The PMS is then developed in line with mandates and legislation that govern Performance Management (PM) in local government. The compliance of PMS is then linked to the following applicable policy prerogatives:

- The Constitution of the Republic of South Africa Act No 108 of 1996
- The White Paper on Local Government (1998)
- · Batho Pele Principles (1998)
- Municipal Systems Act No. 32 of 2000
- Municipal Planning and Performance Management Regulations 2001
- Municipal Finance Management Act No. 56 of 2003
- Municipal Planning and Performance Management Regulations 2006

• 2015/2016 Annual Performance Reporting

This report includes highlights from the key performance measures included in the Integrated Development Plan (IDP) for the 2015/16 financial year. These priority measures constitute the Scorecard for 2015/2016.

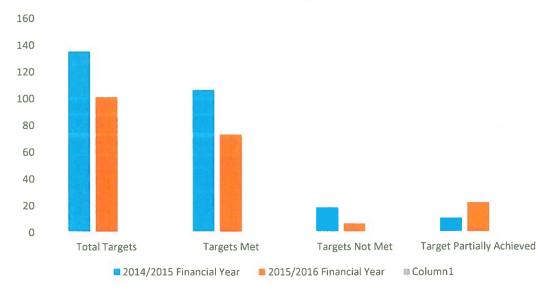
At the end of quarter 4 (April to June 2016), 72% of priority performance measures have been met or exceeded this year-end target. Areas for improvement are shown in the Organisational Performance Scorecard for 2015/16. Accountable officials have provided commentary to put performance into context and identified actions that are taken to address under performance.

There is little bit improvements in terms of 2015/16 performance compare to 2014/15. It is worth noting the impact of factors such as budget and staff capacity has led to increase in demand for services, putting pressure on achievement of challenging targets. Benefits from transformational challenges taking place are starting to have an impact but have not yet been fully realised.

The following chart compares overall performance from the 2015/ 2016 financial year with performance achieved during the 2014/2016 financial year.

Financial Year	Total No. of Targets	Target Met	Target Not Met	Target Partially Achieved
2014/2015	135	106	18	10
2015/2016	101	73	6	22





• Organisational Performance Management Process

Key performance indicators have been refined in support of the municipality's development priorities and objectives as set out in the revised IDP framework and will remain for the duration of the IDP period for consistency in measuring and reporting on long term strategies and projects. Measurable performance targets with regard to each of these development priorities and objectives were established. A process to ensure regular reporting is in place.

Individual agreements and performance plans we prepared in line with provisions prescribed in the Performance Regulations (Notice 805, published on 1 August 2006 in the official gazette) and signed by the Municipal Manager and General Managers. These agreements are fully implemented and aligned with the Service Delivery and Budget Implementation Plan as required in terms of the Municipal Finance Management Act.

Performance Evaluation Panel has also been established for the assessment of the performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager. The panel members meet bi-annually to evaluate individual performance.

• Audit and Performance Committee

The term of service for the Audit and Performance Committee expired during October 2015 and new committee was appointed by the Council on November 2015.

The newly appointed Audit and Performance Committee comprises of five members as follows:

- Ms N Mchunu (Chairperson)
- Mr SG Majola
- Mr DD Mcwabe
- Ms ZP Khanyile
- Ms YP Joli

The Audit and Performance Committee met as follows:

Quarter	Date	Members Represent
Quarter 1	21/08/2015	
Quarter 2	26/01/2016	Ms N Mchunu, Ms YP Joyi, Mr DD Mncwabe, Mr SJ Majola
Quarter 3	26/04/2016	Ms N Mchunu, Mr DD Mncwabe, Mr SJ Majola
Quarter 4	21/06/2015	Ms N Mchunu, Ms YP Joyi, Mr DD Mncwabe, Mr SJ Majola

• Auditing of Performance Information

The Municipal Systems Act 2000, Section 45 requires that the results of the performance measurements in terms of section 41 (1) c, must be audited as part of the internal auditing process and annually by the Auditor-General. All auditing must comply with section 14 of the Municipal Planning and Performance Management Regulations, 2001 (Regulation 796).

UThukela District Municipality is now using the service of its own Internal Audit Unit to perform the Internal Audit function within the municipality. As part of their scope, auditing of the Performance Management System and audit of Performance Information was performed and reports received for each quarter in terms of the following:

i. Quarter 1

Review the functionality of the Performance Management System and management's compliance thereto.

ii. Quarter 2

Review municipal performance and test a basis of supporting evidence. They further deliberate the content of the Mid-Year Performance Review and came up with corrective actions and warning indicators of not achieving some of the performance measures at the end of financial year.

Recommendations made on review of performance information to align with the IDP and budget.

i. Quarter 3:

Ensure compliance with the requirements of the PMS regulations for quarter 3.

ii. Quarter 4

Review scorecards on a test basis to supporting evidence on a sample basis. Perform detailed testing on selected performance information; and ensure the accuracy and validity of the information included in the annual report based on the evidence inspected, on a sample basis.

Performance Assessment of External Service Providers

The monitoring of the service provider performance is ensured through the signing of Service Level Agreements. It is currently being done on a user department level. The end user department provides reports on performance of service providers.

The information on the assessment of external service providers is attached as **Annexure B** of this report.

• Annual Organisational Performance Information

The Annual Performance Report for the 2015/2016 financial year has been completed and reflected in the Organisational Performance Scorecard in a table format (as prescribed by KZN CoGTA). The Organisational Performance Scorecard table will be presented to the Auditor General for auditing together with the Annual Financial Statements and Draft Annual Report by 31 August 2016.

This Annual Performance Report (Tables) should be read in conjunction with the Annual Report, including the Annual Financial Statements as well as the Auditor General Report on the Annual Financial Statements and Performance Information for 2015/2016.

In relation to the 2015/2016 year end performance results, the final position shows:

- 72% of measures have met or exceed the year-end target
- Municipal Transformation and Institutional Development

The overall score for the KPA was 93% for the 2015/2016 financial year, which is an improvement from 2014/2015 financial year.

During the financial year under review, the municipality able to put PMS systems in place by adopting PMS Policy Framework and submission of quarterly reports to the Audit and Performance Committee and Council. In supporting of the above, the PMS Manager has been appointed and assumed his duties on August 03, 2015.

The municipality, further, engaged with municipal employees on developed and implementation of employment equity plan. The employment equity plan is now adopted by Council and will be implemented until 2017.

• Financial Viability and Management

The overall score for the KPA was 50% for the 2015/2016 financial year, which is a decrease from the 2014/2015 financial year.

R 77 247 782 was collected from customers during the financial year under review. The rand value collected has decrease by R 73 138 674 from 2014/2015 to 2015/2016.

During the 2015/2016 financial year the municipality was able to achieve 100% expenditure on grants.

Good Governance and Public Participation

30% of Good Governance targets were achieved during the 2015/2016 financial year.

• Basic Service Delivery and Infrastructure Development

The overall score for the KPA was 72% for the 2015/2016 financial year, which is an improvement from the 2014/2015 financial year.

The municipality successfully achieved a target of 1600 new water connections despite the overwhelming drought within the District. The targeted number of households for new sanitation connections was 430.

• Local Economic Development (LED)

The overall score achieved for this KPA was 100% for the 2015/2016 financial year, an impressive increase when compared to the 2014/2015 financial year.

Both LED and EPWP jobs created amounts to 180 for the 2015/2016 financial year. It should be noted, that the figure contains only new jobs created during the financial year.

The UThukela District Municipality Annual Performance Report on the Pre-Determined Objectives is attached as **Annexure A** of this report.

