120 surfaced streets repaired and maintained within KSDLM by June 2021.	Achieved 135 surfaced streets repaired and maintained	+15 streets	More staff employed through EPWP program.	Increase targets in the next financial year to 160 km.	Monthly Reports Job cards Maintenance plan
	3.2.1.1/1	Number of km of gravel roads repaired and maintained	Maintenance & repairing of gravel roads	1900 km	800km of gravel roads repaired and maintained within KSDLM by June 2021	Achieved 809.8 km of gravel roads repaired and maintained	+9.8km	More staff employed through EPWP program.	Increase targets in the next financial year to 1000 km.	Monthly reports/ Job cards
	3.2.1.1./2	Number of km of roads constructed and rehabilitated.	Road's construction and rehabilitation	80 km	70 km of roads constructed and rehabilitated Norwood, Nyokinala & Mbozwana, Chris Hani, Slovo and Marthambeni, Ngqwartha, Mxambule & Jolweni, Haji, Kunene & Mncwasa, Silvrton, 14 Sai, Chartma Elliot, Vigies, Khalalo, Baziya & Sxuzula, Bekana & Mganduli, Highbury, Tyeni & Mbozisa, Luthuthu & Qweqwe.	Achieved 77km were constructed and rehabilitated (Nyokinala to Mbozwana 29km, 14 Sai AR 5.9km; Upper Ngqwartha AR 12.34km; Chalam to Tembu Surfacing 1.51km; Haji to Kunene via Mncwasa AR 12km; Christ Hani, Slovo, Marthambeni AR 18.5km. and Silvertown 8km.	+7km	Additional kms due to requests by communities within the projects (Nyokinala to Mbozwana 3km, Chris Hani, Slovo & Marthambeni 2.5km and 14 Sai AR 1.5km). There were project contingencies.	Increase on annual targets for the next financial year to 80km.	Appointment letters Progress reports Practical Completion Certificate, Completion Certificate, Implementation plan

KEY PERFORMANCE AREA		TOP OBJECTIVE : To provide Basic Service Delivery in a Sustainable manner by 2022										BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT	
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE			
	3.2.1.1/3	Number of meters of Storm water infrastructure unblocked and maintained	Maintenance and repairing of storm water infrastructure	51761m	Dumihana, Cimela & Gubevu, Zinkawu by June 2021 50 000m of Storm water infrastructure unblocked and maintained within KSDLM by June 2021	Achieved 126289m of storm water infrastructure unblocked and maintained	+74528m	More staff employed through EPWP program.	Increase targets on the next financial year to 100 000m.	Monthly Reports/ Job Cards, weekly reports Implementation plan			
Provision and rehabilitation of Community facilities	3.2.1.10	Number of Community halls constructed	Construction of Northcrest, & Rosedale Community Halls	Community halls	2 Community halls constructed by June 2021. (Rosedale & Northcrest)	Not Achieved 1 Community Halls constructed (Qweqwe and Rosedale) and 1 Community Hall still under construction (Northcrest)	-1 hall	Qweqwe community hall was completed in the 1 st quarter. Northcrest community hall construction could not be completed due to delays on commencement of procurement processes.	To start the process of procurement on time and completion of Northcrest community hall is planned for 2021/2022 financial year.	Appointment letters Progress reports Practical completion certificate, Completion Certificates Implementation Plan			
Provision and maintenance of electricity infrastructural services within KSD	3.2.1.13	Number of households connected to the grid	Connection of Mthatha West Phase 4 and Nobula Village	1500 households connected	Connecting 666 households to the grid in Mthatha West 4 and Nobula Village by June 2021	Not Achieved 486 households connected to the grid in Mthatha West 4 and Nobula Village.	-180	The contractor had subcontractor of which there was a delay in payment from the main contractor to subcontractors, due to the fact the process of approving VO took longer.	Make motivation and follow up on the VO approval.	Appointment letter Monthly reports Meter movement forms Completion certificates			

KEY PERFORMANCE AREA											BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT										
IDP OBJECTIVE : To provide Basic Service Delivery in a Sustainable manner by 2022																					
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE											
	3.2.1.14	Number of km of 66kv overhead line constructed	Construction of 66KV Overhead line	14km constructed.	Construction of 14 km of 66kv overhead line from Mbuque to Thornhill substation by June 2021	Achieved 14 km of 66kv overhead line from Mbuque to Thornhill substation constructed	N/A	N/A	N/A	Appointment letter Monthly reports Closeout Report											
	3.2.1.15	Number of transformer bays constructed	Constructing Transformer Bay	10 bays	Construction of 1 transformer bay at Thornhill substation by June 2021	Not Achieved The construction of 1 transformer bay at Thornhill substation is still under construction and not yet completed.	- 1 transformer	There were delays in procuring the material, the suppliers took time to deliver.	Extend the lead period by two/02 months. The construction is in progress.	Appointment letter Delivery of transformer monthly report											
	3.2.1.16	Number of substations constructed	Construction of Substation	200 substations	Procurement of 2 substation equipment by June 2021	Not Achieved Procurement of 2 substation equipment bid is in process.	Delays in Bid procurement processes.	There was a delay in the procurement processes	Reschedule the works and extend the program for two/02 months	Advert Monthly reports Delivery certificate Commissioning and Test report											
	3.2.1.18	Number of km of 11KV overhead line constructed	Construction of 11kv overhead line	50km	7km of 11kv overhead line Constructed between Thornhill substation and Mthatha Dam by June 2021	Not Achieved The project is under construction.	Contractor is busy with site establishment	There was a delay in the appointment of contractor.	Extend the lead period by two/02 months.	Appointment letter Monthly reports Closeout Report Completion certificate											

KEY PERFORMANCE AREA

IDP OBJECTIVE

To provide Basic Service Delivery in a Sustainable manner by 2022

BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	3.2.1.19	No. of intersections of Traffic lights inspected and maintained	Inspection and maintenance of traffic lights	32 traffic lights have been inspected and maintained	29 intersections of Traffic lights inspected and maintained in Mthatha Town & Surroundings by June 2021.	Achieved 29 intersections of Traffic lights inspected and maintained in Mthatha Town & Surroundings.	N/A	N/A	N/A	Weekly inspection and repair reports Job Cards
	3.2.1.20	No. of streetlights inspected and repaired	Maintenance and repair of streetlights	1000 lights have been maintained	1000 of streetlights inspected and repaired within KSDLM by June 2021	Achieved 1000 streetlights inspected and repaired within KSDLM	N/A	N/A	N/A	Inspection Sheets and repair reports Job Cards
	3.2.1.22	Christmas lights installed and operational	Switching on of Christmas lights	Council Christmas Lights switched on	Christmas Lights operational on the day of the event in Mthatha & Mqanduli by December 2020	Achieved Lights were switched on, on the day of the event in Mthatha and Mqanduli.	N/A	N/A	N/A	Appointment letter Progress Report
	3.2.1.23	Installed Highmast lights and Solar Streetlights	Installation of solar streetlights	30 solar streetlights installed	Installing 30 solar streetlights in Chaiham and Harrow Street by June 2021	Not Achieved Installation of 30 solar streetlights is under construction.	-30 solar streetlights	The contractor was appointed late, however handover is done and site was established.	The project is included on the 2021/22 Financial SDBIP and Implementation plan.	Appointment letter, progress report.

2. Human Settlements: APR 2020/2021

KEY PERFORMANCE AREA		BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT								
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Housing Construction	3.2.1.26.1	No. of houses constructed at Maydene Farm Ext.71	Construction of 961 units at Maydene Farm Ext.71	356 Subsidy houses completed in 2019/20	250 houses to be constructed at Maydene Farm Ext.71 at by June 30, 2021	<p>Not Achieved</p> <p>- Q1 – 0 houses complete</p> <p>Q2 : 10x houses complete</p> <p>Q3</p> <p>-17 Houses constructed by March 2021</p> <p>Q4</p> <p>0 houses complete by 30 June 2021</p> <p>TOTAL HOUSES COMPLETED 27</p> <p>-174 foundations</p> <p>-133 wall plates</p> <p>-60 roof & electrical</p>	-223	Contractor poorly performed due to shortage of timber countrywide	Contractor opted to utilize steel trusses. Waiting for approval by NHBC	<p>•Payment certificates</p> <p>•Final Unit Report</p> <p>Hand over certificates</p>
	3.2.1.26.2	No. of houses constructed at New Brighton	Construction of 131 housing units at New Brighton	131 sites serviced	5 houses to be constructed at New Brighton by June 30 2021	<p>Not Achieved</p> <p>0 Houses completed</p>	-5 Houses completed	<p>-Beneficiary Admin process delayed due to issues of land claim.</p> <p>-MPT application failed check list due to Land</p>	<p>Fast track beneficiary admin.</p> <p>Issue Section 11(7) (a) notice to land claims commissioner</p>	<p>•Payment certificates</p> <p>•Final Unit Report</p> <p>Hand over certificates</p>

KEY PERFORMANCE AREA

IDP OBJECTIVE : PROVISION OF INTERGRATED & SUSTAINABLE HUMAN SETTLEMENTS BY 2030

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	3.2.1.26.3	No. of houses constructed at Kei Rail	Construction of 200 housing units at Kei Rail	537 sites serviced	5 houses to be constructed at Kei rail by 30 June 2021	Not Achieved 0 Houses completed	-5 houses completed	claims non-resolution. -Beneficiary Admin process delayed due to land claims. -MPT application failed check list due to Land claims non-resolution	on intention to build houses Fast track beneficiary admin. Issue Section 11(7) (a) notice to land claims commissioner on intention to build houses	•Payment certificates •Final Unit Report Hand over certificates
Housing Coordination	3.2.1.26.4	No. of Housing Forum Meetings held	Sitting of Housing Forum Meetings	New	2 Housing Forum meetings held by 30 June 2021	Achieved 2 sittings of Housing Forum Meetings	N/A	N/A	N/A	Attendance Register Minutes of meeting
Housing Construction	3.2.1.26.5	No. of houses constructed at New Payne 300	Construction of 72 housing units at New Payne 300	228 houses constructed	24 houses constructed at New Payne 300 by 30 June 2021	Not Achieved 0 houses completed	-24 houses completed	Procurement processes took longer than anticipated	Allocation of the project to HDA as KSDM's Development partner to fast track implementation	•Payment certificates •Final Unit Report Hand over certificates
	3.2.1.26.6	No. of houses constructed at New Payne 200	Construction of 51 housing units at New Payne 200	148 houses constructed	35 houses constructed at New Payne 200 by 30 June 2021	Not Achieved 0 houses completed	-35 houses completed	Procurement processes took longer than anticipated	Allocation of the project to HDA as KSDM's Development partner to fast track implementation	•Payment certificates •Final Unit Report

KEY PERFORMANCE AREA		BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
IDP OBJECTIVE : PROVISION OF INTERGRATED & SUSTAINABLE HUMAN SETTLEMENTS BY 2030											
	3.2.1.26.7	No. of houses constructed at Ntshabeni	Construction of 27 housing units at Ntshabeni	173 houses constructed	27 houses constructed at Ntshabeni by 30 June 2021	Not Achieved 0 houses completed	-27 houses completed	Procurement processes took longer than anticipated	Allocation of the project to HDA as KSDM's Development partner to fast track implementation	•Payment certificates •Final Unit Report Hand over certificates	
	3.2.1.26.8	No. of houses constructed at Mahlungulu	Construction of 260 houses at Mahlungulu	90 houses constructed	28 houses constructed at Mahlungulu by 30 June 2021	Not Achieved 0 houses completed	-28 houses completed	Procurement processes took longer than anticipated	Allocation of the project to HDA as KSDM's Development partner to fast track implementation	•Payment certificates •Final Unit Report Hand over certificates	
	3.2.1.26.9	No. of houses constructed at Willow	Construction of 63 houses at Willow	137 houses constructed	35 houses constructed at Willow by 30 June 2021	Not Achieved 0 houses completed	-35 houses completed	Procurement processes took longer than anticipated	Allocation of the project to HDA as KSDM's Development partner to fast track implementation	•Payment certificates •Final Unit Report Hand over certificates	
	3.2.1.26.10	No. of houses constructed at Zidindi	Construction of 105 houses at Zidindi	195 houses constructed	29 houses constructed at Zidindi by 30 June 2021	Not Achieved 0 houses completed	-29 houses completed	Procurement processes took longer than anticipated	Allocation of the project to HDA as KSDM's Development partner to fast track implementation	•Payment certificates •Final Unit Report Hand over certificates	

KEY PERFORMANCE AREA		BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
IDP OBJECTIVE : PROVISION OF INTERGRATED & SUSTAINABLE HUMAN SETTLEMENTS BY 2030											
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
Housing Strategy preparation	3.2.1.26/11	% completion of the housing sector plan project	Preparation of the KSD Housing Sector Plan	2011 Housing Sector Plan	25% of the housing sector plan project completed by 30 June 2021	Achieved 25 % of the housing sector plan project completed.	N/A	N/A	track implementation	Hand over certificates	
Spatial Planning	3.2.2.27/4	% Completion of the proclamation of Coffee Bay New Town	Proclamation of the Coffee Bay New Town	Coffee Bay Informal settlement	25 % completion of the Coffee Bay New Town Proclamation by 30 June 2021	Not Achieved 22 % complete on proclamation of Coffee bay New Town	3 %	Awaiting for Land rights holders consent authorization from Department of Agriculture Rural Development and Land Reform to submit Coffee Bay Proclamation of a New Town application to MPT for approval.	Drafting of clear beneficiation model concept / land rights holders by KSDM and DARDLR. Undertake Public Participation process to obtain Land Rights Holders resolution and authorization to submit the application to MPT	- Signed Memorandum of Understanding.	
Building Control	3.2.1.3 2/1	% progress in the processing of received building plans.	Processing of Building Plans	177 Approved building plans in 2019/2020	99% of all received building plans should be processed by 30 June 2021	Achieved 99% of all received building plans were processed	N/A	N/A	N/A	Building plan register.	

KEY PERFORMANCE AREA		BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
IDP OBJECTIVE : PROVISION OF INTEGRATED & SUSTAINABLE HUMAN SETTLEMENTS BY 2030											
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
	3.2.1.32/3	% Completion of the building management By Law preparation	Preparation of the building management by law	National Building Regulations	75% completion of the building management by law by 30 June 2021	Achieved 75% preparation of the building Management By-Law completed.	N/A	N/A	N/A	Press Notice Advertising the Land Management By Law	
Outdoor Advertising management	3.2.2.32	% Completion of Outdoor Advertising Management By Law preparation	Preparation of the Outdoor Advertising Bylaw	New	75% completion of Outdoor Advertising Management By Law by 30 June 2021	Achieved 75% preparation Outdoor Advertising Management by law completed.	N/A	N/A	N/A	Press Notice advertising the Outdoor Advertising Bylaw	
Land Use Management Scheme	3.2.1.3.5/1	% Completion of the Land Use Management Scheme preparation.	Preparation of the KSDM Land Use Management Scheme	Outdated Town Planning Schemes 1981 & 1989	75 % completion on Land Use Management Scheme by 30 June 2021	Achieved 75 % completion on Land Use Management Scheme by June 2021	N/A	N/A	N/A	Council Resolution	
Spatial Planning	3.2.1.3.5/2	% Completion of the Ncambediana Local Spatial Development Framework preparation	Preparation of the Ncambediana Local Spatial Development Framework	Approved SDF of 2013	25 % completion on preparation of Ncambediana LSDF by 30 June 2021	Achieved 25 % completion on preparation of Ncambediana LSDF by June 2021	N/A	N/A	N/A	Letter of Appointment	
	3.2.1.3.5/3	% Completion of the Qunu Local Spatial Development Framework preparation	Preparation of the Qunu Local Spatial Development Framework (LSDF)	Approved SDF of 2013	25 % completion on preparation of Qunu LSDF by 30 June 2021	Achieved 25 % completion on preparation of Qunu LSDF by June 2021	N/A	N/A	N/A	Letter of appointment	

KEY PERFORMANCE AREA

FINANCIAL VIABILITY AND MANAGEMENT

IDP OBJECTIVE : To promote and enhance Financial viability as well as implement sound financial management

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Land Administration	3.2.3.18	No. of title deeds issued	Transfer of Council Properties	4 245 title deeds issued	140 title deeds issued by 30 June 2021	Not Achieved 41 Title deeds issued by June 2021	-95 title deeds not registered	Delay by Service provider in undertaking the registration process	To improve working relation with DOHS service provider and ORTDM for the signing of rates clearance certificates	Copies of transferred Title Deeds

KEY PERFORMANCE AREA

INSTITUTIONAL DEVELOPMENT & TRANSFORMATION

IDP OBJECTIVE : To ensure Institutional Transformation & Organizational Development

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Geographic Information System Management	3.2.4.25	% Completion of the KSM geo-database created	Creation of the KSDM Institutional geodatabase	New	75% completion on creation of the KSD Institutional Geo-database by 30 June 2021	Achieved 75 % completed on the creation of the KSD institutional Geo-database	0	N/A	N/A	Uploading reports

LEGEND

No.	Project Name	Target % and Description					
		5%	15%	25%	50%	75%	100%
1	Preparation of the Housing Sector Plan	Terms of Reference and Specification completed	Appointment Letter issued	Situation Analysis Report completed	Strategies Report completed	Draft Housing Sector Plan Report completed	Adopted Housing Sector Plan Report
2	Proclamation of the Coffee Bay New Town	Terms of Reference and Specification completed	Stakeholder Consultation	Public participation engagement	Advertisement of public participation for land rights owner's resolutions	Signing of consent letter by land owner to submit the development application	Submission of development plan to MPTT
3	Processing of Building Plans	Processed building plans refers to the building plans that have been gone through the approval cycle. This means that the building plans will be deemed "processed" once they have been completed the cycle of receipt, circulation and a decision given (whether positive or negative).					
4	Preparation of the Outdoor Advertising Bylaw	All the movements through the production cycle are noted in the building plans register which will be used as proof of the complete cycle.					
5	Preparation of the Building Management Bylaw	Gap analysis report completed	Stakeholder consultation and Public Participation	Draft By Law in place	Draft Bylaw adopted by Council	Outdoor advertising By-Law advertised for comments	Bylaw adopted and Gazetted
6	Preparation of the KSDM Land Use Management Scheme	Terms of Reference and Specification completed	Stakeholder consultation and Public Participation conducted	Draft By Law in place	Draft Bylaw adopted by Council	Building Management By-Law advertised for comments	Bylaw adopted and Gazetted
7	Preparation of the Ncambediana Local Spatial Development Framework	Terms of Reference and Specification completed	Appointment Letter issued	Situation Analysis Report completed	Strategies Report completed	Draft Land Use Management Report completed	Adopted Land Use Management Scheme
8	Preparation of the Qunu Local Spatial Development Framework	Terms of Reference and Specification completed	Appointment Letter issued	Situation Analysis Report completed	Strategies Report prepared	Draft Ncambediana Local Spatial Development Framework completed	Adopted Ncambediana Local Spatial Development Framework completed
9	Creation of the KSD Institutional Geodatabase	Questionnaire design completed	GIS Needs Assessment completed	Geodatabase design	Data collection Report prepared	Trial datasets uploaded online	Final datasets uploaded online

3. Community Services: APR 2020/2021

KEY PERFORMANCE AREA		IDP OBJECTIVE - To provide Basic Service Delivery in a Sustainable manner							BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT	
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Increase access to refuse removal	3.2.1.36	Number of residential and commercial properties with access to refuse collection services	Refuse Removal	9094 urban households are receiving refuse removal service once a week using black plastic bags	Removal of refuse collection to 9094 urban households once a week by June 2021	Achieved Provision of refuse removal service to 9094 urban households once a week	N/A	N/A	N/A	Approved Refuse Removal Weekly Schedule, Monthly Reports Proof of Monthly Revenue Received Job Cards
	3.2.1.37	No of refuse removal points cleared in peri urban areas	Refuse Removal (Peri-urban)	22 refuse removal points are cleared once per week in peri urban areas.	Clearing of 22 refuse removal points within KSDLM once per week by June 2021	Achieved 22 refuse removal points were cleared once per week in peri urban areas	N/A	N/A	N/A	Time sheets, Signed Schedule for refuse collection, Monthly reports, and Pictures of refuse removal points
Facilitate establishment of new landfill site	3.2.1.38	No. of waste disposal PSC meetings	EC – KSD Waste Disposal Site	4 PSC meetings held to assess progress on project implementation	To facilitate 6 waste disposal PSC meetings by June 2021	Not Achieved 4 PSC meetings facilitated.	-2	Secretariat is co-managed with external stakeholders hence we are unable to retrieve the minutes.	Next time will ensure that secretariat is on both sites	Attendance register, notices, Monthly Reports, Pictures, Minutes of PSC Meetings
Facilitate establishment of Waste Transfer Station	3.2.1.39	No. of waste transfer station PSC meetings	EC – KSD Waste Transfer Station	4 Project Steering Committee Meetings	To facilitate 4 waste transfer station PSC meetings by June 2021	Achieved 4 Project Steering Committee Meetings facilitated	N/A	N/A	N/A	Attendance register, notices, Monthly Reports, Pictures,

KEY PERFORMANCE AREA										BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
IDP OBJECTIVE : To provide Basic Service Delivery in a Sustainable manner																			
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE									
Efficient rehabilitation and maintenance of waste infrastructure	3.2.1.40	No of external landfill site audits conducted	Mthatha & Mqanduli landfill sites Audits	There are no Environmental Audits that were conducted in the previous financial year	To facilitate 5 External Landfill site External Audits by June 2021	Achieved 5 Environmental Audits conducted	N/A	N/A	N/A	Minutes of PSC Meetings 5 external Landfill Sites Audit Reports on file Appointment letter									
			Maintenance of Mthatha & Mqanduli landfill site	Maintenance Plan developed in 2019-2020 financial year	To ensure Maintenance of 2 Landfill Site (Mthatha & Mqanduli) by June 2021	Achieved Implementation of Maintenance Plan for Mthatha & Mqanduli Landfill Sites	N/A	N/A	N/A	Monthly reports Job Cards Implementation plan									
	3.2.1.42	No. of illegal dump interventions implemented	EC- Thuma Mina Good Green Deeds Project	6 illegal dumping hotspots cleaned through Thuma Mina project.	To ensure clearing of 14 illegal Dumps hotspots within KSD LM by June 2021	Not Achieved 14 illegal Dumps hotspots cleaned	No job cards signed	No job cards were signed	To ensure that job cards are developed and signed in the next financial year	Monthly reports Job Cards Pictures on file									
Beautification and management of open spaces & parks	3.2.1.43	No of parks beautified	Cleaning & Greening of Open Spaces	2 parks beautified (Queens and Mqanduli)	To facilitate beautification of 4 parks by June 2021 (Vulindlela, Myezo, Queens and City Gardens)	Achieved 4 parks beautified (Vulindlela, Myezo, Queens & City Gardens)	N/A	N/A	N/A	Monthly reports Job Cards Pictures on file									
			EC- Working for the Coast Programme	24 EPWP Work Opportunities were created in the year 2019/20	To create 21 work opportunities by June 2021	Not Achieved 16 work opportunities created for Coastal cleaning	-5 EPWP beneficiaries resigned from EC-Working for the Coast Programme	No new EPWP beneficiaries appointed for EC-Working for the Coast Programme	To engage DEFF for the replacement of the 5 EPWP.	Employment Contracts, Monthly reports, Minutes of Steering Committee Meetings									
Improve Coastal Cleaning & Coastal Safety	3.2.1.44	No. of work opportunities created for Coastal cleaning	EC- Working for the Coast Programme	24 EPWP Work Opportunities were created in the year 2019/20	To create 21 work opportunities by June 2021	Not Achieved 16 work opportunities created for Coastal cleaning	-5 EPWP beneficiaries resigned from EC-Working for the Coast Programme	No new EPWP beneficiaries appointed for EC-Working for the Coast Programme	To engage DEFF for the replacement of the 5 EPWP.	Employment Contracts, Monthly reports, Minutes of Steering Committee Meetings									

KEY PERFORMANCE AREA		IDP OBJECTIVE : To provide Basic Service Delivery in a Sustainable manner										BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT	
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE			
	3.2.1.45	No. of work opportunities created for Coastal Safety (Lifeguards appointed)	Coastal Safety Programme	30 Lifeguards employed in 2019/20.	To recruit additional 15 Lifeguards by June 2021	Achieved 15 Lifeguards recruited	N/A	N/A	N/A	Employment Contracts, Timesheets & Monthly Reports, Attendance registers of training programme.			
	3.2.1.46	No. of beaches cleaned	EC – Working for the Coast Programme	4 beaches were cleaned through EC -Working for the Coast Programme	To clean 2 beaches by June 2021	Achieved 2 beaches cleaned	N/A	N/A	N/A	Timesheets Monthly Reports			
Improve access to Library Services	3.2.1.47	No of library awareness Programmes conducted	Mobile Library Programme (School visits)	Mobile library services provided to 4 schools	To provide mobile library services to 6 schools within KSD LM by June 2021	Achieved Library awareness Programmes conducted in 7 schools using mobile library	+1	Due to COVID 19 the demand became more and we managed to attend.	N/A	Attendance registers, Pictures of school visits on file			
Maintenance and management of Cemeteries	3.2.1.48	No cemeteries maintained	Maintenance of cemeteries	3 cemeteries are maintained	To maintained 3 cemeteries in KSD LM by June 2021	Achieved 3 cemeteries maintained	N/A	N/A	N/A	Monthly Reports			
	3.2.1.49	Electronic Cemetery management System in place	Cemetery management system	There is no electronic management system	To manage electronic cemetery management system in place (GIS) by June 2021	Not Achieved Data Collected and captured, however no electronic cemetery management system in place	Capacity Challenges within Parks & Gardens Unit	Critical Positions are not filled	Filling of Parks & Gardens Critical Position: Talley Clerk	Reports			

KEY PERFORMANCE AREA		IDP OBJECTIVE - To provide Basic Service Delivery in a Sustainable manner										BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT	
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE			
Improve access to animal pound	3.2.1.50	Maintenance and Rehabilitation Programme implemented	Maintenance of Mqanduli Animal Pound	Mthatha Pound being operated by SPCA	Maintenance of Mqanduli Animal Pound by June 2021	Not Achieved Only fencing has been done at Mqanduli Animal Pound.	No maintenance done	Delays in preparation for the specification documents.	Transfer the target to 2021/2022 and Fastrack the process of specification.	Monthly Report Job Cards			
Promote waste minimization in schools & wards	3.2.1.51	No. of waste minimization projects launched in schools	Launch Waste Minimization Programmes in schools	87 awareness programmes conducted in 2019/20	Launching of Waste minimization programme in 12 Schools by June 2021	Not Achieved 8 Waste minimization programme launched in Schools	-4	Schools were interrupted most of the time due COVID 19, that affected the plan	Removed from the SDBIP 2021/2022, only deal with it operationally.	Attendance Register, Monthly Report & Pictures			
	3.2.1.52	No of Wards visited by Environmental Health Practitioners	Conduct Public Awareness Sessions on environment management & Covid -19 in Wards	3 Wards visited by Environmental Health Practitioners	To visit 36 Wards by June 2021	Not Achieved 11 Wards visited by Environmental Health Practitioners	-25	COVID 19 had an impact.	The target has been reviewed in the 2021/2022 financial year.	Attendance Register, Monthly Report signed			
Maintenance of Public Facilities to Curb Covid -19 infection	3.2.1.53	No of Public Facilities maintained	Maintenance of Ablution Facilities	14 Public ablution facilities are not compliant with OHS regulation	To ensure maintenance of 14 Public Ablution Facilities within KSD LM by June 2021	Achieved 14 Public Ablution Facilities within KSDLM maintained	N/A	N/A	N/A	Purchase order, delivery note, Monthly reports			
Create EPWP work opportunities for Waste Management & Beautification of Open Spaces in Vulindlela industrial Park	3.2.1.54	No of EPWP Work opportunities created	Vulindlela Industrial Park EPWP Waste Management Project	Business Plan developed and funding approved. Project Service Level Agreement signed between KSD LM & DEDEAT	To facilitate creation of 100 EPWP Work Opportunities by June 2021 (Vulindlela industrial park)	Achieved 100 EPWP Work Opportunities created for Waste Management & Beautification of Open Spaces in Vulindlela industrial Park	N/A	N/A	N/A	EPWP Contracts, Purchase Order, Minutes of PSC Meetings & Pictures			

KEY PERFORMANCE AREA										
IDP OBJECTIVE To provide Basic Service Delivery in a Sustainable manner										
BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT										
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Implement revenue recovery Plan	3.2.1.55	No of new contracts signed for commercial refuse collection	Revenue Enhancement	78 Commercial Refuse Removal Contracts	To facilitate signing of 24 New Contracts for commercial refuse removal within KSDLM by June 2021	Achieved 24 New Contracts for commercial refuse removal	N/A	N/A	N/A	Contracts, Monthly Reports, Billing Statements
		Rand value of revenue generated from commercial refuse removal and disposal	Revenue enhancement	R 136 000 collected at the landfill sites effective from February 2020	To facilitate collection of 2 000 000 on refuse removal by June 2021	Not Achieved R964,558.45 collected generated from Commercial refuse removal and disposal	-1 035 441.55	Not all people that are collecting waste dispose at the land fill site.	To manage well the illegal dumping hot spot, so that all people dispose off at the land fill site.	Billing Statement, Tonnage collected, Monthly Reports
Improve Management of Municipal Sport Facilities	3.2.1.57	No of facilities with Facility Management Contracts	Facility Management Services	New Project	To facilitate facility management contracts for 2 sport facilities by June 2021 (Mthatha & Rotary Stadium)	Not Achieved Appointment of Service Provider for Facility Management in progress	Delays in procurement process	Service Providers did not meet the requirements for Management of Municipal Sport Facilities	Re-advertise in the first quarter of 2021/2022 financial year for Commercializati on and Facility Management of sport facilities	Service Level Agreement, Minutes of Project Steering Committee, Monthly Reports
		Develop and Review Policies and By Laws and Guidelines in line with Covid -19 Regulations & Guidelines	3.2.1.58	No of policies, by laws and guidelines developed and reviewed	Policies, by laws and guidelines development	The current policies are not in compliance with COVID-19	To facilitate development and renewal of 3 Policies, 1 by law and 2 guidelines by June 2021	Achieved Cemetery, Crematoria and Funeral Undertakers Policy approved by Council and Workshoping has been conducted. Waste Management By	N/A	N/A

KEY PERFORMANCE AREA				BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
IDP OBJECTIVE : To provide Basic Service Delivery in a Sustainable manner										
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
						laws approved by Council and Submitted to Chief Magistrates for approval of fines. 2 guidelines for Solid Waste Management and Parks and gardens developed and reviewed				

KEY PERFORMANCE AREA				FINANCIAL VIABILITY AND MANAGEMENT						
IDP OBJECTIVE : To promote and enhance Financial viability as well as implement sound financial management										
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Improve efficiencies in management of financial resources	3.2.3.5	Improved accurate billing for refuse removal	Billing for refuse removal	162 business accounts or contracts for commercial refuse collection are billed (94 business accounts for trolley bins and 68 business accounts for skip bins)	Facilitate accurate Billing for refuse removal by June 2021	Achieved accurate billing for refuse removal has been improved by June 2021	N/A	N/A	N/A	Monthly reconciliations Data cleansing report

4. Rural and Economic Development: APR 2020/2021

KEY PERFORMANCE AREA		Local Economic Development									
IDP OBJECTIVE : TO PROMOTE LOCAL ECONOMIC DEVELOPMENT											
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
Agricultural Development	3.2.2.1	Wool Clip Commercialisation programme – coordinate the acquisition of three sets of shearing shed equipment and renovation of three shearing sheds by DRDAR	Wool Clip Commercialisation	2 sets of shearing sheds acquired	Facilitate procurement of 1 Sets of shearing equipment by June 2021	Achieved: 1 Shearing shed procured	N/A	N/A	N/A	Attendance registers/ Minutes of the meeting/ Delivery notes of equipment procured	
	3.2.2.2	No. of meetings with farmers	Milling Plant	4 meetings facilitated for the construction of 2 shearing sheds	Facilitate 4 meetings for renovation of three shearing sheds by DRDAR by June 2021	Not Achieved:	Information submitted could not prove the achievement of the target.	Challenges on funding by DRDAR	Submit once more the application.	Attendance registers/ Minutes of the meetings	
	3.2.2.3	No. of meetings to sit for setting up of a feedlot with EC-RDA and DRDAR	Feedlot production	Facilitate 4 Technical meetings for Mqandulii Feedlot	4 meetings to sit for Provision of support services to Mqandulii Feedlot by June 2021	Not Achieved 1 meeting held	-3 meetings	Feedlot programs were integrated to the Milling Plant	Stakeholders agreed to have both meetings at the same time	Attendance registers/ Minutes of the meetings	
SMME Development	3.2.2.5	Revitalised Vuwindlela Industrial Park	Vuwindlela Industrial Park	Facilitated 4 meetings for funding application for phase 2 upgrade	Facilitate 4 Vuwindlela industrial park: Technical meetings by June 2021	Achieved: 7 meetings were held	+3 meetings	Approval of master plan led to additional technical meetings	N/A	Attendance registers/ Minutes of the meetings	

TO PROMOTE LOCAL ECONOMIC DEVELOPMENT

IDP OBJECTIVE :

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	3.2.2.6	Resuscitated Contractor development steering committee	Contractor development programme	of building structures) SCM policy reviewed in 2019/20 and includes CDP program	Resuscitate Contractor Development Steering Committee by June 2021	Achieved: Contractor Development resuscitated, Engagements with Business Chambers done, Appointments of 15 contractors have been done	N/A	N/A	N/A	Advert/attendance register and minutes of the meeting
	3.2.2.7	Submitted funding support from SEDA	Partnership SEDA con-struction & CIDB.	SEDA supported local SMME's for COVID -19 business relief	Submission of funding support for SMMEs by June 2021	Achieved: 40 KSD SED programs through DSCC, Campaigns were done for Relief Funding, 150 businesses supported.	N/A	N/A	N/A	Request, Attendance registers/ Minutes of the meetings
	3.2.2.8	No. of Informal traders supported, resource mobilization and developed business plans	Informal Traders support	64 stalls were delivered 2018/19	50 Informal Traders to be supported resource mobilization and development of Business plans by June 2021	Achieved: 20 traders were supported with vouchers through UNDP, Session held for the IMEDP Handovers	N/A	N/A	N/A	List of beneficiaries supported / Proof of submissions

TO PROMOTE LOCAL ECONOMIC DEVELOPMENT

IDP OBJECTIVE :

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
						<p>conducted for 60 local traders at Town hall and OR Tambo DM,</p> <p>13 Spaza shops were supported.</p> <p>Letters of support for the development of Ntozonke Market Centre with the DSDB, KSD has submitted 50 waste pickers for funding by DEDEAT.</p>				
					Facilitate 4 sessions (informal trading) to sit by June 2021	<p>Achieved: 6 sessions were held with informal traders for support</p>	+2 informal traders for support sessions held	Due to demand the LED Committee resolved to have a meeting on monthly basis.	To increase the target in the new financial year.	Attendance registers/ Minutes of the meetings
	3.2.2.10	No. of capacity building workshops facilitated for Tourism SMME'S.	Capacity Building for SMME's	Existing participation in ITUP and IMEDP capacity building programmes by SMME's	Facilitate 2 capacity building workshops for Tourism SMME's by June 2021	<p>Achieved: 2 Capacity Building Exercises done</p>	N/A	N/A	N/A	Attendance registers/ Minutes of the meetings

IDP OBJECTIVE : TO PROMOTE LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	3.2.2.11	No. of activities held in the tourism and heritage activities	Tourism Development	KSD Tourism Month Activities were held: Cultural festival, awareness programme, tourism day event, and golf day.	Facilitate 3 events: (Cultural event and Golf Day) by June 2021 (Online Tourism Indaba) Tourism awareness	Not Achieved: Golf Day, Heritage Development 2 awareness programs held	-3 events	COVID-19 pandemic led to restrictions for events	Outstanding targets will be implemented in the next financial year	Attendance registers, presentations and delivery notes
	3.2.2.13	No. of Capacity building programmes provided for Local Tourism	Development of Local Tourism practitioners	Facilitated capacity buildings	Facilitate 2 Capacity programmes by June 2021.	Achieved: 4 Capacity Building exercises were done	+2 Capacity Building exercises done	The department received additional support from ECPTA	N/A	Attendance Registers / Minutes of the meeting
	3.2.2.14	No of facilitated graded establishments	Grading of accommodation establishments	Grading of accommodation establishment re-viewed annually	Facilitate 2 meetings for upgrading of 10 accommodation establishment by June 2021	Achieved: 2 Meetings were held and 17 BnB's were graded	+7 BnB's graded	Many BnB'S met the required standard.	N/A	Attendance register/ Minutes of the meeting
	3.2.2.15	Business plans/proposals for Coffee Bay Campsites rehabilitation developed.	Campsite development	Business plans/proposals for Coffee Bay Campsites rehabilitation developed, and Business plans/proposals for coast and marine tourism developed and submitted for approval	Submit funding support business plans/proposal for Coffee Bay by June 2021	Achieved: Phase 2 was submitted	N/A	N/A	N/A	Business Plan

IDP OBJECTIVE : TO PROMOTE LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	3.2.2.16	No. of meetings participated for tourism attractions	Tourism	Implementation of KSD Tourism month - Implementation of Tourism packaged projects	Facilitates 4 meetings for Implementation of Tourism packaged projects by June 2021	Achieved: 4 meetings facilitated for implementation of Tourism Project Packages: Liberation Route, ECPTA, Nelson Mandela and O.R Tambo/ECPTA	N/A	N/A	N/A	Attendance registers / List of Graded BnBs
	3.2.2.20	No. of artists and film producers supported.	Film producers support	Coordination of structures	Facilitate support of 5 organised and unorganised artists by June 2021	Achieved: Film making by law for the development of Film making. Support of the creative industries for September 2021 Heritage Month, Support of 10 creative industries groups. Developed an LED strategy that supports Creative Industries	+5 creative industries groups supported	They grouped the activities for September 2020 and more response was received.	N/A	Attendance register/proof of support
Investment attractions	3.2.2.21	No of Ocean Economy Sessions facilitated	Ocean Economy sessions	Conceptual document developed in 2019/2020	Facilitate 2 Oceans Economy sessions by June 2021.	Not Achieved: 1 Ocean's economy sessions held	-1	There were changes on programme managers by the department of public works.	Reactivate the programme	Attendance registers/minutes of the meetings

TO PROMOTE LOCAL ECONOMIC DEVELOPMENT

IDP OBJECTIVE :

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
LED governance	3.2.2.22	No. of LED Forums seated	LED Forums	Revival of unstructured forums	Facilitate 2 LED Forums by June 2021	Not Achieved: 1 LED Forums were held	-1	Availability of critical stake holders has been a challenge	We will engage stakeholders on an individual basis	Attendance/ Minutes of the meeting	
	3.2.2.23	No of Information Sharing sessions held	SMME information sharing		Facilitate 1 Business breakfast by June 2021.	Achieved: 1 Business Breakfast and Business Expo held	N/A	N/A	N/A	N/A	Attendance registers / minutes of the meetings
	3.2.2.24	No. of Business Chamber Meetings held	Business development		Facilitate 4 business chamber engagements by June 2021.	Not Achieved: 3 Business Chamber engagements	-1 engagements	Availability of critical stake holders has been a challenge	We will engage stakeholders on an individual basis	Attendance registers/ minutes of the meetings	
	3.2.2.25	No. SANRAL Engagements held	SANRAL engagements		Facilitate 2 meetings for N2 development by June 2021.	Achieved: 5 SANRAL meetings held	+3 meetings	SANRAL projects demanded more meetings with SMME's	N/A	Attendance registers/ Minutes of the meetings	
	3.2.2.28	No. of COVID 19 LED Support initiatives facilitated.	BIGM Support		KSD did not plan for the COVID -19 and had to respond to its socio-economic challenges	Facilitate Implementation of 2 LED COVID-19 Projects by June 2021:	Achieved: 4 Business plans for Youth, 19 application submitted for MERSETA training, CWP support 1000 local people, Business Licensing By Law Car Washes by Law	N/A	N/A	N/A	Attendance registers/ Minutes of the meetings
						-SMME support					
				-Food Security							

KEY PERFORMANCE AREA

Local Economic Development

IDP OBJECTIVE : TO PROMOTE LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
					-Investment attraction	Participated in the feedlot project for food security project, KSDM is participated in the project for the Special Economic Zone (SEZ), 3 Cooperatives supported for agricultural activities				
						Participated in the World Forum for Economic Development, Nelson Mandela Precinct for development, Submission of the resource mobilization for property investment earmarked for KSDM.				