• Employee Totals, Turnover and Vacancies

Appointments Made in the Financial Year: 2015/2016 (01 July 2015 to 30 June 2016)

Total Number of Appointments				
	Q1	Q2	Q3	Q4
Internal	07	03	08	01
External	20	29	71	124
Appointments by Gender				
Female	02	01	03	00
Male	01	02	01	84
Appointments by Occupational Level				
Professional/Middle Management	02	02	00	00
Skilled	01	01	04	04
Semi-Skilled	00	00	00	36
Unskilled	00	00	00	70
Temporary/ contract employees	20	28	71	12

• Managing the Municipal Workforce

Injuries, Sickness and Suspensions

Number and Cost of Injuries on Duty	· · · · · · · · · · · · · · · · · · ·	
Type of injury	Injury Leave Taken	Employees using injury leave
	Days	No.
Required basic medical attention only	11	05
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
Total	11	05

• Capacitating the Municipal Workforce

Skills Development and Training

Report on Training Conducte	ed in the 2015/16 Financia	l Year		
	Q1	Q2	Q3	Q4
Officials	67	23	12	31
Councillors	02	0	0	0
Total	69	23	12	31

Chapter Four

4.1 Financial Performance

Key Focus Areas

- Compliance with legislation and implementation of proper internal controls
- Management of risk inclusive of Business Continuity Plan and implementation of proper internal controls
- Develop sound financial reporting mechanism for the above functions
- Implementation and the annual review of the District's:
- Indigent policy
- Incentive policy
- Tariff policy
- Reporting on the above policies
- Monitoring of all grant funding as Gazette by National and Provincial departments
- Submission of financial information for AFS preparation
- Prompt responses to internal and external audit queries
- Credit and Debt control policy

A key indicator of wealth from a municipal perspective is its ability to generate revenue from its communities. A holistic approach to local government sustainability is therefore crucial to ensure maximization of revenue, reducing inefficiency and costs and reducing uncollectible debt.

Our municipality has an active debtor database of which is serviced by the revenue section with staff compliments.

The following are the main streams of revenue of the municipality:

- Water Revenue
- · Sanitation Revenue

98

Component A: Statement of Financial Performance

	Approved	Adjustments	rinai Buoget	Actual amounts on comparable basis	between final budget and actual	National Services
	R	R	R	R	R	
Revenue from exchange transactions						
Service charges	165,107,000		165,107,000	158,263,646	-6,843,354	
Interest received	26,568,000		26,568,000	20,214,647	-6,353,353	
Other income	356,000		356,000	3,566,813	3,210,813	
Government grants-Transfers recognized (operational)						
Interest received - investment	8,010,000	2,000,000	10,010,000	11,991,453	1,981,453	
Total revenue from exchange transactions	200,041,000	2,000,000	202,041,000	194,036,559	-8,004,441	
Taxation revenue						
Property rates						
Transfer revenue						
Government grants-Transfers recognised (capital)	556,311,000	-3,743,000	552,568,000	568,331,256	15,763,256	
Total revenue from non-exchange transactions	556,311,000	-3,743,000	552,568,000	568,331,256	15,763,256	
'Total revenue from exchange transactions'						
'Total revenue from non-exchange transactions'						
Total revenue	756,352,000	-1,743,000	754,608,000	762,367,815	7,758,815	

Expenditure

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
	R	R	R	R	R
Personnel	-219,377,000		-219,377,000	-198,647,226	20,729,772
Remuneration of councilors	-5,332,000	-814,000	-6,146,000	-6,381,097	-235,097
Depreciation	-51,430,000		-51,430,000	-49,197,065	2,232,935
Finance costs	000'09-	000'09		-1,125,317	-1,125,317
Lease rentals on operating lease				-7,156,798	-7,156,798
Bad debt provision	-28,222,000		-28,222,000	-57,975,475	-29,753,475
Bad debts written off				-40,227,875	-40,227,875
Repairs and maintenance	-59,605,000	18,000,000	-41,605,000	-28,822,389	12,782,611
Bulk purchases	-6,377,000	841,000	-5,536,000	-1,639,239	3,896,761
Contracted Services	-42,260,000	-3,973,000	-46,233,000	-65,268,423	-19,035,423
Government Grant Expenditure	-13,228,000		-13,228,000		13,228,000
General Expenses	-154,661,000	-4,473,000	-159,134,000	-218,314,407	-59,180,407

Operating Surplus / Deficit

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
	æ	R	R	R	R
Operating deficit					
Gain on disposal of assets and liabilities				-1,231,708	-1,231,708
Loss on non-current assets held for sale or disposal groups					
Inventory losses				-344,075	-344,075
Gain/(loss) on actuarial valuations				-12,280,604	-12,280,604
Deficit before taxation				73,756,115	73,756,115
Surplus before taxation					
Taxation					
Operating surplus / (deficit)				73,756,115	73,756,115

Communication

The Municipality believes that a sound communication strategy is a critical element to building local government long term sustainability and that only through communication customers and municipal expectations can be clearly articulated and understood by all relevant parties and the relationship between the municipality and its customers can be enhanced. It is for these reasons that the municipality to conduct a Masakhane Campaign Programme.

Revenue

Revenue collection is based on the integrity of the two predominately components, metered serviced delivery and billing. This critical element includes collection of revenue, customer management, debt and credit management and indigent registration.

Working together with Technical, Water and Sanitation Department, the revenue section plays a critical role in ensuring that not only do we meet our strategic objectives of providing portable water and safe sanitation to all, but we also strive in maintaining long term financial sustainability.

The billing function is the principal mechanism that drives all cash flow, the main source of customer information and critically fundamental to the success of any municipality. A successfully billing is therefore mostly a function of accuracy of the data input into the system, for this reason the municipality embarked on the process of data cleansing, so as to make sure that correct customers are billed and receiving correct information on their statements.

Indigent

In an attempt to alleviate the hardships encountered by the poor and aged residents of this Municipality, Council approved the rendering of free and subsidised services to qualifying applicants. Through our Indigent policy a detailed analysis is financial position of the applicant is performed and in addition, a ward councillor is requested to testify to the applicants living conditions. Registered indigent consumers are afforded a monthly allocation of 10kl free water, and are only charged for usage thereafter. Therefore, should a consumer be able to effectively manage his/her monthly allocation of 10kl there would be no account to be paid.

To date there are 4100 indigent households who are registered and linked to the programme of basic municipal services. The management of indigent is a continuous process and has been integrated into the normal day to day operations of the municipality where registering, verifying, screening and approving of indigent is done by a dedicated indigent however the Municipality is aware that not all deserving community members are registered for indigent, hence are not receiving benefits as promulgated in our acts and bylaws and are unable to pay for the services as such this has a ripple effect on the increase of the municipal debtors as well as constrains in the municipal own revenue.

Consequently the Municipality will once again through the communication strategy initiatives embark on the awareness campaign to encourage the communities to come and register.

To deliver the services effectively, municipalities rely on its own revenue, which is composed of charges for proving water, sanitation and other services. However to this end the issue of non-payment or municipal consumer debt poses a serious threat to the financial health of municipalities in South Africa. It cripples their cash position and therefore the ability to fulfil constitutional mandate responsibilities and put reliance on government for grants.

Debtors

Municipal consumer debt is a complex challenge within the local government sphere, the Uthukela District Municipality is also affected by this tenacious increases of consumer debt which to date per its records is R573 777 572 inclusive of current debts. The Municipality is working tirelessly to put in place creative measures towards recovery of some of its debts.

The municipal credit control mechanisms supported by our policies are structured in such a manner to progressively convince or persuade customers to pay for the services consumed, among other is a:

- noteworthy project of installation of prepaid smart meters will help in reducing the burden of accumulating debt;
- writing off of the irrecoverable debt; and
- reduce the leakage and wastage of water which will results in huge water saving and improve payment as the consumers will be compel to pay in advance for the water usage

Grants and Subsidies

Grant allocation was received from various funders during the 2015/2016 financial year. The allocations comprised unconditional grants and the balance being conditional grants. Of the total allocations received was recognized as revenue.