IDP OBJECTIVE : TO PROMOTE LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Revenue collection	3.2.2.30	Revenue collected from Ntozonke Market, Town Hall stalls and street trading	Revenue Collection	Annual collection of Revenue from Ntozonke stalls, Market and street trader	R 530 000 revenue collection by June 2021	Not Achieved: R130 274.14 Revenue Collected from informal traders except York Road and Sutherland Road	Budgeted revenue collection not done due to business struggling because of COVID-19 pandemic	Businesses seeking funding relief from government and other funding agencies	Government gazette has indicated that struggling businesses should not pay for licences till Dec 2021. KSDM seeks to engage business formation to solicit support for this loss of revenue.	Receipts/ Proof of payment
	3.2.2.31	Revenue collected from formal businesses		Revenue collection from formal businesses	R 550 000 revenue collection for business licensing by June 2021	Achieved: R709 063.00 Revenue collected from formal businesses	+R159 063	Funding schemes for COVID 19 relief required each business to have a permit, therefore more business came	N/A	Receipts/Proof of payment
	3.2.2.32	Implemented Outdoor advertising policy for revenue collection		Draft policy has been approved in 2019/2020 financial year	R 1 000 000 revenue collection for outdoor advertising by June 2021	Not Achieved: R119 639.33 Revenue collected for outdoor advertising applicants	Service providers were appointed and the physical infrastructure in the form of billboards have not been erected	Municipality had final challenges and delayed the payments of the service providers	Speed up the procurement of Billboards	Receipts/Proof of payment

IGR, PLANNING AND RESEARCH

KEY PERFORMANCE AREA		GOOD GOVERNANCE & PUBLIC PARTICIPATION								
IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION										
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Sound co-ordinated and integrated approach to service delivery	3.2.5.1	Developed IGR policy	Development of IGR Policy.	IGR Terms of Reference Draft IGR Policy 2019/20	Facilitate approval of IGR policy by June 2021	Achieved: IGR policy was approved in April 2021	N/A	N/A	N/A	Adopted Policy/ Minutes Attendance register Council resolution
	3.2.5.1/1	No. of IGR Forums and Stakeholder meetings	IGR forums and stakeholder meetings	4 IGR Forums sit per year	Facilitate 4 IGR Forums for technical and political by June 2021	Achieved: There has been 11 JOC Meetings held over the financial year on the following dates: 2 November 2020; 10 November 2020; 21 December 2020 4 January 2021 12 January 2021 25 January 2021 22 February 2021 25 May 2021 8 June 2021 22 June 2021 29 June 2021	+7 meetings	Joint operation command were requested to it weekly with all departments to attend to COVID 19 issues.	N/A	Attendance registers / minutes of the meetings
	3.2.5.1/2	No. of agreements/MOU signed	IGR Support	WSU MOU TVET MOU DUT MOU SAMSA MOU	Ensure Implementation of the partnership agreements by June 2021	Achieved: Meeting held with DUT in August 2020, November 2020, November	N/A	N/A	N/A	Attendance registers / minutes of the meetings Progress reports

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
					(DUT, TVET, WSU and SAMSA)	2020 and December 2020, LGSETA has allocated R 12 million for the Work Integrated Learning Meeting with DUT took place on 25 February 2021, Meeting with SMSA took place on 31 March 2021, Meeting with KSD TVET took place on 30 March 2021, A meeting was held on the 30 April 2021 with DUT, KSDM had an engagement with TVET for reviewal of the partnership agreement, and				

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Sound co-ordinated and integrated approach to service delivery	3.2.5.3	No. of capitulation programmes for Traditional Leaders	Capacitation of Traditional Leaders	Non-functional forums, and increased moral degeneration	Facilitate 4 Consultation meetings with traditional leadership by June 2021	17 June 2021 KSDM held a Youth Business Expo in partnership with WSU/VET and SAMSA, KSD Municipality has partnered with WSU on LED innovation champions	+3 consultations	Due to COVID 19 more consultations were to be conducted through department of Health for awareness on vaccination,	N/A	Report and attendance registers

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP OBJECTIVE :

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Sound co-ordinated and integrated	3.2.5.4	Developed and Budget (mSCOA)	IDP and Budget (mSCOA) alignment	10 War Rooms have been launched	Facilitate 4 meetings / sessions for the Establishment of 33 ward war rooms by June 2021	Not achieved There were 15 war rooms that were launched over the 2020/21 financial year The war rooms launched were as follows: Ward 2, 5, 6, 7, 14, 16, 20, 21, 23, 25, 29, 31, 32, 34 & 35	-18 war rooms not established.	The reminder ward war rooms were established in the 2019-2020 financial year in last week of June, failure was to adjust the S	To ensure that such oversight is not repetitive in future.	Attendance Registers/ Minutes of meetings
				Poor functioning of existing ward war rooms by June 2021.	Facilitate 12 Meetings/ Sessions for the revival of 36 for the revival of ward war rooms.	Not achieved	-12 sessions	Due to COVID 19 it was difficult to have meetings since virtual is not compatible for the setting.	Analyses was conducted to identify areas where connectivity is a challenge, so that services providers are engaged for assistance while engagements with other wards is virtually organized in the next financial year.	Attendance Registers/ Minutes meetings
				2019/20 IDP document	Developing IDP and Budget (mSCOA)	Achieved: IDP for 2021/2022 Approved	N/A	N/A	N/A	IDP Process Plan, notices, IDP document

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
approach to service delivery		aligned			aligned by June 2021					
	3.2.5.5	Developed Communications Strategy and Policy	Proactive and innovative communication through media briefing and radio slots.	Draft Communication policy	Development of the communications Policy by June 2021	Achieved: Communications Policy approved	N/A	N/A	N/A	Approved Communications policy/ strategy
				Draft Communications Strategy	Development of the communications Strategy by June 2021	Achieved: Communications Strategy approved	N/A	N/A	N/A	
					Facilitate 20 Profiling of municipal activities by June 2021: Print and audio media	Achieved: 32 print media slots, 23 Radio Slots, 150 Facebooks, 1 twitter and 20 website updates	+205 activities	The municipality received many negative stories and had to respond to them through different medial platforms.	N/A	Articles, adverts, interviews, newsletters and radio slots
	3.2.5.11	No. of projects for each of the 36 wards supported through ward-based budget	Wards based budget projects	Service providers have been appointed for the ward base budget	Facilitate ward-based projects to 36 wards by June 2021	Achieved: All 36 wards were supported through Ward Based Budget	N/A	N/A	N/A	Delivery notes Attendance Registers
Sound co-ordinated and integrated approach to service delivery	3.2.5.20/1	Facilitated workstream	Mixed-use development settlement patterns.	KSD PJ Annual Business Calendar	Facilitate 4 work streams meetings by June 2021	Not Achieved	The municipality has written a letter of intervention to the office of the MEC COGTA	Lack of participation by government departments	Political intervention be sort from Provincial and National Offices of COGTA	Attendance register/ minutes of the meetings

Social Services and Special Programs Unit

KEY PERFORMANCE AREA		GOOD GOVERNANCE & PUBLIC PARTICIPATION								
PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION							IDP OBJECTIVE :			
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Sound coordinated and integrated approach to service delivery	3.2.5.23	Mainstreamed programs for vulnerable sectors for people leaving with disabilities	Mainstreaming programs for vulnerable sectors	Dysfunctional disability structure in June 2020	Establish disability federal Council by June 2021	Achieved: Guidelines developed, KSD Federal Council established	N/A	N/A	N/A	Minutes/invites/ attendance registers
					Facilitate 4 meetings with disability structure by June 2021	Achieved: 4 meetings conducted:- -Planning meeting for KSD Disability Federal Council, -Workshop on people with disabilities through the assistance of ORTDM, - GBVF workshop assisted by ORTDM and -Establishment of KSD Federal Council.	N/A	N/A	N/A	Minutes/invites/ attendance registers
					Facilitate 2 Awareness programs by June 2021	Achieved: 21 people with disabilities trained on skills development from 26 October to 20 November 2020.	N/A	N/A	N/A	Minutes/invites/ attendance registers

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
					Facilitate 3 external support from government departments by June 2021	Achieved: Dept of transport, ORTDM and dept of Public Works	N/A	N/A	N/A	Letters and attendance registers Minutes of meetings
	3.2.5.24	Mainstreamed programs for vulnerable sectors on gender issues	Mainstreaming of gender programs	There is an inactive gender forum and draft gender strategy	Revive 1 gender forum by June 2021	Achieved: KSD Gender Forum established on the 10 th June 2021	N/A	N/A	N/A	Invites/ attendance registers Minutes of meetings
	3.2.5.25	Mainstreamed programs for vulnerable sectors for care, protection and	Mainstreaming of programs protecting elderly and children	There is an existing elderly and children strategies	Provide 5 learner support material to 5 households by June 2021	Achieved: awareness campaigns on gender-based violence and 16 days of activism by June 2021 -Awareness campaign Cacadu 23/09/2020 ward 28, - Dialogue at Mthatha 21/06/21, - Crime Summit and launch of Court Watch Brief 10-11 Nov 2020, -GBV dialogue 22/10/2020, - Men` and boys dialogue ward 18 (8-9 Dec 2020	N/A	N/A	N/A	Order and Delivery Note List of beneficiaries

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
		support of elderly and children			Support 2 Forster Care Centres with seedlings by June 2021	Achieved: 7Centers received seedlings: Khwezi, Stwayi, Slovo, Mandela, Chris-hani, waterfall and ward 28 community	+5 centers	The municipality mobilized more support from local stakeholders.	N/A	Crister and Delivery Note
	3.2.5.26	No. of youth development programs implemented.	Implementation of youth development programs	There is an outdated youth development strategy	Facilitate 2 EPWP programs with the Dept of Public Works by June 2021	Achieved: Renovation of Mfnatha magistrate offices and Renovation of Military base, young in the following wards 14,12,10,16 is recruited.	N/A	N/A	N/A	Attendance registers and minutes
					Facilitate sponsorship for Miss KSD from business fraternity and relevant government departments by June 2021	Achieved: Miss KSD held in November 2020. Awards for the project were from the sponsors	N/A	N/A	N/A	Attendance registers/ invitation
					Facilitate 2 support from existing partnerships for career expo and placement of young graduates or unemployed graduates by June 2021	Achieved: Youth Business Career Expo was held on the 17 June 2021 and 50 youth are placed at Dumelang Umonde training institution and receive stipend.	N/A	N/A	N/A	Attendance registers /invitation

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
					Facilitate 1 Youth month Celebration by June 2021	Achieved: Youth day June 2021 Celebrations was done, Youth Business Career Expo and Youth Dialogue Zangqele S.S.S	N/A	N/A	N/A	Attendance registers/ invitation
					Facilitate Awareness campaigns on substance abuse and teenage pregnancy by June 2021	Achieved: Mancam SPS, Gwengwe J.S.S, Chief N.Z Mirara S.S.S and Xugxwala J.S.S	N/A	N/A	N/A	Attendance registers/invitation
					Facilitate Back to school campaigns (target two Senior Secondary Schools) by June 2021	Achieved: Twaikhulu Sps, Gotyibeni SPS, dukathole, Tyhalara SPS received school uniform and learner support material	N/A	N/A	N/A	Minutes and attendance registers
					Facilitate 2 SCHOOLS- Educational Dialogue by June 2021	Achieved: Zangqele S.S.S on youth month concept, Child protection week at Chief N.Z Mtrara S.S.S, Mabheleni J.S.S, Gwengwe SPS and Mancam SPS.	+3 schools visited	Due to bullying at schools which was all over the media, the unit had to respond that, and three schools were identified.	N/A	Minutes and attendance registers
					Procure ICT equipment's for Mqanduli: (2 Computers and 2	Achieved: procurement of ICT support done	N/A	N/A	N/A	Purchase Order and Delivery Note

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
HIV/Aids and TB	3.2.5.27	Reduced fatalities due to HIV/Aids infections based on previous statistics	HIV and Aids Awareness programs and proactive protection programs ie condom week.	There is an existing HIV Strategy- outdated	Facilitate 4 routes) for connectivity by June 2021 Awareness Campaigns: Training COVID-19 pandemic and HIV/Aids epidemic by June 2021	Achieved: ward 28 awareness campaign, delivery of hygiene kits on Covid 19, awareness campaign at Silvetone, waterfall park, Slovo,Mandela, Chris-Han and Zama S.S.S, Nozuko S.S.S, Skill Centre , Milton Mbekela , EWPS STI, Condom week and Covid 19. Health choices graduation at Chief N.Z Mtiirara S.S.S.	N/A	N/A	N/A	Attendance register Invitation

5. Public Safety: APR 2020/2021

KEY PERFORMANCE AREA		IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION							GOOD GOVERNANCE AND PUBLIC PARTICIPATION	
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
PROVISION OF FIRE AND DISASTER SERVICES	3.2.5.28	No. of awareness campaigns conducted on fire safety	Fire Awareness Campaigns	10 Fire awareness campaigns conducted by June 2020	To conduct 08 Fire awareness campaigns on fire safety by June 2021	Not Achieved 2 Fire Awareness Campaigns Conducted.	-06 awareness campaign	Due to Covid 19 Regulations some gatherings were not allowed	To work with resources available until COVID 19 subside.	Attendance register Notice Report
	3.2.5.30	No. of flammable permits issued	Issuing of Flammable Permits	51 flammable permits issued by June 2020	To issue 51 flammable permits by June 2021	Achieved 65 Flammable permits issued. 81 Fire Compliance certificate issued. 7 Conveyance permits.	+14 flammable permits issued	There has been an addition of new shops and garages in Mganduli trading with petrol, diesel, paraffin and gas.	This will be an ongoing process.	Weekly activities sheet Copy of the permit
	3.2.5.31	No. of fire hydrants tested	Fire Hydrants Testing	341 fire hydrants tested by June 2020	To test 170 fire hydrants by June 2021	Not Achieved 408 Fire Hydrants tested	+238 Fire Hydrants tested	Fire Hydrants were inspected however the POE was not enough to prove the achievement.	Benchmark will be done at Bafalo City	Fire hydrant inspection sheet Job cards Implementation Plan

KEY PERFORMANCE AREA

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMNT SOURCE / POE
	3.2.5.32	No. of Disaster Advisory Forum meetings held	Facilitation of Disaster Advisory Forum Meetings	Dysfunctional Disaster Advisory Forum by June 2020	To facilitate 04 Disaster Advisory Forum Meetings by June 2021	Achieved 06 Meetings were conducted	+02 Meetings conducted	Virtual meetings are convenient.	We will continue with virtual until COVID 19 subside.	Operational Plan Attendance Register Report
TRAFFIC AND ROAD SAFETY MANAGEMENT	3.2.5.34	No. of tickets issued for traffic violations	Issuing of tickets for traffic violation	4 800 traffic tickets issued by June 2020	To issue 5 000 tickets for traffic violations by June 2021.	Achieved TOTAL:7755 6387 Sec 341 and 1368 sec 56 Issued	+2755 traffic tickets issued	There have been additional members of EPWP"s assisting the traffic officers.	This will be an ongoing process.	Ticket Register
	3.2.5.35	No. of warrants executed	Warrants of Arrest Execution	250 warrants of arrests executed by June 2020	To ensure execution of 200 warrants of arrests by June 2021	Not Achieved There is no warrant of arrest executed.	-200 warrants of arrests	The Back-office staff cannot capture warrants on the system due to lack of training.	The Back office to speed up the process of capturing and issuing warrants.	Register for warrant of arrest
	3.2.5.36	No. of registrations and licenses of vehicles processed and issued.	Licensing of motor vehicles as defined by the Act.	55 941 applied for renewals and issuing of licenses by June 2020	To ensure processing and issuing of 56000 Applications for vehicle licensing by June 2021	Achieved 102 935 processed and issued Applications for vehicle licensing	+45 065 issued Applications for vehicle licensing.	Penalties were charged to applicants for late payment. During Covid 19 Lockdown the station was closed and a grace period was given to applicants to	N/A	RD321 & RD323 eNaTIS reports

KEY PERFORMANCE AREA

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMNT SOURCE / POE
	3.2.5.37	No. of applications for driving licenses processed and issued	Testing of people for driving license as defined by the act.	4785 applications for driving license received by June 2020	To ensure processing 4311 applications for driving licenses by June 2021	Achieved 25909 applications were processed and licenses issued Total monies collected R5 700 662.00 KSD : R4 859 880.00 DLCA: R830 782.00	+21598 applications were processed, and licenses issued	pay when the station re-opens but some applicants extended the grace period. Applicants from other regions were serviced as the Competitor Stations were closed due to COVID 19. All computers were functioning well without any destruction of faults and network.	On-going process during the pandemic.	RD321 & RD323 eNaTIS report
	3.2.5.38	No. of applications for learner's license processed	Testing of people for learner's license as defined by the act	6067 applications for learner's license received by June 2020	To ensure processing of 5978 applications for learner's license by June 2021	Not Achieved 4483 applications for learner's license processed	-1495 applications	Due to Covid 19 Regulation the number of applicants in a class has been reduced.	A new electronic system for learner's license testing and marking will be installed in August 2021. This will enable the station to conduct 4 classes per day	RD321 & RD323 eNaTIS report

KEY PERFORMANCE AREA		IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION							GOOD GOVERNANCE AND PUBLIC PARTICIPATION	
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREME NT SOURCE / POE
									instead of 2 classes per day. Explore the possibility of opening on weekends, but in line with COVID Regulations Engage DoT for increasing number of LEUs utilized at DLTC	
	3.2.5.39	No. of Motor vehicles tested for Roadworthy	Testing of motor vehicle for roadworthy	7105 motor vehicles tested for roadworthy by June 2016	To ensure testing of 2000 Motor vehicles for Roadworthiness by June 2021	Not Achieved The station is still not operating.	-2000 motor vehicles tested	Certificates of examiners have been received from Traffic College and have been registered with the Department of Transport Station. The Station will start operating again in July 2021.	The Station will re-open in July 2021.	RD321 & RD323 eNaTIS report

KEY PERFORMANCE AREA

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
SAFEGUARDING OF MUNICIPAL PROPERTIES	3.2.5.41	No. of Municipal Sites guarded	Guarding of Municipal Sites	18 Municipal sites were guarded in 2019/2020	To provide the guarding of 26 Municipal sites by June 2021	Achieved 27 sites were guarded	+01 Additional site guarded.	A new landfill site in Coffee Bay developed Social Development Dep. and handed over to KSD Municipality on 01/06/2021	N/A	Deployment sheet. Occurrence Book
EFFICIENT AND EFFECTIVE SUPPORT SERVICES	3.2.5.42	No. of Roads marked.	Marking of roads.	50 roads inspected and identified for marking and road signs in 2019/2020	To ensure inspection and marking of 60 Roads by June 2021.	Achieved 79 Roads inspected roads.	+19 Roads inspected roads.	There have been and additional staff of EPWP assisting in road marking.	Recruitment of additional permanent staff.	Road marking Register Job Cards
	3.2.5.43	No. of tickets for traffic violation captured	Capturing of traffic violation Tickets	1500 tickets were captured in 2019/2020	To ensure capturing of 5000 traffic violation tickets by June 2021	Not Achieved 4150 tickets of Section 341 were captured Revenue collected Mikros July – Dec 2020 = R 859 800 Jan- June 2021 = 2 143 250	-850 tickets not captured	Only two data capture in the section and 1 cashier assist when off. Capturing still in practice	Recruitment of more data capture	Report of tickets processed. Tickets capturing spread sheet

KEY PERFORMANCE AREA		IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION							GOOD GOVERNANCE AND PUBLIC PARTICIPATION	
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
						Office Books July – Dec 2020 = R645 226 Jan – June 2021 = R 594 996 Grand Total = 4 243 272				
						Section 56 420 Summons taken to court. 283 Warrants 36 paid tickets 24 cancelled				
COMMUNITY SAFETY AND CRIME PREVENTION	3.2.5.44	Adopted Community Safety Plan (CSP) and Draft Community Safety Strategy (CSS)	Community Safety Plan Implementation & Community Safety Strategy Development	Community Safety Plan (CSP)	To ensure the Implementation of the Adopted Community Safety Plan and development of a Draft Community Safety Strategy by June 2021	Achieved An internal stakeholder's workshop on CSP for development of Mithatha West (Ward 11) situational analysis was held with Violence Prevention Through Urban Up scaling	N/A	N/A	N/A	Minutes, Council Resolution, Appointment Letter Draft community safety strategy

KEY PERFORMANCE AREA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
		IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION									
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
						(VPUU) and German Internal Corporation (GIC)					
	3.2.5.45	No. of Community Safety Forum meetings	Community Safety Forum Sitings	Existing Community Safety Forum (CSF) in 2019/2020	To facilitate 04 Community Safety Forum Meetings by June 2021	Not Achieved 01 CSF Meeting Attended.	-03 awareness campaigns not conducted	Limited or lack of participation both by external stakeholders and internal departments	Work with IGR to update database for external stakeholders Engage with External stakeholders through the office of the MMC Conduct workshop for internal department and Councilors	Notices Minutes, Attendance Registers	
	3.2.5.46	No. of safety audits conducted	Transact Walks processing of data	08 Transact Walks conducted	To ensure conducting of 04 safety audits by June 2021	Not Achieved 01 safety Audit.	-03 Safety Audit not conducted	Covid 19 regulations that prohibited direct contact and meetings Budgetary constraints	Rework strategy that will be in line with COVID regulations – non-Explore contact sessions	Safety audit Reports Attendance register Notices	

KEY PERFORMANCE AREA		IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION									
STRATEGIC OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
									Lobby for more budget for Community Safety		
	3.2.5.47	No. of joint operations conducted	Joint Operations	15 Joint Operations were conducted in 2019/2020	To conduct 09 Joint Operations by June 2021	Achieved 24 joint Operations were conducted.	+15 joint Operations were conducted	Due to COVID 19 Regulations the section is monitoring compliance with the regulation from businesses, unlawful gathering and funeral.	On-going process during the pandemic.	Operational Plan. Occurrence book.	
	3.2.5.48	No. of Liquor outlets inspected	Inspecting liquor outlets for compliance	17 Liquor outlets inspected in 2019/2020	To ensure inspection of 48 Liquor outlets by June 2021	Achieved 393 Liquor outlets were Inspected	+345 Liquor outlets were inspected	Increased monitoring of liquor outlets for compliance with COVID 19 Regulations.	On-going process during the pandemic.	Deployment sheet. Job Cards Occurrence Book.	
BY LAW ENFORCEMENT	3.2.5.49	No. of compliance notices issued	Issuing of compliance notices	150 compliance notices for illegal trading issued in 2019/2020	To ensure issuing of 100 compliance notices by June 2021	Achieved 138 Compliance notices served.	+38 Compliance notices served	There have been additional staff of EPWP Availability and hired vehicles.	Recruitment of permanent staff and purchase of vehicles.	Return of service for served compliance notices. Occurrence Book & register	

6. Corporate Services: APR 2020/2021

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP STRATEGY	IDP OBJECTIVE	To ensure Institutional Transformation and Organisational Development									
KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE		
Build and maintain the capacity of the municipality to execute the local government developmental agenda.	3.2.4.1	No. of Departmental Management staff with signed performance agreements	Reviewed PMS policy	Facilitate 4 GM's and 15 Managers on PMS (performance agreements concluded in respect of all) by September 2020	Achieved 4 GM's and 15 Managers have signed their performance agreements.	N/A	N/A	N/A	Signed Performance Agreements, Memo Attendance register		
	3.2.4.2	No. of reviews of GM'S and Managers on performance management	No Quarterly reviews conducted in 2019/20	Conduct quarterly and annual performance reviews by June 2021	Not Achieved Quarterly reviews conducted (Technical Services, Corporate Services, BTO and Public Safety)	-3 departments	COVID 19 interrupted the plan for the review of the rest of the departments.	To ensure in the 2021/2022 financial year that the exercise is done even if it means departmental reviews not individuals reviews.	Completed performance assessment forms. Attendance register Report		
	3.2.4.3	Developed Recruitment plan	Recruitment HR Plan 2020/21	Facilitate approval of recruitment Plan 2021/2022	Achieved Recruitment Plan developed	N/A	N/A	N/A	Approved HR/Recruitment Plan 2021/22		

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP STRATEGY	IDP OBJECTIVE	To ensure Institutional Transformation and Organisational Development									
KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE		
3.2.4.4	No. of budgeted vacant positions filled	Implementation of recruitment plan	Recruitment Plan for 2019/20	Facilitate filling of 100 budgeted- posts by June 2021	Achieved 112 posts filled	+12 posts	The cumulative explanation why the number of posts filled was exceeded is due to resignations and passing of former employees.	N/A	Advert, Master List, Memorandums, Shortlisting Report, Selection Report and Appointment letter/ Contract of employment input register		
3.2.4.5	Integrated HRD strategy developed	Development of Integrated HRD Strategy	Draft HRD strategy in place In June 2020	Facilitate approval of integrated HRD strategy by June 2021	Achieved approval of integrated HRD facilitated.	N/A	N/A	N/A	Attendance Registers, Draft plan Resolution		
3.2.4.6	Reviewed WSP	Development of WSP 2021/22	WSP 2020/21	Facilitate Workplace Skill Plan (WSP) for 2021/22 and submission to LGSETA by June 2021	Achieved Workplace Skill Plan (WSP) for 2021/22 submitted to LGSETA	N/A	N/A	N/A	Memo, departmental training needs, WSP 2021/2022		
3.2.4.7	Percentage of Skills development interventions implemented as per WSP 2020/21	Implementation of WSP annually		Facilitate 100% implementation of 2020/2021 WSP	Achieved 100% implementation of 2020/2021 WSP	N/A	N/A	N/A	Attendance registers, LGSETA quarterly reports,		

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP OBJECTIVE		To ensure Institutional Transformation and Organisational Development									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
Promote Customer Service in line with Batho Pele principles	3.2.4.8	Submitted Customer Care Policy for Approval	Submission of Customer care policy to structures for approval	Draft Customer Care policy	Facilitate approval of Customer Care Policy by June 2021	Achieved Customer Policy has been workshopped on 17 and 18 th June 2021 and approved by Council	N/A	N/A	N/A	Training expenditure reports. Attendance Registers Resolution from structures Customer Care Policy Council Resolution	
	3.2.4.8/1	Developed Draft turnaround plan, Charter and procedure manuals	Development of Draft turnaround plan, Charter and procedure manuals		Development of Draft turnaround plan, Charter and procedure manuals by June 2021	Not Achieved turnaround plan and procedure manual and Charter have been developed	No charter No procedure manual	The charter is in final stages held up by research phase, while the manual still to be developed.	Awaiting for the installation of new call center system.	Draft turnaround plan, Charter and procedure manuals Attendance registers,	
Provide organizational development support to the municipality	3.2.4.9	Reviewed organizational structure.	Review of Organisational structure.	2020 organizational structure	Facilitate approval of organizational structure by June 2021	Achieved Reviewed organizational structure has been approved	N/A	N/A	N/A	Reviewed organizational structure Process plan Letter to district JEC Letter to SALGA Attendance registers	

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP OBJECTIVE		To ensure Institutional Transformation and Organisational Development									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
	3.2.4.10	Developed Job Evaluation Process Plan	Jobs evaluation	JDF's	Development of process plan	Achieved Process plan has been developed	N/A	N/A	N/A	Report Process plan	
Promote institutional transformation programme	3.2.4.11	No. of Employment Equity Forums meetings	Employment Equity Plan Implementation	Employment equity plan 2019/2020	Facilitate 4 Employment equity Forum meetings by June 2021	Not Achieved 3 Employment equity Forum meetings held.	-1	One meeting was facilitated virtually but was not recorded.	To ensure that when meetings facilitated recordings are done.	Notice Attendance Register EE reports	
To improve ICT Governance	3.2.4.12	No. of ICT steering committee meetings	Improvement of ICT Governance	ICT Strategy ICT Road Map	Facilitate 5 ICT Steering Committee Meetings by June 2021	Not Achieved 4 Meeting achieved	-1 meeting	The ICT Steering Committee meeting was delayed pending appointment of the ICT Steering Committee Chairperson	Deferred to Q1 of Financial year 2021/2022	Notice of Meetings, Agenda, Attendance Registers Minutes Resolution register Reports	
	3.2.4.13	No. of satellite offices connected on VPN	Network connectivity	Upgraded Cabling Infrastructure	Ensure 15 Sites with VPN Access and Telephone System by June 2021	Achieved 15 Sites Deployment	N/A	N/A	N/A	Report Project plan Commission letter	
				KSD Call Centre exists established in 2016	Establish customer solution with ICT Service Desk by June 2021	Not Achieved Service desk deployment	0 solution established	Services provider appointed and busy with implementation	Deferred to Q1 of Financial year 2021/2022 for completion	Tender Opening register, Evaluation reports, appointment letter,	

KEY PERFORMANCE AREA										
INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION										
To ensure Institutional Transformation and Organisational Development										
IDP STRATEGY	KPI NO.	IDP OBJECTIVE	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
				Live Server Environment 50MB Internet Breakout	Facilitate establishment of Offsite Disaster Recovery by June 2021	Achieved Service provider appointed. Deployment has started.	N/A	N/A	N/A	Attendance Registers, Tender Opening register, Evaluation reports, appointment letter.
	3.2.4.14	No. of satellite offices with Wireless Access	ICT Governance	Aging Electrical Reticulation	Facilitate procurement and Installation of 4 Hour Uptime UPS by June 2021	Not Achieved Tender notice sent for readvert	-4 satellite offices	Tender notice issued three times with no successful bidder.	Re-issues the advert.	Attendance Registers, Tender Opening register, Evaluation reports, appointment letter delivery note
	3.2.4.15	No. of sites installed with Surveillance Cameras	Installation of cameras	Existing LAN	Facilitate installation surveillance cameras in 3 sites by June 2021. (Munitata, stores, and control room)	Achieved Phase 1 completed. Three sites installed with CCTV cameras	N/A	N/A	N/A	Attendance Registers, Tender Opening register, Evaluation reports, appointment letter Project completion report Photos
			Procurement of Drone Technology	No drone technology and system in place	Supply and deliver 2 Drones	Not Achieved	-2 drone	Training Budget constraints	Training deferred to Q1 of	Attendance Registers, Tender Opening

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP OBJECTIVE		To ensure Institutional Transformation and Organisational Development									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
			Surveillance Solution		and facilitate training of 2 Drone Technicians by June 2021	draft By-Law has been approved by Council and 1 drone procured.			2021/2022 due to budget constraints	register, Evaluation reports, appointment letter	
Improved information management systems	3.2.4.16	Developed Compliant EDMS	Development of Compliant EDMS	Enterprise Agreement with Microsoft, Draft Records Management Policy in place	Development of Compliant EDMS by June 2021	Achieved Intranet developed with first policies uploaded.	N/A	N/A	N/A	Screen shots, project reports and close-out reports	
	3.2.4.16 /2	Developed Intranet	Development of Online/cloud-based Intranet	Enterprise Agreement with Microsoft, Draft Records Management Policy in place	Online Intranet by June 2021	Achieved Intranet developed with first policies uploaded.	N/A	N/A	N/A	Screen shots, project reports and close-out reports	
			Procurement of MSCOA Solution	Promun Financial System	MSCOA Compliant ERP acquired, installed and users trained by June 2021	Not Achieved draft By-Law presented on the policies workshop and 1 drone procured.	0 ERP acquired	Training Budget constraints.	Training deferred to Q1 of financial year 2021-2022 due to budget constraints.	Attendance Registers, Tender Opening register, Evaluation reports, appointment letter	
Ensure a safe, healthy and conducive work environment with a high quality of work-life.	3.2.4.17	No. Employee Health and Wellness Management Programs.	Implementation of Employee Health and Wellness Management program.	Approved Employee Wellness Strategy in 2019	Implement Integrated wellness strategy by June 2021	Achieved Approved Wellness Strategy 12 December 2019	N/A	N/A	N/A	Agenda Attendance register Invitations and reports	

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION							
IDP STRATEGY	IDP OBJECTIVE	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	KPI								
	Implemented as per Wellness Strategy				Women's Day Celebrations: 10 August 2020) COVID-19 Information sharing sessions with: Parks & Cleansing (12- 08 - 20) Parks & Cleansing (13 - 08 - 20) Works (27 - 08 - 20) Roads (28 - 08 - 20) Traffic Services & Access Control (01 -09 -20) Works (08 - 09 - 20) Solid Waste (10 - 09 -20) Corporate Students (16 - 09 -20) Libraries (17 - 09 - 20) Fire Department (18 - 09 - 20) Mthatha Heritage Parade and Happy				Minutes of the approved strategy

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION						
IDP STRATEGY	IDP OBJECTIVE	To ensure Institutional Transformation and Organisational Development					REMEDIAL ACTION	MEASUREMENT SOURCE / POE
KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	
					Dance Competition (23 – 09 – 20)			
					COVID -19 Information sharing sessions with: Mqanduli (14 -10 – 20) Finance (26 – 11 – 20) Human Settlements (04 – 12 – 20) Mqanduli Heritage Parade and Happy Dance Competition (02 – 10 – 20)			
					Inter departmental games (05 – 11 – 21) Wellness day (Education, and Screening of HIV/AIDS, BP and diabetes) (11 – 12 – 20) Wave 2 COVID -19 information			

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP OBJECTIVE		To ensure Institutional Transformation and Organisational Development									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
						sharing session: Corporate Services: (25 – 01 – 21)					
						Wave 2 COVID -19 information sharing session: MIM offices, Human Settlements, Communications and Technical Services: (27 – 01 – 21)					
						Wave 2 COVID -19 information sharing session: Finance: (08 – 02 – 21)					
						Wave 2 information sharing session: Parks and Gardens: (23 – 02 – 21)					
						Wave 2 information sharing session:					

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION										
IDP STRATEGY	IDP OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
	To ensure Institutional Transformation and Organisational Development						<p>Works and Roads: (02 – 03 – 21)</p> <p>Wave 2 information sharing session: Libraries: (16 – 03 – 21)</p> <p>Financial Wellness Event: (17 – 03 – 21)</p> <p>Distribution of thermometers to various workstations</p> <p>Financial awareness campaign with IEMAS on 14 April 2021</p> <p>Pre-vaccination awareness campaign with Department of Health on 28 April 2021</p>					

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP STRATEGY	IDP OBJECTIVE	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	To ensure Institutional Transformation and Organisational Development						Distribution of vaccination link on 30 April 2021 Information sharing session-Roads Section On 13 April 2021 Report on Employee Wellness Dialogue session in Mqanduli on 4 th May 2021 Request for a list of 60years and above for vaccination on 5 May 2021 Pre-vaccination Awareness campaign with DoH in Mqanduli on 6 May 2021 Candlelight Memorial Event on 18 May 2021				

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP OBJECTIVE		To ensure Institutional Transformation and Organisational Development									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
						Facilitated return to work of employees working from home.					
						Notice on COVID-19 compliance Regulations on Alert level 3 of 15 June 2021. Information sharing session on substance abuse at Roads Section on 25 June 2021. Notice No 49 on Adjusted Alert level 4 COVID -19 regulations					
						Random COVID -19 Compliance monitoring at Traffic on 29 June 2021					

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP OBJECTIVE		To ensure Institutional Transformation and Organisational Development									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
	3.2.4.18	No. of municipal sites with Occupational Health and Safety representative s trained	Compliance on Occupational Health & Safety	Approved OHS policy in 2019	Training of 45 OHS departmental Representatives by June 2021	Achieved All 45 of OHS departmental Representatives were Training on the 27 -30 July 2020.	N/A	N/A	N/A	Appointment letters Inspection Report OHS copies of Attendance register and OHS training certificate.	
				All municipal buildings are compliant in terms of Fire Equipment and First Aid Boxes.	Facilitate servicing of fire equipment and installation of first aid boxes on all municipal sites by June 2021	Achieved Facilitated Servicing of Fire Equipment and provision of first aid boxes on all municipal sites.	N/A	N/A	N/A	Notices, Attendance registers, Assessment reports, Schedule and Certificate of service,	
	3.2.4.19	No. of meetings for OHS Committee		Approved draft Terms of reference and appointment letters	Conduct 4 Meetings of the OHS Committee by June 2021	Achieved 5 OHS Committee were conducted on 19 August 2020 23 September 2020 18 November 2020 11 March 2021 24 June 2021	+1 meeting	In the 1 st quarter conducted 2 due to COVID 19 Pandemic	N/A	Agenda Memo Attendance register Minutes	

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
IDP OBJECTIVE		To ensure Institutional Transformation and Organisational Development									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
Enhance organizational performance in order to achieve organizational objectives.	3.2.4.20	Labour Relations Strategy developed	Development of Labour Relations Strategy	Collective Agreement	Development and submission of Labour Relations Strategy to structures by June 2021	Achieved Development of Labour Relations Strategy, Consultations, workshopped, and adopted by Council	N/A	N/A	N/A	Strategy Attendance register Minutes resolution	
	3.2.4.21	No of Engagements with Labour	Engagements with Labour	1 sitting of engagements with unions per month and dispute resolution meeting by SALGA	Facilitate 12 LLF meetings by June 2021	Not Achieved 9 LLF meetings facilitated	-3 LLF meetings	Labour instability on the part of SAMWU union.	Workshoppin g of all LLF members by SALGBC	Notices, Minutes Attendance	
Archiving and storing of institutional records	3.2.1.22	Developed plan on Centralised archiving and storage facility	Establishment of archives and storage facility	Records approved policy. Decentralized records management	Developed plan on centralizing record and archives facility by June 2021	Not Achieved Plan on centralizing has been developed	0 plan developed	Proposed on allocation of office space including records and storage facility submitted and approved by MM	Identified records and archives building is at the center of a litigation therefore all plans have been put on hold	Plan Attendance registers	

KEY PERFORMANCE AREA										
INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION										
To ensure Institutional Transformation and Organisational Development										
IDP STRATEGY	KPI NO.	IDP OBJECTIVE	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	3.2.1.23	No records management meetings		Disfunctional forum	Facilitate 2 records Committee sittings by June 2021	Achieved 2 Records Committee sitting were facilitated	N/A	N/A	N/A	Attendance registers minutes Notices Report
Municipal Halls and MPCC's management	3.2.1.24	Developed hall and MPCC management policy and procedure manual	Development of polices and procedure manual	Survey of Halls and MPCC's	Development and Submission of hall and MPCC's management policy and procedure manual to council structures by June 2021	Not Achieved Hall management policy submitted to Council Approved Records Management policy presented at Policy reviewal workshop on 17 th and 18 th June 2021	0 policy developed	Due to delays in the seating of the policy reviewal workshop, the procedure manual was not done as it is dependent on the reviewed policy.	Procedure manual development differed to Q1 2021.	Policy Procedure Minutes Resolution Attendance registers

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Sound coordinated and integrated approach to service delivery	3.2.5.3	No. of capacitation programmes for Traditional Leaders	Capacitation of Traditional Leaders	Non-functional forums, and increased moral degeneration	To facilitate 02 virtual capacitation of Traditional Leaders on how to revive initiation forums and moral regeneration by June 2021	Achieved 2 workshops conducted Workshop on advanced digital literacy was conducted for Traditional Leaders on the 11-13 November 2020 and one workshop was conducted for Traditional Leaders Secretaries on the 11-25 May 2021.	N/A	N/A	N/A	Report and attendance register Agenda, sound recording minutes, attendance registers
	3.2.5.6	Developed Geographic Names Change Policy	Development of geographic names policy	None	Development of Geographic names change policy by June 2021	Achieved Policy Developed and approved by Council on the 30 October 2020. Name Change forms issued to communities and returned for Council to approve.	N/A	N/A	N/A	Schedule and Council Approved policy.
	3.2.5.8.	No. of capacitation programmes for ward committees	Capacitation programmes	Ward Committee Meetings sit monthly	Facilitate 02 capacitation programmes for Ward Committees by June 2021	Achieved Civic Education Concept document developed and approved by Council on the 31 March 2021.	N/A	N/A	N/A	Invitation Attendance register Concept document.

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREM ENT SOURCE / POE
	3.2.5.9	No. of Reviewed Council Policies and bylaws	Council policies in line with the applicable government legislative prescripts	Council Polices and bylaws adopted 2019/2020	Facilitate reviewal of Council policies and by laws by June 2021.	02 Capacitation programmes held for ward committees on the 11-25 May 2021 and 25 June 2021 on Civic Education	N/A	N/A	N/A	Agenda, Minutes, Attendance registers, invitations, policies.
	3.2.5.10	No. of Mayor's and Speaker's IDP & Budget Imbizo's	Implementation of IDP, PMS and Budget process plan	2019/2020 approved IDP and Budget process plan	Facilitate 04 virtual Mayor's & Speaker's Imbizo's for the development of IDP & Budget Public process by June 2021	05 Outreach programmes held	+1	One of the wards that the outreach, ward 34, had bi-elections on the 4 th quarter and was characterised with a lot of service delivery challenges, hence it had 02 programs that led to exceeding the annual target	N/A	Media slots, Reports and attendance registers.

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREME NT SOURCE / POE
	3.2.5.12	No. of section 80 and 79 Committees held as per the Council Calendar	Section 80 and 79 Committee meetings.	Council Calendar adopted by June 2020	Facilitate 20 sittings of 5 section 79 committees by June 2021	Not Achieved 18 Section 79 committee meetings held	-2 1 Geographic Names Change Committee and 1 Women's Caucus Meeting did not sit.	Both committees did not sit due to lack of quorum	Enforce Councilor Code of Conduct to improve attendance	Notice Attendance Registers minutes
	3.2.5.13	No. of Ordinary Council Meetings Held as per the Council Calendar	Council meetings seating	Council Calendar adopted by June 2020	Facilitate 36 sittings of 9 section 80 committees by June 2021	Achieved Section 80 Committees - 22 Mayoral Committee meetings held 46 Standing Committee meetings held	N/A	N/A	N/A	Minutes Attendance Registers Notice
					Facilitate 04 ordinary council meetings by June 2021	Achieved 4 Ordinary Council meetings held 16 Special Council meetings held	N/A	N/A	N/A	Minutes, resolution, Agenda, attendance register
				Institutional Calendar 2019/2020	Development of 2021/22 institutional	Achieved	N/A	N/A	N/A	2021/2022 Institutional Calendar

KEY PERFORMANCE AREA

GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREME NT SOURCE / POE
To exercise administrative and operational oversight, ensure good governance and public participation and engagement	3.2.5.14	No. of MPAC Sittings	Oversight committee meetings	MPAC Work - Plan 2020/2021	Facilitate 04 sittings of MPAC meetings by June 2021	Institutional Calendar has been developed Achieved 05 ordinary sittings of MPAC Held	+1	The committee had to do investigations on the UWFJ Expenditure for the previous years as was raised by AG, deviating from the Annual target.	N/A	Council Resolution Agenda, attendance registers, minutes, resolutions
	3.2.5.50	Number of SLAs reviewed for strategic services	Review of SLA's	15 SLAs reviewed in 2019/2020	Review 20 SLAs for strategic services by June 2021	Achieved 21 SLA's strategic services were reviewed by June 2021	+1	The function was not done before planning was done based on the information at hand. The contract through the they kept on coming and we had to review them hbece the number increased from the target number.	Planning for 2021/2022 will be based on the analysis of the procurement plan.	Reviewed SLA's and register Report on SLA's developed.
	3.2.5.51	Developed Litigation Management Strategy	Litigation Strategy	New	Development of litigation strategy by June 2021	Not Achieved The draft Litigation Strategy is in place	0	The unit was without a warm body after the resignation of the Head Legal.	The post was filled 01 June 2021. The process to funaise the Litigation	Litigation strategy. Attendance register.

KEY PERFORMANCE AREA : GOOD GOVERNANCE & PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
									strategy to be included in the SDBIP for 2021/2022	
					Implementation of Litigation Management Strategy by June 2021	Not Achieved Litigation register was developed and monitored	0	The unit was without a warm body after the resignation of the Head Legal.	The implantation will be monitored once the strategy is approved.	Copy of Implementation Plan and Programmes Implemented
	3.2.5.52	Developed Policy on Development of By-Laws	Development of policy on by law development	New	Development of policy on By-laws development by June 2021	Not Achieved	0	The was without a warm body after the resignation of the Head Legal	Development of policy on By-laws to be included in the SDBIP for 2021/2022	Policy on Development of By-Laws

7. Budget and Treasury: APR 2020/2021

KEY PERFORMANCE AREA		FINANCIAL VIABILITY									
IDP OBJECTIVE: TO PROMOTE AND ENHANCE FINANCIAL VIABILITY AND AS WELL AS IMPLEMENT SOUND FINANCIAL MANAGEMENT		KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
To improve debt collection to the norm of 93%	3.2.3.1	Improved revenue collection by 5%	Debt and revenue collection	93% collection as at June 2020.	Ensure improved revenue collection by 5% of prior year figures through prompt billing processes, sending statements notices and blocking by June 2021.	Improved revenue collection by 6% compared to prior year (753 561 030.00 in 2020 while is 798 772 872.00 in 2021 the difference constitutes the 6% increase)	N/A	N/A	N/A	N/A	<ul style="list-style-type: none"> • Proof of delivery and submission • Proof of notices sent • Report of blockings
Improve efficiencies in management of financial resources	3.2.3.2	Reviewed Financial Recovery Plan/ Strategy	Financial Recovery Plan reviewed annually to meet changing circumstances	Financial Recovery Plan adopted in 2019/20	Review and implement Financial Recovery Plan of the municipality by June 2021	Not Achieved	Revenue recovery plan meetings were held monthly, report submitted to Standing Committee, Mayo, and Council	Revenue Recovery plan document was sent to Mayo's office but due to many items in the agenda, it could not go through	Document will be sent in the 1 st quarter to the council for noting.	Departmental reports, minutes of Mayo, BTO committee, council, 52d and 71 reports	
	3.2.3.3	Finalised General Valuation Roll	Conduct valuation roll annually	2014 GV extended in Feb 2020	Finalise General Valuation Roll by June 2021	Achieved New GV has been implemented on the 1 st of July	N/A	N/A	N/A	N/A	GV

KEY PERFORMANCE AREA		FINANCIAL VIABILITY									
IDP OBJECTIVE: TO PROMOTE AND ENHANCE FINANCIAL VIABILITY AND AS WELL AS IMPLEMENT SOUND FINANCIAL MANAGEMENT											
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
	3.2.3.4	Balanced debtors sub ledger to general ledger	Reviewed valuation to General and billing on an annual basis	2014 general valuation and its supplementary valuations	Ensure Valuation roll agrees to the billing information by June 2021	Achieved The last supplementary valuation (SV) roll received was in May 2021, therefore a reconciliation between this SV and billing system was prepared	N/A	N/A	N/A	Reconciliations and registers	
To provide free basic services	3.2.3.6	NO. of households earning less than R3800 with access to free basic services	Free basic Services to qualifying indigents consumers. Conduct verification of indigent applicants and manage disputes annually	Reviewed indigent policy adopted by council in 2019	Provide free basic Services to 22 189 qualifying indigent consumers in line with indigent policy and register by June 2021.	Achieved Provided 22 726 indigent beneficiaries with free basic services after verification.	N/A	N/A	N/A	Indigent subsidy reports and indigent register	
To Align Budget and IDP processes to mSCOA requirements	3.2.3.7	Miscoa compliant Budget and IDP aligned	Alignment of Miscoa Budget and IDP	2019/20 Process plan	Develop and implement 2021/22 Process Plan Monitor implementation of 2020/21 budget by June 2021	Achieved Developed and implemented process plan for the 2021/22. Draft Budget was tabled in council for adoption in March 2021, and approved in May with tariffs and	N/A	N/A	N/A	Activity reports on the budget and IDP process plan	

KEY PERFORMANCE AREA			FINANCIAL VIABILITY										
IDP OBJECTIVE: TO PROMOTE AND ENHANCE FINANCIAL VIABILITY AND AS WELL AS IMPLEMENT SOUND FINANCIAL MANAGEMENT											MEASUREMENT SOURCE / POE		
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
To review budget related policies annually	3.2.3.8	Reviewed budget related policies	All budget related policies are reviewed and implemented	2020 Policies reviewed and approved by the council	Review and implement all budget related policies by June 2021	budget related policies. Achieved All budget related policies were reviewed and implemented by June 2021	N/A	N/A	N/A	N/A	N/A	N/A	Reviewed policies Implementation Plan (Check List)
To implement supply chain management	3.2.3.9	Updated Contract register	Updating Contract register on regular basis	2020 contract register	Ensure contract register is in place and is updated on regular basis by June 2021.	Achieved Contract register is in place and has been updated on a monthly basis.	N/A	N/A	N/A	N/A	N/A	N/A	Updated contract register
	3.2.3.10	Developed procurement plans	Monitor the implementation of procurement plans	2020 procurement plans	Develop and monitor implementation of procurement plans by June 2021.	Achieved Procurement plan was developed and implementation thereof was monitored on a monthly basis.	N/A	N/A	N/A	N/A	N/A	N/A	Report on implementation of the procurement plan
To monitor Audit Action Plan annually	3.2.3.11	Developed and implemented Audit Action Plan	Development of audit action plan for improved standards	AG report 2018/19. Approved AAP	Development and implementation of Audit Action Plan by June 2021.	Achieved Audit Action plan was developed and implemented throughout the financial year.	N/A	N/A	N/A	N/A	N/A	N/A	Internal audit reports AG reports, Mancom minutes

KEY PERFORMANCE AREA		FINANCIAL VIABILITY									
IDP OBJECTIVE: TO PROMOTE AND ENHANCE FINANCIAL VIABILITY AND AS WELL AS IMPLEMENT SOUND FINANCIAL MANAGEMENT											
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
Credible annual financial statements	3.2.3.12	Developed Annual financial statements	Preparation & submission of Financial Statements by 31 st October	2018/19 AFS	Ensure preparation & submission of credible Financial Statements by 31 st October 2020.	Not Achieved Annual Financial Statement for the year ending 30 June 2020 were prepared and submitted by 31 st October 2020. However there were findings raised on the AFS by the Auditor General.	N/A	Internal capacity	Service provider is engaged, and appointment of a Chartered Accountant (CA) is almost finalized. In the process transfer of skills is given priority	AFS 2019/20 submitted to AG, Adjusted AFS, Quarterly Financials 2020/21	
	3.2.3.13	GRAP compliant AFS	Ensure that reconciliations are prepared and reviewed on an annual basis	2018/19 AFS	Ensure that reconciliations, preparations and reviewing of AFS is done on monthly basis.	Achieved All finance related reconciliations were prepared on a monthly basis.	N/A	N/A	N/A	Reconciliations – Payroll, bank, debtors, creditors,	
	3.2.3.14	Properly managed Stores	Reconciling inventory sub ledger to general ledger	2018/19 Reconciliations	Ensure reconciliation of inventory sub ledger to general ledger is conducted on monthly basis.	Achieved Reconciliations between inventory subledger and general ledge have been made throughout the financial year	N/A	N/A	N/A	Monthly reconciliation	

KEY PERFORMANCE AREA			FINANCIAL VIABILITY							
IDP OBJECTIVE: TO PROMOTE AND ENHANCE FINANCIAL VIABILITY AND AS WELL AS IMPLEMENT SOUND FINANCIAL MANAGEMENT			FINANCIAL VIABILITY							
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASONS FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Management of municipal assets	3.2.3.15	GRAP compliant asset register	Management of GRAP compliant asset register	2018/19 asset register	Ensure maintenance of GRAP compliant asset register on monthly basis.	Achieved Asset Register has been maintained in line with GRAP, updates have been done on a monthly basis.	N/A	N/A	N/A	Updated asset register
	3.2.3.17	Fleet controls and systems in place	Management and controls for fleet usage	Fleet management policy and procedures in place	Monitor full implementation of fleet management policy of the municipality by June 2021	Achieved Municipal fleet has been monitored throughout the year and reports thereto have been submitted to Management.	N/A	N/A	N/A	Fuel, Repairs and maintenance and Incident reports

8. Executive & Council: APR 2020/2021

KEY PERFORMANCE AREA										
IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION					GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASON FOR DIVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
Sound co-ordinated and integrated approach to service delivery	3.2.5.2	No of Mayoral Imbizo's conducted	Public Participation	Public Participation Policy	Conduct Outreach programmes on Mayoral Imbizo's by June 2021	8 Not Achieved 5 Mayoral imbizo's conducted	-3	Covid-19 regulations hindered the gatherings and yet the municipality where the programmes were planned is rural in nature, so social media is not totally practical.	2021/2022 SDBIP considered the current pandemic therefore the number of programmes has been reduced. Social platforms will also be considered.	Invitations, Reports and attendance registers
	3.2.5.2/1	No. of State of Municipal Address & tree lighting conducted	SOMA & tree lighting	Not held in the previous financial year	Facilitate 1 SOMA & tree lighting by June 2021	Not achieved	Annual Report was tabled through live podcasting and as well as through oversight committee with MPAC.	COVID regulations	In the next financial year the same approach will be explored for SOMA.	Invitations, Reports, Presentation and attendance registers

KEY PERFORMANCE AREA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM THE TARGET	REASON FOR DIVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
	3.2.5.7	No. of SDBIP & Performance Reports prepared and submitted.	Strengthening of oversight structures to enhance service delivery. Improve /ensure council and community oversight on service delivery excellence	2019/2020 SDBIP	Prepare and submit SDBIP & Performance Reports by June 2021	Achieved Adjusted SDBIP 2020/2021 and SDBIP 2021/2022 prepared and signed by the Executive Mayor. All 4 quarterly performance reports consolidated.	N/A	N/A	N/A	SDBIP 2020/2021 Adjusted SDBIP and performance reports. Draft SDBIP 2021/2022 Memo's, Report	
				All submissions for 2019/2020 are in place	Conduct Quarterly reports & reviews by June 2021	Achieved Quarterly reports reviewed.	N/A	N/A	N/A	Quarterly Performance Reports	
				2019/2020 reports available	Prepare Annual Performance Report 2019/2020 by 30 September 2020	Achieved Annual performance report consolidated.	N/A	N/A	N/A	Annual Performance report	
					Prepare Mid-year Performance Report 2020/2021 by 15 January 2021	Achieved Mid-year/half year performance report consolidated.	N/A	N/A	N/A	Mid-year performance report	

KEY PERFORMANCE AREA

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM TARGET	REASON FOR DEVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
					Prepare and develop calendar (Timelines) for 2021/2022 by June 2021.	Achieved Calendar/Timelines developed and approved.	N/A	N/A	N/A	Calendar submission of
				Complied with MFMA 2019/2020	Ensure compliance with MFMA on publication of documents for S56 managers in 2020/21 by August 2020	Achieved Publication Done.	N/A	N/A	N/A	Letters, memo and report. Advert
	3.2.5.7/1	No. of Signed Performance agreements for s56 Managers	Conclusion of Performance Agreements	Signed 2019/20 performance agreements. PMS Framework or policy	Ensure all S56 Managers Performance Agreement signed by 30 September 2020	Achieved Done, all 8 section 56/57 Managers concluded performance agreements.	N/A	N/A	N/A	Signed Performance Agreement
	3.2.5.13/1	No. of Mayoral Committee Meetings	Mayoral Committee Meetings	Standing rules	Facilitate Mayoral Committee meetings by June 2021	Not Achieved 07 Mayoral Committee meetings held and 7 SMC held.	-5 Mayoral Committee meetings	Due to many pressing matters more special meeting were held that hampered the ordinary sittings.	To ensure that scheduled meetings are held as per the calendar in next financial year.	Minutes, report, attendance registers, resolutions

KEY PERFORMANCE AREA : GOOD GOVERNANCE AND PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM THE TARGET	REASON FOR DIVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
To Implement Enterprise-wide Risk Management process	3.2.5.15	Implemented Risk Management Strategy and Policy by June 2021	Coordinate Risk Assessment and Seating of Risk Management Committee.	2020 – 2021 Risk register	Conduct Risk Assessment by June 2021 for 2021/2022	Achieved Risk assessment was conducted in June 2021.	N/A	N/A	N/A	Operational register Strategic register
				Risk Management Committee in place June 2020	Facilitate quarterly sittings of Management committee by June 2021	Achieved Four Committee seating's were coordinated in 2020 -2021FY	N/A	N/A	N/A	Attendance Registers and Minutes and report
To strengthen oversight and reporting	3.2.5.16	Implemented Anti-Fraud and Corruption Policy and Whistle Blowing	Identification and reporting on Fraud and Corruption incidents and Reported Whistle-Blowing cases	2019 – 2020 Appointed Risk Management champions	Facilitate Workshops on Risk Management by June 2021	Not Achieved 1 departmental workshop was conducted.	-1 (One) workshop not conducted	Covid-19 regulations exposing poor organisation of plans	To try have the workshop in quarter two 2021 -2022FY	Attendance register and report.
				MPAC, Standing Committees, Audit Committee and Council functional	Implement, Monitor and Report on Whistle Blowing policies and Anti-Fraud Corruption Plan by June 2021	Achieved Fraud monitoring was conducted in four quarters	N/A	N/A	N/A	Council resolution Report

KEY PERFORMANCE AREA

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM THE TARGET	REASON FOR DIVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
	3.2.5.17	Annual committee report, No. of Audit Committee meetings and Audit Committee reports submitted to Council.	Preparation of Annual Audit Committee Oversight Report and Four quarterly reports to Council	Audit Committee Charter was adopted in 2019	Facilitate seating of four quarterly Audit Committee meetings and report quarterly to council by June 2021	Achieved 04 APAC meeting seat, target achieved: 1. 31 July 2020 2. 26 Octo 2020 3. 20 Jan 2021 4. 21 Apr 2021	N/A	N/A		Audit Committee Agenda minutes Attendance Register Audit committee report to council
To strengthen implementation of internal control and reporting	3.2.5.18	Implemented 2020/2021 Risk based Internal Audit Plan	Implementation of all projects incorporated in the Internal Audit Plan by June 2021	Internal Audit Charter was approved in 2019	Develop, Implement Report on implementation of risk based Internal Audit Plan by June 2021	Not Achieved QUARTER 1 1. Quarter 4 PMS audit 2. Dashboard quarter 4 3. SCM audit 4. Stock count audit 5. Review of AFS. 6. Annual performance review. 7. Follow up internal audit and AG 8. Review of Internal Audit strategic documents.				Progress report against the implementation.

KEY PERFORMANCE AREA **GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM THE TARGET	REASON FOR DIVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE	
						<p>(all projects were completed)</p> <p>QUARTER 2</p> <ol style="list-style-type: none"> 1. Quarter 1 PMS audit. 3. Electricity audit. 4. Risk management audit. 4. Follow up AG and Internal Audit. 5. Follow up Alignment of SDBIP & IDP audit <p>(all projects were completed)</p> <p>QUARTER 3</p> <ol style="list-style-type: none"> 1. Mid-term PMS audit. 2. Quarter 2 PMS audit. 3. Asset Management audit 4. Follow up AG and Internal Audit. 5. Mid-term stock count 					
							<p>QUARTER 3</p> <p>ICT governance & infrastructure audit deferred to 2021/22 financial, ICT requested the audit to be deferred due to the fact that their control environment was not adequate at the point time and</p>	<p>QUARTER 3</p> <p>ICT governance & infrastructure audit deferred to 2021/22 financial, ICT requested the audit to be deferred due to the fact that their control environment was not</p>	<p>QUARTER 3</p> <p>The ICT was official deferred and approved by the Audit Committee to the next financial year with the view the controlling framework</p>		

KEY PERFORMANCE AREA

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION

IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM THE TARGET	REASON FOR DIVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
						(all projects were completed)	this was approved by the audit committee.	adequate at the point time and this was approved by the audit committee.	issue would have been addressed. The Audit is incorporated in 2021/22/ financial year.	
						<p>QUARTER 4 Completed Audits:</p> <ol style="list-style-type: none"> Quarter 3 PMS audit. Asset management audit. Traffic Fines audit. Dashboard audit. Alignment review of SDBIP, IDP and Budget. SCM audit. Internal Audit follow up audit. 	<p>QUARTER 4 Delayed Audit at execution phase:</p> <ol style="list-style-type: none"> Grant expenditure audit Risk Management audit 	<p>QUARTER 4 Delayed Audit at execution phase:</p> <ol style="list-style-type: none"> Grant expenditure audit Risk Management audit 	<p>QUARTER 4 Delayed Audit at execution phase:</p> <ol style="list-style-type: none"> Grant expenditure audit Risk Management audit 	

KEY PERFORMANCE AREA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION								
IDP OBJECTIVE : PROMOTE GOOD GOVERNANCE AND CLEAN ADMINISTRATION										
IDP STRATEGY	KPI NO.	KPI	PROJECT NAME	BASELINE	ANNUAL TARGET 2020/2021	ACTUAL PERFORMANCE 2020/2021	DEVIATION FROM THE TARGET	REASON FOR DIVIATION	REMEDIAL ACTION	MEASUREMENT SOURCE / POE
						8. AG follow up audit.		count audit and APAC committee approved the ad-hock request and processed the approval of the delays	and b) Stock count audit and APAC committee approved the ad-hock request and processed the approval of the delays	



N Pakade
Municipal Manager

09/02/22

Date



Cllr G.N Nelani
His Worship, the Executive Mayor

3.4.1 ANNUAL PERFORMANCE ANALYSIS AND COMPARISON REPORT

1. INTRODUCTION

The schedule of performance of the municipal performance regulation 2006, section 28(1) of the Municipal Systems Act, 2000 (Act No. 32 of 2000) requires that performance reviews be conducted quarterly.

The Annual performance is produced for the municipal departments. This has been based on the report received for the 2020/2021 financial year as reflected in the Service Delivery and Budget Implementation Plan (SDBIP).

The approach followed was to focus on two key aspects being:

- o Legislative compliance
- o Evidence based assessment

2. PURPOSE OF THE REPORT

The purpose of this report is to table the results of the analysis of performance information of directorates and the municipality for the financial year ending 30 June 2021.

3. REGULATORY FRAMEWORK

- (a) Section 153 of the Constitution of the Republic of South Africa, 1996 outlines the developmental duties of municipalities and states that in Sub-section (1) A municipality must –
- (a) structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic needs of the community; and
 - (b) Participate in national and provincial development programmes Section B, part 3 of the White Paper on Local Government, 1998 puts forward the tools and approaches for the developmental local government and states that: ***“to achieve developmental outcomes will require significant changes in the way local government works. This section of the paper puts forward three inter-related approaches which can assist municipality to become more developmental:***
 - a. ***Integrated Development Planning and Budgeting***
 - b. ***Performance Management***
 - c. ***Working together with local citizens and partners***

Part 3.2 deals specifically with performance management and states that ***“performance management is critical to ensure that plans are being implemented, that they are having the desired development impact, and that resources are being used efficiently. Municipalities currently set their own measures of performance, or key performance indicators. Key performance indicators vary greatly from municipality to municipality and cover both efficiency measures and human development indices”***.

(c) Section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as amended provides for the preparation of the annual performance reports and states that:

(1) A municipality must prepare for each financial year a performance report reflecting – (a) the performance of the municipality and of each service provider during that financial year;

(b) A comparison of the performances reflected to in paragraph (a) with targets set for and performances in the previous financial year; and (c) Measures taken to improve performance.

(2) The Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to the Municipal Managers, 2006 provide guidelines for the management of performance for the municipal managers and the managers accountable to them including provision of the development of the performance contracts, monitoring and evaluation of performance. To this extent the regulations outlines the core competency requirements and the criteria for performance rewards for the senior officials.

Section 40 of the Local Government: Municipal Systems Act 32 of 200 stipulates that a Municipality must establish mechanisms to monitor and review its performance management system.