Table: Grants vs Expenditure Status

Grant	Allocation	Expenditure	Balance
MIG	181 247 000	181 247 000	0
MWIG	50 000 000	50 000 000	0
RBIG	30 217 969	5 927 293	24 290 676

Investments, Cash Flows and Borrowings

Key Focus Area

- Compliance with legislation
- Management of risk inclusive of Business Continuity Plan and implementation of proper internal controls
- · Implementation of sound internal controls
- Implementation and the annual review of the District's:
- Investment and Banking policy
- Borrowing policy
- Develop sound financial reporting mechanism for the above functions
- Preparation of the Annual Financial Statements for Council and its entities
- Investment portfolio administration
- OPMS for finance department
- Submission of financial information for AFS preparation

• Prompt responses to internal and external audit queries

Compliance with all legislation applicable to local government and the compilation of fully GRAP compliant financial statements has been a challenging task which has been overcome through the cooperation of every department within the finance section. All inputs are co-ordinated by the Management accounts section and such information ultimately forms the core of the Annual Financial Statements.

	T36QU8 G3V0Я99Å	STN3MT2UI.a.A.	FINAL BUDGET	ACTUAL AMOUNTS BARARAMOD NO SISAB	DIFFERENCE BETWEEN FINAL BUDGET AND JAUTDA	% 32NAIRAV
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Taxation						
Sale of goods and services	107 678 000	-15 809 000	91 869 000	-77 247 782	-169 116 782	-184
Government - operating	317 379 000	-3 743 000	313 636 000	317 379 000	3 743 000	1
Government - capital	238 932 000		238 932 000	244 420 768	5 488 768	2
Other receipts	358 000	0	358 000	220 613 518	220 255 518	61523
Interest income	13 324 000		13 324 000	32 206 100	18 882 100	14
Payments						
Employee costs	-224 709 000	5 332 000	-219 377 000	-217 839 305	1 537 695	-0.7
Suppliers and other	-262 904 000	3 298 000	-259 606 000	-449 088 445	-189 482 445	72
Finance costs	000 09-	000 09	0	-1 125 317	-1 125 317	0
Other payments						
Other cash item						
Total receipts	677 671 000	-19 552 000	658 119 000	737 371 604	79 252 604	12
Total payments	-487 673 000	000 069 8	-478 983 000	-668 053 067	-189 070 067	-39
Net cash flows from operating activities	189 998 000	-10 862 000	179 136 000	69 318 537	-109 817 463	-61
Cash flows from investing activities						
Purchase of property, plant and equipment	-319 070 000	58 166 000	-260 904 000	-178 260 347	82 643 653	32
Proceeds from sale of property, plant and equipment				-43 543	-43 543	-100

	APPROVED BUDGET	ADIUSTMENTS	FINAL BUDGET	ACTUAL AMOUNTS ACTUAL AMOUNTS SISAB	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL	% EDNAIRAV
Other cash item				-543 600	-543 600	-100
Net cash flows from investing activities	-319 070 000	58 166 000	-260 904 000	-178 847 490	82 056 510	32
Cash flows from financing activities						
Repayment of other financial liabilities				-255 271	-255 271	100
Movement in other liability	413 000		413 000	1412 058	999 058	
Net cash flows from financing activities	413 000		413 000	1156 787	743 787	180
Net increase/(decrease) in cash and cash equivalents	-128 659 000	47 304 000	-81 355 000	-108 372 166	-27 017 166	33
Cash and cash equivalents at the beginning of the year	176 047 000	-30 959 000	145 088 000	145 087 575	-425	0
Cash and cash equivalents at the end of the year	47 388 000	16 345 000	63 733 000	36 715 409	-27 017 591	42

Borrowing and Investments

INVESTMENTS	2013/2014	2014/2015	2015/2016
Current account - bank		41 689 016	1 507 806
Short term deposits - call accounts		103 386 459	35 195 503

The following table depicts some of the key ratios which gives a snap shot of the performance of the district municipality over the years.

Ratio	2014/2015	2015/2016	
Current Ratio	1.19	1.03	
Debt Coverage			
Cost Coverage			

4.2 Component B: Budget and Reporting

Key Focus Areas

- · Compliance with legislation
- · Administration of Council's Standard Chart of Accounts
- · Implementation of sound internal controls and risk management
- · Implementation and the annual review of the District's:
- Budget policy
- Borrowing policy
- Virement policy
- Sound Financial Planning
- Sound financial reporting mechanism for the above functions
- · Administration of Council's Insurance Portfolio
- Compilation of Financial implications for items serving at all Council Structures
- Compilation of the Budget, Adjustment Budget and midyear review in terms of the MFMA and the Municipal
- Budget & Reporting Regulations
- Providing Budgetary advice to all departments

• Pressures Facing Municipalities' Budgets

- · Global economic meltdown
- · Huge maintenance and service delivery backlogs
- Rising cost of Operations and Maintenance of water schemes
- Persistent drought in the region, requiring carting of potable water
- Maintaining collection rates at targeted levels
- · Unpredictable sporadic changes to cost of fuel
- Increasing cost of electricity
- High maintenance and refurbishment expenditure of ageing infrastructure

• Expenditure: Key Focus Areas

- · Compliance with legislation
- Management of risk inclusive of Business Continuity Plan and implementation of proper internal controls
- Develop sound financial reporting mechanism for the above functions

- Prompt payment of all categories of creditors
- Prompt payment of staff salaries and councillor allowances
- An accurate and effective financial management system
- Submission of financial information for AFS preparation
- Prompt responses to internal and external audit queries
- · Management of salaries of permanent and contract staff

The Expenditure Section is structured into several subsections so as to ensure that adequate focus is placed on every aspect i.e. stringent monitoring of payments so as to comply with the requirements of the MFMA Act, as the accurate and timeous payments of staff salaries.

The core vision of the expenditure section, is to, with very limited resources, endeavour to settle payments timeously and ensure that payments are valid, accurate and in accordance with the statutory bodies such as SARS, National Treasury etc. The department also attempts to pay Service Providers less than 30 working days of receipt of invoices, to assist small businesses who are cash-strapped unless if there is an investigation with the payment or invoice concern.

The challenges that are faced by the department are:

- The suppliers' and internal departments' inability to send correct invoices and required
 documents on time in order to enable the department to fully achieve the vision of
 timeous payments of creditors.
- Late submission of invoices by supplier's that's incur interest that results in Fruitless expenditure
- Lack of submission of statements by suppliers in order to effectively prepare creditors reconciliations.
- Lack of compliance with the correct tax invoice by suppliers as per SARS regulations.
- · Late submission of vouchers to the filling room.
- Short staffed, the volume of work has increases immensely as the Municipality is
 pushing to increase service delivery to the communities that will then increase the
 orders that are issued by the Municipality which will increase payments that we need
 to be done.
- Late submission of monthly payroll information that needs to be processed.
- Increase in the volume of work to be processed monthly since there are more employees that have been appointed.
- Limited filling space for salaries documents

Mitigations on the challenges

- A reconciliations towards documents that are received in the filling room with the documents costed on the financial system will be done in 2016/2017 financial year.
- Consultation with Eskom was done in 2015/2016 for them to email through all invoices due in order for the invoices to be paid on time
- Additional staff will need to be employed.
- A new Filling room for salaries information needs to be identified

Achievements

The expenditure Unit received an award last year (2015), in the UThukela performance awards as The Unit of the year 2014/2015 of UThukela District Municipality.

Asset Management

- Assets Management: Key Focus Areas
 - · Compliance with legislation and implementation of proper internal controls
 - Management of risk inclusive of Business Continuity Plan and implementation of proper internal controls
 - Develop sound financial reporting mechanism for the above functions
 - Submission of financial information for AFS preparations
 - Prompt responses to internal and external audit queries
 - Proper planning and control over assets
 - Provide input and guidance on the capital plan of the municipality

The utilization and management of property, plant and equipment is the prime mechanism by which a municipality can fulfil its constitutional mandate for delivery of sustainable services and providing the basic needs to the community.

Assets are maintained and recorded in the fixed asset register which is in the format that complies with current standards of accounting practice and in accordance with the applicable GRAP as well as National Treasury.