Section 41 (1)(c) states that a Municipality must in terms of its performance management system and in accordance with any regulations and guidelines that may be prescribed-

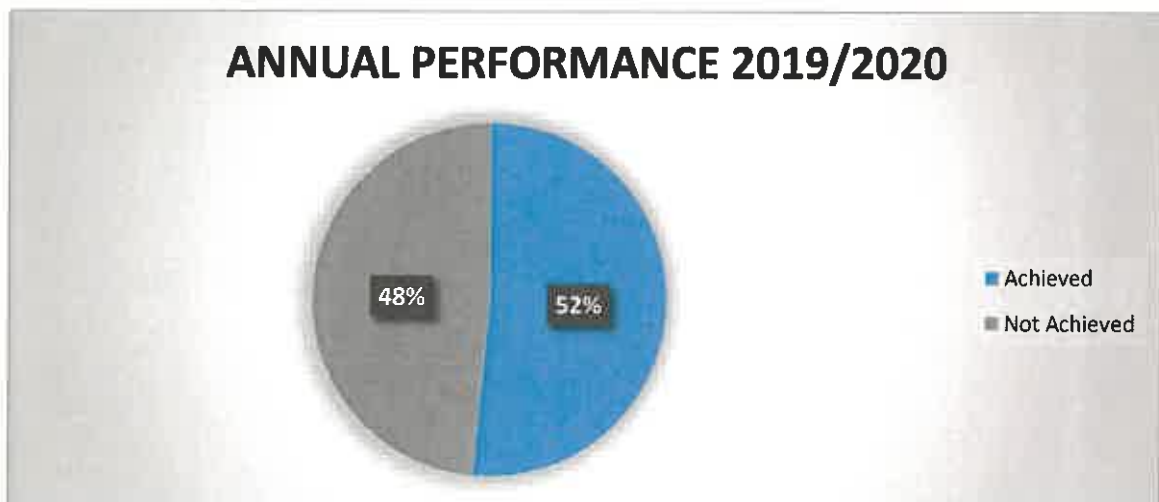
- (i) monitor performance; and
- (ii) measure and review performance at least once per year

The KSD Municipality local government Key Performance Areas and Weights

KEY PERFORMANCE AREA	WEIGHT	WEIGHT
	2019/20	2020/21
Basic Service Delivery and Infrastructure Development	35	40
Local Economic Development	20	20
Financial Viability and Management	15	15
Institutional Transformation and Organizational Development	10	10
Good Governance and Public Participation	10	10
Spatial Planning & Social Transformation	10	5
TOTAL: 100%		

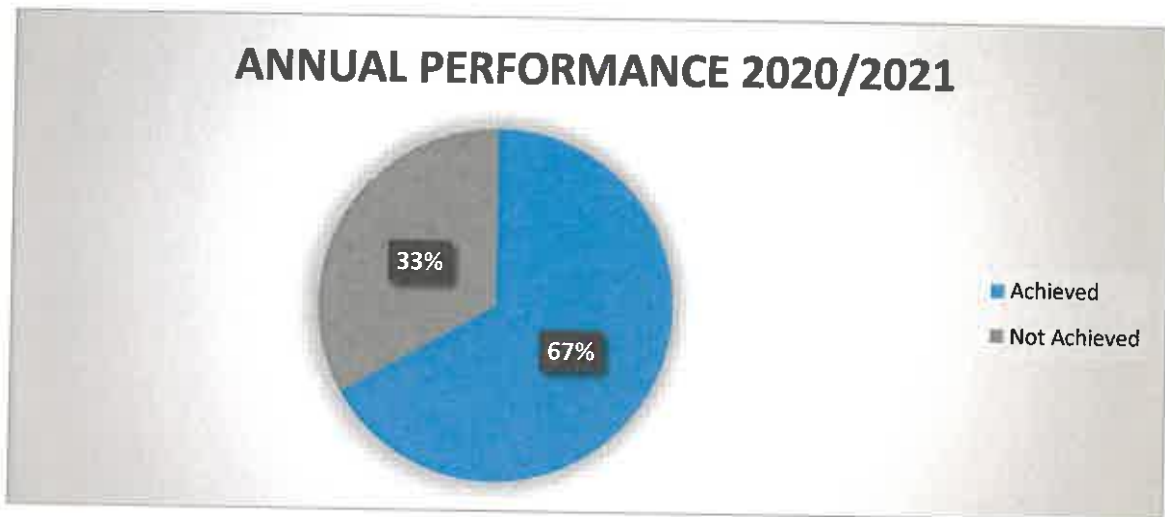
Annual Targets Achieved & Not Achieved for year 2019/2020

Details	No of targets	of No targets Achieved	of % of targets Achieved	No of targets Not Achieved	% of targets Not Achieved
Technical Services	15	6	40%	9	60%
Human Settlements	12	2	17%	10	83%
Community Services	16	4	25%	12	75%
Rural and Economic Development	75	50	67%	25	33%
Public Safety and Traffic Management	39	24	62%	15	38%
Corporate Services	38	11	29%	27	71%
Budget and Treasury	18	12	67%	6	33%
Executive and Council	20	11	55%	9	45%
Totals	233	120	52%	113	48%



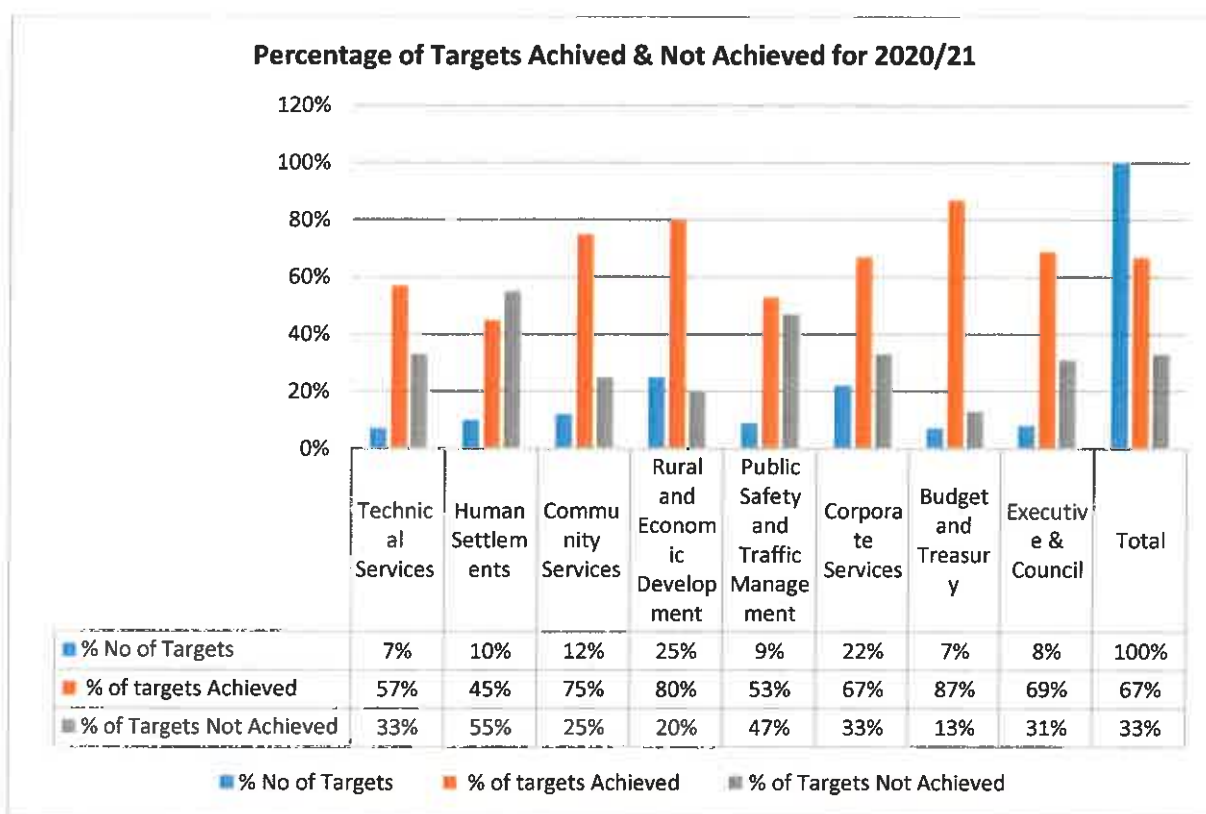
Annual Targets achieved & not achieved for year 2020/2021

Details	No of targets	No of targets Achieved	% of targets Achieved	No of targets Not Achieved	% of targets Not Achieved
Technical Services	14	8	57%	6	43%
Human Settlements	20	9	45%	11	55%
Community Services	24	15	75%	9	25%
Rural and Economic Development	54	43	80%	11	20%
Public Safety and Traffic Management	19	10	53%	9	47%
Corporate Services	45	30	67%	15	33%
Budget and Treasury	15	13	87%	2	13%
Executive & Council	16	11	69%	5	31%
Total	207	139	67%	68	33%



Targets Achieved & Not Achieved per department for year 2020/2021

Details	% of targets	% of targets Achieved	% of targets Not Achieved
Technical Services	7%	57%	43%
Human Settlements	10%	45%	55%
Community Services	12%	75%	25%
Rural and Economic Development	25%	80%	20%
Public Safety and Traffic Management	9%	53%	47%
Corporate Services	22%	67%	33%
Budget and Treasury	7%	87%	13%
Executive and Council	8%	69%	31%
Totals	100%	67%	33%

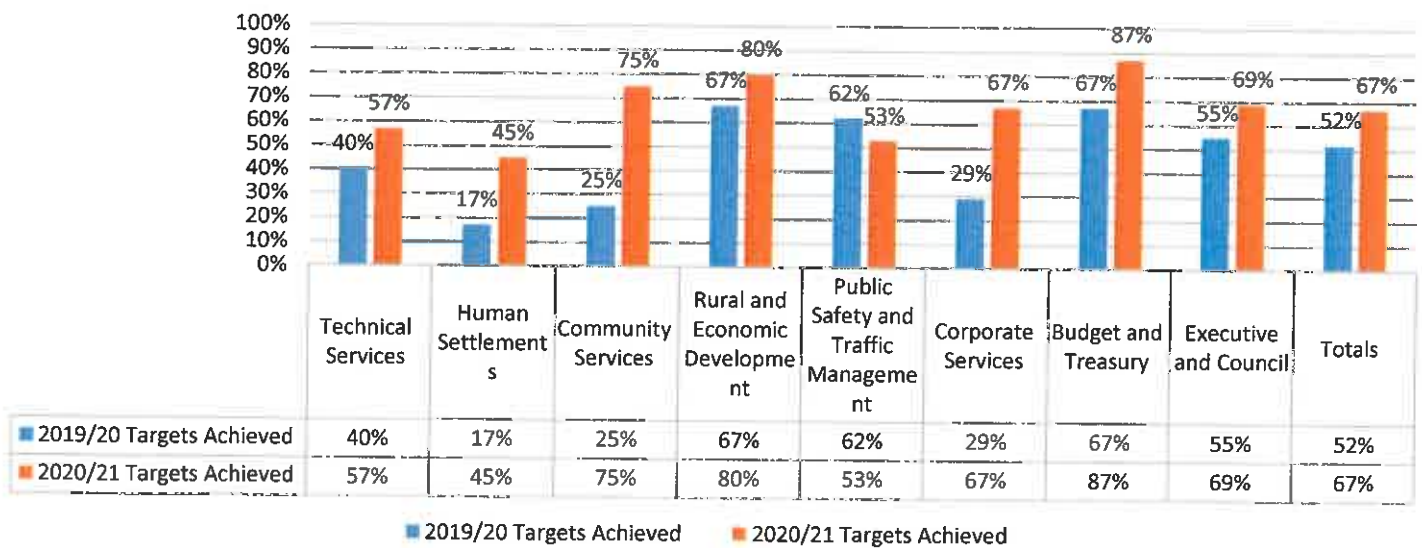


The table below illustrates the summary of overall performance of the Municipality for 2020/2021 in comparison with 2019/2020. This means that it is a tabulation of the total number of targets set by all directorates combined, which then gives a picture of how the municipality has performed.

Directorate	2019/2020					2020/2021			
	No. of Targets	No. of Targets Achieved	No. of Targets Not Achieved	Achieved in terms of %		No. of Targets	No. of Targets Achieved	No. of Targets Not Achieved	Achieved in terms of %
Technical Services	15	6	9	40%	14	8	6	57%	
Human Settlements	12	2	10	17%	20	9	11	45%	
Community Services	16	4	12	25%	24	15	9	75%	
Rural and Economic Development	75	50	25	67%	54	43	11	80%	
Public Safety and Traffic Management	39	24	15	62%	19	10	9	53%	
Corporate Services	38	11	27	29%	45	30	15	67%	
Budget and Treasury	18	12	6	67%	15	13	2	87%	
Executive & Council	20	11	9	55%	16	11	5	69%	
Total	233	120	113	52%	207	139	68	67%	

The tabulation above shows that the municipal performance has increased by 15%, from 52% to 67% after analysis.

Targets Achieved per department 2019/20 vs 2020/21

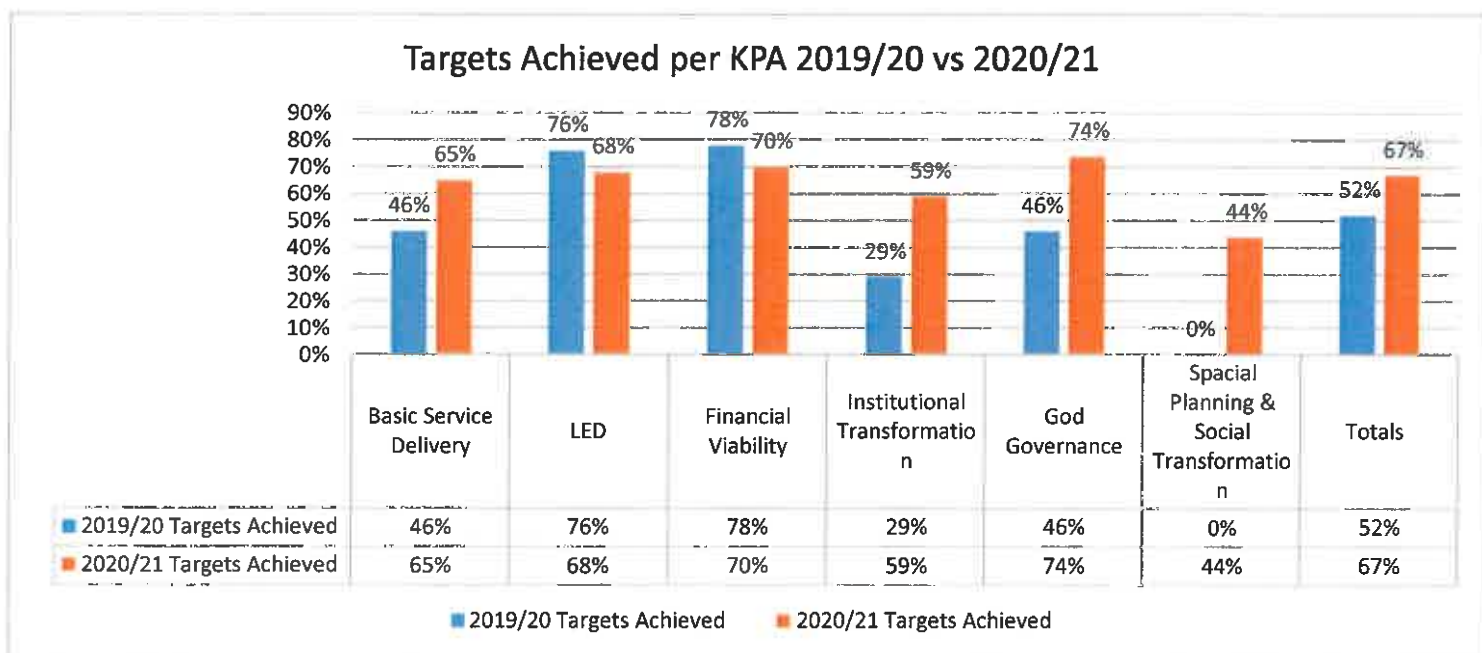


1.1 Overall Performance Report of the Municipality per KPA

The table below illustrates the summary of overall performance of the Municipality for 2020/2021 in comparison with 2019/2020 per KPA. This means that it is a tabulation of the total number of targets set per KPA, which then gives a picture of how the municipality has performed.

Directorate	2019/2020				2020/2021			
	No. of Targets	No. of Targets Achieved	No. of Targets Not Achieved	Achieved in terms of %	No. of Targets	No. of Targets Achieved	No. of Targets Not Achieved	Achieved in terms of %
Basic Service Delivery	61	28	33	46%	37	24	13	65%
LED	51	39	12	76%	22	15	7	68%
Financial Viability	27	21	7	78%	20	14	6	70%
Institutional Transformation	38	11	27	29%	33	19	12	59%
Good Governance	46	21	24	46%	78	58	20	74%
Spatial planning and Social Transformation	10	-	10	0%	18	8	10	44%
Total	233	120	113	52%	207	139	68	67%

The tabulation above shows that the municipal performance has increased by 15%, from 52% to 67% after analysis.



CHAPTER 4: ORGANISATIONAL DEVELOPMENT OVERVIEW

4.1 Municipal Transformation and Organisational Development

The effectiveness of King Sabata Dalindyebo Municipality in achieving its growth and development objectives, providing sustainable quality services, driving an effective developmental local government agenda and meeting its Constitutional mandate depends entirely on the effectiveness of its human capital. Therefore, KSD, requires sufficient skilled personnel and the effective management of such personnel or workforce. In this regard, the KSD recognises that the employees and the skills they bring to the workplace are a critical input in the delivery of all services and. This requires that in managing the personnel, critical focus is directed on ensuring that people with the required skills and competencies are recruited, appropriately placed, continually reskilled, upskilled, their wellness is being taken good care of and they are retained.

The appointments are informed and determined by the approved Organisational Structure and the availability of funds. KSD Municipality has approved the Organisational Structure in the year 2021, and implementation of the structure has already began. There are total of 2360 positions in the structure and a total of 1411 employee have been appointed in permanent and contractual basis. The Municipality's employment process is in line with its Annual Recruitment Plan, Human Resources Policies and relevant legislation. The vacancy rate provided is based on permanent employees and contractual employees and excludes temporary workers, interns and students. It was calculated as 40% for the 2020/21 financial year based on the 949 vacant positions against the 2360 authorised positions in the organisational structure. The Executive Management Committee has prioritised vacant positions to ensure that critical positions that drive service delivery are identified, prioritised and filled according to the approved Organisational Structure. A target of 100 posts were planned to be filled in the Annual Recruitment Plan 2020/21 and 112 posts were filled. The KSD Municipality has a total of eight Section 56 employees that are contractually bound for five years and employment contract terms regulated in line with Local Government: Municipal Systems Act, which are the following:

- Municipal Manager
- Director: Corporate Services
- Director: Technical Services
- Director: Human Settlement
- Director: Rural and Economic Development
- Director: Public Safety
- Director: Community Services
- Chief Financial Officer
- **Chief Operating Officer**

There is only one (1) vacant post in the top management, Chief Operations Officer and the recruitment and selection process is in progress.

KSD Municipality is committed to providing fair opportunities to people with disabilities. Although we are not satisfied with our current levels, we continue to strive to ensure that Municipality consider people with disabilities in the recruitment processes. The provision of internship opportunities is also planned to expand to provide learning and experiential opportunities for students with disabilities.

4.2 Implementation of the Performance Management System (PMS):

As required by section 38 of Local Government: Municipal Systems Act, the KSD municipality has established PMS in the following manner:

The office of the Municipal Manager, PMS Unit has the mandate to ensure that the Municipality delivers and perform in its key areas. Performance Management function is a critical function within the Municipality. The Municipality PMS Policy has been tabled in the year 2020/21 and approved which provides clear systems on performance management. Performance Agreements for Senior 56 Managers are concluded and submitted to the department. The Municipality is working on cascading performance management to lower levels once it got it right with the highest level of Managers. The SDBIP that is aligned with the IDP was approved. Quarterly performance reports were generated and submitted to Council.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

Performance Indicators (PI)

Section 38 (a) of the Systems Act requires Municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the community development priorities and objectives set out in its Integrated Development Plan.

Section 9 (1) of the Regulations to this Act maintains in this regard, that a Municipality must set performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the development priorities and objectives.

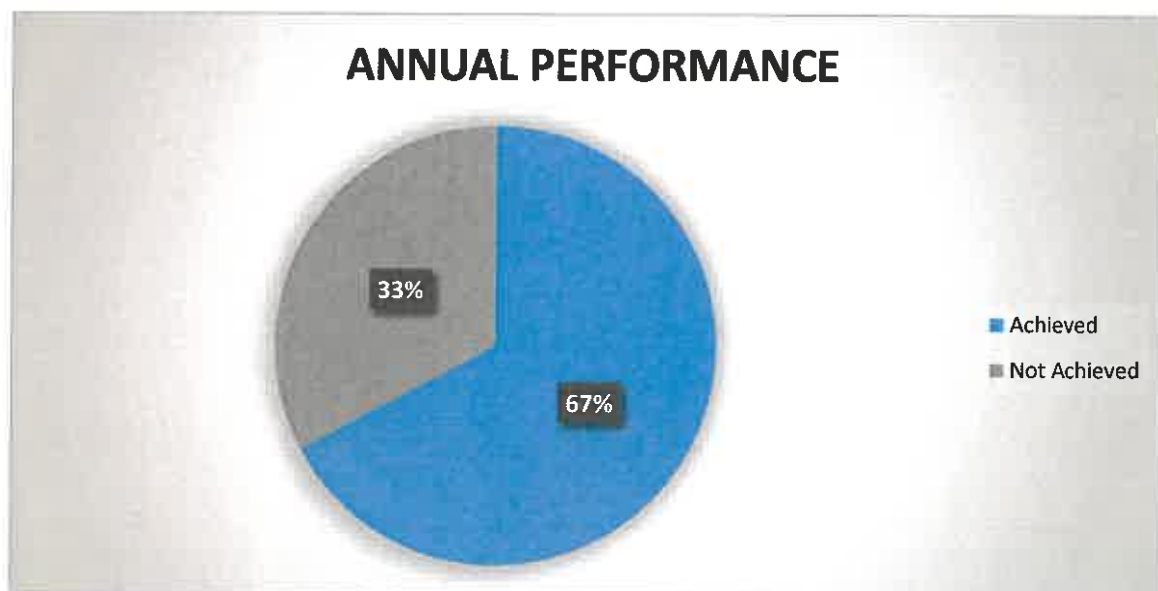
Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management process are therefore seamlessly integrated.

The municipal scorecard (Top Layer SDBIP) consolidates service delivery targets set by Council / senior management and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic objectives.

Overall Performance as per the SDBIP 2020/2021

KPA TARGETS SUMMARY 2020/2021

Achieved	139
Not Achieved	68
Total	207



Municipal Manager and S57 Manager's employment contract and performance contracts

Position	Employment Contract	Performance Agreement	Submitted to Department (Y/N)	Minimum Competency level
Municipal Manager	✓	✓	✓	✓
Director: Technical Services	✓	✓	✓	✓
Director: Human Settlements	✓	✓	✓	✓
Director: Public Safety	✓	✓	✓	✓
Director: Rural and Economic Development	✓	✓	✓	✓
Director: Community Services	✓	✓	✓	✓
Director Corporate Services	✓	✓	✓	✓

15.3 Staff development initiatives during the Financial Year

The municipality has, during the financial year ended 30 June 2021 conducted various training sessions. Total number of officials that have benefited from development initiatives is 497 and 27 Council, this number is both Councillors and officials. Below is the table illustrating the breakdown?

Staff development	No of Beneficiaries
Councillors Trained	27
Officials Trained	497
Interns (14 finance, 19 Infrastructure)	33
Experiential Learners	134
Abet learners	0
Apprentices (Employed)	0
Apprentices (Unemployed)	8
Bursary holders	0
Total number of beneficiaries	699

15.4 Key HR. statistics per functional area

The HR. statistics per functional area within the municipality are presented below

MM, Section 57 and line Managers vtd

Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Municipal Manager	1	0
2	Director: Strategic and Economic Development	1	0
3	Director: Corporate Services	1	0
4	Director: Community Services	1	0
5	Director: Public Safety	1	0
6	Chief Financial Officer	1	0
7	Director: Technical Services	1	0
8	Director: Human Settlements	1	0
9	Chief Operations Officer	1	1
10	Chief Audit Executive	1	0
11	General Manager: Environmental Management and Amenities	0	1
12	General Manager: Manduli Unit	1	0
13	General Manager: Civil Engineering	0	1
14	General Manager: Electrical Engineering	1	0
15	General Manager: Local Economic Development	0	1
16	General Manager: Solid Waste Management	1	0
17	General Manager: Supply Chain and Expenditure	1	0
18	General Manager: Revenue and Budget	1	0
19	General Manager: Accounts & Asset Management.	1	1

15.5 Full time staff complement per functional area

Department	Approved posts	Vacant posts	Filled posts
Community Services	478	60	418
Corporate Services	231	148	83
Budget and Treasury	157	83	83
Technical Services	621	385	236
Municipal Manager's office	131	63	68
Public Safety	628	283	345
Rural and Economic development	55	27	28
Human Settlement	62	39	23

15.6 staff registered with professional bodies

Technical Service (e.g. Water, Electricity etc)	Total number of technical service Managers	Total number registered in the accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
Roads	2	2	Nil	2
Electricity	4	2	2	0
Human Settlements	2	2	0	0

Levels of education and skills

The municipality has a total 2135 permanent employees. Their education level and skills are depicted in the table below: (an appropriate comment will follow based on the information in the table)

Total Number of staff	Number of staff without grade 12	Number of staff with Senior Certificate only	Number of staff with Tertiary / accredited professional training
2135	562	923	649

15.7 TRENDS ON TOTAL PERSONNEL EXPENDITURE

Financial Years	Total Number of Staff	Total Approved Operating Budget	Personnel expenditure (salary and salary related)	Percentage of expenditure
2020-2021	1411	R 1 471 412 662	R 499 698 677.00	34%
2019-2020	1376	R 1 317 773 529	R 460 170 866.00	35%
2018-2019	1285	R 1, 125 510 643	R 429 922 269.00	38,19%
2017-2018	1279	R 1, 196 838 738.00	R 442 577 324.00	36,98%

15.8 PENSION AND MEDICAL AIDS TO WHOM EMPLOYEES BELONG

The municipality contributes 60% towards medical aid for each employee as a benefit with a membership to the below listed schemes.

The municipality contributes 18 % of the employee's basic salary towards the employees' pension fund.

NAMES OF PENSION FUND	NUMBER OF MEMBERS	NAMES OF MEDICAL AIDS	NUMBER OF MEMBERS
Consolidated retirement fund (CRF)	54	Key Health	08
National fund for Municipal Workers (NFMW)	896	Bonitas	150
Municipal Workers Retirement Fund (MWRF)	251	Hosmed	261
South African Local Authorities Pension Fund (SALA)	00	Samwumed	155
Eastern Cape Group Municipal Pension and Gratuity Fund	30	LA Health	244
Umtata Provident Fund	44	-	-

HR. Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Abet policy	Completed		08 April 2010
2	Attraction and Retention	Completed	Reviewed	08 April 2010
3	Dress code			
4	Employee Assistance / Wellness	Completed	Reviewed	Adopted: ADJ ORD 816/04/21
5	HIV/Aids	Completed	Reviewed	Adopted: Minute No: 588/12/19
6	Human Resource	Completed	Reviewed	12 December 2019
7	Information Technology			
8	Internal bursary	Completed		08 April 2010
9	KSD coaching	Completed		08 April 2010
10	KSD induction			
11	KSD leadership & management development			
12	Occupational Health and Safety	Workshopped to all stakeholders	Reviewed	N/A
13	Sexual Harassment	Workshopped to all stakeholders	Reviewed	N/A
14	Skills Development	Completed	Reviewed	08 April 2010
15	Staff placement	Completed		08 April 2010
16	Study & examinations			N/A
17	Succession planning and career pathing			N/A

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 19-15)	2200	30	160			
Skilled (Levels 14-11)	1800	20	156			
Highly skilled production (levels 10-9)	300	20	54			
Highly skilled supervision (levels 8-6)	200	15	49			
Senior management (Levels 5 upwards)	50	5	09			
MM and S57	30	5	06			
Total	4580					

Skills Development Expenditure
R'000

Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1								
			Learnerships		Skills programmes & other courses		Other forms of training		Total		
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	1									
	Male	5	116000	58000							
Legislators, senior officials and managers	Female	28	360000	360000							
	Male	18	232000	232000							
Professionals	Female	30	131636	131636	149975	149975					
	Male	16			54595	54595					
Technicians and associate professionals	Female	36	117135	117135	77290	77290					
	Male	33	123679	123679	63876.15	63876.15					
Clerks	Female	66	183131	183131	190000	190000					
	Male	23			50000	50000					
Service and sales workers	Female	72	10090	10090	77625	77625					
	Male	49	30410	30410	77625	77625					
Plant and machine operators and assemblers	Female	1							5500	5500	
	Male	3							16500	16500	
Elementary occupations	Female	127	58500	58500					698500	698500	
	Male	114	38520	38520					627000	627000	
Sub total	Female		860492	860492	494890	494890			704000	704000	
	Male		540609	540609	246096.15	246096.15			643500	643500	
Total		0	0	0	0	0	0	0			

*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.

%* *R

CHAPTER 5: FINANCIAL PERFORMANCE

5.1. PLANNING AND BUDGETING

OPERATING REVENUE BUDGET

Total operating revenue budget was increased by five per cent from the 2019/2020 adjusted budget increasing from R1.3 billion to R1.4 billion. For the two outer years, operational revenue was set to increase by five and six per cent respectively, equating to a total revenue growth of R69.3 million and R90.7 million over the MTREF when compared to the 2020/2021 financial year representing an annual growth of five per cent increase annually.

OPERATING EXPENDITURE BUDGET

Total operating expenditure for the 2020/2021 financial year has been appropriated at R1.3 billion and translates into a budgeted surplus of R88million to fund prior year liabilities rolled over to current year. When compared to the 2019/20 Adjustments Budget, operational expenditure decreased by 0.33 per cent in the 2020/21 budget and grows by 5 per cent and 0.7 per cent in the two outer years, respectively.

CAPITAL EXPENDITURE BUDGET

The total capital budget for 2020/21 was set at R117.5 million and R101.6 million and R114,5 million for the outer two years respectively.

- The decrease in budget for capital expenditure is 59% from the 2019/2020 adjusted budget and decreases in the 2021/2022 by 14% and increase by 13% in 2022/2023.
- This is funded by Grants and a limited a small fraction from own income.

ADJUSTMENT BUDGET

During the period under review additional funding was received from National Treasury, Provincial Department of Human Settlements.

- Operating expenditure and operating revenue were increased by R 78.95 million made up of additional equitable R75 million and disaster management R3.2 million.
- Capital revenue and Capital expenditure increased by a net R13.3 million being additional grant funding.

5.2. REVENUE MANAGEMENT
5.2.1. REVENUE BY SOURCE

EC157 King Sabata Dalindyebo - Financial Performance 2020/2021

Description	2018/19	2019/20	Current Year 2020/21				2019/20 VS 2020/21		
	Audited Outcome	Audited Outcomes	Original Budget	Full Year Forecast	Pre-Audit Actual	Variance	% Variance	Variance	% Variance
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	%
Revenue By Source									
Property rates	216 699	218 351	246 183	246 183	245 824	(358)	0%	27 473	13%
Service charges - electricity revenue	380 879	417 936	519 280	519 280	439 127	(80 152)	-15%	21 191	5%
Service charges - refuse revenue	47 319	54 623	64 843	64 843	56 563	(8 281)	-13%	1 940	4%
Rental of facilities and equipment	19 564	20 135	31 488	28 498	14 612	(13 886)	-49%	(5 523)	-27%
Interest earned - external investments	1 314	1 608	3 062	3 062	1 361	(1 701)	-56%	(247)	-15%
Interest earned - outstanding debtors	47 403	49 498	53 654	53 654	42 190	(11 465)	-21%	(7 308)	-15%
Fines, penalties and forfeits	2 727	2 125	5 387	5 387	4 150	(1 238)	-23%	2 024	95%
Licences and permits	12 473	11 583	20 935	20 735	15 003	(5 732)	-28%	3 420	30%
Transfers and subsidies-operational	318 659	358 534	257 457	359 401	447 592	88 191	25%	89 058	25%
Transfers and subsidies-capital	105 063	117 080	117 510	94 540	96 342	1 802	2%	(20 738)	-18%
Other revenue	15 029	68 601	52 824	57 552	46 362	(11 191)	-19%	(22 239)	-32%
Public contributions and Donations	16 717	-	-	-	11 970	11 970	100%	11 970	100%
Gains on disposal of PPE	-	-	1 667	1 667	-	(1 667)	-100%	-	100%
Fair Value Adjustments	9 910	4 457	-	-	11 829	11 829	100%	7 372	165%
Total Revenue (including capital grants)	1 193 755	1 324 531	1 374 290	1 454 802	1 432 925	(21 877)	-2%	108 394	8%

The total operating revenue budget was set at R1 454 million, the actual result is R1 432 million and the short fall is R22 million representing 2% of the budget income. The total revenue increase from the prior year is eight per cent amounting to R108.4 million due in the main to additional equitable grant for COVID 19 amounting R75.6 million and increase in revenue due to tariff increases.

The following material variances on revenue are noted

- Rates increased R27 million representing thirteen per cent increase and insignificant variance on the budgeted income (R0.4 million).
- An shortfall of the R80 million on electricity budget which is fifteen per cent of the budget. This might be due less demand due to lock down. Actual revenue increased by R21 million representing five percent increase.
- A shortfall of R8.3 million (thirteen per cent) on budget refuse removal charges. The actual increased by R1.9 million (four percent) increased by fifteen percent, this is due to tariff increases and new consumers.
- Actual revenue on rental of facilities and equipment decreased by R5.5 million (twenty-seven per cent) from prior year and a shortfall on budget of R13.9 million (forty nine percent) was noted. This could be due to impact of lockdown because of COVID 19 restrictions.
- Interest on outstanding debtors decreased by R7.3 million (fifteen per cent) from prior and actual result reflects a shortfall of R11.5 million (twenty one per cent) on the budgeted revenue.
- Licence and permits increased by R3.4 million (thirty per cent) from prior actual results indicates a shortfall of R R5.7 million representing twenty eight per cent of the budgeted income.
- Operating grants and subsidise increased by R89 million (twenty five per cent) on both budget and prior year results.
- Capital Grants million from Grants and subsidies decreased by eighteen per cent due to reduction of grants and subsidies.
- Other revenue decreased by R22 million (thirty two per cent) from the prior year and shows a shortfall a short fall of R 11 million (nineteen per cent) on the budgeted income.

5.2.2. TABLES BELOW SHOW COMPARISON OF PRIOR AND CURRENT YEAR ACTUAL RESULTS AS WELL AS RECEIPTS VERSUS BILLING ON BILLED INCOME.

	CONSOLIDATED RECEIPTS VERSUS BILLING 30 JUNE 2021											
	201819 Financial Year			201920 Financial Year			202021 Financial Year			202021 Financial Year		
	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative
July	394 815 579	23 766 656	23 766 656	314 764 661	33 899 794	33 899 794	318 739 537	29 760 571	29 760 571	29 760 571	29 760 571	29 760 571
August	(52 567 827)	41 174 322	64 940 979	19 221 544	47 040 385	80 940 179	27 555 389	30 123 921	59 884 492	30 123 921	30 123 921	59 884 492
September	5 514 906	40 261 264	105 202 242	27 049 696	87 831 805	150 900 878	22 526 729	62 596 567	122 481 059	62 596 567	62 596 567	122 481 059
October	15 958 794	73 024 242	178 226 484	26 777 207	50 023 182	179 114 518	19 126 476	94 313 288	216 794 347	94 313 288	94 313 288	216 794 347
November	22 152 109	28 580 384	206 806 868	23 144 957	56 306 276	172 161 856	14 483 950	45 040 744	261 835 091	45 040 744	45 040 744	261 835 091
December	20 836 038	30 636 709	237 443 577	27 346 400	33 811 941	308 913 383	24 238 137	42 573 833	304 408 924	42 573 833	42 573 833	304 408 924
January	23 392 253	43 590 766	281 034 344	19 492 071	42 946 281	351 859 664	22 252 338	45 544 210	349 953 134	45 544 210	45 544 210	349 953 134
February	17 044 769	24 433 041	305 467 385	14 455 305	25 413 312	377 272 976	23 438 011	36 855 234	386 808 368	36 855 234	36 855 234	386 808 368
March	22 810 871	42 616 302	348 083 687	27 773 414	36 165 057	413 438 033	32 637 860	43 581 868	430 390 236	43 581 868	43 581 868	430 390 236
April	23 951 836	27 846 229	375 929 915	19 885 330	21 414 479	434 852 512	29 013 556	48 438 504	478 828 740	48 438 504	48 438 504	478 828 740
May	20 475 949	36 091 612	412 021 528	(1 363 184)	23 346 673	458 199 185	31 338 129	39 365 982	518 194 722	39 365 982	39 365 982	518 194 722
June	19 113 827	35 607 701	447 629 229	41 806 569	59 407 951	517 607 137	9 293 965	36 602 047	554 796 769	36 602 047	36 602 047	554 796 769
YTD comparison	533 499 104	447 629 229	84%	560 353 971	517 607 137	92%	574 644 077	554 796 769	97%	574 644 077	554 796 769	97%

Collection on billed income has increased over three year from 84% in 2018/2019 to 97% in 2020/2021. Individually the items have fluctuated as follows:

Rates and Services

Collection on rates and services debtors has improved from 77 % in 2018/19 to 101 % due to recovery of old debt.

Refuse Removal

Collection on refuse increased from 52 % in 2018/19 to 82 % as arrear debts collection has improved

Electricity revenue

Collection on electricity sales from 99 % in 2018/19 to 97% in 2020/21.

Rental of facilities

Collection rate on rental of facilities increased from 34% in 2018/19 to 46% in 2020/21.

5.3. EXPENDITURE MANAGEMENT
5.3.1. OPERATING EXPENDITURE BY TYPE

EC157 King Sabata Dalindyebo - Financial Performance 2020/2021												
Description	2018/19		2019/20		Current Year 2020/21					2019/20 VS 2020/21		
	Outcome	Outcomes	Variance	%Variance	Budget	Forecast	Actual	Variance	Variance	Variance	ce	
	R'000	R'000	R'000		R'000	R'000	R'000	R'000	R'000	R'000	%	
Employee related costs	432 477	464 852	32 375	7%	491 534	494 843	499 699	(4 855)		34 847	-1%	7%
Remuneration of councillors	27 574	28 300	725	3%	31 045	30 482	28 255	2 227		(45)	7%	0%
Debt impairment	84 340	117 036	32 696	28%	39 273	122 202	4 322	117 880		(112 714)	96%	-96%
Depreciation & asset impairment	181 425	210 113	28 688	14%	135 447	200 000	164 836	35 164		(45 276)	18%	-22%
Finance charges	26 328	36 296	9 968	27%	14 970	20 234	29 142	(8 908)		(7 154)	-44%	-20%
Bulk purchases	257 253	315 811	58 558	19%	364 510	364 510	322 020	42 491		6 209	12%	2%
Contracted services	7 551	10 730	3 179	30%	59 825	60 961	16 721	44 240		5 991	73%	56%
Transfers and subsidies	59 647	47 119	(12 528)	-27%	3 669	13 499	62 335	(48 836)		15 217	-362%	32%
Other expenditure	193 125	172 864	(20 260)	-12%	148 868	164 681	194 450	(29 769)		21 586	-18%	12%
Loss on disposal of PPE	3 523	8 417	4 894	58%	-	-	1 103	(1 103)		(7 314)	100%	-87%
Total Expenditure	1 273 241	1 411 536	138 295	0%	1 289 141	1 471 413	1 322 882	(148 530)		(88 654)	-10%	-6%
Surplus/(Deficit)	(79 487)	(87 006)	(7 519)	0%	85 149	(16 611)	110 042	126 653		197 048	-762%	-226%

The budget expenditure was set at R1471 million, and the actual expenditure is R1 322 million being ninety percent of the budget. The actual expenditure compared to prior is R88 million less than the prior by six per cent. There is however overspending and underspending on certain line items.

- Employee costs expenditure increased by seven percent from prior year and the current budget was exceeded R4.8 million by one per cent
- There were savings of R2.2 million on the budgeted expenditure on remuneration of councillors.
- Debt impairment decreased by ninety six percent from prior and the savings were at ninety six of the budget.
- Depreciation decreased by R45 million (twenty two per cent) from prior year and a savings of R35 million (eighteen per cent) on the current year budget..
- Finance charges decreased by R7.2 million (twenty percent) from prior year but exceeded current year budget by R8.9 million (forty four percent).
- Contracted Services increased by R5.9 million (fifty six percent) and a savings of R44.2 million(seventy three per cent).
- Bulk purchases increased by R6.2 million (two percent) from the previous year and a savings of R42.5 million (twelve per cent) on the budgeted expenditure due to reduced demand.
- General expenditure is R29.7 million less than the budget and R22 million less than the prior year actual expenditure.

5.3.2. REVENUE AND EXPENDITURE BY VOTE

EC157 King Sabata Dalindyebo - Financial Performance 2020/2021

Description	2018/19		2019/20		Variance	%Variance	Current Year 2020/2021				%Variance	
	Audited Outcome R'000	Audited Outcome R'000	Audited Outcome R'000	Audited Outcome R'000			Original Budget R'000	Full Year Forecast R'000	Pre-Audit Outcomes R'000	Variance R'000		
Revenue by Vote												
Vote 1 - EXECUTIVE & COUNCIL	50	141	90	64%	2 725	2 725	1 745	(980)	-56%			
Vote 2 - FINANCE & ASSET MANAGEMENT	626 083	575 427	(50 657)	-9%	693 128	765 999	764 541	(1 458)	0%			
Vote 3 - CORPORATE SERVICES	-	-	-	0%	419	1 768	91	(1 677)	-1849%			
Vote 4 - RURAL AND ECONOMIC DEVELOPMENT	8 024	1 760	(6 264)	-356%	635	2 474	2 621	147	6%			
Vote 5 - HUMAN SETTLEMENT	12 401	10 179	(2 221)	-22%	28 825	3 493	10 179	6 686	66%			
Vote 6 - COMMUNITY SERVICES	51 042	61 936	10 895	18%	72 154	71 878	63 572	(8 305)	-13%			
Vote 7 - PUBLIC SAFETY	8 737	11 305	2 568	23%	38 103	37 366	23 950	(13 416)	-56%			
Vote 8 - INFRASTRUCTURE	487 417	663 783	176 366	27%	538 501	569 100	566 227	(2 873)	-1%			
Total Revenue by Vote	1 193 754	1 324 531	130 777		1 374 290	1 454 802	1 432 925	(21 877)	-2%			
Expenditure by Vote												
Vote 1 - EXECUTIVE & COUNCIL	79 702	98 097	18 395	19%	109 563	107 953	98 097	(9 855)	-10%			
Vote 2 - FINANCE & ASSET MANAGEMENT	417 600	347 479	(70 120)	-20%	224 311	340 474	308 412	(32 062)	-10%			
Vote 3 - CORPORATE SERVICES	-	-	-	0%	54 181	47 387	51 033	3 646	7%			
Vote 4 - RURAL AND ECONOMIC DEVELOPMENT	32 858	28 498	(4 360)	-15%	33 165	32 181	28 498	(3 683)	-13%			
Vote 5 - HUMAN SETTLEMENT	1 422	29 437	28 015	96%	21 781	30 655	29 437	(1 218)	-4%			
Vote 6 - COMMUNITY SERVICES	115 301	101 887	(13 414)	-13%	117 054	119 388	101 887	(17 500)	-17%			
Vote 7 - PUBLIC SAFETY	194 137	295 764	101 627	34%	136 681	162 731	159 905	(2 826)	-2%			
Vote 8 - INFRASTRUCTURE	432 221	510 373	78 152	15%	592 404	630 644	545 612	(85 031)	-16%			
Total Expenditure by Vote	1 273 241	1 411 537	138 295		1 289 141	1 471 413	1 322 882	(148 530)	-11%			
Surplus/(Deficit) for the year	(79 487)	(87 005)	(7 518)		85 149	(16 610)	110 042	126 653	115%			

The following significant variances on budgeted per vote were noted:

Executive and Council

Shortfall on revenue of R0.9 and expenditure reflect a savings of R9.8 million.

Corporate Services

Revenue reflects a shortfall of R1.4 million and expenditure is overspent by R3.6 million.

Budget and Treasury

Revenue reflects a shortfall of R1.5 million and expenditure a savings of R32 million.

Rural and Economic Development

Expenditure a savings of R3.7 million.

Human Settlement

Revenue budget exceeded by R 6.7 million and a savings of R1.2 million.

Community Services

Budgeted Revenue a short fall R8.3 million and savings of R17.5 million.

Public Safety

Revenue shortfall of R13.4 million and a savings of R2.8 million.

Infrastructure

Revenue shortfall of R2.8 million and a savings of R85 million.

5.3.3. Conditional Grant Spending Report

CONDITIONAL GRANTS RECEIVED				
DESCRIPTION	20202021		20192020	
	Grant Received	Actual Expenditure	Grant Received	Actual Expenditure
Financial Management Grant	2 500 000	2 500 000	2 680 000	1 328 296
Electricity Demand Side	-	-	8 000 000	7 109 622
Infrastructure Skills Development Grant	5 435 000	5 601 622	6 500 000	4 395 175
Municipal Infrastructure Grant	84 641 000	85 995 896	85 879 000	85 672 675
Integrated National Electrification Program DOE	2 500 000	9 277 766	15 000 000	14 643 846
TOTAL	95 076 000	103 375 284	118 059 000	113 149 614

5.4. ASSET AND LIABILITY MANAGEMENT

5.4.1. Property Plant and Equipment

The net book value of Property plant and equipment is R2 159 234 678(202006: R2 192 363 434).

Additions amounts to R134 255 362 (202006: R193 080 091)

Vehicles acquired though Loan from First National Bank amounted R19 925 (202006: R2 267 295).

5.4.2. Investment property

The fair value of the Investment Property amounts to R333 328 826 (202006 – R321 499 845).
The fair value adjustment is R11 828 981 (202006: R4 457 358).

5.4.3. Current Assets

Current assets amounted to R321 million and are broken down as follows:

	20212021	20192020
Bank balance at year end	50 389 717	26 182 479
Receivables from exchange	69 136 426	61 635 142
Receivables from non- exchange transactions	61 130 561	44 909 982
Inventory	140 580 982	137 112 021
VAT Receivable		7 498 463
	321 237 686	277 338 087

5.4.3.1. Gross Debtors Balance as at 202106

RECEIVABLES				
DESCRIPTION	2020/2021	2019/2020	VARIANCE	VARIANCE %
Rates	383 837 306	361 825 495	22 011 811	6%
Electricity	76 950 659	63 323 781	13 626 878	22%
Refuse	217 829 368	205 077 783	12 751 585	6%
Rentals	144 676 803	164 171 219	-19 494 416	-12%
Sundry debtors	9 393 101	9 413 656	-20 555	0%
Other debtors from non-exchange	589 099	472	588 627	124709%
Debtors old balances	130 437	42 474	87 963	207%
Other debtors from exchange	85 948	96 054	-10 106	-11%
Other debtors - Staff Houses S	-332 274	643 920	-976 194	-152%
TOTAL	833 160 447	804 594 854	28 565 593	4%

Gross debtors increased by 4% from prior year and collection rate compared to billing is as follows;

Rates and Services

Collection on rates and services debtors has improved from 77 % in 2018/19 to 101 % due to recovery of old debt.

Refuse Removal

Collection on refuse increased from 52 % in 2018/19 to 82 % as arrear debts collection has improved

Electricity revenue

Collection on electricity sales from 99 % in 2018/19 to 97% in 2020/21.

Rental of facilities

Collection rate on rental of facilities increased from 34% in 2018/19 to 46% in 2020/21.

5.4.3.2. Current liabilities amount to R467 million are made up of the following items:-

- Other Financial Liabilities – Loans R4 million.
- Finance Lease Obligations R23 million
- Consumer Deposits R24 million
- Unspent Conditional Grants R20 million
- Current payables including Payables from exchange Transactions R390 million broken down as per table below.

5.4.3.3 TRADE CREDITORS

TRADE PAYABLES FROM EXCHANGE TRANSACTIONS				
DESCRIPTION	2020/2021	2019/2020	VARIANCE	VARIANCE %
Trade payables	225 260 245	271 543 052	-46 282 807	-21%
Salary pay-overs	25 091 988	19 458 271	5 633 717	22%
Accrued Leave Pay and Bonus	51 590 753	50 024 654	1 566 099	3%
Other payables	28 816 965	31 759 750	-2 942 785	-10%
Retentions	20 329 888	12 222 191	8 107 697	40%
Accrued expenses	18 674 560	23 789 265	-5 114 705	-27%
Other payables from exchange	20 522 552	21 550 240	-1 027 688	-5%
TOTAL	390 286 951	430 347 423	-40 060 472	-10%

5.5. SUPPLY CHAIN MANAGEMENT

5.5.1. IRREGULAR EXPENDITURE

Irregular expenditure incurred amounts to R21 million (R58 million in the previous year) This is mainly only contracts procured in the prior periods.

5.5.2. PERFORMANCE OF SERVICE PROVIDERS

Municipalities are required to assess the performance of service providers appointed in each financial year. In this regard, an internal performance assessment was conducted by Section 56 managers on various projects targeted for the 2020/21 financial year. Service Providers and Contractors are rated on the following categories:

Below Standard

The Contractor/Service Provider did not meet the basic requirements as spelt out in the tender or contract. This may result in the contract being cancelled and/or the retention fee being withheld from the contractor. The Contractor may be asked to rectify the problem, or the contract may be cancelled, and another Contractor/Service Provider may be appointed to complete the contract/ project.

Acceptable performance

The Contractor/Service Provider completed the project and met the basic requirements of the tender/contract. The standard of work was good enough, passable or adequate in terms of the requirements by the KSD LM.

Excellent performance

The Contractor/Service Provider completed the work above the standard required. The requirements of the tender were achieved above the expectation of the KSD LM. There is a high quality of work and outstanding results were achieved.

ANALYSIS OF THE PERFORMANCE OF SUPPLIERS AND CONTRACTORS IN KSD LM

Number of Bids on Contract Register	Number of Awards made current year	Number of completed projects	Number of Bids in Tendering Process	Number of projects still in progress	Cancelled Projects
114	80	18	0	97	0

The purpose of this analysis is to determine the percentage of bids awarded as at the end financial year. This assessment is used to measure the performance of all service providers and contractors implementing KSD LM projects in line with MFMA requirements.

Results of performance assessment of service providers

Category	Rating	Comments
Below Standard	0%	There were no suppliers who had a contract that was terminated due to poor performance during the financial year.
Acceptable performance	100 %	114 suppliers who performed satisfactorily in contracts during the financial year
Excellent performance	0%	There are no suppliers who displayed excellent performance during the financial year.

The Contract Register for the 2020/21 financial year is attached hereto as **Annexure "A"**

CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

	2021-06	2020-06	2019-06
Audit Opinion		Qualification	Qualification
Basis for qualified opinion.		<ul style="list-style-type: none"> - Receivables from exchange transactions - Misstatement of repairs and maintenance. 	<ul style="list-style-type: none"> - Property, plant and equipment - Bulk purchases - Employee related costs - Inventory: pending balance - Fines, penalties, and forfeits

1. ANNEXIRES

- **Annexure A** Prior year audit report.
- **Annexure B** Current year audit report.
- **Annexure C** Audited Annual Financial Statements.
- **Annexure D** Audit Action Plan
- **Annexure E** Audit and Performance Audit Committee Report (APAC)
- **Annexure F** Report on Performance of Service Providers (Contract Register)
- **Annexure G** COGTA Key Performance Indicators report



**King Sabata Dalindyebo Local Municipality
Annual Financial Statements
for the year ended 30 June 2021**

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

General Information

Nature of business and principal activities

King Sabata Dalindyebo Municipality is a South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act (Act no. 117 of 1998).

Mayoral committee

Executive Mayor

Cllr G N Nelani

Speaker

Cllr T G Maqoko

Chief Whip

Cllr M Nyoka

Members of the Mayoral Committee

Cllr N R Gcingca

Cllr Z Nokayi

Cllr N Sibeko

Cllr Z Madyibi

Cllr L N Ntlonze

Cllr M T Mtirara

Cllr T Machaea

Cllr T E Mapekula

Cllr Z Gana

Councillors

Cllr J Voko

Cllr Z D Kutu

Cllr M Mabaso

Cllr S Jadiso

Cllr V N S Roji

Cllr M Menzelwa

Cllr M Qotyana

Cllr Z Luvantyu

Cllr N Mkontwana

Cllr Z M Gusana

Cllr T Mcimbi

Cllr C S Tokwana

Cllr U Daniso

Cllr N Diblokwe

Cllr O Khotso

Cllr M Mrwebi

Cllr M J Msakeni

Cllr E M Fileyo

Cllr Z Ntliziyombi

Cllr S Mhlaba

Cllr A Ndzendze

Cllr M Marasha

Cllr B Bikani

Cllr X M Mbongwana

Cllr M Mkhotheli

Cllr L Mkonto

Cllr S Sikrenya

Cllr M D Teti

Cllr L D Liwani

Cllr B D Bara

Cllr N Gcinindawo

Cllr B Ndlobongela

Cllr B Babile

Cllr T Mngoma

Cllr T Bhova

Cllr M Bunzana

Cllr G N Lusu

Cllr N F Mzimane

Cllr M W Malotana

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

General Information

	Cllr B B Gqwetha Cllr M Gogo (Deceased as at July 2020) Cllr N Ngqongwa Cllr N Pali Cllr N Nyangani Cllr M Mpangele Cllr M Fukula Cllr R Knock Cllr A Mgquba Cllr L M Luwaca Cllr U N V Malghas Cllr N M Nqwazi Cllr DM Zozo Cllr N Mtwá Cllr N A Sobahle Cllr L P Zuma Cllr M A Manzolwandle Cllr B Malghas Cllr L A Tshiseka Cllr N P Ngalo Cllr S Nyengane
Grading of local authority	Grade 4
Chief Finance Officer	Mr E Jiholo
Accounting Officer	Mr N Pakade
Registered office	Munitata Building Sutherland Street Mthatha
Postal address	Private Bag X5083 Mthatha 5099 5099
Bankers	ABSA FNB
Auditors	Auditor General South Africa Registered Auditors

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature

	Page
Accounting officer's Responsibilities and Approval	4
Statement of Financial Position	5
Statement of Financial Performance	6
Statement of Changes in Net Assets	7
Cash Flow Statement	8
Statement of Comparison of Budget and Actual Amounts	9
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COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
UIF	Unemployment Insurance Fund
WCA	Workmen's Compensation Act

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the municipality sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

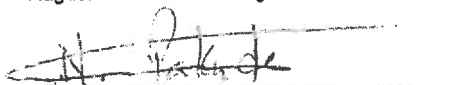
The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2022 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

Although the municipality is primarily responsible for the financial affairs of the municipality, they is supported by the municipality's external auditors.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 5.

The annual financial statements set out on pages 5 to 82, which have been prepared on the going concern basis, were approved by the on 31 August 2021 and were signed on its behalf by:



Accounting Officer
Mr N Pakade

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Position as at 30 June 2021

Figures in Rand	Notes	2021	2020 Restated*
Assets			
Current Assets			
Inventories	3	140 580 982	137 112 021
Receivables from exchange transactions	4	69 136 426	61 635 142
Receivables from non-exchange transactions	5	61 130 561	44 909 982
VAT receivable	6	-	7 498 463
Cash and cash equivalents	7	50 389 717	26 182 479
		321 237 686	277 338 087
Non-Current Assets			
Investment property	8	333 328 826	321 499 845
Property, plant and equipment	9	2 159 234 678	2 192 363 434
Intangible assets	10	1 766 026	1 589 760
Heritage assets	11	3 201 000	3 201 000
		2 497 530 530	2 518 654 039
		2 818 768 216	2 795 992 126
Total Assets			
Liabilities			
Current Liabilities			
Other financial liabilities	12	3 718 197	4 194 796
Finance lease obligation	13	22 700 750	20 366 489
Payables from exchange transactions	14	390 286 951	430 347 423
VAT payable		6 793 812	-
Consumer deposits	15	24 215 909	21 233 372
Unspent conditional grants and receipts	16	19 978 294	14 967 506
		467 693 913	491 109 586
Non-Current Liabilities			
Other financial liabilities	12	8 418 165	10 459 332
Finance lease obligation	13	32 565 167	55 459 679
Provisions	17	51 700 095	50 575 138
		92 683 427	116 494 149
		560 377 340	607 603 735
Total Liabilities			
Net Assets			
Reserves			
Revaluation reserve	18	383 988 031	383 988 031
Self-insurance reserve	19	3 834 223	3 801 185
Accumulated surplus		1 870 568 622	1 800 599 175
		2 258 390 876	2 188 388 391
Total Net Assets			
		2 258 390 876	2 188 388 391

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Performance

Figures in Rand	Notes	2021	2020 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	20	495 689 905	472 558 996
Rental of facilities and equipment	21	14 611 854	20 134 764
Licences and permits	22	15 002 969	11 582 958
Other income	23	46 361 505	68 600 815
Investment revenue	24	43 551 056	51 106 175
Fair value adjustments	25	11 828 981	4 457 358
Total revenue from exchange transactions		627 046 270	628 441 066
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	26	245 824 497	218 351 223
Transfer revenue			
Government grants and subsidies	27	543 934 435	475 613 729
Public contributions and donations	29	11 969 770	-
Fines, penalties and forfeits	28	4 149 573	2 125 224
Total revenue from non-exchange transactions		805 878 275	696 090 176
Total revenue	31	1 432 924 545	1 324 531 242
Expenditure			
Employee related costs	32	(499 698 677)	(464 851 761)
Remuneration of councillors	33	(28 255 080)	(28 299 925)
Depreciation and amortisation	34	(164 836 406)	(179 175 425)
Impairment loss	35	-	(30 937 310)
Finance costs	36	(29 142 064)	(36 295 920)
Lease rentals on operating lease	30	(7 907 846)	(3 888 520)
Debt Impairment	37	(4 321 658)	(117 035 622)
Bulk purchases	38	(322 019 740)	(315 810 587)
Contracted services	39	(16 720 778)	(10 730 085)
Grants and Subsidies paid	40	(62 335 156)	(47 118 623)
Loss on disposal of assets		(1 102 715)	(8 417 035)
General Expenses	41	(186 542 055)	(168 975 590)
Total expenditure		(1 322 882 175)	(1 411 536 403)
Surplus (deficit) for the year		110 042 370	(87 005 161)

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Insurance reserve	Total reserves	Accumulated Surplus	Total net assets
Opening balance as previously reported	383 988 031	3 681 232	387 669 263	1 701 583 395	2 089 252 658
Adjustments					
Prior year adjustments	-	-	-	171 881 702	171 881 702
Balance at 01 July 2019 as restated*	383 988 031	3 681 232	387 669 263	1 873 465 097	2 261 134 360
Changes in net assets					
Movement in self insurance reserve	-	119 953	119 953	-	119 953
Prior year adjustment	-	-	-	14 139 239	14 139 239
Net income (losses) recognised directly in net assets	-	119 953	119 953	14 139 239	14 259 192
Surplus for the year	-	-	-	(87 005 161)	(87 005 161)
Total recognised income and expenses for the year	-	119 953	119 953	(72 865 922)	(72 745 969)
Total changes	-	119 953	119 953	(72 865 922)	(72 745 969)
Balance at 01 July 2020 restated	383 988 031	3 801 185	387 789 216	1 800 599 174	2 188 388 390
Changes in net assets					
Movement in self insurance reserve	-	33 039	33 039	-	33 039
Prior year Adjustment	-	-	-	(40 072 922)	(40 072 922)
Net income (losses) recognised directly in net assets	-	33 039	33 039	(40 072 922)	(40 039 883)
Surplus for the year	-	-	-	110 042 370	110 042 370
Total recognised income and expenses for the year	-	33 039	33 039	69 969 448	70 002 487
Total changes	-	33 039	33 039	69 969 448	70 002 487
Balance at 30 June 2021	383 988 031	3 834 224	383 988 031	1 870 568 622	2 258 390 877
Note(s)	18	19			

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Cash Flow Statement

Figures in Rand	Note(s)	2021	2020
Cash flows from operating activities			
Receipts			
Property rates		229 691 292	220 533 014
Receipts from Customers		551 395 479	550 026 591
Grants		543 934 435	475 613 729
Interest income		44 551 056	51 106 175
		<u>1 369 572 262</u>	<u>1 297 279 509</u>
Payments			
Employee costs		(527 831 281)	(493 151 686)
Suppliers		(636 355 766)	(569 902 208)
Finance costs		(29 142 064)	(36 295 920)
		<u>(1 193 329 111)</u>	<u>(1 099 349 814)</u>
Net cash flows from operating activities	43	<u>176 243 151</u>	<u>197 929 695</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(134 255 362)	(193 080 091)
Proceeds from sale of property, plant and equipment	9	644 782	3 272 061
Purchase of other intangible assets	10	(382 848)	(1 212 940)
		<u>(133 993 428)</u>	<u>(191 020 970)</u>
Net cash flows from investing activities		<u>(133 993 428)</u>	<u>(191 020 970)</u>
Cash flows from financing activities			
Repayment of other financial liabilities		2 517 766	12 871 176
Movement in finance lease		(20 560 251)	(15 860 475)
		<u>(18 042 485)</u>	<u>(2 989 299)</u>
Net cash flows from financing activities		<u>(18 042 485)</u>	<u>(2 989 299)</u>
Net decrease in cash and cash equivalents		<u>24 207 238</u>	<u>3 919 426</u>
Cash and cash equivalents at the beginning of the year		26 182 479	22 263 053
Cash and cash equivalents at the end of the year	7	<u>50 389 717</u>	<u>26 182 479</u>

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	584 122 918	-	584 122 918	495 689 905	(88 433 013)	
Rental of facilities and equipment	31 487 930	(2 990 394)	28 497 536	14 611 854	(13 885 682)	
Licences and permits	20 934 603	(200 000)	20 734 603	15 002 969	(5 731 634)	
Other income	54 490 162	4 728 505	59 218 667	46 361 505	(12 857 162)	
Interest received	56 716 899	-	56 716 899	43 551 056	(13 165 843)	
Total revenue from exchange transactions	747 752 512	1 538 111	749 290 623	615 217 289	(134 073 334)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	246 182 733	-	246 182 733	245 824 497	(358 236)	
Transfer revenue						
Government grants & subsidies	374 967 650	78 974 070	453 941 720	543 934 435	89 992 715	
Public contributions and donations	-	-	-	11 969 770	11 969 770	
Fines, Penalties and Forfeits	5 387 116	-	5 387 116	4 149 573	(1 237 543)	
Total revenue from non-exchange transactions	626 537 499	78 974 070	705 511 569	805 878 275	100 366 706	
Total revenue	1 374 290 011	80 512 181	1 454 802 192	1 421 095 564	(33 706 628)	
Expenditure						
Personnel	(491 534 032)	(3 309 416)	(494 843 448)	(499 698 677)	(4 855 229)	
Remuneration of councillors	(31 045 419)	563 660	(30 481 759)	(28 255 080)	2 226 679	
Depreciation and amortisation	(135 446 862)	(64 553 138)	(200 000 000)	(164 836 406)	35 163 594	
Finance costs	(14 969 854)	(5 264 089)	(20 233 943)	(29 142 064)	(8 908 121)	
Debt Impairment	(14 307 616)	9 361 050	(4 946 566)	(7 907 846)	(2 961 280)	
Debt Impairment	(39 272 535)	(82 929 582)	(122 202 117)	(4 321 658)	117 880 459	
Bulk purchases	(364 510 345)	-	(364 510 345)	(322 019 740)	42 490 605	
Grants and Subsidies Paid	(3 668 689)	(9 830 344)	(13 499 033)	(16 720 778)	(3 221 745)	
Grants and Subsidies Paid	(59 825 029)	(1 135 669)	(60 960 698)	(62 335 156)	(1 374 458)	
General Expenses	(134 560 584)	(25 174 169)	(159 734 753)	(186 542 055)	(26 807 302)	
Total expenditure	(1 289 140 965)	(182 271 697)	(1 471 412 662)	(1 321 779 460)	149 633 202	
Operating surplus	85 149 046	(101 759 516)	(16 610 470)	99 316 104	115 926 574	
Fair value adjustments	-	-	-	11 828 981	11 828 981	
Gains on disposal of non-current assets	1 666 599	-	1 666 599	(1 102 715)	(2 769 314)	
	1 666 599	-	1 666 599	10 726 266	9 059 667	
Surplus before taxation	86 815 645	(101 759 516)	(14 943 871)	110 042 370	124 986 241	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	86 815 645	(101 759 516)	(14 943 871)	110 042 370	124 986 241	

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

Figures in Rand	Note(s)	2021	2020
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1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003)

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of the annual financial statements are disclosed below.

1.1 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.2 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Trade receivables and other receivables

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables calculated on individual debtor basis, based on historical loss ratios, debtor type and other indicators present at the reporting date that correlate with defaults.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the [name a key assumption] assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including municipality specific variables and economic factors.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 17 - Provisions.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Employee benefit obligation

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note

Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

Useful lives of Property, plant and equipment, Intangible assets and Investment property

The municipality depreciates/amortises its property, plant and equipment, investment property and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use.

The useful lives of assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets in order to determine the optimum useful life expectation, where appropriate.

The estimation of residual values of assets are based on management's judgement as to whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property the carrying amount of the replaced part is derecognised.

The cost of self-constructed investment property is the cost at the date of completion

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.4 Investment property (continued)

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 1.3).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 1.3).

1.5 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses except for X and X where is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Property, plant and equipment are carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.5 Property, plant and equipment (continued)

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item		Average useful life
Land		infinite
Buildings	Straight line	5 - 50 years
Plant and machinery	Straight line	5 - 10 years
Furniture and fixtures	Straight line	3 - 5 years
Office equipment	Straight line	5 - 7 years
IT equipment	Straight line	5 - 7 years
Computer software	Straight line	3 - 5 years
- Roads and paving	Straight line	30 years
- Access roads	Straight line	3-10 years
- Pedestrian malls	Straight line	30 years
- Electricity	Straight line	10 - 50 years
- Sewerage	Straight line	15 - 20 years
Community		
- Buildings	Straight line	30 - 50 years
- Recreational equipment	Straight line	20 - 30 years
- Security	Straight line	5 years
- Halls	Straight line	30 years
- Libraries	Straight line	30 - 50 years
- Parks and gardens	Straight line	20 - 30 years
- Sport fields	Straight line	20 - 30 years
Other property, plant and equipment		
- Other vehicles	Straight line	5 years
- Other items of plant and equipment	Straight line	7 - 10 years
- Landfill sites	Straight line	4-30 years
- Fire engines	Straight line	10 - 20 years
Bins and containers	Straight line	5 years
Other leased assets		
- Motor vehicles	Straight line	5-20 years
Laboratory equipment	Straight line	5 - 7 years
Specialised vehicles	Straight line	10 years
Heritage assets		Infinite
Cemetery	Straight line	25 - 30 years
Stadium	Straight line	25 - 30 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.5 Property, plant and equipment (continued)

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

1.6 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.6 Intangible assets (continued)

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software, other	Straight-line	3 - 5 years

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

1.7 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If a heritage asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

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1.7 Heritage assets (continued)

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

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1.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

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1.8 Financial instruments (continued)

Classification

The entity has the following types of **financial assets** (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

The entity has the following types of **financial liabilities** (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other financial liabilities - Long term	Financial liability measured at amortised cost
Other financial liabilities - short term	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost

1.9 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

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1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in the statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

Cost plus or cost based contract is a construction contract in which the contractor is reimbursed for allowable or otherwise defined costs and, in the case of a commercially-based contract, an additional percentage of these costs or a fixed fee, if any.

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.

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1.12 Construction contracts and receivables (continued)

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

The entity assesses the terms and conditions of each contract concluded with customers to establish whether the contract is a construction contract or not. In assessing whether the contract is a construction contract, an entity considers whether it is a contractor.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected deficit is recognised as an expense immediately.

1.13 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets, are as follows:

[Specify judgements made]

Identification of a potential impairment

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

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1.13 Impairment of cash-generating assets (continued)

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Recognition and measurement of cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

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1.13 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.14 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

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1.14 Impairment of non-cash-generating assets (continued)

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP 21 - Impairment of non - cash generating assets.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.15 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

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1.15 Employee benefits (continued)

Vested employee benefits are employee benefits that are not conditional on future employment.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

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1.15 Employee benefits (continued)

Termination benefits

The entity recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.16 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 16.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

1.17 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

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Accounting Policies

1.17 Commitments (continued)

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.18 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

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1.18 Revenue from exchange transactions (continued)

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.19 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction a municipality either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.19 Revenue from non-exchange transactions (continued)

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the entity controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for income tax is the earning of assessable income during the taxation period by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

The taxable event for customs duty is the movement of dutiable goods or services across the customs boundary.

The taxable event for estate duty is the death of a person owning taxable property.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the entity.

Where the entity collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

King Sabata Dalindyebo Local Municipality

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Accounting Policies

1.19 Revenue from non-exchange transactions (continued)

Services in-kind

Except for financial guarantee contracts, the municipality recognises services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

1.20 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset when it is probable that they will result in future economic benefits or service potential to the municipality, and the costs can be measured reliably. The municipality applies this consistently to all borrowing costs that are directly attributable to the acquisition, construction, or production of all qualifying assets of the municipality. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any investment income on the temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the municipality on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when all the following conditions have been met:

- expenditures for the asset have been incurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are undertaken.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.21 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

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Accounting Policies

1.21 Accounting by principals and agents (continued)

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.22 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.23 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.24 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.25 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.26 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and

King Sabata Dalindyebo Local Municipality

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Accounting Policies

1.26 Segment information (continued)

- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.27 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2020/07/01 to 2021/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the statement of comparison of budget and actual amounts

1.28 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements

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Accounting Policies

1.29 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.30 Value added tax (VAT)

The municipality accounts for VAT on an accrual basis and is registered with the South African Revenue Services (SARS) for VAT on the payments (cash) basis, in accordance with Section 15(2) of the VAT Act (Act No. 89 of 1991).

1.31 Consumer deposits

Consumer deposits are a partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months consumption of electricity services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits

1.32 Unspent conditional grants

This is represented funds unspent at the end of the financial year on grants received from national and provincial government or any other external party that can only be spent for the condition for which it was received. The amount is recognised as a current liability until the conditions of the grant are met or the money is transferred back to the funder.

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Guideline: Guideline on Accounting for Landfill Sites	01 April 2020	The impact of the is not material.
• GRAP 1 (amended): Presentation of Financial Statements	01 April 2020	The impact of the is not material.
• GRAP 34: Separate Financial Statements	01 April 2020	The impact of the is not material.
• GRAP 35: Consolidated Financial Statements	01 April 2020	The impact of the is not material.
• GRAP 36: Investments in Associates and Joint Ventures	01 April 2020	The impact of the is not material.
• GRAP 37: Joint Arrangements	01 April 2020	The impact of the is not material.
• GRAP 38: Disclosure of Interests in Other Entities	01 April 2020	The impact of the is not material.
• GRAP 110 (as amended 2016): Living and Non-living Resources	01 April 2020	The impact of the is not material.
• IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue	01 April 2020	The impact of the is not material.
• Directive 13: Transitional Provisions for the Adoption of Standards GRAP by Community Education and Training (CET) Colleges	01 April 2020	The impact of the is not material.
• Directive 7 (revised): The Application of Deemed Cost	01 April 2020	The impact of the is not material.
• GRAP 18 (as amended 2016): Segment Reporting	01 April 2020	The adoption of this has not had a material impact on the results of the company, but has resulted in more disclosure than would have previously been provided in the financial statements

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2021 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104 (amended): Financial Instruments	01 April 2019	Unlikely there will be a material impact
• Guideline: Guideline on the Application of Materiality to Financial Statements	01 April 2019	Unlikely there will be a material impact

3. Inventories

Land - Held for transfers	123 196 296	123 196 296
Consumables Stores	2 052 070	2 269 480
Electrical Equipment	15 332 616	11 646 245
	140 580 982	137 112 021

Inventories recognised as an expense during the year 4 481 074 2 563 744

4. Receivables from exchange transactions

Consumer debtors Other	85 948	96 054
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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
4. Receivables from exchange transactions (continued)		
Consumables Sundry Debtors	9 393 101	9 413 656
Consumer debtors - Electricity	76 950 659	63 323 781
Consumer debtors - Refuse	217 829 368	205 077 783
Consumer debtors - Rentals	144 676 803	164 171 219
Provision for Impairment	(379 799 453)	(380 447 351)
	69 136 426	61 635 142

Trade and other receivables pledged as security

The municipality does not have any receivables from exchange transactions that have been pledged as security

Fair value of trade and other receivables

Trade and other receivables	69 136 426	61 635 142
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The fair value of trade and other receivables from exchange transactions approximates their carrying amount.

Trade and other receivables past due but not impaired

The normal credit term for the municipality is 30 days. As of 30 June 2021, receivables of R 14 024 296 (2020: R 13 758 895) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

61-90 days past due	2 514 549	2 642 663
91-120 days past due	2 345 349	1 429 847
Over 3 months	9 164 398	9 686 385

Trade and other receivables impaired

As of 30 June 2021, trade and other receivables of R 379 799 453 (2020: R 380 460 331) were impaired and provided for.