- Largest Assets Acquired
- Asset 1

Name	OLIPHANTSKOP WATER TREATMENT WORKS			
Description	WATER TREATMENT WORKS			
Asset Type	INFRASTRUCTURE			
Key Staff Involved		_		
Staff Responsibilities				- · ·
	2012/13	2013/14	2014/15	2015/16
Asset Value	R36 818 307.17	R35 727 803.11	R34 010 797.05	R32 447 124.34
Capital Implications				
Future Purpose of Asset	==			
Describe Key Issues				
Policies in place to Manage Asset	Asset Management Policy			

• Asset 2

Name	Ezakheni water treatment works			
Description	Water treatment works			
Asset Type	Infrastructure			
Key Staff Involved				
Staff Responsibilities				
	2012/13	2013/14	2014/15	2015/16
Asset Value	R38 395 603.54	R37 429 054.94	R35 284 074.53	R33 507 227.86
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in place to Manage Asset	Asset Management Policy			

Asset 3

Name	Gorge Cross Water Treatment Works Water Treatment Works			
Description				
Asset Type	Infrastructure			
Key Staff Involved				
Staff Responsibilities				
	2012/13	2013/14	2014/15	2015/16
Asset Value	R50 440 868.81	R49 213 159.43	R47 309 389.44	R45 685 680.05
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in place to Manage Asset	Asset Management Policy			

Component C: Other Financial Matters

Supply Chain Management

The percentage of processing goods and services less than R30 000.00 within 14 days has been increased to 100% and its being maintained.

The percentage of processing goods and services between R 30 000.00 and R200 000.00 within 30 days has been increased to 100%.

The percentage of processing goods and services through tender process within 90 days has been increased to 100%.

Stock count is being conducted on monthly basis and reconciled.

• GRAP Compliance

Brief Narrative required

mSCOA Compliance

Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards.

The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe, by regulation, such measures in terms of section 168 thereof. In terms of section 169(1)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Minister of Finance has signed into effect and subsequently published the Municipal Regulations on a Standard Chart of Accounts (mSCOA) in terms of Notice 312 of 2014, Government Gazette No. 37577 subsequent to formal consultation.

The mSCOA regulation is, in the viewpoint of National Treasury, the biggest reform in Local Government since the implementation of the MFMA. It is not just a financial reform, but an organisational reform.

Chapter Five

5.1 Auditor-General Findings

Introduction

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

5.2 Component A: Auditor-General Opinion of Financial Statements Year -1

• Auditor-General Report: 2014/2015

The Consolidated Annual Financial Statements for 2014/2015 were submitted to the Auditor-General on 31 August 2015 for auditing in compliance with Section 126 (1) (b) of the MFMA. The qualified Audit Report for the 2014/2015 financial year.

5.3 Auditor-General Report: 2015/2016

The Consolidated Annual Financial Statements for 2015/2016 were submitted to the Auditor-General on 31 August 2016 for auditing in compliance with Section 126 (1) (b) of the MFMA. The unqualified Audit Report for the 2015/2016 financial year.

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on uThukela District Municipality

Report on the financial statements

Introduction

1. I audited the financial statements of the uThukela District Municipality in annexure B set out on pages 01 to 80, which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (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.

Auditor-general's responsibility

- 3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating

the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the uThukela District Municipality as at 30 June 2016 and its financial performance and cash flows for the year then ended, in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material losses and impairments

- 8. As disclosed in note 53 to the financial statements, the municipality incurred water losses of 26,37 million kilolitres (2015: 24,28 million kilolitres) amounting to
- R153,48 million (2015: R122,55 million). The losses arose from the deterioration of the water reticulation networks; unmetered water connections; burst pipes; unauthorised consumption and provision of water to areas where there was no water infrastructure.
- 9. As disclosed in note 47 to the financial statements, material losses of R34,81 million (2015: R161,26 million) were incurred as a result of a write-off of irrecoverable debtors.
- 10. As disclosed in note 11 to the financial statements, the municipality raised a provision for bad debt impairment of R430,42 million (2015; R372,37 million) on consumer debts as the recoverability of these amounts were doubtful.

Additional matters

11. I draw attention to the matters below, My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

12. The supplementary information in annexure B set out on pages 81 to 89 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Unaudited disclosure notes

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

Report on other legal and regulatory requirements

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected development priority presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

- 15. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the basic service delivery and infrastructure development priority presented in the annual performance report of the municipality for the year ended 30 June 2016.
- 16. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
- 17. I evaluated the usefulness of the reported performance information to determine whether it was consistent with the planned development priority. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for Managing Programme Performance Information (FMPPI).
- 18. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 19. The material finding in respect of the selected development priority is as follows:

Basic service delivery and infrastructure development

Reliability of reported performance information

20. The FMPPI requires the municipality to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. Adequate and reliable

corroborating evidence could not be provided for the reported achievements against planned targets for 28% of the indicators.

Additional matters

21. I draw attention to the following matters:

Achievement of planned targets

22. The annual performance report on pages 10 to 16 which includes information on the achievement of the planned targets for the year should be considered in the context of the material finding on the reliability of the reported performance information for the selected development priority reported in paragraph 20 of this report.

Unaudited supplementary schedules

23. The supplementary information set out on pages 1 to 9 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report thereon.

Compliance with legislation

24. I performed procedures to obtain evidence that the municipality complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Strategic planning and performance management

- 25. The amendments to the integrated development plan (IDP) was adopted by the council without the proposed amendment being published for public comment for the duration required by Municipal Planning and Performance Management Regulation (MPPMR) 3(4)(b).
- 26. The performance management system and related controls were inadequate as it did not describe and represent the processes of performance planning, monitoring, measurement, review, reporting and improvement and how it is conducted, organised and managed, as required by sections 38 of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA) and regulation 7 of the MPPMR.
- 27. Key performance indicators (KPIs) in respect of each of the development priorities and objectives were not set out in the IDP, as required by section 41(1)(a) of the MSA and the MPPMR 1 and 9(1)(a).
- 28. The KPIs set by the municipality did not include indicators on percentage of households with access to basic level of sanitation as required by section 43(2) of the MSA and the MPPMR 10(a).

Procurement and contract management

- 29. I could not obtain sufficient appropriate audit evidence that goods and services of a transaction value above R200 000 were procured by inviting competitive bids, as required by supply chain management (SCM) regulation 19(a).
- 30. Thresholds for local content on designated sectors' procurement were not properly applied in accordance with the requirements of Preferential Procurement Regulation 9 of 2011, issued in terms of the Preferential Procurement Framework Act of South Africa, 2000 (Act No. 5 of 2000).
- 31. I could not obtain sufficient appropriate audit evidence that contracts were only awarded to providers whose tax matters had been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.

Expenditure management

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

Revenue management

33. A credit control and debt collection policy was not implemented, as required by section 96(b) of the MSA and section 62(1)(f)(iii) of the MFMA.

Consequence management

34. Unauthorised, irregular and 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)(a) and (b) of the MFMA.

Internal control

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the performance report and the findings on compliance with legislation included in this report.

Leadership

36. Leadership did not provide adequate oversight, monitoring controls and consequence management in ensuring that effective measures were taken to fully address previous findings on predetermined objectives and compliance with legislation. This was due to slow responses in addressing recommendations.

Financial and performance management

37. Senior management did not implement proper record management systems for the maintenance of documents supporting reported performance and compliance with procurement and contract management. This was due to lack of monitoring by senior management and the late filling of key positions.

Other reports

38. I draw attention to the following engagement that could potentially impact on the financial, performance and compliance related matters. My opinion is not modified in respect of this engagement that has been completed.

Investigation

39. An independent consulting firm performed an investigation which covered a period from 1 March 2013 to 28 February 2014. The investigation was based on an allegation of possible misappropriation of the municipality's assets. The investigation concluded in 2016 with a further six employees dismissed in the current year and one case being referred to the labour court.