The ageing of these amounts is as follows:

1 to 3 months	13 789 018	44 291 564
3 to 6 months	9 400 660	17 334 684
Over 6 months	242 883 994	218 380 092
Penalties and interest	113 725 781	100 453 990

Included in the above are receivables from exchange transactions as follows:

Electricity -Ageing

Current	23 132 500	16 947 166
31 - 60 days	11 088 347	11 137 929
61 - 90 days	8 311 609	3 789 415
91 - 120 days	5 451 613	3 292 896
> 120 days	18 262 755	23 632 465
Penalties and interest	5 249 523	4 737 159
Add: Debtors with credit balances	3 110 449	4 448 074

74 606 796 **67 985 104**

Refuse - Ageing

Current	734 048	3 666 288
31 - 60 days	2 541 979	3 016 406
61 - 90 days	2 341 249	2 288 514
91 - 120 days	2 097 624	2 523 540
> 120 days	156 592 884	143 858 678
Penalties and interest	53 490 985	49 378 145

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
4. Receivables from exchange transactions (continued)		
Add: Debtors with credit balances	639 582	405 607
	218 438 351	205 137 178
Rentals - Ageing		
Current	9 504 670	524 874
31 - 60 days	1 320 604	1 337 352
61 - 90 days	1 016 889	1 283 958
91 - 120 days	1 195 931	1 185 292
> 120 days	79 729 333	91 501 754
Penalties and interest	54 895 274	58 205 618
Add: Debtors with credit balances	697 663	921 476
	148 360 364	154 960 324
Sundry debtors- Ageing		
Current	(3 617 842)	-
31 - 60 days	-	-
61 - 90 days	-	-
> 120 days	4 553 174	1 108 430
Penalties and interest	-	-
	935 332	1 108 430
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	380 447 351	307 810 647
Provision for impairment	(647 898)	72 636 704
	379 799 453	380 447 351

Summary of debtors by customer classification	Consumers	Industrial/ Commercial	Government	Total
as at 30 June 2021				
Current	8 840 843	18 450 884	4 722 205	32 013 932
31 - 60 days	2 899 536	11 237 111	814 282	14 950 929
61 - 90 days	2 559 211	8 590 000	520 535	11 669 746
91 - 120 days	2 651 914	5 729 565	363 690	8 745 169
>120 days	200 435 156	41 935 669	6 580 784	248 951 609
Penalties and interest	93 013 622	18 968 446	1 653 713	113 635 781
	310 400 282	104 911 675	14 655 209	429 967 166
Less provision for impairment	(310 479 343)	(69 320 109)	-	(379 799 452)
Debtor with Credit balances	4 192 509	3 029 550	703 924	7 925 983
	4 113 448	38 621 116	15 359 133	58 093 697

Summary of debtors by customer classification	Consumers	Industrial/ Commercial	Government	Total
as at 30 June 2020				
Current	(4 866 214)	9 468 599	616 135	5 218 520
31 - 60 days	2 647 317	9 514 594	3 064 746	15 226 657
61 - 90 days	2 502 424	3 314 004	1 310 198	7 126 626
91 - 120 days	2 430 074	3 740 041	657 944	6 828 059
>120 days	199 734 069	44 496 024	6 281 574	250 511 667
Penalties and interest	90 931 956	17 082 065	1 451 326	109 465 347

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand

2021

2020

4. Receivables from exchange transactions (continued)

	301 772 145	96 587 243	16 901 712	415 261 100
Less provision for impairment	(299 039 437)	(71 330 412)	-	(370 369 849)
Debtors with credit balances	8 392 519	8 971 916	3 519 789	20 884 224
	2 732 708	25 256 831	16 901 712	44 891 251

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
5. Receivables from non-exchange transactions		
Impairment	(323 094 007)	(318 073 632)
Consumer debtors old balances	130 437	42 474
Other receivables from non-exchange revenue	589 099	471 725
Consumer debtors - Rates	383 837 306	361 825 495
Other Debtors - Staff Houses Sell	(332 274)	643 920
	61 130 561	44 909 982
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Consumer debtors - Rates	376 523 530	376 523 530
Consumer debtors old balances	37 425	37 425
Impairment	(318 124 451)	(318 124 451)
	58 436 504	58 436 504
Other non-financial asset receivables included in receivables from non-exchange transactions above are as follows:		
Other receivables from non-exchange revenue	471 725	471 725
Other Debtors - Staff Houses	-	643 920
	471 725	1 115 645
Financial asset receivables included in receivables from non-exchange transactions above	-	(14 642 167)
Total receivables from non-exchange transactions	61 130 561	44 909 982
Statutory receivables general information		
Transaction(s) arising from statute		
Included in Receivables from non-exchange transactions are statutory receivables of 2021: R61 130 561 187 (2020: R44 909 982)		
Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset. Property Rates arise from the MUNICIPAL PROPERTY RATES ACT NO. 6 OF 2004 as amended by Municipal Property Rates Amendment Act, No. 29 of 2014. This should be read together with Government Gazette 32061, updated by Government Gazette 38259 dated 28 November 2014. Statutory receivables transaction amounts is determined via the municipalities approved rates policy.		
Impairment of Statutory receivables are assessed based on indicators that exist at each reporting date. These include but not limited to payment history and the customers overall profile.		
Fair value of receivables from non-exchange transactions		
Other receivables from non-exchange transactions	61 130 561	44 909 982

King Sabata Dalindyebo Local Municipality

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Figures in Rand	2021	2020
5. Receivables from non-exchange transactions(continued)		
Receivables from non-exchange transactions past due but not impaired		
Other receivables from non-exchange transactions which are less than 90 months past due are not considered to be impaired. As at 30 June 2021, R 46 083 874 (2020: R 41 791 036) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
61-90 days past due	1 109 062	1 189 907
91 to 120 days past due	639 968	829 232
Over 121 days past due	36 777 561	33 128 764
Penalties and Interest	7 557 283	6 643 133
Receivables from non-exchange transactions impaired		
As of 30 June 2021, other receivables from non-exchange transactions of R 323 094 007 (2020: R 318 124 451) were impaired and provided for.		
The amount of the provision was R (323 094 007) as of 30 June 2021 (2020: R (318 124 451)).		
The ageing of these receivables is as follows:		
1 to 3 months	5 043 849	18 768 436
3 to 6 months	4 365 283	11 405 451
Over 6 months	271 497 747	216 079 923
Penalties and Interest	84 584 951	71 888 027
The carrying amount of other receivables from non-exchange transactions are denominated in the following currencies:		
Reconciliation of provision for impairment of receivables from non-exchange transactions		
Opening balance	318 124 451	273 725 534
Provision for impairment	4 969 556	44 398 917
	323 094 007	318 124 451
6. VAT receivable		
VAT	-	7 498 463

King Sabata Dalindyebo Local Municipality

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7. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	1 050	1 050
Bank balances	25 310 834	16 438 732
Own investments- Short term	4 487 494	4 394 199
Other cash and cash equivalents	20 590 339	5 348 498
	50 389 717	26 182 479

Pledged as security

The municipality has ceded an investment equivalent to the principal loan amount plus interest calculated up to September 2003 in favour of the DBSA loan 10875/102.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates. Excess cash is invested with reputable financial institutions with good credit ratings:

Cash and cash equivalents pledged as collateral

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2021	30 June 2020	30 June 2019	30 June 2021	30 June 2020	30 June 2019
FNB Call Account 62090323636	818 252	1 735 119	1 441 484	4 423 181	2 714 957	1 441 484
ABSA Call Account 4061496604	1 843 694	10 919 767	8 826 210	463 601	10 271 210	8 826 210
ABSA Cheque Account 4048218780	419 239	958 448	876 644	415 290	958 448	876 654
Self Insurance Reserve (Hollard Insurance Company - Experience Account)	3 834 198	3 801 159	3 681 207	3 834 198	3 801 159	3 681 207
ABSA Call Account MTAB 9061932550	48 447	47 182	45 037	48 447	47 182	45 229
Unclaimed Group Life Insurance ABSA 9057846202	2 847	6 600	2 802 546	2 847	6 637	2 814 524
ABSA Target Save - Various Accounts	224 364	217 583	208 284	224 364	217 583	208 284
Investic Bank Invest 1100456924	284 732	275 321	260 056	284 732	275 321	260 056
ABSA Call Account KSD Election 9260118662	130 075	126 596	120 872	130 075	126 596	121 389
ABSA Call Account Mqanduli Miling 9118441412	-	-	3 276	-	3 173	3 260
ABSA Call Account Rural Planning 9260110101	150 719	146 688	140 055	150 719	146 688	140 654
ABSA Call Account Organogram Dev 9260110397	9 523	9 580	9 178	9 523	9 580	9 217
ABSA Call Account Mqanduli Middle Income 9095799392	58 843	57 306	54 702	58 843	57 306	54 935
FNB Cheque 62471836513	22 228 069	683 111	3 732 961	19 388 528	25 834	3 247 342
FNB Call 62480366345 DOE Electrification	62 735	60 871	42 469	62 735	60 871	42 469
FNB Call 62480370031FMG	1 120 198	1 351 704	19 820	1 120 153	1 351 704	19 820
FNB Call Account 62480368838 MIG Account UCCMIP	27 567	76 897	173 743	27 567	76 897	173 743
FNB Call Account 62480372863 Library	10 313	54 849	429	10 313	54 849	429
FNB Call Account 62486520151 Infrastructure Skills Dev	2 835 936	30 799	17 465	2 835 936	30 799	17 465

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand					2021	2020
7. Cash and cash equivalents (continued)						
FNB Call Account 62500280516	-	-	4 513	-	-	4 513
LED Support						
FNB Call Account 62500281936	-	-	1 886	-	-	1 886
Chamber of Mines						
FNB Call Account 62504407801	-	-	37 818	-	-	37 818
Ngangelizwe Urban Ren						
FNB Call Account 62504410383	-	-	53 954	-	-	53 954
Fire Station						
FNB Call Account 62504414608	-	-	9 032	-	-	9 032
Maydene Farm Extension						
FNB Call Account 62504444639	17 487	17 443	9 778	17 487	17 443	9 978
DOT Taxi Rank						
FNB Call Account 62523941070	78 231	75 909	71 952	78 231	75 909	71 952
New Brighton						
FNB Call Account 62523942408	15 820 071	12 500	11 848	15 820 071	12 500	11 848
Kei Rail						
FNB Call Account 62559404092	141 001	93 499	265 277	141 001	93 499	265 277
Asset Financing						
FNB Call Account 62709676582	28 948	2 163 934	269 702	25 789	2 163 475	269 702
(DOT Payover Account)						
FNB Cheque Account 62810696487	600 994	314 056	21 344	594 444	304 806	21 344
FNB - Covid Account	168 886	3 277 000	-	168 886	3 277 000	-
FNB - Money on call Account	54 353	-	-	54 353	-	-
62857329364						
Total	51 019 722	26 513 921	23 213 542	50 391 314	26 181 426	22 741 675

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

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8. Investment property

	2021			2020		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	333 328 826	-	333 328 826	321 499 845	-	321 499 845

Reconciliation of investment property - 2021

	Opening balance	Fair value adjustments	Total
Investment property	321 499 845	11 828 981	333 328 826

Reconciliation of investment property - 2020

	Opening balance	Fair value adjustments	Total
Investment property	317 042 487	4 457 358	321 499 845

Pledged as security

The municipality does not have any investment property that is pledged as security:

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Details of valuation

The effective date of the revaluations was Revaluations were performed by an independent valuer, Mr Kwasi Agyabon-Boateng, B.Sc Honours (Land Economy) and registered as a professional valuer in terms of the Valuers Act (Registration No 3550/9), of Khanyisa Property Management Services. Khanyisa Property Management Services are not connected to the municipality and have recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

King Sabata Dalindyebo Local Municipality
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Figures in Rand

9. Property, plant and equipment

	2021			2020		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	335 472 997	-	335 472 997	336 036 497	-	336 036 497
Buildings	287 607 774	(97 911 541)	189 696 233	280 466 216	(85 590 959)	194 875 257
Infrastructure	3 122 473 641	(1 968 952 402)	1 153 521 239	2 957 991 271	(1 862 954 679)	1 095 036 592
Community	396 324 488	(126 765 147)	269 559 341	380 853 539	(103 032 471)	277 821 068
Other property, plant and equipment	50 319 648	(24 282 149)	26 037 499	27 999 812	(20 716 748)	7 283 064
Work In Progress	129 683 911	-	129 683 911	199 455 214	-	199 455 214
Specialised vehicles	152 315 365	(97 051 907)	55 263 458	154 756 594	(72 900 852)	81 855 742
Total	4 474 187 824	(2 314 963 146)	2 159 234 678	4 337 559 143	(2 145 195 709)	2 192 363 434

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

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9. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals / Impairment	Transfers	Depreciation	Total
Land	336 036 497	-	(563 500)	-	-	335 472 997
Buildings	194 875 257	8 692 558	(866 998)	-	(13 004 584)	189 696 233
Infrastructure	1 095 036 592	5 047 479	(279 068)	159 759 526	(106 043 290)	1 153 521 239
Community	277 821 068	35 826	-	8 083 789	(16 381 342)	269 559 341
Other property, plant and equipment	7 283 064	5 570 755	(56 756)	16 816 807	(3 576 371)	26 037 499
Work In Progress	199 455 214	114 888 819	-	(184 660 122)	-	129 683 911
Specialised vehicles	81 855 742	19 925	(990 130)	-	(25 622 079)	55 263 458
	2 192 363 434	134 255 362	(2 756 452)	-	(164 627 666)	2 159 234 678

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Additions through transfer of functions / mergers	Disposals	Transfers/Write off	Depreciation	Total
Land	306 231 497	28 483 500	-	(678 500)	-	-	336 036 497
Buildings	221 637 259	-	-	(11 010 222)	-	(16 051 780)	194 875 257
Infrastructure	1 192 200 418	20 984 119	-	-	-	(118 147 945)	1 095 036 592
Community	287 339 438	6 633 983	-	-	-	(16 152 353)	277 821 068
Other property, plant and equipment	6 630 767	2 998 465	-	-	-	(2 346 168)	7 283 064
Work In Progress	128 784 390	131 712 729	(31 112 172)	-	(29 909 733)	-	199 455 214
Specialised vehicles	105 909 751	2 267 295	-	-	-	(26 321 304)	81 855 742
	2 251 013 520	193 080 091	(31 112 172)	(11 688 722)	(29 909 733)	(179 019 550)	2 192 363 434

King Sabata Dalindyebo Local Municipality

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Figures in Rand

9. Property, plant and equipment(continued)

Pledged as security

The municipality has ceded to DBSA all rights, title and interest to residential properties owned by it valued at approximately R12 million in relation to the DBSA loan 13335/201.

The Munitata Building, Erf 9441, was ceded to PIC as security for a loan.:

There are Human Settlement projects that had been halted due to land claims as a result there was no movement in the current year and these projects are included in the working in progress.

Properties as disclosed above includes the following categories of properties:

- Building transferred to KSD Municipality by Department of Public Works whereby occupants have not signed lease agreements with the municipality, and
- Vacant land owned by the Municipality with buildings to other parties including Department of Public Works where there are no lease agreements for the land. The Department of Public Works has acknowledged that they have built in the municipality's land and they have requested the municipality to transfer the land to them. The municipality is still awaiting council approval for the transfer back to Department of Public Works.

Details of Work In Progress

Community Assets	2 725 629	1 610 243
Infrastructure Assets	126 958 283	181 364 890
IT equipment	-	16 480 469
	<u>129 683 912</u>	<u>199 455 602</u>

WIP Slow moving / halted projects during the year

Project Name	Project: State Date	Project: End Date	Reasons for delays	Expenditure to Date
The Construction of Mncakathini to Phesheya ko Lwalwa Access Roads	17/06/2020	17/06/2021	Contractor was on hold due to borrow pit issues, and when the contractor went to site performed	2 237 682
Mxambule to Jowweni Access Road	28/10/2019	28/09/2020	The project was delayed by the poor performance of the contractor, the project is currently under penalties.	5 003 927
				<u>5 003 927</u>

Compensation received for losses on property, plant and equipment – included in operating profit.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
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9. Property, plant and equipment (continued)

Assets subject to finance lease

Included under specialised motor vehicles are 90 vehicles which are under finance lease from Wesbank/FNB with a total carrying amount of R54 275 116 (2020: R80 662 075). Refer to Note 13 "Finance Lease Obligation" for additional information.

Revaluations

Land, buildings and community assets are re-valued independently after 3 - 5 years. The last revaluation of assets was 2016. These assumptions used were based on current market conditions.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality..

Property, plant and equipment in the process of being constructed or developed

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

King Sabata Dalindyebo Local Municipality
Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand

10. Intangible assets

	2021			2020		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	4 011 825	(2 245 799)	1 766 026	3 628 977	(2 039 217)	1 589 760

Reconciliation of intangible assets - 2021

	Opening balance	Additions	Depreciation	Total
Computer software, other	1 589 760	382 848	(206 582)	1 766 026

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Depreciation	Total
Computer software, other	533 429	1 212 940	(156 609)	1 589 760

Pledged as security

The municipality does not have any intangible assets that are pledged as security.

King Sabata Dalindyebo Local Municipality
Annual Financial Statements for the year ended 30 June 2021

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11. Heritage assets

	2021			2020		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Recreational parks	3 201 000	-	3 201 000	3 201 000	-	3 201 000

Reconciliation of heritage assets 2021

Recreational parks	Opening balance	Total
	3 201 000	3 201 000

Reconciliation of heritage assets 2020

Recreational parks	Opening balance	Total
	3 201 000	3 201 000

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
12. Other financial liabilities		
At amortised cost		
Annuity Loan DBSA	12 136 362	14 654 128
DBSA loan 61001245 was redeemable in March 2018 and borrowing rate is 15%. loan 61003135 is redeemable in December 2020 and borrowing rate is based on the 6 month JIBAR + Margin rate. 61001048 is redeemable in 2026 and a borrowing rate is 6.75 %.		
At amortised cost		
Annuity Loan PIC	-	-
Non-current liabilities		
Designated at amortised cost	8 418 165	10 459 332
Current liabilities		
Designated at amortised cost	3 718 197	4 194 796

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
13. Finance lease obligation		
Minimum lease payments due		
- within one year	27 345 008	27 357 196
- in second to fifth year inclusive	34 838 445	62 321 551
	62 183 453	89 678 747
less: future finance charges	(6 917 536)	(13 897 177)
Present value of minimum lease payments	55 265 917	75 781 570
Present value of minimum lease payments due		
- within one year	22 700 750	20 366 489
- in second to fifth year inclusive	32 565 167	55 415 081
	55 265 917	75 781 570
Non-current liabilities	32 565 167	55 459 679
Current liabilities	22 700 750	20 366 489
	55 265 917	75 826 168

The Wesbank/FNB motor vehicle finance lease contract was entered into during 2018 financial year. The finance lease period is for 5 years and each vehicle's period of lease begins on the delivery date and expires after 5 years. The finance lease balance is R55 265 917 (2019: R75 826 168) and attracts an average interest rate of 10.850% (2020: 10.850%) per annum.

The above was a facility of R120 million and R59.3 million (2019: R59.3 million) has been utilised.

14. Payables from exchange transactions

Trade payables	225 260 045	271 543 052
BT Ngebs and Whirlprops Creditors	7 519 298	6 944 991
Operating lease smoothing	21 571	21 571
Deferred interest	20 615	20 615
Salaries - Staff Allowances	3 464 668	4 783 136
Income Received In Advance	3 026 852	2 694 060
Salary payovers	25 091 988	19 458 271
Staff Prepaid Houses	1 075 999	1 075 999
Study Loans	23 866	23 866
Retentions	20 329 888	12 222 191
Unknown Deposits	2 012 627	2 801 950
Insurance Claims	2 500	2 500
Other payables	28 816 965	31 759 750
Deposits received	1 340 164	1 167 280
Accrued expense	18 674 560	23 789 265
Accrued Leave Pay and Bonus	51 590 753	50 024 654
Unclaimed Group Life	2 014 592	2 014 272
	390 286 951	430 347 423

The fair value of Trade and other payables approximates the carrying amount.

15. Consumer deposits

Electricity	24 215 909	21 233 372
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King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
16. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
National: Department of Energy- Electrification Projects	(4 408 783)	(131 017)
Provincial: Municipal Infrastructure Grant	(1 739 527)	(384 631)
Provincial: Department of Housing	333 652	333 652
Provincial: Rural Planning and Survey	126 943	126 943
Provincial: KSD Elections- Road Maintenance	109 543	109 543
Infrastructure Skills Development	(166 622)	2 104 825
Human Settlements Projects	17 645 675	3 379 074
Electricity Demand Side Management	32 394	32 394
FMG	-	1 351 704
Provincial : Organogram Development	294 477	294 477
Provincial: MTAB Grant	514 265	514 265
Provincial : Department of Transport- Taxi Rank	7 236 277	7 236 277
	19 978 294	14 967 506

Movement during the year

Balance at the beginning of the year	14 967 506	14 412 365
Additions during the year	119 141 134	135 294 507
Income recognition during the year	(110 673 816)	(134 739 366)
Roll-over disallowed	(3 456 530)	-
	19 978 294	14 967 506

17. Provisions

Reconciliation of provisions - 2021

	Opening Balance	Additions	Total
Provision for long service awards	21 285 000	(486 000)	20 799 000
Environmental rehabilitation	29 290 138	1 610 957	30 901 095
	50 575 138	1 124 957	51 700 095

Reconciliation of provisions - 2020

	Opening Balance	Additions	Total
Provision for long service awards	20 716 957	568 043	21 285 000
Environmental Rehabilitation	27 763 164	1 526 974	29 290 138
	48 480 121	2 095 017	50 575 138

Environmental rehabilitation provision

The provision relates to the rehabilitation of landfill sites. The operation of a landfill results in an obligation to rehabilitate the landfill and prevent any further pollution after closure thereof in terms of section 28 of the National Environmental Management Act, Act 107 of 1998, sections 3(14) – (16) and 4 (10) of Government Notice 718 of 3 July 2009, and the landfill permits issued under section 20 of the Environment Conservation Act, Act 73 of 1989, or the waste management licenses issued under section 50 of the National Environmental Management: Waste Act, Act 59 of 2008.

The municipality has two landfill sites (Mthatha and Mqanduli landfill site). At the current valuation date, 30 June 2021, the expected life of the Mthatha and Mqanduli landfill sites is projected to be +/-6 and +/- 6 years respectively .

The Landfill Rehabilitation Provision was calculated by external valuer Enzokuhle Enterprise.

Provision for long service awards

King Sabata Dalindyebo Local Municipality

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Figures in Rand	2021	2020
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17. Provisions (continued)

Service cost increased the liability by R2 517 000. Interest cost over the valuation period resulted in an increase in liability by R2 517 000. Some of the employees attained milestones during the valuation period and this resulted in bonus payments of R4 030 000 which reduced the accrued liability by the same margin.

The average liability has decreased by 3% since the last valuation due to:

- a decrease in the average earnings,
- a relatively large number of employees reached service milestones over the current period, resulting in a significant increase in the average time until all employees' next milestones, which implies the following, on average:
 - > Lower accrual in respect of upcoming milestones;
 - > A greater chance of withdrawal by them; and
 - > more discounting.

The total liability has decreased by 2% (or R486 000) due to the above, partially offset by the fact that there are 15 more eligible employees than at the last valuation.

	2021	2020
Provision for long service award		
Opening net liability	21 285 000	20 716 957
Service cost	2 517 000	2 172 011
Interest cost	1 344 000	1 511 871
Actuarial gain/ (loss)	(317 000)	592 655
Bonus Paid	(4 030 000)	(3 708 494)
	20 799 000	21 285 000

18. Revaluation reserve

Opening balance	383 988 031	383 988 031
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The revaluation reserve arises out of revaluation of land and buildings.

19. Self insurance reserve

The self-insurance reserve is established to cater for declined or disputed insurance claims.

Opening balance	3 801 185	3 681 232
Movement in self insurance reserve	33 038	119 953
	3 834 223	3 801 185

20. Service charges

Sale of electricity	439 127 277	417 935 778
Refuse removal	56 562 628	54 623 218
	495 689 905	472 558 996

21. Rental of facilities and equipment

Premises		
Rental of facilities	79 171	214 675
Rental of Equipment	1 656 870	1 834 288
Premises	12 875 813	18 085 801
	14 611 854	20 134 764

King Sabata Dalindyebo Local Municipality

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22. Licences and permits (exchange)		
Permits - Vending and Hawking	96 108	152 816
Motor vehicle registration fees	9 872 187	7 000 930
Licence fees - Drivers Licence	4 258 047	3 281 308
Licence fees - Business	776 627	1 147 904
	15 002 969	11 582 958
23. Other Income		
Building plan approvals	1 520 540	867 810
Call out revenue	212 673	101 136
Disconnection fees	4 278 122	818 976
Library fees	10 104	52 633
Department of Transport SLA - Roads	10 072 597	11 090 811
Insurance Claims	337 674	59 441
Meter testing	2 144 294	722 279
Sundry income	522 922	615 053
Recoveries	-	(15 174)
Pound fees	-	35 588
Fire levy and other fees earned	9 689 906	14 658 705
Printing and stationery recoveries	13 454	170 220
Amatola Water Board	17 559 219	39 423 337
	46 361 505	68 600 815
24. Investment revenue		
Interest revenue		
Interest from investments and bank	1 361 235	1 607 992
Interest charged on trade and other receivables	42 189 821	49 498 183
	43 551 056	51 106 175

King Sabata Dalindyebo Local Municipality

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Figures in Rand	2021	2020
25. Fair value adjustments		
Investment property (Fair value model)	11 828 981	4 457 358
26. Property rates		
Rates received		
State	83 022 102	73 962 954
Residential	56 448 658	47 889 930
Commercial	106 175 079	96 357 461
Municipal - parking	178 658	140 878
	245 824 497	218 351 223
Valuations		
Residential	7 099 007 000	7 067 536 000
Commercial	6 244 511 600	6 233 003 100
State	2 781 171 000	2 781 171 000
Municipal	1 231 096 000	1 231 096 000
Small holdings, farms and agriculture	5 033 000	5 033 000
Places of public worship	216 305 000	216 305 000
Vacant Land	1 076 652 500	1 057 617 500
Public Benefit organisation	178 146 000	178 146 000
	18 831 922 100	18 769 907 600

Valuations on land and buildings are performed every 4 years. The last general valuation came into effect on 1 July 2014. Supplementary valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions. The next general valuation will come into effect in July 2021. The municipality is still using the 2014 general valuation, an extension of the 2014 general valuation was granted by the MEC COGTA.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
27. Government grants and subsidies		
Operating grants		
Equitable share	427 478 250	329 194 000
VAT Operational	264 832	1 461 313
Library Grant	1 750 000	1 750 000
Expanded Public Program Grant	3 610 176	2 595 449
Electricity Demand Side Management Grant	-	7 059 308
SETA Grant	-	1 245 799
Various grants	2 173 913	-
MIG	4 479 717	4 217 522
LLR Chamber of Mines	-	352 882
Disaster Management Grant	-	3 062 710
FMG	2 429 509	1 260 283
Urban Renewal	-	2 065 923
Infrastructure Skills Development	5 405 559	4 268 500
	447 591 956	358 533 689
Capital grants		
Provincial: Infrastructure Intervention	-	4 177 937
Fire Station Refurbishment	-	155 714
MIG	72 499 027	78 127 370
VAT Capital	9 901 209	4 912 868
Municipal Electrification Intervention COGTA	-	1 733 000
Human Settlement	8 048 533	13 941 871
DOE Grant	5 893 710	14 031 280
	96 342 479	117 080 040
	543 934 435	475 613 729
Conditional and Unconditional		
Included in above are the following grants and subsidies received:		
Conditional grants received:		
Various Conditional grants received	105 223 862	140 045 548
VAT Operational	264 832	1 461 313
VAT Capital	9 901 209	4 912 868
Unconditional grants received		
Equitable Share	427 478 250	329 194 000
	542 868 153	475 613 729
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
All registered indigents receive a monthly subsidy of R 10 222 330- (2020: R15 044 456-), which is funded from the grant.		

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
27. Government grants and subsidies (continued)		
Human Settlements ISUP		
Balance unspent at beginning of year	3 379 074	3 386 659
Current-year receipts	22 315 134	13 943 463
Conditions met - transferred to revenue	(8 048 533)	(13 951 048)
	17 645 675	3 379 074
Conditions still to be met - remain liabilities (see note6).		
Electricity Demand Site Management		
Balance unspent at beginning of year	32 394	144 036
Current-year receipts	-	8 000 000
Conditions met - transferred to revenue	-	(8 111 642)
	32 394	32 394
Conditions still to be met - remain liabilities (see note6).		
Provincial: MTAB Grant		
Balance unspent at beginning of year	514 265	514 265
Current-year receipts	-	-
	514 265	514 265
Conditions still to be met - remain liabilities (see note6).		
Municipal Infrastructure Grant		
Balance unspent at beginning of year	(384 631)	(590 956)
Current-year receipts	84 641 000	85 879 000
Conditions met - transferred to revenue	(85 995 896)	(85 672 675)
	(1 739 527)	(384 631)
Conditions still to be met - remain liabilities (see note6).		
National: Financial Management Grant		
Balance unspent at beginning of year	1 351 704	-
Current-year receipts	2 500 000	2 680 000
Conditions met - transferred to revenue	(2 500 000)	(1 328 296)
Rollover not approved	(1 351 704)	-
	-	1 351 704
Conditions still to be met - remain liabilities (see note6).		

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
27. Government grants and subsidies (continued)		
Provincial: Rural planning & survey		
Balance unspent at beginning of year	126 943	126 943
Current-year receipts	-	-
Conditions met - transferred to revenue	-	-
	126 943	126 943
Conditions still to be met - remain liabilities (see note 6).		
Provincial: KSD Elections- Road Maintenance		
Balance unspent at beginning of year	109 543	109 543
Current-year receipts	-	-
Conditions met - transferred to revenue	-	-
	109 543	109 543
Conditions still to be met - remain liabilities (see note 6).		
Department of Housing and Local Government		
Balance unspent at beginning of year	333 652	333 652
Current-year receipts	-	-
	333 652	333 652
Conditions still to be met - remain liabilities (see note 6).		
Library Grant		
Current-year receipts	1 750 000	1 750 000
Conditions met - transferred to revenue	(1 750 000)	(1 750 000)
	-	-
Conditions still to be met - remain liabilities (see note 6).		
Provincial: Urban Renewal Grant		
Balance unspent at beginning of year	-	2 375 811
Conditions met - transferred to revenue	-	(2 375 811)
	-	-
Conditions still to be met - remain liabilities (see note 6).		
Infrastructure Skills Development		
Balance unspent at beginning of year	2 104 825	-
Current-year receipts	5 435 000	6 500 000
Conditions met - transferred to revenue	(5 601 622)	(4 395 175)
Rollover not approved	(2 104 825)	-
	(166 622)	2 104 825

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
27. Government grants and subsidies (continued)		
Conditions still to be met - remain liabilities (see note6).		
Organogram Development Grant		
Balance unspent at beginning of year	294 477	294 477
Conditions still to be met - remain liabilities (see note6).		
Department of Transport		
Balance unspent at beginning of year	7 236 277	7 236 277
Conditions still to be met - remain liabilities (see note6).		
Covid: Disaster Management Grant		
Current-year receipts	-	3 277 000
Conditions met - transferred to revenue	-	(3 277 000)
	-	-
Conditions still to be met - remain liabilities (see note6).		
Provide explanations of conditions still to be met and other relevant information.		
Provincial Fire Station Refurbishment Grant		
Balance unspent at beginning of year	-	155 714
Conditions met - transferred to revenue	-	(155 714)
	-	-
Conditions still to be met - remain liabilities (see note6).		
LLR Chamber of Mines		
Balance unspent at beginning of year	-	352 882
Conditions met - transferred to revenue	-	(352 882)
	-	-
Conditions still to be met - remain liabilities (see note6).		
National: Department of Energy - Electrification Projects		
Balance unspent at beginning of year	(131 017)	(26 938)
Current-year receipts	2 500 000	15 000 000
Conditions met - transferred to revenue	(6 777 766)	(15 104 079)
	(4 408 783)	(131 017)
Conditions still to be met - remain liabilities (see note6).		

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
27. Government grants and subsidies (continued)		
Human Settlements - Graduates		
Balance unspent at beginning of year	-	(45 290)
Current-year receipts	-	127 794
Conditions met - transferred to revenue	-	(82 504)
	-	-
Conditions still to be met - remain liabilities (see note 6).		
Changes in level of government grants		
Based on the allocations set out in the Division of Revenue Act, no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.		
28. Fines, Penalties and Forfeits		
Service Provider Traffic Fines	58 604	8 400
Municipal Traffic Fines	4 080 969	2 116 824
Tender Withdrawal Penalties	10 000	-
	4 149 573	2 125 224
All outstanding traffic fines have been impaired due to uncertainty of recovery, these debts by their nature can be contested in the courts or through application of fine relief.		
29. Public contributions and donations		
Public contributions and donations	11 969 770	-
The 2021 donations received were from National Department of Environmental Affairs with immovables and movable assets in Coffee Bay. . In the prior financial year there was no donations or financial assistance received.		
30. Lease rentals on operating lease		
Premises		
Contractual amounts	4 250 402	386 030
Motor vehicles		
Contractual amounts	426 608	73 613
Equipment		
Contractual amounts	3 230 836	3 428 877
	7 907 846	3 888 520

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
31. Revenue		
Service charges	495 689 905	472 558 996
Rental of facilities and equipment	14 611 854	20 134 764
Licences and permits	15 002 969	11 582 958
Other income	46 361 505	68 600 815
Interest received	43 551 056	51 106 175
Property rates	245 824 497	218 351 223
Government grants & subsidies	543 934 435	475 613 729
Public contributions and donations	11 969 770	-
Fines, Penalties and Forfeits	4 149 573	2 125 224
	1 421 095 564	1 320 073 884
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	495 689 905	472 558 996
Rental of facilities and equipment	14 611 854	20 134 764
Licences and permits	15 002 969	11 582 958
Other income	46 361 505	68 600 815
Interest received	43 551 056	51 106 175
	615 217 289	623 983 708
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	245 824 497	218 351 223
Transfer revenue		
Financial Assistance	543 934 435	475 613 729
Public contributions and donations	11 969 770	-
Other transfer revenue	4 149 573	2 125 224
	805 878 275	696 090 176
32. Employee related costs		
Basic	302 289 797	285 370 062
Acting allowances	3 424 347	2 407 414
Overtime payments	29 352 514	31 745 184
Bonus- Annual Leave	22 207 160	19 872 294
Medical aid - company contributions	25 737 769	24 043 938
Pension and Provident Fund Contribution	46 159 593	42 091 937
UIF	2 707 539	2 435 200
WCA	190 300	3 549 564
SDL	418 297	412 794
Leave pay provision charge	4 084 233	(5 146 710)
Travel, motor car, accommodation, subsistence and other allowances	21 832 239	20 900 446
Long-service awards	5 985 167	6 878 945
Housing benefits and allowances	26 756 664	24 374 069
Termination benefits	8 553 058	5 916 624
	499 698 677	464 851 761

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
32. Employee related costs (continued)		
Remuneration of municipal manager - Mr N Pakade		
Annual Remuneration	1 108 655	1 474 056
Backpay	-	37 747
Contributions to UIF, Medical and Pension Funds	81 813	3 569
Other	385 917	77 401
	1 576 385	1 592 773
Remuneration of chief finance officer - Mr EF Jiholo		
Annual Remuneration	856 476	1 205 379
Back pay	-	35 640
Contributions to UIF, Medical and Pension Funds	1 813	3 569
Other	585 082	195 991
	1 443 371	1 440 579
Remuneration of Director: Community Services - Mr LP Maka		
Annual Remuneration	1 427 459	1 391 819
Back pay	-	35 640
Contributions to UIF, Medical and Pension Funds	1 813	3 569
Other	21 624	24 032
Acting Allowance	4 878	6 177
	1 455 774	1 461 237
Mr LP Maka was appointed to act as Municipal Manager from 19th December 2020 till 04th January 2021.		
Remuneration of Director: Corporate services - Mr S Nodo		
Annual Remuneration	758 664	1 067 722
Backpay	-	31 570
Acting Allowance	17 273	3 787
Contributions to UIF, Medical and Pension Funds	234 655	79 598
Other	279 395	84 852
	1 289 987	1 267 529
Mr S Nodo was appointed to act as Municipal Manager on the 21st August 2020.		
Mr S Nodo was appointed to act as Municipal Manager on the 8th December till 19th December 2020.		
Remuneration of Director : Human Settlements - Mrs NN Soldati		
Annual Remuneration	-	1 134 006
Backpay	-	35 640
Acting Allowance	-	15 228
Contributions to UIF, Medical and Pension Funds	-	35 070
Other	-	113 826
	-	1 333 770
Mrs NN Soldati resigned on the 31st of May 2020.		

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
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32. Employee related costs (continued)

Remuneration of Director: Local Economic Development - Mr AO Pantswa

Annual Remuneration	918 553	918 553
Contributions to UIF, Medical and Pension Funds	79 813	65 569
Other	597 276	634 763
	1 595 642	1 618 885

Remuneration of Director : Human Settlements- Miss GR Tobia

Annual Remuneration	603 730	-
Contributions to UIF, Medical and Pension Funds	921	-
Other	6 037	-
	610 688	-

Miss GR Tobia was appointed on the 1st January 2021.

King Sabata Dalindyebo Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand

	2021	2020
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32. Employee related costs (continued)

Remuneration of Director : Infrastructure : Mr Mnqokoyi

Annual Remuneration	758 664	657 722
Backpay	-	32 007
Acting Allowance	8 074	-
Contributions to UIF, Medical and Pension Funds	314 843	103 401
Other	212 413	68 477
	1 293 994	861 607

Mr U Mnqokoyi was appointed to act as Municipal Manager on the 9th October 2020.

Mr U Mnqokoyi was appointed to act as Municipal Manager from the 19th November till 27th November 2020.