Pietermaritzburg

29 November 2016



Auditing to build public confidence

ANNEXURES

ANNEXURE A: 2015/2016 Annual Performance Report

ANNEXURE B: Consolidated 2015/2016 Annual Financial Statements

ANNEXURE C: Final Audit and Performance Committee Report

Annexure A





ANNUAL PERFORMANCE REPORT 2015/2016

Table of Content

Annual Performance Report Introduction and Purpose	pg 1-2
Municipal Overview	pg3-5
Vision, Mission and Core Values	P80 0
Performance Management Process Overview	pg5-6
Performance Management checklist	
Performance Management highlights for 2015/2016	pg6
Service Provider Performance Assessment	
Performance per National Key Performance Area	pg7-9 pg10-17
Performance Management Status	
Conclusion	
	pg19

ANNUAL PERFORMANCE REPORT INTRODUCTION AND PURPOSE



MR SN KUNENE MUNICIPAL MANAGER

The purpose of this report is to reflect the actual performance of UThukela District Municipality as measured against the performance indicators and targets in the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2012/2013. Good performance information helps identify what policies and processes work and why they work. Performance information is essential for

effective management, including business planning, monitoring and evaluation. Externally,

performance information allows effective accountability with appropriate information; members of the public and other stakeholders are able to exert pressure for improvements and can better understand the issues involved. This report will also endeavour to report to Council the Municipality's performance in terms of the six (6) National Key Performance Areas for local government, which are:

- Municipal Institutional Transformation and Development;
- Basic Service Delivery
- Municipal Financial Viability and Management
- Good Governance and Public Participation
- Local Economic Development;
- Cross cutting issues.

The Annual Performance Report of UThukela District Municipality is hereby presented in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting. This report covers the performance information from 01 July 2015 to 30 June 2016 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP). UThukela District Municipality quarterly aligns the performance of the municipality against the set targets on the Municipal SDBIP. This performance seeks to attain the following:

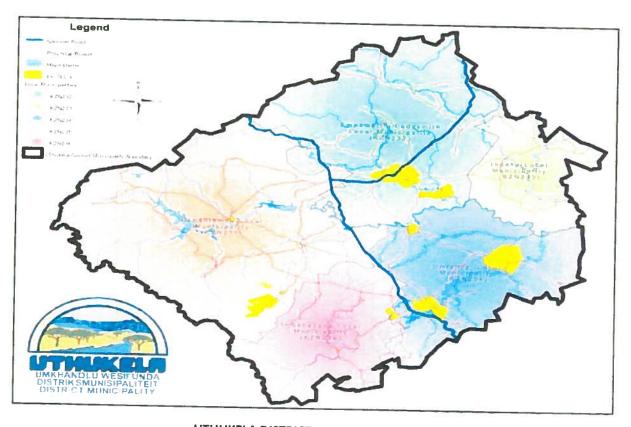
- Indicating progress against objectives;
- Prompting an external focus by public institutions on transparency, accountability, and progress on service delivery;
- Ensuring the best results for citizens;
- Identifying gaps between policy formulation and policy implementation; enhancing strategic planning processes.

MUNICIPAL OVERVIEW

UThukela district municipality (DC23) is one of ten district municipalities in the Province of KwaZulu-Natal. uThukela district municipality derives its name from one of the major rivers in the Province of KwaZulu-Natal, the uThukela River that rises from the Drakensberg Mountains and supplies water to a large portion of KZN and as well as Gauteng. UThukela district municipality has three district municipalities bordering onto it within the Province of KwaZulu -Natal, namely Amajuba, uMzinyathi and UMgungundlovu.

UThukela district municipality consists of five local municipalities namely:

- Indaka (KZ233);
- Emnambithi/Ladysmith(KZ232);
- Umtshezi (KZ234);
- Okhahlamba(KZ235) and
- Imbabazane (KZ236)



UTHUKELA DISTRICT MUNICIPALITY MAP

VISION, MISSION AND CORE VALUES

VISION

A stable, sustainable and prosperous district with committed servants who serve with excellence in governance, service delivery and economic development

MISSION

We promote a people-centred environment with emphasis on consultation, integrity, accountability, economy, effectiveness and efficiency

CORE VALUES

- Solidarity;
- Honesty;
- ♣ Ownership;
- Professionalism;
- Self-reliance

LEGISLATIVE REQUIREMENT

This Annual Performance Report has been compiled in compliance with the requirements of section 46 (1) of the Local Government: Municipal Systems Act, 2000; which stipulates as follows:

- (a) The performance of the Municipality and each external service provider during that financial year;
- (b) A comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and
- (c) Measures taken to improve performance.

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organisation as well as the external service providers and the Municipal Entities. This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

PERFORMANCE MANAGEMENT PROCESS OVERVIEW

In order to improve on performance planning, implementation, reporting and measurement, the institution implemented the following actions; there has been a reduction in the number of KPI's that the Municipality is reporting on. The reduction on the number of KPIs afforded the institution the opportunity to focus on strategic issues which were well defined. Departmental operational plans were developed for monitoring and reporting operational programmes. The Municipality endeavoured during the development of the Top Layer as well as with the development of the Departmental SDBIP that the "SMART" principle was adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable.

UThukela District Municipality has a performance evaluation system in place for Section 56/57 employees, and as envisioned in the 2014/2015 Annual Report that this process will be cascaded in terms of the Systems Act. However the cascading down of Performance Management System to lower post levels still poses a serious challenge. The matter is still open for debate at the Local Labour Forum comprising of IMATU, SAMWU, Council and management representatives, the thorny issue being the reward system for outstanding performance. This problem needs to be attended at the Divisional Bargaining Council, however the Individual Performance Management System (IPMS) policy is being implemented nonetheless.

PERFORMANCE MANAGEMENT CHECKLIST

PMS Item in place	Y/N	
Performance Management Framework	Y	
All MSA s57/56 Performance Agreements signed	Υ	
Audit & Performance Audit Committee	Υ	
Municipal Public Accounts Committee (MPAC)	Υ	
Quarterly Performance Reporting to Council	Υ	
Annual Reporting to Council	Υ	

PERFORMANCE MANAGEMENT HIGHLIGHS FOR 2015/2016

PMS ITEM CONDUCTED	Y/N
Section 54/56 managers performance agreements	Y
Appual Porformance D	
Annual Performance Report submitted to AG in August 2015	Υ
Annual Report tabled to council in January 2016	Υ
Mid-Year Performance Report submitted to	Y
treasury by 25 January 2016	
Quarterly PMS Reports were submitted to council	Y
Performance Assessments conducted quarterly	Υ
Audit and Performance Audit Committee is	Υ
functional	
Consultative meetings were conducted	Υ

SERVICE PROVIDERS PERFORMANCE ASSESSMENT

This is an assessment of external service providers in terms of section 46(1) (a) of the Municipal Systems Act, 32 of 2000

PROJECI DESCRIPIION	ENGINEERING CONSULTANT	ISD CONSULTANT	CONTRACTOR	Expenditure To Date	PERIOD		Progress to Date and Rating		
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gville /er eme	Eca Consulting	n/a	SBT Civils	R 14,073,841	11 June 2014	15 Sept2015	5 100%	63%	Poc
kuzulu/E Ingweni Ise 1	Consulting	Lwazi	Hidrotech	R15 026 777.00	1 March 2013	1 May 2015	100%	100%	Goc
ikuzulu/Ep igweni ise	Consulting	Lwazi	SBT Civils	R 13 145 943.00	1 Nov 2012	1Feb 2015	100%	100%	Goc
kuzulu/E Ingweni Ise 4	Sukuma Consulting	Lwazi	Hidrotech	R 14 574 665.86	1 Mar 2013	1 Apr 2015	100%	100%	Goo
kuzulu/Ep 1gweni 1se 5	Sukuma Consulting	Lwazi	Namandla Civils	R 76 789 922.67	1 May 2013	1 Nov 2015	100%	68%	Poor
kuzulu/E Ingweni Ise 6	Sukuma Consulting	Lwazi	Water Skills	R 14 118 595.83	1 Jun 2014	1 Feb 2015	100%	85%	Satis
:kuzulu/Ep 1gweni 1se 7	Sukuma Consulting	Lwazi	Winwater Mechanica I & electrical Projects	R 4 233 069.71	22 February 2016	22 May 2017	20%	28%	Gooi
kuzulu/E Ingweni Ise 8	Sukuma Consulting	Lwazi	JJS Leomat JV	R 4 160 561.04	30 May 2016	30 September 2017	15%	16.7	Good
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nobamb zitendeni er supply e 1 B	Eca Consulting	ZG Training	Pilcon Projects	R 32 450 518.09	23 Apr 2014	26 Nov 2016	100%	96%	Satisfo
nobamb sitendeni er supply e 1C	Eca Consulting	ZG Training	Makhubu Civils	R 7 752 537.49	23 Apr 2014	23 Mar 2015	100%	100%	Good
nobamb itendeni	Eca Consulting	ZG Training	Khethwayo Constructio	R 13 154 086.16	23 Apr 2014	23 Mar 2015	100%	100%	Good

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anobamb Ezitendeni Eer supply ISE 1E	Eca Consulting	ZG Training	Shula Constructio n	R 17 457 381.12	07 May 2015	20 Jun 2016	100%	100%	Go
bamhlop Water eme ise 10	JG Afrika	Changin g Tides	Kulu Civils	R 25 663 345.55	21 May 2014	31 Mar 2015	100%	80%	Sati
kheni E ver :ticulation	Sukuma consulting	In House	Sinethemb a	R 6 560 398.47	01 Aug 2015	30 Apr 2017	100%	95%	Sati
anobamb zitendeni ter Project sse 2C	ECA Consulting	ZG Training	Sikoti Investments CC	R 296 820.00	24 Mar 2016	19 Feb 2017	10%	10%	Sati:
anobamb zitendeni ter	ECA Consulting	ZG Training	Shula Constructio	R 4 886 473.98	24 Mar 2016	19 Jun 2017	20%	26%	Goo
ject Phase									
nbardskop DB Bulk		Nhloso Develop	Fa						
ter Fedder in and ourtment rks	WMN Consultancy	ment Consulta nts cc	Esor Constructio n	R 27 186 775.00	24 Feb 2016	24 Jan 2017	30%	47%	Goo
kheni E ter :ticulation	Sukuma Consulting	In House	Mayibuye/ Maswidi JV	R 2 840 791.68	25 Jun 2014	15 Jan 2015	100%	60%	Poor

PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA

The municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA.

Porticid of Evidence	Council Resolution and copy of the Policy	PMS Report	Actinovitodgement letter and Med Year Report	Activity definition of the second sec	Performance Scores and antersoments report	Merules of the mostings	Council resolution	Council resolution	Menutes of the meetings	Minutes of the meetings	Menutes of the meetings	Capiers of newsletters	Council resolution	Approved organogram	hoof of submission
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Market Development	Date of review of 2016/2017 PMS Policy Frantework by Council	Number of quarterly reports tubmilled to the Mayor and Councel Oate of submission of Mel Year Performance Report to the Mayor	and Trassumes Dain of submission of 201415 Arrual Performance Report in the	AG Dale of Labbing on 2014/15 Amual Fleport to Council binoursly	Number of section 54/56 managers performance assessments conflucted per financial year	Number of extablished Ross. Management Contrades meetings tests best Outs of review of 2016/17 Rask	Management Policy Framework by Council	Date of review of 2016/17 Anh Fraud and Corruption Strategy by the Council	16	ial schedule of		of for each financial year of the action of 2016/17 10P by	0 4 6	DESCRIPTION OF THE PERSON.	Work Skills Plan to LGSETA 20 Peo
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Expensiture report	Engloyment Equity Plan	Council Resolution	Council Resolution	LLF Recommendation / sugned report	veting register	Council Resolution and Records Management Policy	Council Resolution and Fee Plan	Agendaria Registers Abendaria Registers	System pred out	Council Resolution	MANCO minutes and resolution	MANCO resolution, apparament letters	Signed report		Indigent Pagister about
ela ela	e/s	ola a	e/s	Na	6/3	eg.	ş	ela	Na	e/c	egu.	ş	n/a		n/a
Corporate Services	Cerporate Services	Corporate Services	Corporate Services	Corporale Services	Corporate Services	Corporate Services	Corpor ato Services	Corporate Services	Carporate Services	Budget and Treasury Office	Budget and Treasury Office	Municipal Health and Water Services Department	Attnicipal Health and Water Services Department	C. CONSTRUCTION OF THE PARTY OF	Gudget and Treasury Office
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Percerlage	Number	Date	Number	Percentage	Percentage	Date	appe	Number	Percentage	Number	Oake	Date	Humber		Number
Percentage of budget actuals spent firms indecator refers to the manageal budget and on explainmenting its worthdates sales, allocated for training of manageal staff and plan.	This refers to the followings in forms of the Municipal Employment Equaly Plan	This refers to plan that must show the objectives, affirmshow action measures, installed, caraton, procedures and responsabilities that employers will implement	The indicator refers to IT Strategy Policy, IT Security Policy, Business Continuity and Program Change Management Policy	The indicator refers to all disciplinary cases reported and actioned by the 30th Aure 2016 Number of received cases against number of actioned	This reties to only drafting and vetting of activities and selected and activities and selected and S.A.a. Namber of agreements ensured and activities and stalked control and stalked	This refers to the draft policy submitted to council for adoption after receiving inputs from KZN Provincial Archives.	This refers to a comprehensive outline that exclusive the records sense the organization; there she becames the transfer restructions. the reference and deposition restructions and desire specific restructions that pr	The inclusion is based on the build number of a Section 80 Committees of Council. The Turper of a selection 80 Council The Turper system. Furthcroadly in the Case means that at the New Council and the New Council debter she on the Case of Section 80 Council and the Turper of Case of Section 80 Council and Section 80 Cou	The refers to both light vehicles and heavy vehicles procused by the Council Heavy plants are not included	This indicator refers to section 52 of MFMA reports submitted to Council by the Department BTO	s to section 72 of MFMA o accounting officer by the	th and Salety Act requites Labbish and maintains th and Salety system to not salety of employees at	nealthy lifestyle amongst the res to sustain a healthy		This refers to the number of indigent updates. In conducted by BTO department during the functial year.
Percentage of budged actually spent of percentage of budged actuals and percentage of percentages actually actu	Number of poople from employment The opuly Larget groups employed in Macomplance with a municipality's approved employment equity plan	Tmoous submission of the Employment Equity Plan to Council of for review	Number of ICT Policies developed and reviewed by the Council by the S 30th June 2016	Percentage of received disciplinary	Percentage of submitted drafted confracts entered into by the municipality and external parters vertied	Management Policy by the Council of K	8	Number of Ancelonal section 80 CS committees.	Percentage of new of municipal (1) websites willafted with a fractung of device system	Number of quarterly report submitted Ti to Council within 30 days after the re- end of the quarter	of section 72	Date of establishment of Occupational health and safety forum in Occupational health and safety forum in the safety for	MHWSA 002 Number of weltness programme Programme or conducting		Number of Indigent register reviews The conducted
COS 5003	CS 004	CS 005	28 006	CS 007	CS 008	CS 009	0% 0 % 0	CS 011	CS 012	810 001	810 002	WHWSA 001	MHWSA 002	y and infrastru	BTO 003
Whough trainings	(mplementation of Employment	Equity Plan	To improve performance and functioning of the manicipality		Provision of legal services		Comping with National Archives and Registry regulations	finaumo functional council s support structures	Ensuring effective administration and manipulance of Municipal First Management	To improve performance and	Auctoring of the municipality	To ensure adherence to occupational health and safety act	To enhance employees physical and mental welness	HIVPA 2 Basic Service Delivery and Intrastructural Development	pool and the second