Remuneration of Director: Public Safety - Mr D Kettleidas

Annual Remuneration	1 206 856	1 244 690
Backpay	-	30 992
Contributions to UIF, Medical and Pension Funds	1 813	3 569
Other	9 309	11 645
	1 217 978	1 290 896

Remunerations of Acting Directors:

Acting Allowance - Mr Gwadiso - Acting Director Technical Services	-	128 733
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King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
33. Remuneration of councillors		
Mayor - GN Nelani	941 115	938 250
Chief Whip - Nyoka	719 304	725 515
Speaker -TG Maqoko	762 187	759 478
Executive committees	6 961 688	5 981 054
Councillors	18 870 786	19 895 627
	28 255 080	28 299 924
Executive Mayor- Mr Nelani		
Basic	893 850	862 336
Backpay basic	-	31 514
Cellphone	40 800	40 800
Data card	3 600	3 600
Solidarity Refund	2 865	-
	941 115	938 250
Speaker : Miss TG Maqoko		
Basic	715 078	689 867
Backpay	-	25 211
Cellphone	40 800	40 800
Subsistence Allowance	417	-
Data Cards	3 600	3 600
Solidarity Refund	2 292	-
	762 187	759 478
Chief Whip : Mr M Nyoka		
Basic	670 387	646 752
Backpay	-	23 635
Cellphone	40 800	40 800
Subsistence Allowance	2 368	10 728
Data Cards	3 600	3 600
Solidarity Refund	2 149	-
	719 304	725 515
Executive Committees		
Basic	6 160 596	5 034 598
Backpay	-	214 761
Cellphone	448 800	410 153
Solidarity refund	7 892	-
Data Card	39 600	36 190
Travelling	304 800	270 900
Subsistence allowance	-	14 452
	6 961 688	5 981 054
All other Councillors		
Basic	15 626 084	15 765 697
Backpay	-	877 259
Cellphone	2 310 684	2 336 977
Data card	203 884	254 834
Solidarity refund	27 149	-
Travelling	702 986	636 247
Mayoral Committee Members	-	24 615
	18 870 787	19 895 629
In-kind benefits		

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
33. Remuneration of councillors (continued)		
The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.		
The Executive Mayor and the Speaker of the Council have the use of separate Council owned vehicles for official duties.		
The current Executive Mayor, Speaker and Chief Whip were appointed from 1st of May 2019.		
34. Depreciation and amortisation		
Property, plant and equipment	164 629 824	179 018 816
Intangible assets	206 582	156 609
	164 836 406	179 175 425
35. Impairment loss		
Impairments		
Property, plant and equipment	-	30 937 310
36. Finance costs		
Interest on overdue accounts trade and other payables	19 665 326	24 475 235
Borrowings	7 865 780	10 293 711
Interest on provision landfill site	1 610 958	1 526 974
	29 142 064	36 295 920
37. Debt impairment		
Impairment of debtors	4 321 658	117 035 622
38. Bulk purchases		
Electricity - Eskom	322 019 740	315 810 587

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
39. Contracted services		
Presented previously		
Information Technology Services	6 013 200	4 000 454
Specialist Services	3 259 229	1 535 373
Other Contractors	7 448 349	5 194 258
	16 720 778	10 730 085

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
40. Grants and Subsidies paid		
Other subsidies		
Other grants	245 790	-
Municipal systems improvement grant	600 231	-
Council ward committees	10 620 600	10 780 498
SETA	29 204	-
Bursaries	764 621	31 278
Community participation	3 871 520	3 559 530
Public expense	1 800 515	376 138
Expanded Public works program	7 136 694	3 744 880
Department of Local Government	1 135 639	2 205 110
Electricity demand side management	-	6 955 788
Infrastructure skills development grant	41 344	1 010
Finance Management Grant	2 536 010	1 064 800
Ward based budgeting	5 156 534	2 508 976
Ward based budgeting	137 001	401 333
Indigent Subsidy	28 259 453	15 044 456
Grant Expenditure	-	444 826
	62 335 156	47 118 623
41. General expenses		
Audit committee expenses	391 987	906 563
Advertising	475 093	495 985
Auditors remuneration	9 358 174	10 791 051
Bank Charges	1 851 518	1 419 266
Community cleaning project	1 146 100	1 310 322
Commission paid	2 112 611	2 381 134
Debt incentive	13 626 656	-
Consulting and professional fees	3 387 149	7 567 045
Cleaning materials	5 350 513	2 451 766
Donations	563 500	913 848
Entertainment	69 633	213 496
Community development and training	2 432 393	1 228 876
Conferences and seminars	547 378	1 141 904
Promotions and sponsorships	18 689	746 014
Levies	10 112 218	11 556 070
Magazines, books and periodicals	-	18 655
Motor vehicle expenses	1 649 576	1 432 414
Municipal Service Charges	14 169 222	9 593 200
Fuel and oil	9 724 943	8 878 710
Rehabilitation of Tip Sites	213 822	521 778
Printing and stationery	1 173 431	1 380 277
Uniforms	4 908 175	2 779 206
Valuation expenses	2 167 329	714 296
Repairs and maintenance	52 134 375	65 015 673
Royalties and license fees	11 552 708	1 779 703
Software expenses	-	120 900
Staff welfare	16 651	9 027
Telephone and fax	8 238 214	11 075 343
Training	1 769 109	1 780 007
Subsistence & Travelling	2 029 698	3 099 483
Capital expenditure	691 138	59 984
Subscriptions and Membership Fees	27 129	3 675
Insurance	5 531 941	4 301 626
Other expenses	2 411 825	2 376 904
Solid waste management	-	68 000
Recruitment Expenses	328 213	263 202
Erven Cleaning Fees	95 572	131 058
Material & Stores	4 481 074	2 563 744
Seed, Bulbs & Plants	191 890	-
Incentive - Prompt Payment	1 428 254	1 543 407
Tourism Development	62 150	193 890
Legal Fees	9 717 025	6 148 088
LA Equipment & Tools - Vulindlela	122 479	-

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
41. General expenses (continued)		
Informal Trading Assistance	262 500	-
	186 542 055	168 975 590
42. Auditors' remuneration		
Fees	9 358 174	10 791 051
43. Cash generated from operations		
Surplus (deficit)	110 042 370	(87 005 161)
Adjustments for:		
Depreciation and amortisation	164 836 406	179 175 425
Loss on sale of assets and liabilities	1 102 715	8 417 035
Fair value adjustments	(11 828 981)	(4 457 358)
Impairment deficit	-	30 937 310
Debt impairment	4 321 658	117 035 622
Bad Debts	-	(1 543 288)
Other non-cash items - Leave pay Provision	(4 084 233)	5 146 710
Other non-cash items - Landfil Site Provision	(1 124 957)	(2 095 017)
Other non-cash items - Financial assistance		
Inventories	(3 468 961)	(69 378 379)
Receivables from exchange transactions	(31 461 619)	(10 236 185)
Movement in provision for debt impairment	3 673 759	(3 689 062)
Other receivables from non-exchange transactions	(16 220 579)	2 181 791
Payables from exchange transactions	(40 060 472)	37 245 312
VAT	14 292 275	8 824 270
Unspent conditional grants and receipts	5 010 788	555 141
Consumer deposits	2 982 537	3 052 413
Provision and Obligations	(21 769 555)	(16 236 884)
	176 243 151	197 929 695
44. Budget differences		
Material differences between budget and actual amounts		

King Sabata Dalindyebo Local Municipality

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Figures in Rand

2021

2020

44. Budget differences (continued)

Only variances exceeding 10% are considered material and have been explained below.

Service charges:

Undercollection is due to a decrease in demand for electricity as well as undercollection in refuse removal. This was due to the impact of COVID 19 lockdown .

Rental of facilities and equipment:

Undercollection in rental of Municipal facilities due to COVID 19 lockdown. the demand for the services was also reduced based on lockdown restrictions on meetings and events.

Licence and permits:

Undercollection in Licences and permits was largely also impacted by the COVID19 lockdown period as registration of motor vehicle licencing was suspended.

Other income:

This is due to contracts entered into by the Municipality for bulk Infrastructure and other services rendered for other Departments.

Interest received:

This was due largely to the significant difference in Investments and also the fact the Debtor have been making payment arrangements for their outstanding debts.

Government Grants and Subsidies:

The increase was due to additional allocation made.

Fines, Penalties and Forfeits:

Undercollection is due to the hard COVID19 lockdown..

Depreciation:

This is due to addition of assets lesser than anticipated resulting in less depreciation for the period.

Finance Cost:

This is due to interest charged on long outstanding debts..

Lease rentals on operating lease:

This is largely due to the fact that the service providers were appointed to provide printers for the municipality.

Bulk Purchases:

This is due to refused demand during the lockdown period and loadshedding being effected nation wide..

Debt impairment:

The is due to a large payment received from debtors during the year.

Grants and subsidies paid:

This is due to underspending during the lockdown period.

Contracted Services:

This is due to underspending during the lockdown period.

General expenses:

This is due to accelerated spending on items due to increased demands on repairs and maintenance and other non avoidable expenditure.

Fair Value adjustment:

This is dependent on the valuation changes of the investment properties that fluctuates from year to year and was not budgeted for.

King Sabata Dalindyebo Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
44. Budget differences (continued)		
Gains on disposal of PPE:		
This is due to losses on assets and transfers of properties.		
45. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	84 331 259	68 434 538
Total capital commitments		
Already contracted for but not provided for	84 331 259	68 434 538

This committed expenditure relates to property and will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated, etc.

King Sabata Dalindyebo Local Municipality

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Figures in Rand 2021 2020

46. Contingencies

At year end the municipality had the following contingent assets and contingent liabilities.

Pending litigations and claims

Disclose:

- any contingent liabilities that the venturer has incurred in relation to its interest in joint ventures and its share in each of the contingent liabilities that have been incurred jointly with other ventures.
- its share of the contingent liabilities of the joint ventures themselves for which it is contingently liable, and
- those contingent liabilities that arise because the venturers is contingently liable for the liabilities of the other venturers of a joint venture.

Cases	2021	2020
Claims for damages related to motor vehicles	7 660 345	1 340 000
Claims for damages arising out of the electrocution, Claims for damages for emotional shock and trauma, funeral expenses, claims for assault, and other claims for damages	42 986 381	21 342 000
Claims related to unlawful arrests and detentions	10 125 000	4 875 000
Consolidated cointainer/ caravans matters that were impounded when the Municipality embarked on a clean up campaign.	23 575 011	15 849 200
Labour matters: claims for acting allowance, claims for overtime, labour matters emanating from termination of contracts, alleged unfair dismissal	10 800 000	5 365 500
Land Matters: Land Claims, Eviction proceedings, Demolishing of structures	2 500 000	12 556 500
Tender claims: Contractual: Damages for alleged breach of a contract. Claim for Commission due, owing and payable allegedly flowing from an agreement to reconcile VAT and claim what is due to K.S.D.	1 500 000	1 730 000
	99 146 737	63 058 200

47. Related parties

Relationships

Mayor

Speaker

Chief Whip

Members of the Mayoral Committee

Cllr G N Nelani
 Cllr T G Maqoko
 Cllr M Nyoka
 Cllr N Sibeko
 Cllr Z Nokayi
 Cllr L N Ntlonze
 Cllr M T Mtirara
 Cllr Z Madyibi
 Cllr T Machaea
 Cllr T E Mapekula
 Cllr NR Gcingca
 Cllr Z Gana
 Cllr J. Voko
 Cllr Z.D. Kutu
 Cllr M. Mabaso
 Cllr S. Jadiso
 Cllr V.N. Roji
 Cllr M. Menzelwa
 Cllr M. Qotyana
 Cllr Z. Luvantyu
 Cllr N. Mkontwana
 Cllr Z.M. Gusana
 Cllr T. Mcimbi
 Cllr C.S. Tokwana

Councillors

Cllr U. Daniso
 Cllr N. Diblokwe
 Cllr O. Khotso
 Cllr M. Mrwebi
 Cllr M.J. Msakeni
 Cllr E. M. Fileyo
 Cllr Z. Ntliziyombi
 Cllr. S. Mhlaba
 Cllr A. Ndzendze

King Sabata Dalindyebo Local Municipality

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47. Related parties (continued)

Cllr M. Marasha
Cllr B. Bikani
Cllr X.M. Mbongwana
Cllr M. Mkhotheli
Cllr L. Mkonto
Cllr S. Sikrenya
Cllr M.D. Teti
Cllr L. D. Liwani
Cllr B. Bara
Cllr N. Gcinindawo
Cllr B. Ndlobongela
Cllr A. Babile
Cllr T. Mngoma
Cllr T. Bhova
Cllr M. Bunzana
Cllr G.N. Lusu
Cllr N.F. Mzimane
Cllr M. W. Malotana
Cllr B. B. Gqwetha
Cllr L.A. Tshiseka
Cllr DM Zozo
Cllr N. Ngqongwa
Cllr N. Pali
Cllr N. Nyangani
Cllr M. Mpangele
Cllr N.P. Ngalo
Cllr R. Knock
Cllr A. Mgquba
Cllr L.M. Luwaca
Cllr U.N.V. Malghas
Cllr N.M. Nqwazi
Cllr M.A. Fukula
Cllr N. Mtwana
Cllr N.A. Sobahle
Cllr L.P. Zuma
Cllr M.A.
Manzowandle
Cllr M. Gogo (Deceased as at July 2020)
Cllr S. Nyengane
N. Pakade (Municipal Manager)
E. Jiholo (Chief Financial Officer)
L. P. Maka (Director: Community Services)
D. Kettleidas (Director: Public Safety)
GR. Tobia (Director: Human Settlements)
A. O. Pantswa (Director: LED)
U. Mngokoyi (Director: Technical Services)
S. M. Nodo (Director: Corporate Services)

Members of key management

Awards to close family members of persons in the service of the state:

In terms of section 45 of the Municipal SCM Regulations, any award above R2 000 to family of employees in the service of the state must be disclosed in the annual financial statements.

Nine awards were made during the financial year to close family members of persons in the service of the state;

17 of these awards amount to R9 045 236 plus rates tenders. These were declared by the bidders in their bid documents.

King Sabata Dalindyebo Local Municipality

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48. Unauthorised expenditure		
Unauthorised expenditure - Opening	677 561 807	532 738 835
Add: Unauthorised expenditure - current year	3 646 060	144 822 972
Less: Unauthorised expenditure - Write off during the year	(573 599 494)	-
	107 608 373	677 561 807

Current year	Reason	Amount
Corporate Services	Budget on Legal Fees and leave pay was exceeded	3 646 060

Unauthorised expenditure has been referred to MPAC for investigation.

49. Fruitless and wasteful expenditure

Opening balance as previously reported	54 021 610	30 383 319
Opening balance as restated	54 021 610	30 383 319
Add: Expenditure identified - current	19 562 870	23 638 291
Less: Amount written off - current	(52 809 855)	-
Closing balance	20 774 625	54 021 610

Fruitless and wasteful expenditure was incurred as a result of interest and penalties charged on late payments.

Fruitless and wasteful expenditure has been referred to MPAC for investigation.

The Fruitless and wasteful expenditure has been referred to the Municipal Council to be written off in accordance with Section 32(2)(b) of the MFMA.

50. Irregular expenditure

Opening balance	857 625 316	947 872 745
Add: Irregular Expenditure - current year	9 284 672	23 504 876
Less: Write off by council	(714 508 703)	(113 752 305)
	152 401 285	857 625 316

Details of irregular expenditure – current year

Splitting	108 399
No Specification committee	8 814 716
No SCM process followed	361 557
	9 284 672

Irregular expenditure has been investigated by MPAC, R714 million was authorised for write off by council in December 2020 as mentioned in note 56.

51. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Opening balance	2 322 615	-
Current year subscription / fee	5 423 085	4 645 230
Amount paid - current year	(2 284 366)	(2 322 615)
	5 461 334	2 322 615

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Figures in Rand	2021	2020
51. Additional disclosure in terms of Municipal Finance Management Act(continued)		
Distribution losses		
During the 2021 financial year the Municipality incurred distribution losses relating to electricity of 16.96% (2019:7.92%).		
Electricity distribution losses in units		
Purchases	276 025 135	285 638 931
Own use	(3 459 799)	(3 769 371)
Pre-paid consumer electricity sold	(95 387 672)	(94 458 437)
Conventional consumer billed	(131 146 994)	(138 955 308)
	46 030 670	48 455 815
Units purchased during the year	276 025 135	285 638 931
Units sold during the year	(229 994 464)	(237 183 116)
	46 030 671	48 455 815
Rand per unit	1,91	1,94
Cost in rands	87 886 128	93 811 326
Audit fees		
Opening balance	94 156	6 895 332
Current year subscription / fee	10 858 235	12 573 544
Amount paid - current year	(6 846 469)	(19 374 720)
	4 105 922	94 156
PAYE, UIF and SDL		
Opening balance	75 313 428	53 431 614
Current year subscription / fee	89 316 177	80 834 935
Amount paid - current year	(120 189 204)	(58 953 121)
	44 440 401	75 313 428
Skills Development levy (SDL) Covid - 19 relief:		
For the four months period from May - August 2020, employers who are registered for SDL do not have to declare and pay SDL to SARS.		
The SDL payment holiday will be automatic provided. The Zero amount SDL Liability will be defaulted on the EMP201 return for the four month period from May to August 2020.		
Pension, Provident and Medical Aid Deductions		
Opening balance	36 384 634	27 279 211
Current year subscription / fee	114 525 188	106 173 524
Amount paid - current year	(102 292 013)	(97 068 101)
	48 617 809	36 384 634
Councillors' arrear consumer accounts		
The following Councillors had arrear accounts outstanding for more than 90 days 30 June 2021:		

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Figures in Rand	2021	2020	
51. Additional disclosure in terms of Municipal Finance Management Act(continued)			
30 June 2021	Outstanding 90 days R	Outstanding more than 90 days R	Total R
Malotana MW	2 951	5 487	8 438
Mabaso MM	654	-	654
	3 605	5 487	9 092
30 June 2020	Outstanding 90 days R	Outstanding more than 90 days R	Total R
Sobahle NA	1 419	2 584	4 003
Zozo DM	3 266	10 353	13 619
Sibeko N	2 317	286	2 603
Malotana MW	19 169	5 873	25 042
Gqwetha BB	1 301	14 055	15 356
Mabaso M	1 219	3 975	5 194
Nyangani N	771	6 021	6 792
Mabaso MM	2 080	22 472	24 552
Bunzana M	1 107	-	1 107
	32 649	65 619	98 268

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51. Additional disclosure in terms of Municipal Finance Management Act(continued)

Supply Chain Management Deviations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/ dispensed by the Accounting Officer and noted by Council.

52. Supply Chain Management Regulations

The expenses incurred listed below are instances of Supply Chain Management deviations reported to the council.

Incident	2021	2020
3 quotations not obtained	40 000	74 824
Sole supplier	17 163	955 401
Emergency procurement	5 868 627	213 637
Labour unrest	-	579 263
Minor Breach	-	6 500 000
Advertising in local newspaper and radio stations	264 094	593 466
Pauper burials-body already at parlour	16 800	35 600
Covid - 19	173 228	2 844 356
	6 379 912	11 796 547

53. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance. Risk management is carried out under policies approved by the accounting officer and council. The municipality identifies, evaluates and hedges financial risks in close co-operation with the municipality's various departments. The accounting officer and council provides written principles for overall risk management, as well as written policies covering specific areas.

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances equal their carrying balances as the effect of discounting is not significant.

At 30 June 2021	Between 1 and 2 years	Between 2 and 5 year		
Trade and other payables	390 286 951	-	-	-
Other financial liabilities	3 718 197	8 418 165	-	-
Consumer deposits	24 215 909	-	-	-
Finance lease obligation	22 700 750	32 565 167	-	-
At 30 June 2020	Between 1 and 2 years	Between 2 and 5 year		
Trade and other payables	430 347 423	-	-	-
Other financial liabilities	4 194 796	10 459 332	-	-
Consumer deposits	21 233 372	-	-	-
Finance lease obligation	20 366 489	55 459 679	-	-

King Sabata Dalindyebo Local Municipality

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53. Risk management (continued)

Liquidity risk is mainly concentrated on the Trade and other payables balance.

The municipality does not have any collateral and /or credit enhancements that aid in the mitigation of the liquidity risks.

Credit risk

Credit risk is the risk of financial loss to the municipality if customers or counterparties to financial instruments fail to meet their contractual obligations, and arises principally from the municipality's investments, loans, receivables, and cash and cash equivalents.

The municipality limits its exposure to credit risk by investing with only reputable financial institutions that have a sound credit rating, and limits exposure to any one counter-party in accordance with Council's approved investment policy.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis and assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The Entity establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables. Sales to retail customers are settled in cash or using major credit cards.

The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial performance.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2021	2020
Cash and cash equivalents	50 389 717	26 182 479
Receivables from exchange transactions	69 136 426	61 635 142
Receivables from non-exchange transactions	61 043 187	44 909 982

The municipality does not hold any collateral in relation to the financial assets above.

Market risk

Market risk is the risk of changes in market prices, such as foreign exchange rates and interest rates, affecting the municipality's income or the value of its financial instrument holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on the risk.

Interest rate risk

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk.

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53. Risk management (continued)

Covid 19 disaster risk

COVID 19

All areas of society were affected by the global pandemic as a result of the COVID-19 virus and were affected by the national lockdown announced by the South African national government. The declaration of the national state of disaster as published in Gazette No 43096 on the 15th March 2020 and extended thereafter has had an impact on the legislative reporting dates for municipalities.

The municipality continued to provide services during the national state of national disaster and raise revenue accordance with services provided under both exchange and non-exchange revenue. Management has assessed that there have been no material changes in revenue raised of services. The nationwide lockdown has had a negative impact on the entity's recovery of income generated. The municipality in its assessment of impairment has considered the consumers risk profile and payment history.

The municipality was able to meet its obligations relating to borrowings. There has been no need to reclassify the outstanding balance between the current and non-current due to changes in terms.

Management has considered the impact of COVID-19 and the hard lockdown on non-monetary assets. There have been no material changes in the use of asset that would require a change in the expected useful life of assets.

Due to the lockdown and limited movement, the municipality has seen a reduction in the spend on capital projects. The municipality has disclosed any delays in capital projects as a result of national state of disaster and lockdown.

Management has assessed that there has been an increase in expenditure relating to Personal Protective Equipment (PPE) as required by the regulation as issued under the national state of disaster. The expenditure patterns on general expenditure items has remained consistent.

No material information has come to the attention of management to suggest that there is a going concern issue. The financial statements for the year ended 30 June 2020 have been prepared under the going concern assumption.

The municipality reviews its foreign currency exposure, including commitments on an ongoing basis. The municipality expects its foreign exchange contracts to hedge foreign exchange exposure.

54. Financial instruments disclosure

Categories of financial instruments

2021

Financial assets

	At amortised cost	Total
Receivables from exchange transactions	69 136 426	69 136 426
Receivables from non-exchange transactions	61 043 187	61 043 187
Cash and cash equivalents	50 389 717	50 389 717
	180 569 330	180 569 330

Financial liabilities

	At amortised cost	Total
Other financial liabilities	12 136 362	12 136 362
Payables from exchange transactions	390 286 951	390 286 951
Finance lease obligation	55 265 917	55 265 917
	457 689 230	457 689 230

King Sabata Dalindyebo Local Municipality

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Financial instruments disclosure (continued)

2020

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	61 635 142	61 635 142
Other receivables from non-exchange transactions	44 909 982	44 909 982
Cash and cash equivalents	26 182 479	26 182 479
	132 727 603	132 727 603

Financial liabilities

	At amortised cost	Total
Other financial liabilities	14 654 128	14 654 128
Trade and other payables from exchange transactions	430 347 423	430 347 423
Finance lease obligation	75 826 168	75 826 168
	520 827 719	520 827 719

55. Events after the reporting date

The municipality is not aware of any events after 30 June 2020 that may have an impact on the financial statements or require disclosure. Irregular expenditure has been investigated by MPAC, R417 million was authorised for write off by council in December 2020

56. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

2020

	Note	As previously reported	Correction of error	Restated
Inventories		66 320 225	70 791 796	137 112 021
Receivables from exchange transactions		62 833 415	(1 198 273)	61 635 142
Receivables from non-exchange transactions		51 039 510	(6 129 528)	44 909 982
Investment property		322 840 105	(1 340 260)	321 499 845
Property Plant and Equipment		2 065 990 478	126 372 956	2 192 363 434
Vat		6 658 081	840 382	7 498 463
Payables from exchange transactions		(443 845 232)	(13 497 809)	(457 343 041)
Accumulated Surplus		(1 597 764 293)	(202 834 882)	(1 800 599 175)
		534 072 289	(26 995 618)	507 076 671

Statement of financial performance

2020

	Note	As previously reported	Correction of error	Restated
Rental of facilities and equipment		20 081 572	53 192	20 134 764
Employee related cost		(460 170 866)	(4 680 895)	(464 851 761)
Depreciation and amortisation		(180 093 871)	918 446	(179 175 425)
Grants and Subsidies paid		(47 102 914)	(15 709)	(47 118 623)
General expenditure		(188 142 776)	19 167 186	(168 975 590)

King Sabata Dalindyebo Local Municipality

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Figures in Rand	2021	2020
56. Prior-year adjustments (continued)		
Surplus for the year	(855 428 855)	(839 986 635)

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56. Prior-year adjustments (continued)

Prior period errors adjustments

The following prior period errors adjustments occurred:

STATEMENT OF FINANCIAL POSITION:

Inventories

The changes or adjustments made are due to land that belongs to KSD Municipality but will be transferred in the Deeds Office to Province of the Eastern Cape as the municipality has no control over them Application of GRAP12 was applied.

Property, plant and equipment

The changes or adjustments made are due to, Assets not belonging to the Municipality, Removal of Residual Values on Access and Tarred Road and Land misclassification.

Investment Property

The changes or adjustments made are due to, Omissions on the Investment registers and also properties removed that no longer belonging to the Municipality.

Receivables from exchange transactions

The changes or adjustments made are due to, Commercial rentals not raised for the Nkululeweni Housing as per COAF 71 audit findings of the AGSA.

Payables from exchange transactions

The changes or adjustments made are due to the following, Accrued restatements and creditors adjustment from staff allowances relating to prior years that was previously captured in the incorrect financial year.

Accumulated Surplus

The change in accumulated surplus is largely made by all the relating to prior prior year restatement in the Statement of Financial Position movements and statement of financial Performance movements.

STATEMENT OF FINANCIAL PERFORMANCE:

Rental of facilities and equipment

The changes or adjustments made are due to, The Nkululeweni Housing rentals.

Employee related cost

The changes or adjustment in employee related costs is due to employee allowances that were captured in the incorrect years.

General Expenses

The changes or adjustments in general expenditure is due to movement in WIP and Repairs and maintenance adjustments from prior years audited findings and accruals.

Depreciation and amortisation

The changes or adjustment in depreciation expense is due to the revised RUL in the Fixed Assets Registers and restatement in the Buildings registers.

King Sabata Dalindyebo Local Municipality

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57. Going concern

We draw attention to the fact that at 30 June 2021, the municipality had an accumulated surplus R 1 870 568 622 and that the municipality's total assets exceed its liabilities by R 2 258 390 876.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The total assets exceed the total liabilities by R2.2 billion, the municipality is in a net current liability situation when compared to current assets. In addition, the current liabilities that require settlement amounts to R467.7 million. The municipality will receive total operating grants amounting to R449 million and R117.5 million for capital grants in terms of the DORA allocation as gazetted in the 2020/21 financial year Division of Revenue Act.

Arrear amount payable to Eskoms is R84 million and payable over a period 24 months whereas the total gross receivables relating to rates and services amounts to R792 million. The municipality, in the preparation of the 2020/21 budget, has taken onto account balances owed to Eskom in relation to the arrear arrangement. The collection rate has improved in the current year. .
The municipality will increase efforts to recover the substantial arrears via the tools provided within the municipality's credit policy. The municipality has other potential revenue collection strategies such as allocation of current receipting against historical debt, limited amnesty, collections of other service debts via the prepaid system, door to door campaign and debt collection agents.

The municipality has a number of contingencies listed within the Annual Financial Statements. A contingent liability is a potential liability that may occur, depending on the outcome of an uncertain future event. Should a contingent liability translate into an actual liability, the municipality will, if required revisit its current budgets to ensure that the liability is settled as required.

In addition to the above, the municipality plans to finance this shortfall through the following measures:

- Cut backs on discretionary spending.
 - Negotiating with strategic partners such as COGTA in order to find solutions on alleviating some of the debt from Eskom as they have done in the prior years and
 - Negotiating payment terms with bulk creditors such as Eskom, which accounts for 29% of total current liabilities, in order ease the burden on current cash flows.
- The municipality is gradually stabilizing its finances and furthermore this has resulted in a reduction in payables and an increase in cashflows.

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58. Segment information

General information

Segment surplus or deficit, assets and liabilities

2021

	Electrical Services	Refuse (Solid Waste)	Non-Segment	Total
Revenue				
Revenue from non-exchange transactions	(27 723 956)	(2 173 913)	(797 598 523)	(827 496 392)
Revenue from exchange transactions	(443 609 167)	(58 141 766)	(90 847 649)	(592 598 602)
Fair Vaule Adjustment	-	-	(11 895 494)	(11 895 494)
Total segment revenue	(471 333 123)	(60 315 699)	(900 341 666)	(1 431 990 488)
Entity's revenue				(1 431 990 488)
Expenditure				
Employee Related Cost	34 407 717	33 136 980	443 120 127	510 664 824
Bulk Purchases	322 019 740	-	-	322 019 740
Contracted Services	25 186 936	5 545 513	59 259 444	89 991 893
Depreciation and Amortisation	7 677 260	6 837 049	121 515 037	136 029 346
Finance costs	-	1 610 958	-	1 610 958
Interest	-	-	27 531 106	27 531 106
Inventory Consumed	-	-	3 335 194	3 335 194
Operating Leases	-	-	2 382 171	2 382 171
Operational cost	8 233 966	3 973 801	140 259 592	152 467 359
Transfers and Subsidies	-	-	1 232 341	1 232 341
Gains and Losses	-	-	1 081 948	1 081 948
Total segment expenditure	397 525 619	51 104 301	799 716 960	1 248 346 880
Total segmental surplus/(deficit)				(2 680 337 368)

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

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58. Segment information (continued)

2020

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

KSD LM CONSOLIDATED CONTRACT REGISTER AS AT 30 JUNE 2021

Number tender opening register book	Description per tender opening register	Contract awarded to	Tender amount per tender document	Duration per the contract/ appointment letter	Commencement date per appointment letter	End date	Locality	Contact Number	PROJECT STATUS AT 30 JUNE 2021	DEPARTMENT
1 SCM NO 91/2015/16	supply, install, maintain and training of staff on revenue management and debt collection system	ZMS Management Solutions (PTY) LTDse	R 203 353.00 Once Off Payment & R97 102.00 per Months	36 Months	2017/07/21	2021/06/30	Persequor	012 993 9500/ 082 774 0398	Active	BTO
2 SCM NO 228/2016/17	Supply Repair & Calibration of digital Speed and Red-Light violation Cameras and the Administration of a Back-Office	Mikros Traffic Monitoring	Rates Tender	36 Months	2017/08/15	2020/08/15	Scotville	033 368 7620/ 082 896 1969	Completed	PUBLIC SAFETY
3 SCM 216/2016/17	Vehicle Tracking Management System	Adzonga Technologies (PTY)	Rates Tender	36 Months	2017/08/31	2020/08/31	Port Elizabeth	082 640 2821	Completed	BTO
4 SCM NO 004/2017/18	Maintenance Repairs and installation of traffic signals mthatha	Imbawula Technical services	Rates Tender	36 Monthss	2017/02/10	2020/02/10	Mthatha	076 580 6267/ 011 312 8131	Completed	TECHNICAL SERVICES
5 SCM NO 025/2017/18	Connection in Mthatha West Phase 2 infills and Bongweni	Bokamaco Consulting	Rates Tender	Duration will be determined upon appointment of a Contractor	2017/12/14	Duration will be determined upon appointment of a Contractor	East London	082 467 4918	Completed	TECHNICAL SERVICES
6 SCM NO 009/2017/18	Supply Installation and Management of a Prepayment Vending System	Contour Technology	Rates Tender	36 Months	2017/12/14	2020/12/14	Kwazulu-Natal	082 886 5681	Completed	BTO
7 SCM NO 029/2017/18	Purchase of Various Vehicles, Plant and Equipment	First National Bank	139 350 925,80	60 Months	2018/01/09	2023/01/09	Johannesburg	087 335 0371	Active	BTO
8 SCM NO 022/2018/19	Electrification of Mthatha West Phase2 infills & Bongweni infills	Kingki Electrical Contractor	12 495 900,00	13 Months	2019/02/18	2020/03/18	Mthatha	087 260 1815/ 072 108 5407	Completed	TECHNICAL SERVICES
9 SCM NO 046/2018/19	Electrification of Manduli phase 2 Jojweni village 262 connections	SNR electrical Contractor	3 391 437,40	06 Months	2019/03/26	2019/09/26	Mthatha	072 476 7365	Active	TECHNICAL SERVICES
10 SCM NO 002/2018/19	Emergency Work on the KSD Overhead & Underground Electrical Network	Zama Traffic Signals CC	Rates Tender	24 Months	2019/10/19	2021/10/19	Mthatha	031 569 6297/ 082 9299 7773	Active	TECHNICAL SERVICES

	Emergency Work on the KSD Overhead & Underground Electrical Network	SNR electrical Contractor	Rates tender	24 Months	2019/10/19	2021/10/19	Mthatha	043 721 1782/ 071 257 0311	Active	TECHNICAL SERVICES
11	SCM NO 038/2018/19 Engineering Service Provider to carry out the project management scope for various	Bokamoco Consulting CC	R4 992 000.00	Duration will be determined upon appointment of a contractor	2019/04/30	Duration will be determined upon appointment of a contractor	East London	081 571 8549/ 082 467 4918	Completed	TECHNICAL SERVICES
12	SCM No 045/2018/19 Supply & Delivery of Electrical Metres	LT Ntloko Electrical	Rates Tender	36 Months	2019/08/14	2022/08/14	Mthatha	072 590 4919/ 047	Active	BTO
13	SCM No 021/2018/19 Appointment of service Provider for maintenance of Sakwe Road: North	Qumbiso Construction	3 097 479.00	03 Months	2019/08/14	2019/11/14	Mthatha	079 216 4107/	Completed	TECHNICAL SERVICES
14	SCM No 047/2018/19 Panel of legal firms to deal with Various Litigations affecting KDLIM	TL Luzipho Attorneys Mvuzo Ntyesi Incorporated Vapi and Sokutu JV Jolwana Migidiana Nosindwa Attorneys Tonise Attorneys	Rates tender	36 Months	2019/09/16	2022/09/16	Mthatha	083 353 7960	Active	CORPORATE SERVICES
15	SCM No 050/2018/19 Supply and delivery of Lubricants for a period of two years	Cape to cairo Investments	Rates tender	24 Months	2019/09/16	2021/09/16	Mthatha	072 492 1899	Active	BTO
16	SCM No 001/2019/20 Electrification of 193 infill Connection in Maiden Farm	Siya and Aya Engineering (Pty) Ltd	3 720 072.55	08 Months	2019/09/16	2020/05/16	East London	076 234 4646	Completed	TECHNICAL SERVICES
17	SCM No 002/2019/20 Electrification of 57 infill Connection in Hill crest	Phumelela Dlomo Construction	1 650 430.71	06 Months	2019/09/16	2020/03/16	Mthatha	082 576 9164/ 073	Completed	TECHNICAL SERVICES
18	SCM No 008/2019/20 Supply & Install Data Cabling, POE switches, Wireless networking on municipal Offices	ICT Choice (Pty) Ltd	19 339 320.34	12 Months	2019/09/16	2020/09/16	Quigney	043 722 2294/ 084	Completed	CORPORATE SERVICES
19	SCM No 011/2019/20 Procurement of 1X15MVA Transformer for Thornhill Substation	Actom Power Transformers	5 387 934.00	07 Months	2019/11/26	2019/07/26	Waddeville	082 367 5113/ 011	Completed	TECHNICAL SERVICES

20	SCM No 030/2019/20	Manufacture, Supply and delivery of 66KV Steel Monopoles for Mbuqe to Unitra-Unitra to Thornhill 66KV	Carbo Ferrum	3 892 211,29	04 Months	2019/11/26	2020/03/26	East London	072 550 8469 / 043	Completed	TECHNICAL SERVICES
21	SCM No 013/2019/20	Professional Service Provider to render services in blading of Roads using tow behind graders	Likhthanande Engineers and Project Managers	353 920,00	12 Months	2019/11/26	2020/11/26	Mthatha	079 878 0318 / 047	Completed	TECHNICAL SERVICES
22	SCM NO 004/2019/20	Panel of conveyancers to del with conveyancing and other matters related to property	GN Moebelo Inc	Rates Tender	36 Months	2019/05/11	2022/05/11	Mthatha	081 538 9621 / 072	Active	HUMAN SETTLEMENTS
								Mthatha	083 353 7960	Active	HUMAN SETTLEMENTS
								Mthatha		Active	HUMAN SETTLEMENTS
			Clayton Mkhululi Manxiwa & Co					Mthatha	082 659 8031 / 047	Active	HUMAN SETTLEMENTS
			AR Attorneys					Mthatha	081 566 8006/031	Active	HUMAN SETTLEMENTS
								Mthatha		Active	HUMAN SETTLEMENTS
			C Mabunda (Pty) Ltd T/A C Mabunda Inc					Mthatha	083 479 6083	Active	HUMAN SETTLEMENTS
								Mthatha		Active	HUMAN SETTLEMENTS
			Phiwokuhle Nyobo Inc					Mthatha	067 207 1052	Active	HUMAN SETTLEMENTS
								Mthatha		Active	HUMAN SETTLEMENTS
			Mda Mncedane Inc					Mthatha	083 479 6083	Active	HUMAN SETTLEMENTS
								Mthatha		Active	HUMAN SETTLEMENTS
			Keightley Sigadla Inc					Mthatha	081 069 4367 / 047	Active	HUMAN SETTLEMENTS
								Mthatha		Active	HUMAN SETTLEMENTS
			TL Luzipho Attorneys					Mthatha	083 353 7960	Active	HUMAN SETTLEMENTS
			Graham Mpeto & Associates Incorporated					Mthatha		Active	HUMAN SETTLEMENTS
								Mthatha		Active	HUMAN SETTLEMENTS