Volte print cut	hesh board report	Signed quarterly municipal health reports	GDS quarterly reports	IDS quarterly reports	Bue drop action plan becument	Green drop action plan bounnered	No drop action plan	NON Pades	Council Resolution	Mendance register, ligned report and advert	Jeneficiary List Progress Reports	Beneficiary Util Progress Reports	Beneficiary Ltst Progress Reports	enetcary List regress Reports	evance plan
rVa Note	rda	rva Sqn	n/a GDS	rks 808	n/a Blue	D/a Grow	n/a Na di	N/a Signe	r/s Count	n/a Atlent	Berrei	Bernel	Benef	Progn	Marie
Budget and Treasury Office	Corporate Services	Municipal Health and Water Services	Oppariment Maricopal Health and Water Services Oppariment	Managal Health and Wales Services Department	Managal Health and Water Services Department	Municipal Health and Water Services Department	Municipal Health and Water Services Department	Montopal Health and Water Services Department	Social and Economic Services	Social and Economic Services	Water and Technical Infrashuchire Services	Water and Technical infrashucture Services	Water and Technical Intrastructure Services	Waler and Technical Inhastructure Services	Nater and Technical Infrastructure Services
nka	The reviewal of Daciplarary Procedure Marenta is incopporate Fraud Prevention Plan an done by 31 December 2016	cha	1/42	đ.	No.	1/2	Ę.	45	rda	5/4		5/4	NA	72	The buserness plan with detailed financial with presented by the
1/2	Desciplinary Procedure manual, Fraud prevention plan to include desciplinary procedure	da da	nka	£	ş	£	2	2	ą.	e/u		ş	PA.	Plant I	There were budgel
PD6 537,548	ş		88			R7.212.293	age .	rda	20	R1.169,347	2	10,103,324	cla s	R1.099,330	n/a
Achieved	Partiely Achieved	Achieved	Achieved	Acheved	Achieved	Acheved	Actueved	Achaived	chaned	Chevad	Achieved	Achieved	Achieved	Acheved	Hal Achieved
228%	15%	Ħ	¥	692	-	-	-	-	\$102/11/21	0	100%	1600	0	842 V	n
2001	100%	200	89	003	5	-	-	-	31/12/2015	vn	%00X	1600	28	642	22
R16,005,808	da.		FZ0 000	ar war		R7,000 000	e Pa	n/a	nta	Rt 200 000	nla	CAPEX	NA.	CAPEX	nfa
New Indicator	New indicator	New indicator	New Indicator	2428	New milicator	New andicator	tew indicator	New mileator	28/05/2015	-	4230	7500	%09	New indicator	New Indicator
New cubcator	New Edicals	New Indicator	New redicator	1702	New Indicator	New indicator	Now educator	New ridication	30/06/2015		0009	7500	5.09	New intrastor N	New Indicator N
Percentage	Percentage	Number	Number	Number	Number	Number	Number	Murber	Date	Number	Percentage	Number	Number	Mumber	N N
This indicator refers to the amount of money allocated for providion of tree basic services against the amount spent out of it		This refer to checking wheather the yard is well kept, they check the kitchen in terms of Reg R962.	This indicator relates to the incontang of the quality of treated waste valer discharged from waste walls works aim a water course and to ensure compliance with DWS waste water quality standards.	This indicator relates to the movitoring of the quality of purfied water supplied from the water supply systems to water consumers, both domests and industrial to ensure complaints with directing water standards, SANS 241-15	The indicator retains to the development of an action plan to address that Orop System insurances as determined by Department of Water and Severations so as to improve operations of values supply is palents.	This indicator relates to the development of an action plan to address Green Drop System requirements as determined by Department of Waler and Sandakon so as to opterize the operation of water thanks.	This indicator retains to development of an action plan to address the No Orop System requirements as determined by Department of Waler and Santaleon so as to conserve water	A memorandur of understanding with Walter Services Productivity Octobaring the speaking of containing the speaking on a containing the speaking on a speaking services. A mining Services of most Valled Services. Provided Department reclaiming performance may be a scheed by the Walter Services Provider must be support in the with Section 20 in the Walter Services of the Walter Services as the Walter Services of the Walter Services and the Walter Services and the Walter Services and the Walter Services Act.	2 11 00	This indicator refers to the IOP/Budget meetings held between the Mayor and retexant statecholders.	This indicator refers to all households provided with	ollets in	Carolincton of Sever Intestructure to households	P	This indicator refers to repairs and mandenance of operational plants for all existing featurers works
Percentage of budget spent on free baker services	Paroanlage of corporate services AG queries recoved and attended to by Corporate Services	Number of food premises inspected	Number of waste water samples Laten in the 8 plants	Name and Address of the Owner, where the Owner, which is the Owner, where the Owner, which is th	The second second	NAME AND ADDRESS OF THE OWNER, WHEN	NAME AND ADDRESS OF THE OWNER, WHEN	Warrings of UOU developed between fa- sion services authority and water 5 provinces provinces Provinces provinces	<u>a</u>			Contractor of the last	€ 1	***	Number of developed maintenance Thi plans for operational plants for all ma exhibit treatment works
BT 0 004		ACTION AND DESCRIPTION ASSESSMENT	PERSONAL PROPERTY AND ADDRESS OF THE PERSON NAMED IN	The Real Property lies	-	No.		M+W5A 009		7					WI SOS
Jocess Ib basic services	Improved Audit Opinion Brough proper systems and comply with legislation		improve quality of life and access to basic services				provided of services		2	Municipal Infrastructure		Proceedings of the same			