23	SCM NO 039-2019/20	Construction of 66KV line Mbuqe to Unitra, Unitra to Thornhill at KSDLM	Siyavuya-Khanyo Joint Venture	24 402 391,80	06 Months	2020/04/02	2020/10/02	East London	043 732 15001/ 06	Complete	TECHNICAL SERVICES
24	SCM NO 043/2019/20	Completion of KSD Big 5 Refurbishment of 11KV line, associated equipment and street	SNR electrical cc	1 553 757,87	07 Months	2020/02/16	2020/09/16	Mthatha	043 721 1782/ 071	Complete	TECHNICAL SERVICES
25	SCM NO 047/2019/20	Supply and delivery of asphalt for a period of	LMV Construction	Rates Tender	24 Months	2020/02/16	2022/02/16	Mthatha	083 950 6061/ 071	Active	TECHNICAL SERVICES
26	SCM NO 40/2019/20	Appointment of a Panel of 4 Service Providers for	Cape to Cairo Investments Squard Five Production	Rates Tender	24 Months	2020/02/14	2022/02/14	Mthatha	072 492 1899	Active	COMMUNITY SERVICES
27	SCM NO 019/2019/20	Procurement of 03(Three) Private	Golden Security Services cc	Rates Tender	12 Months	2019/12/12	2020/12/12	East London	082 345 1778/043	Active	PUBLIC SAFETY
28	SCM NO 054/2019/20	Supply and Delivery of Cables and Conductors to KSDLM for a Period of Three Years as and when Needed	Piko Security Services	Rates Tender	12 Months	2019/12/12	2020/12/12	Mthatha		Active	PUBLIC SAFETY
29	SCM NO 053/2019/10	Supply and Delivery of Transformers and Cables to KSDLM for a Period of Three Years as and when needed	Mikhosi Security	Rates Tender	12 Months	2019/12/12	2020/12/12	Mthatha		Active	PUBLIC
30	SCM 029/2019/20	Tender for Provision of Meter Inspection Services for a Period of Three Years	Umnga Trading	Rates Tender	36 Months	2020/06/04	2023/06/04	Mthatha	081 792 2139	Active	TECHNICAL SERVICES
31	SCM 080-2019-20	Municipal valuer to Conduct	Imbumba Developments	Rates Tender	36 Months	2020/06/04	2023/06/04	Butterworth	082 724 6708	Active	TECHNICAL SERVICES
32	SCM 075-2019-20	Travel Management	Khanyo Electricity	Rates Tender	36 Months	2019/12/12	2022/12/12	Mthatha	073 278 0520	Active	BTO
33	SCM 060-2019-20	Supply and delivery of Plastic Chairs	Zama traffic signal Contractor	Rates Tender	36 Months	2019/12/12	2022/12/12	Mthatha	082 929 7773/041	Active	BTO
			Gov Pro SA	Rates Tender	36 Months	2019/12/12	2022/12/12	Bloemfontein	082 2252 750/053	Active	BTO
			Imbo Travel	2 139 776,25	Three Years	2020/08/21	2022/08/21	Port Elizabeth	073 076 9231	Active	BTO
			Sure UKhanye travel	Rates Tender	Three Years	2020/08/21	2022/08/21	East London	072 829 6138	Active	BTO
			Swift travel	Rates Tender	Three Years	2020/10/10	2023/10/10	Mthatha	822108465	Active	BTO
			Avoniko	Rates Tender	Three Years	2020/10/10	2023/10/10	Mthatha	083 9793 594	Active	BTO
				Rates Tender	Three Years	2020/10/10	2023/10/10	Mthatha	064 541 4536	Active	RED

44	SCM 011-2020-21	Electrical Engineering Mentor Servicesfor Candidate	Libo Communication	604 440,00	Two Years	2020/12/22	2022/12/22	Mthatha	829 901 217	Active	TECHNICAL SERVICES
45	SCM 024-2019-20	Supply Install Configer and Maintain copies	Itec Wild Cast	Rates Tender	36 Months	2020/12/11	2023/11/12	Mthatha	083 301 3285/ 047 537 8093	Active	CORPORATE SERVICES
46	SCM 019-2020-21	Provision of Short term Insurance	Indwe Risk Services	Rates Tender	24 Months	2020/12/11	2022/11/12	Berea	076 772 8094/ 043 711 1700	Active	BTO
47	SCM 019-2020-21	Litter Picking COLLECTION Transport Diposable of Waste Parks Beautification tree trimming and grass cuffine	Mgobhozi Waste Management	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	082 341 3368	Active	COMMUNITY SERVICES
			Ilunga Legwara trading Enterprise	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	078 185 7280	Active	COMMUNITY SERVICES
			Ecoflusk Solution and Projects	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	083 533 6106	Active	COMMUNITY SERVICES
			Cleanlite Trading	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	071 265 0624	Active	COMMUNITY SERVICES
			Liwa Trading	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	083 416 2743/073 732 6161	Active	COMMUNITY SERVICES
			Siyakhanyisa Multipurpose	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	083 4797 7532/060 483 4272	Active	COMMUNITY SERVICES
			Fastrak Trading	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	082 968 7789	Active	COMMUNITY SERVICES
			Kuyavakala 02 Trading	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	066 102 1812	Active	COMMUNITY SERVICES
			Uhuru Development	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	082 355 8250	Active	COMMUNITY SERVICES
			Azicine Multi Purpose	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	066 102 1812	Active	COMMUNITY SERVICES
			Matobelamahle Enterprise	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	082 850 2497	Active	COMMUNITY SERVICES
			Mbeje Land Scaping and Garden Services	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	065 856 4957	Active	COMMUNITY SERVICES
			Vukani Makhume Ventures	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	081 091 2400	Active	COMMUNITY SERVICES
			Cushele Trading Enterprise	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	082 746 5366	Active	COMMUNITY SERVICES
			Machiticos Multipurpose	Rates Tender	One Year	2020/12/22	2021/12/22	Mthatha	083 536 8808/060 967 2312	Active	COMMUNITY SERVICES

48	SCM 009-2020-21	Supply and Delivery of Ward Based Equipment and Accessorie as and when needed at KSDLIM	Cancel Power Product	Rates Tender	Three Years	2020/12/22	2023/12/22	Mthatha	073 400 5694	Active	RED
49	SCM 028-2020-21	Electrification of mthatha west phase 4	Mandlenkosi Operations Yuran Electrical	Rates Tender 4 009 052,72	Three Years	2020/12/22	2023/12/22	Mthatha	076 087 1978	Active	RED
50	SCM 024-2020-21	Provision of IT Disaster Recovery and off Site	SMS ICT Choice	7 409 774,01	Three Years	2021/02/18	2024/02/18	East london	081 526 7620	Complete	TECHNICAL SERVICES
51	SCM 026-2020-21	Refurbishment of Mbuqe Sidwadwa and Unitra	ZamaTraffic Signals cc	7 195 324,85	Six Months	2021/02/18	2021/08/18	Mthatha	043 722 2294/084 679 1509	Active	CORPORATE SERVICES
52	SCM 012-2020-21	Develop A local Spatial Development	Urban Dynamics EC	264 500,00	Twelve Months	2021/02/18	2022/02/18	Port Elizabeth	082 929 7773/047 531 6330	Active	TECHNICAL SERVICES
53	SCM 018-2020-21	Supply and Delivery of Personal Protective	Bog Civils and General	Rates Tender	Twelve Months	2021/02/18	2022/02/18	Mthatha	072 535 6644/072 535 6644	Active	HUMAN SETTLEMENTS COMMUNITY SERVICES
54	SCM 066-2019-20	Conversion of two Trucks	YVBM Trading	922 612,01	Once-off	2021/03/10	2021/03/09	Mthatha	072 858 5105	Active	BTO
55	SCM 010-2020-21	Civil Engineering Mentor Services	Belrex 755cc	1 040 256,00	Two Years	2021/03/10	2023/03/10	East london	082 559 7209/043 748 2515	Active	TECHNICAL SERVICES
56	SCM 013-2020-21	(LSDF) Plan for Qunu Nodal Area	Urban Dynamics EC	264 500,00	One Year	2021/03/10	2022/03/10	Port Elizabeth	083 321 229	Active	HUMAN SETTLEMENTS
57	SCM 027-2020-21	Construction Services Thornhill to Mthatha	Siya and Aya Engineering	2 999 566,61	Six Months	2021/03/10	2021/09/10	East london	076 234 4646/073 590 9086	Active	TECHNICAL SERVICES
58	SCM 037-2020-21	Supply and Delivery of Plumbing Material and Tools	ZBNS Siyazama Trading	345 950,00	Once-off	2021/03/10	2021/06/06	Mthatha	083 949 4785/065 887 6530	Complete	COMMUNITY SERVICES
59	SCM 030-2020-21	Apply and Delivery of Computers,Scanners	Bubede Multi-Services	Rates Tender	Twelve Months	2021/03/18	2022/03/18	King Williams Town	072 474 6620/081 396 3790	Active	CORPORATE SERVICES
60	SCM 021-2020-21	Procurement of a Panel of Local Service Provider for Hiring of Plant	Temba Lesizwe Holding	Rates Tender	Twenty Four Months	2021/03/18	2023/03/18	Cambridge	083 757 4171/0642003652	Active	BTO
			Ethos Transport and Roads Services	Rates Tender	Twenty Four Months	2021/03/18	2023/03/18	Westville	083 788 6820/031 266 7924	Active	BTO
			Midmar Plant Hire	Rates Tender	Twenty Four Months	2021/03/18	2023/03/18	Westmead	0825017494/031 7009061	Active	BTO
			Abantsundu Building and civils	Rates Tender	Twenty Four Months	2021/03/18	2023/03/18	Mthatha	083 238 2300	Active	BTO

61	SCM 015-2020-21	Contract for the Panel of Twenty Contractors for the Construction of Unpaved Roads Within KSDLM for a Period of 03 Years	Athindura Trading	3 474 612,80	Thirty Six Months	2021/03/18	2024/03/18	Bizana	078 214 7124	Active	TECHNICAL SERVICES
			Migagao Business Enterprise	4 106 603,07	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	072 932 5073/0475310880	Active	TECHNICAL SERVICES
			Kula Afrika Projects	3 517 086,86	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	083 954 2565	Active	TECHNICAL SERVICES
			Mathafamahle Construction	Rates Tender	Thirty Six Months	2021/03/18	2024/03/18	Mt Ayliff	073 523 8435/039 727 3298	Active	TECHNICAL SERVICES
			Tyekes Plant Hire	Rates Tender	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	073 388 2227/087 943 9192	Active	TECHNICAL SERVICES
			Cycle civils and Projects	10 382 392,24	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	076 830 1175	Active	TECHNICAL SERVICES
			Mathew and Sons Plant Hire	6 129 807,10	Thirty Six Months	2021/03/18	2024/03/18	Ntabankulu	062 625 5797	Active	TECHNICAL SERVICES
			Mzuyanda Investment jv	Rates Tender	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	064 651 688	Active	TECHNICAL SERVICES
			Negukazi Iphupha Investments	Rates Tender	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	079 866 1906/047 534 0043	Active	TECHNICAL SERVICES
			Mnadi Civils	8 118 605,74	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	078 136 7366/047 531 1619	Active	TECHNICAL SERVICES
			Ergoflex 520 cc	5 086 574,55	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	078 2150 420	Active	TECHNICAL SERVICES
			Kwalos Construction	Rates Tender	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	082 333 8267	Active	TECHNICAL SERVICES
			Nomgugu Construction	7 654 508,68	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	083 491 5487/047 534 3004	Active	TECHNICAL SERVICES
			B and Sons jv IGL Projects	5 754 800,32	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	081 894 4806	Active	TECHNICAL SERVICES
			Abenguni Phahle Construction jv	Rates Tender	Thirty Six Months	2021/03/18	2024/03/18	Port st Johns	073 561 0778	Active	TECHNICAL SERVICES
			Malimiso Projects	Rates Tender	Thirty Six Months	2021/03/18	2024/03/18	Mthatha	073 2215 836	Active	TECHNICAL SERVICES
			Balintulo Trading	5 198 972,45	Thirty Six Months	2021/03/18	2024/03/18	East london	076 722 5804/043 726 0197	Active	TECHNICAL SERVICES

70	SCM 044-2020-21	Advertising of Digital Speed Red Light Camera	Truvelo Africa Electronics Division	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Cambridge	073 045 5905/011 314 1405	Active	PUBLIC SAFETY
71	SCM 049-2020-21	Design and Construction of Public Ablution	Hlubi Engineering Trading	2 267 869,00	Eight Months	2021/05/14	2022/01/14	Mbizana	073 2979 850	Active	TECHNICAL SERVICES
72	SCM 035-2020-21	Panel of Three Advertising Agencies	Ayanda Mbanga Communication Media Maestro cc	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Durban	083 233 1458	Active	BTO
73	SCM 020-2020-21	Panel of Three Service Provider for Disinfection	Sondlo and Knopp Advertising	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	East london	082 901 1514/043 743 6998	Active	BTO
74	SCM 046-2020-21	Panel of 12 Consultants to Provide Professional	Milisa incorporated	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	East london	078 814 2550/043 7221558	Active	BTO
			Ayavuya Trading	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	071 000 4040	Active	COMMUNITY SERVICES
			Leko Engineering Consultants	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	079 665 5596	Active	COMMUNITY SERVICES
			SMD Consulting Engineers	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	083 460 7614	Active	TECHNICAL SERVICES
			Tekoa Consulting Engineers	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	083 389 9205	Active	TECHNICAL SERVICES
			Ntusi Group	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	062 871 7099/087 057 5956	Active	TECHNICAL SERVICES
			Cnn Development	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	081 894 4806	Active	TECHNICAL SERVICES
			Imbawula Civils	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	East london	078 199 3972	Active	TECHNICAL SERVICES
			Chuleto Consulting	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	East london	061 4464485	Active	TECHNICAL SERVICES
			BM Infrastructure	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Amounda	083 665 4250/043 741 001	Active	TECHNICAL SERVICES
			Sokhani Development	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	079 52271 72	Active	TECHNICAL SERVICES
			Zinzame Consulting	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	East london	061 400 8534	Active	TECHNICAL SERVICES
			Khulanathi Consulting	Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	Mthatha	076 751 3719/0475310269	Active	TECHNICAL SERVICES
				Rates Tender	Thirty Six Months	2021/05/14	2024/05/14	East london	082 740 7739/043 722 6158	Active	TECHNICAL SERVICES

78	SCM 059-2020-21	Rehabilitation and re-Construction of Callaway	Mfura Trading and Projects	16 906 990,00	Ten Months	2021/06/18	2022/06/18	Queenstown	071 136 2707/045 838 1748	Active	TECHNICAL SERVICES
79	SCM 060-2020-21	Panel of 12 Environmental Management Consultants	Ages Omega (PTY)LTD	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	East london	084 518 9379/043 726 2070	Active	TECHNICAL SERVICES
			Mamadi and Company SA	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Midrand	079 058 2847/011 532 8400	Active	TECHNICAL SERVICES
			Bumnandi (PTY)LTD	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	East london	073 219 6396	Active	TECHNICAL SERVICES
			Ikamva Consulting	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Mthatha	082 859 1309/047 531 4097	Active	TECHNICAL SERVICES
			JG Afrika (PTY)LTD	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Port Elizabeth	082 299 8782	Active	TECHNICAL SERVICES
			Envirocarb Consulting	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Chartworth	074 244 7862/084 265 6000	Active	TECHNICAL SERVICES
			Earth Free Environmental SPM	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Mthatha	071 042 1674 /047 531 0790	Active	TECHNICAL SERVICES
			Environmental Consulting	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Mthatha	078 267 0192	Active	TECHNICAL SERVICES
			All Green Environmental	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Mthatha	076 262 9420/073 1121	Active	TECHNICAL SERVICES
			Bonile Health and Environs	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Mthatha	081 346 6667	Active	TECHNICAL SERVICES
			CMM Environmental Consultants	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	mthatha	072 0268/047 535 9050083 420 1438 /043 721 0178	Active	TECHNICAL SERVICES
80	SCM 057-2020-21	Supply and delivery of Stationery	Kimopax EC (PTY)LTD	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Mthatha	420 1438 /043 721 0178	Active	TECHNICAL SERVICES
			Ikamva Services	Rates Tender	Ten Months	2021/06/18	2022/04/18	Mthatha	072 833 7583/065 951 9181	Active	BTO
81	SCM 061-2020-21	Panel of 10 Health and Safety Consultants	Omila Projects JV Omna Consultants	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Qumbu	076 593 3373	Active	BTO
			Nakhane Projects and safety	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	Kokstard	060 441 7385	Active	BTO
			Mink-Line Consultants	Rates Tender	Thirty Six Months	2021/06/18	2024/06/18	East london	083 2002 602	Active	BTO

99	SCM No 020/2019/20	Construction of Rosedale Community Hall	Abenguni Engineering Procurement and Construction	3 427 693,15	06 Months	2019/11/26	2020/05/26	Port Elizabeth	082 640 2821	Active	TECHNICAL SERVICES
100	SCM No 049-2019/20	Rehabilitation of Jubilee taxi rank	Ngqukaza Trading JV	4 374 067,16	06 Months	2019/12/18	2020/06/18	Mthatha	076 580 6267/ 011 312 8131	Active	TECHNICAL SERVICES
101	SCM No 021-2019/20	Professional Engineering Services for Rehabilitation of Vigies to Sawmill	Posega T/A Thewo Engineers	1 392 101,88	Duration will be determined upon appointment of a Contractor	18/12/2019		East London	082 467 4918	Active	TECHNICAL SERVICES
102	SCM NO 023-2019/20	Professional engineering services: rehabilitation and reconstruction of Callaway and Eagle street	BM Infrastructure Development (Pty) Ltd	1 322 025,63	Duration will only be determined upon appointment of a contractor	2020/04/02	2023/01/09	Johannesburg	087 335 0371	Active	TECHNICAL SERVICES
103	SCM NO 010/2019/20	for construction of Mkakathini to Phesheya Kolwala Gravel Access Road at KSDLM	Boboshe Trading enterprise	3 579 351,29	4 Months	2020/02/16	2020/06/16	Kwazulu-Natal	082 886 5681	Active	TECHNICAL SERVICES
104	SCM 079-2019-20	Construction of Baziya to Sixuzula Access Road	Mzuyanda Investment.jv Nqulakazi	5 443 179,51	08 Months	2020/12/11	2021/12/07	East London	082 420 8790/043 748 4854	Active	TECHNICAL SERVICES
105	SCM 037-2019-20	Rehabilitation and Construction of Norwood Internal Street	Bathable Construction Services	33 720 108,88	One Year	2020/12/22	2021/12/21	Mthatha	087 260 1815/ 072 108 5407	Active	TECHNICAL SERVICES
106	SCM 031-2020-21	Construction of Northcrest Community Hall	Temavi (pty) Ltd	3 786 413,18	Six Months	2021/02/18	2021/08/18	Mthatha	072 476 7365	Active	TECHNICAL SERVICES
107	SCM NO 055/2019/20	Supply and Delivery of Animal Medicine	Bhekiswa Trading tarenzo trading	Rates Tender	36 Months	2020/03/25	2023/03/25	Mthatha	071 208 3972	Active	RED
108	SCM No 041-2019/20	Appointment of three Service Providers for Supply and Delivery of	Bhekiswa Trading Formatax Trading Normal Trading	Rates Tender	12 Months	2019/12/18	2020/12/18	Mthatha	071208 39721/ 04	Active	RED
109	SCM NO 062/2019/20	Supply & delivery of community grocery for a period of 3years on ward based projects	Thando-lwaziconstruction and distributors	Rates Tender	36 months	2020/10/06	2023/10/06	Mthatha	073052 5987 082 7689335	Active	RED
				Rates Tender	36 months	2020/10/06	2023/10/06	Mthatha	799213830 832536669	Active	RED
				Rates Tender	36 months	2020/10/06	2023/10/06	Mthatha	733236278	Active	RED
110	SCM 036-2020-21	Procurement of Three Contractors of Speed	Belisana Trading Enterprise	Rates Tender	Twenty Four Month	2021/05/18	2023/05/18	Libode	073 705 4409	Active	TECHNICAL SERVICES

	Humps	Bog Civils and General	Rates Tender	Twenty Four Month	2021/05/18	2023/05/18	Mthatha	072 535 6644	Active	TECHNICAL SERVICES
111	SCM 063-2020-21	Rehabilitation and Operation of Mqanduli landfill	Rates Tender	Twenty Four Month	2021/05/18	2023/05/18	Mthatha	065 913 6847	Active	TECHNICAL SERVICES
112	SCM 064-2020-21	Supply Installation Management Call Center	Rates Tender	Six Months	21-May-21	21-Nov-21	Mthatha	081 346 6667	Active	COMMUNITY SERVICES
113	SCM 031-2020-21	Installation of A3 Transformerbay	R 9 998 210.72	12 months	2021/05/21	2022/05/21	Humerail	081 574 0488	Active	CORPORATE SERVICES
114	SCM NO 056/2019/20	Supply & delivery of of sewing machines,blankets & material for a period of 3yearson wardbased projects	Rates Tender	36 months	2021/03/10	2021/09/10	Mthatha	071 262 8459	Active	RED

Report of the auditor-general to Eastern Cape Provincial Legislature and the council of King Sabata Dalindyebo Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the King Sabata Dalindyebo Local Municipality set out on pages xx to xx, which comprise the statement of financial position as 30 June 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the King Sabata Dalindyebo Local Municipality as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2019 (Act No.16 of 2019) (Dora).

Basis for qualified opinion

Receivables from Exchange transactions

3. The municipality did not have adequate controls to ensure that rental is only charged on properties owned by the municipality. This resulted in consumer debtors-rentals being overstated by R21,8 million (2018-19: R23,5 million). This also impacted on the surplus for the period and on the accumulated surplus. In addition, I was unable to obtain sufficient appropriate audit evidence for the amounts disclosed for consumer debtors – rental in note 4 to the financial statements. I could not confirm the consumer debtors – rentals by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the consumer debtors – rentals. stated at R165,3 million (2018-19: R145,6 million) in note 4 to the financial statements.

General expenses

4. The municipality did not have adequate processes in place to ensure that all general expenses in the financial statements were recorded in terms of GRAP 1, Presentation of financial statements. Subsistence and travelling was incorrectly disclosed as repairs and maintenance. As a result, repairs and maintenance was overstated and subsistence and travelling was understated by R13,8 million as disclosed in note 40 to the financial statements.

Corresponding figures

5. I was unable to obtain sufficient appropriate audit evidence regarding the following items in the corresponding figures, which had a cumulative effect on total revenue and expenditure in the statement of financial performance:

- Bulk purchases disclosed as R257,3 million.
- Fines, penalties and forfeits disclosed as R2,1 million.

In addition, revenue from exchange was overstated by R5,4 million in the corresponding figures.

I was unable to confirm total revenue and expenditure by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the corresponding figures for revenue and expenditure as disclosed in the statement of financial performance.

Context for the opinion

6. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
7. I am independent of the municipality in accordance with sections 290 and 291 of the Code of ethics for professional accountants and parts 1 and 3 of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
8. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.
10. I draw attention to note 58 to the financial statements which indicates that the municipality is experiencing financial difficulties as its current liabilities exceed its current assets. The events or conditions disclosed in note 58 together with other matters set forth in the same note indicate that material uncertainty exists that may cast significant doubt on the municipality's ability to continue to fund its existing level of operations.

Emphasis of matters

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material electricity distribution losses

12. As disclosed in note 51 to the financial statements, material electricity distribution losses of R48.5 million was incurred, which represents 16.9% of total electricity purchased, this was mostly due to illegal connections.

Significant uncertainty

13. As disclosed in note 46 to the financial statements, the municipality is the defendant in a number of lawsuits. The municipality is opposing the claims and the ultimate outcome of the matters cannot presently be determined, however, provision has been made in the financial statements for any liabilities that may result.

Impairment loss

14. As disclosed in notes 4 and 5 to the financial statements, cumulative debt impairments of R380,4 million (2018-19: R307,8 million) and R318,1 million (2018-19: R273,7 million) were made to receivables from exchange and non-exchange transactions respectively as a result of slow recovery from debtors.

Restatement of corresponding figures

15. As disclosed in note 57 to the financial statements, the corresponding figures for 30 June 2019 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2020.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

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

19. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

20. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on the audit of the annual performance report

Introduction and scope

22. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priority presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

23. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

24. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the municipality's annual performance report for the year ended 30 June 2020:

Development priority	Pages in the annual performance report
KPA 1 – Basic Service Delivery and Infrastructure Development	x – x

25. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

26. The material findings in respect of the usefulness and reliability of the selected development priority are as follows:

Basic Service and Infrastructure Development

Various indicators

27. The planned targets for the indicators listed below were not specific in clearly identifying the nature and required level of performance.

Indicator Description	Planned target
3.1.1. Number of surfaced streets to be repaired and maintained	80 surfaced streets repaired and maintained
3.1.2. Number of meters of Storm water infrastructure unblocked and maintained	50000m of Storm water infrastructure unblocked and maintained
3.1.3. Number of km of gravel roads in the KSD repaired and maintained	800km of gravel roads in the KSD repaired and maintained
3.1.6. 3 km of 66kv overhead line constructed and upgrade	7 km of 66kv overhead line constructed and upgrade
3.1.8. Number of substations constructed and commissioned	1 substation constructed and commissioned by June 2020
3.1.21. No of new households with access to refuse removal using communal skips	7 000 households

Various indicators

28. The achievement of the indicators listed below were reported against targets in the annual performance report. However, the supporting evidence provided differed materially from the reported achievement.

Indicator Description	Planned target	Reported achievement
3.1.2. Number of meters of Storm water infrastructure unblocked and maintained	50000m of Storm water infrastructure unblocked and maintained	34738m of Storm water infrastructure unblocked and maintained
3.1.3. Number of km of gravel roads in the KSD repaired and maintained	800km of gravel roads in the KSD repaired and maintained	516,09km of gravel roads maintained
3.1.5. Number of households connected to the grid in Mthatha West, Bongweni and Maiden Farm by June 2020	1500 households connected to the grid in Mthatha West, Bhongweni and Maiden Farm	870 households connected to the grid in Mthatha West, Bhongweni and Maiden Farm

Various indicators

29. I was unable to obtain sufficient appropriate audit evidence for the achievement against reported targets in the annual performance report. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement for the targets listed in the table below.

Indicator Description	Planned target	Reported achievement
3.1.4. Number of km of roads constructed and rehabilitated by June 2020	20 km of roads constructed and rehabilitated	80 km of roads constructed and rehabilitated in June 2020
3.1.6. Number of km of 66kv overhead line constructed and upgraded	3 km of 66kv overhead line constructed and upgrade	7 km of 66kv overhead line constructed and upgrade

Various indicators

30. I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance against the target as reported in the annual performance report. This was due to limitations placed on the scope of our work as measures taken to improve performance were not supported by corroborating evidence. I was unable to confirm the reported measures taken by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance for the indicators listed below:

Indicator Description	Planned target	Reported achievement
3.1.5. Number of households connected to the grid in Mthatha West, Bongweni and Maiden Farm by June 2020	1500 households connected to the grid in Mthatha West, Bhongweni and Maiden Farm	870 households connected to the grid in Mthatha West, Bhongweni and Maiden Farm
3.1.7. Number of transformer bays constructed and commissioned	1 transformer and a contractor procured and transformer delivered or Thornhill substation	0 constructed
3.1.8. Number of substations constructed and commissioned	1 substation constructed and commissioned by June 2020	0 Substation constructed
3.1.9. Number of km of 11kV overhead line constructed	12 km of 11 KV overhead line contracted between Thornhill substation and Mthatha Dam	0km overhead 11kv line constructed

Other matters

31. I draw attention to the matters below.

Achievement of planned targets

32. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year and explanations provided for the under/over achievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 27 to 30 of this report.

Adjustment of material misstatements

33. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of the basic service delivery and infrastructure development priority. As management subsequently corrected only

some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

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

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

Annual financial statements, annual performance report and annual report

36. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements in non-current assets, current assets, current liabilities, revenue, expenditure and disclosure identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were subsequently provided, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

Strategic planning and performance management

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

38. The strategic development budget implementation plan (SDBIP) for the year under review did not include monthly revenue projections by source of collection and/or the monthly operational and capital expenditure by vote, and/or the service delivery targets and performance indicators for each quarter as required by section 1 of the MFMA.

Expenditure management

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

40. Reasonable steps were not taken to prevent irregular expenditure of R23,5 million disclosed in note 50 to the financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-adherence to the supply chain management (SCM) legislations.

41. Reasonable steps were not taken to prevent fruitless and wasteful expenditure of R23,6 million disclosed in note 49 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties.

42. Reasonable steps were not taken to prevent unauthorised expenditure of R144,8 million disclosed in note 48 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by spending exceeding the main segments within the budget and not budgeting for non-cash items.

Asset management

43. An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2)(c) of the MFMA.

Consequence management

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

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

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

Procurement and contract management

47. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

48. The contract performance and monitoring measures and methods were not sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA.

Other information

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

50. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

51. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priority presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

52. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this

auditor's report and re-issue an amended report as appropriate, however, if it is corrected, this will not be necessary.

Internal control deficiencies

53. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

- Leadership did not adequately oversee financial and performance reporting nor compliance with legislation. In this regard, leadership did not appropriately monitor the implementation of policies and procedures to support the achievement of credible reporting and compliance with legislative requirements. Progress on the municipality's audit intervention plan was slow to adequately address issues raised in the previous year.
- The submitted financial statements and annual performance report contained material misstatements that were not all corrected. The portfolios of evidence and supporting schedules used to support the financial statements and actual achievement of targets were not complete and accurate in all instances.
- Monitoring activities were inadequate to ensure that identified risks were effectively addressed and this is evident by repeat findings in the current year audit.

Material irregularities

54. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

55. The material irregularities identified are as follows:

Material irregularities in progress

56. I identified a material irregularity during the audit and notified the accounting officer of this, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the responses from the accounting officer. This material irregularity will be included in the next year's auditor's report.

57. I identified another material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting officer was not yet due. This material irregularity will be included in the next year's auditor's report.

Other reports

58. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
59. The Special Investigation Unit (SIU) was investigating matters that arose in previous years, including the costs incurred for the funeral of former president Nelson Mandela. This investigation is still in progress.
60. A forensic investigation was concluded into grievances raised by staff members, which extends to task payments made by the municipality in the previous financial cycle.
61. The South African Police Services (SAPS) was investigating allegations of an employee who submitted a fraudulent claim form to the pension fund. This investigation is still in progress.

Auditor-General.

East London

6 April 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priority and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the King Sabata Dalindyebo Local Municipality’s to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may

reasonably be thought to have a bearing on my independence and, where applicable, the actions taken to eliminate threats or the safeguards applied.



NOTICE OF MEETING

SPECIAL COUNCIL MEETING

FRIDAY 28 JANUARY 2022 AT 14H00

ENKULULEKWENI COUNCIL CHAMBERS , MTHATHA

Notice is hereby given in terms of Section 29 (1) of the Municipal Structures Act No. 117 of 1998, that a Special meeting of the King Sabata Dalindyebo Municipal Council will be held at Enkululekweni Council Chambers, Mthatha, on Friday 28 January 2022 at 14h00.

AGENDA

1. **OPENING AND WELCOME**
2. **NOTICE OF MEETING**
3. **APPLICATION FOR LEAVE OF ABSENCE**
4. **ACCEPTANCE OF THE AGENDA**
5. **DECLARATION OF INTEREST**
6. **DRAFT ANNUAL REPORT 2020/2021**

Report by His Worship the Executive Mayor, Councillor G.N Nelani, dated 14 January 2022, with annexures.

Batch 1

7. **SECOND QUARTER REPORT IN TERMS OF SECTION 52D OF THE MFMA AND PERFORMANCE FOR THE QUARTER ENDED 31 DECEMBER 2021**

Report by His Worship the Executive Mayor, Councillor G.N Nelani, dated 24 January 2022, with annexures.

- a) Section 52D
- b) 2nd Quarter Performance Reports

Batch 2

8. **MID YEAR ASSESSMENT (MFMA SECTION 72) AND HALF YEAR PERFORMANCE REPORT TO COUNCIL FOR PERIOD ENDED 31 DECEMBER 2021**

Report by His Worship the Executive Mayor, Councillor G.N Nelani, dated 24 January 2022, with annexures.

- a) Section 72
- b) Half Year Performance Reports

Batch 3

9. **INSTUTIONAL 1ST QUARTER PERFORMANCE REPORT**

Report by His Worship the Executive Mayor, Councillor G.N Nelani, dated 14 January 2022, with annexures.

Batch 4

10. **IMPLEMENTATIONS OF MSCOA PROJECT PLAN 02 OCTOBER TO DECEMBER 2021**


Report by His Worship the Executive Mayor, Councillor G.N Nelani, dated 25 January 2022, with annexures.

Batch 5

11. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE FOR THE SECOND QUARTER

Report by His Worship the Executive Mayor, Councillor G.N Nelani, dated 25 January 2022, with annexures.

Batch 6


.....
**HONOURABLE SPEAKER
COUNCILLOR N. SIYO- SOKUTU**

DISTRIBUTION

COUNCILLORS TO ATTEND

1. Honourable Speaker, Council N. Siyo-Sokutu
2. His Worship the Executive Mayor, Councillor G.N. Nelani
3. Councillor T. Badli
4. Councillor M. Bango
5. Councillor M. Bunzana
6. Councillor U. Daniso
7. Councillor S. Dalasile
8. Councillor M.S. Dudumayo
9. Councillor Z. Gana
10. Councillor N. Gwebani
11. Councillor Y.R. Gwadiso
12. Councillor T.M. Gqiba
13. Councillor B.B. Gqwetha
14. Councillor K.L. Jozana
15. Councillor N. Jubeni
16. Councillor A. Ketse
17. Councillor Y.N. Kekezwa
18. Councillor R. Knock
19. Councillor L. Luwaca
20. Councillor Z. Madyibi
21. Councillor M. Majeke
22. Councillor N. Matiso
23. Councillor N. Matyeba
24. Councillor S.N. Majikija

25. Councillor N. Matubatuba
26. Councillor L. Makhenke
27. Councillor C.N. Makhubalo
28. Councillor T. Malefane
29. Councillor M. Makaba
30. Councillor M. Marasha
31. Councillor N. Mayi
32. Councillor S. Mhlaba
33. Councillor B. Mlanjeni
34. Councillor B. Mbiyo
35. Councillor M.G. Mbutye
36. Councillor S. Mdunyelwa
37. Councillor S.E. Mngeni
38. Councillor A. Mgquba
39. Councillor M. Mpangele
40. Councillor S.W. Mrawu
41. Councillor T.T. Mtshakazana
42. Councillor S. C. Mshunqane
43. Councillor A. Msuthu
44. Councillor S.A. Mthayi
45. Councillor L.C. Molakalaka
46. Councillor F.N. Mzimane
47. Councillor M.J. Msakeni
48. Councillor B. Ndlobongela
49. Councillor Z. Nokayi
50. Councillor M. F. Nokwali
51. Councillor N. Nkathu
52. Councillor S. Ngomfela
53. Councillor S. Nyengane
54. Councillor M. S. Ngudle
55. Councillor M. H. Ngxekana
56. Councillor B. Nxeve
57. Councillor S.G. Rapiya
58. Councillor R.H. Ratshalala
59. Councillor N.V. Roji
60. Councillor R. Roeber
61. Councillor A.L. Sekese
62. Councillor S. Semente
63. Councillor N.G. Sidlova
64. Councillor N. Sibeko
65. Councillor Z.L. Siziba
66. Councillor B. Silinga
67. Councillor D.M. Teti
68. Councillor C.S. Tokwana
69. Councillor N.G. Tshaya
70. Councillor N.S. Tukayi

71. Councillor W.C. Tukwayo

72. Councillor B. Vuma

OFFICIALS TO ATTEND

Mr N. Pakade - Municipal Manager
Mr S.M. Nodo - Director Corporate Services
Mr L.P. Maka - Director Community Services
Mr D. Kettledas - Director Public Safety
Mr U. Mnqokoyi - Director Infrastructure
Mr O.A. Pantshwa - Director PSED
Mr E.F. Jiholo - Chief Financial Officer
Mr G.R. Tobia - Director Human Settlements
Mr P. Madliki
Ms L. Mdingi
Dr V.S. Letuka
Mr M.M.C. Ngoma
Mr B. Ndlobeni
Mr L.H. Kwetana
Mr S. Sitoyile
Mr B.C. Vice
Ms C.C. Njozela
Ms Z. Dumalisile
Mr M. Ndyaluvane
Mr S. Mampoza
Ms T. Motaung
Mr F. Guleni

FOR FILING

Archives and Registry

TO OFFICIATE

Council and Committee Services