	6	4	2	
- 4	ā		R	1
		_		
6				

Close out report	Close out report	Signed report	Expendêure report	Feasibility Report Proof Of Submission	Gentl Charl Progress reports	Gant Chart Progress reports	Ganil Chart Progress reports	Progress Report	Progress Report	Progress Reports Closecul Report	Progress Reports Closeoul Report	Progress Reports Closecut Report	Progress reports	Progress reports	Beneficiary List Progress report		Reports to Council calculation sheet	Reports to Council calculation sheet	Reports to Council calculation sheet	age analysis report and council resolution
		L	L		_	igspace		_									gu	es.	r/a	rda e
Water and Technical Infrastructure Services	Water and Technical Intrastructure Services	Water and Technical Infrashucture Services	Water and Technical	Water and Technical Infrastructure Services	Water and Technical infrastricture Services	Water and Technical Intrastructure Services	Water and Technical inflashucture Services	Water and Technical Infrastructure Services	Water and Technical miliastructure Services	Water and Technical infrastructure Services	Water and Technical inhastructure Services	Water and Technical Initiastructure Services	Water and Technical Intrastructure Services	Water and Technical Infrastructure Services	Water and Technical Infrashucture Services	No. of Concession, Name of Street, or other Persons and Street, or other P	Budgel and Treatury Office	Budget and Treasury Office	Budget and Treasury Office	Budget and Treasury Office
The revised plan will be drafted, to incoporate the outstanding work, by September 2016	rda	rva	n/a	Na	The project will be readverbeed and ensure that project continues	Na	e p	72	The water Lankers have been ulkned in accordance with lesting by September 2016	ela S	Na	143	The shuckers of the reservors are complete the testing is in order to address by providing of water best by September 2016.	nia	rds	THE REAL PROPERTY OF THE PERSON NAMED IN	Alfons were redemed, frontions the municipality is not servicing any loan	Council is in the process of inglementing MFAA Creader 82 which refers to cost condamned measures Procurement Plan for all departments meets to be submitted to the SCM Unit before the commercement of the Manuals year.	Prescribed dobt to be written off in 2016/17 Namonal year	Na
There were financial constraints on the planned budget which can only cover 2 plants.	el l	nla s	nia	nla	The was an objection from service providers	rd3	rla	2	There were delays on testing there was not water available	n/a	elv.	nla	There reservors are not complete in terms of water testing	egu.	eln		All loans were needemed, of the feeders for municipality in a not servicing any loan.	The drught experanced of the manipulary or stalled in soung address address expendence is expendence.	irrecoverables are procluded on the total of the total of the total of the total or understate collections	elva
R4,665,504	ā		R169,211,202	n/a	FIR 936,282	R4 233,070	PC7, 186, 775	R17,319,719	F12,450,518	R7, 752,537	R17, 457, 381	AB, 892 783	R12,372,207	P65,206,600	R5,209,853		n/a	الم ا	ş	rya s
Partally Adminished	Achieved	Acheved	Acheved	Not Achieved	Partally Achieved	Acheved	Partially Achieved	Achieved	Not Achinved	cheved	Achieved	Acheved	Not Actieved	Achieved	cheved		Not Acheved	Vot Acheved	Partially Actionwed	Achieved
2	2	100%	4,001	30/04/2016	22.8	28%	182	100%	*98	2,000	100%	310	-	1,004	EG .	П	0	10.82	MO.1	Ç.
r	2	100%	100%	30/06/2016	300	30%	304	3,001	\$00t	100%	100%	300	2	100%	524		8	8	101	12
CAPEX	eb.	CAPEX	CAPEX	rNa	CAPEX	САРЕХ	CAPEX	R17,319,710	CAPEX	R7,752,537	R17 457,381	R9.822.782	CAPEX	P05,206,600	PS,209,853		nla	rika	n/a	eg.
New indicator	New indicates	New indicator	New indicator	New indicator	New indicator	New indealor	Hew indicator	New indicator	New indicator	New indicator	New mdc.ator	New indicator	tew indicator	tew indicator	lew indicator	O	% %	*09	100%	ā
New andicator	New milicals	New indicator	New indicator	New indicator	New mile.	New indexes	New indicator	New indicator	New referance	New indicator	New makalism	New indicator	New mecator	New indeator in	New Indicator		\$	B0%	100%	13
Number	Number	Percentage	Percentage	Date	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Number	Number	Percentage	Number		gg.	Flato	G G	Mumber
Ezalhen Ladysmith, Geoga Cross Treatment works. Upgrate of existing Pumps, Mechanical, and Electrical Equipment installation of Bulk Meters	Ladyamah, Geoge Cross Trushneni works Upgrade of existing Pumps, Mechanical, and Electrical Equipment Repairs, Digesters, Purrps	Repair fiver Sever Crossings and overflowing manholes	Total allocation against budget spent	Conducting Survey	Phase 13 installation of Bulk. Pipe lines and reticulation network.	Oheleusulu Phase 7-Insabation of Bulk Lines. Resevoirs and Rebostston	Construction of new pape line. Upgrade of the Built. System	Cataliturism of Bulk Poelare (Connecting ippalen from Man Reservoir to Community Feeder Reservoirs)	Construction of Bulk Pipeline (Connecting appetine from Man Reservoir to Community Freeder Reservoirs	This indicator refers to a construction of Reservairs	Construction of Bush Papaten (Connecting papaten from Man Reservoir to Conmunity Feeder Reservoirs	Drilling and Equipping of new boreholes upgrade and floorg and existing	This indicator refers to part one of the construction of reseviors at Untitumayo - f day Park project	Construction of reservoir and bulk pipeline	installation of ViP tolets in each household		Hallo, Total operating revenue received manus operating grants dwided by debt service payments (i.e. interests plus redemplion)	SCHOOL STREET, SQUARE,	Ratio. Outstanding service debtors divided by simmal revenue achiatly received for services.	This indicator refers to an analysis of outstanding debtors according to the number of days outstanding
Number of water treatment works returbated	Plumber of waste water treatment works achiemes refurbished	Percentage of sewerage spillage moderits repaired	Percentage of grant allocated for the current year spent	Date of submission of feasibility Report for Bergville bulk water supply (Sewer)	Percentage of progress explementation of Niabarratophe water supply	Parcentage of progress for Birel uzulu, Ephangwers 7 community water supply project	Percentage of progress of Ezakhera- Emrambith bulk water estassuchero project (Lambatskop)	Percentage of completion of Nwanobamba scriterioen(Wennen)water supply project Phase 1a	Percensage of completion of hwanobamba suffereden (Wennen)water supply project Phase 1b	Percentage of construction of hwandbarrias astendens(Werneri)water supply project 1c	Apple	No. of Concession, Name of Street, or other Persons, Name of Street, or ot	- 0 -	Percentage of Onelonien upgrading of Burlord water supply scheme project Stage 1)	households provided with a n Emambithi ward 16			The second second	b g	Vumber of monthly debians age in makes submitted to Council for
W1506	WTS07	WTS08	WTS09	WTS10	WTS11	WTS12	WTS13	WTS14	g g	915					WTS21	TO ONE ID				810 008
bus visite equality and	provided								isqonuk əri					***		NOTA & MARCON PRINCIPA VIEWS and Management				

_	BTO 009	Mumber of monthly condition non	r												
	_	- /		Number	12	12	2	12	11 Partally Achieved	-	nda		Distant		ŀ
Optimization of collections	BTO 010	% of Billed Amounts collected	of days autitanding The actual cash payments received per months	Demonstra							meetings did not quorate	re Neports will be submitted in the next council prate meeting			Preparts to Council
			compared to the total amount bland to exchange in that bush and no constanted advanted to their formula used in the rand amount of cash collected divided by the and amount blend by the income section		6	*6	2	45%	50% Achieved	254	e Pa	e çu	Budget and Trassury Office	Eg.	raction 7.1 (collection make 7)
improved Cost Effectiveness (Expendialse)	110011	Standing of operating costs.	The induction then to measure from much starting have been achieved on the Operational Bodget, the wift to determined by Comparing actual budget against actual expendator, and fine with towever exclude them and manhenance	Percentage	New indication in	ew indicator		10 % %	19% Acheroned	2	ę.	£	Budgel and Treasury Office	ES.	section 7 (financial performance)
	BTO 012	Percentage of processing of goods and services less than R 30 000 within 14 days.		Accordage	100%	190%		100%	100% Acheved	e la	PA PA	e/u	Budget and Treasury Office	25	Prejunishen, quotation and
Implementation of effective Supply Chain Management Unit		processed within 30 days Percentage of goods and services processed within 90 days through	Services from 120 000 to 1200 on terms of Marrayal SCAR Pubey. This indicator means the procurement of goods and sorvices through the tender	Percentage	400% 100%	100% nta		2,001	91% Partially Achieved 99% Partially Achieved	eved refa	Central posters were vacant within SCM unit	Critical possitions have been filled within SCM sand		70	requivalien, quotalien and order
	810018	Winder processes Number of monthly reports submitted No National Treasury reports within 10 working days.	0 41- 5 7	Pharmber No.	dew ordication Pelen	w indicator n/a	+	D.	12 Adheved	į	vacant within SCM und		Office	£ £	SCM Neports, tender reguler
	810016	Aumber of monthly reports submyind to the Mayor within 10 working days	These are monthly reports submitted to the list. Wayor within 10 working of the beginning of the monthly between	Number	ā	22		2	6 Patally Achoved	pas pas	Plumed FBP committee			ch	france and budget
Видиоба ганоция,	610 017	Number of monthly budget studements reports submitted to Council	This document is submitted to comply with section 7(1) of the Mamopal France Management Act (MR My) purdension of a region in a prescribed famile to the Maryon within 10 working days after the end of each month on the state of the Mancepully is budget	Humber	a	21 22		2	10 Partially Achieved	ę,	Two planned council meetings defined quarable	Heports will be submitted in the next council to meeting.	Office Office	S.	portfolio fem and recommendaters section 71 Council Femilikation
Impremed Auds Opmon Brough	810 018	Oute of submission of Armusi Financial Statements to the AG Percentage of customs received and	This indicator refers to the submission date of [0] the unaudised 2014/2015 serviced financial subminists to the Auditor General	-	Vew mdcalor New	ndealer Na	Dri C	11/08/2015 31/08/2015	2015 Achengel	-	ş	e pa	Budget and Treatury Office	n/a	Annual Firancial Statements and proof of submession
proper systems and comply with legislation		altended to by the management	ins reers to number of finance related AG op- queries received against number of quenes abtended This is a number of shock counts conducted on IN	Percentage	*003	100%				rep.	Other issues like revenue and pregular expenditure were in July 2016	Plauses raced by AG will be attented to before De next aucht is final-sed by August 2016	Budget and Treasury Office	rla	AG dash board report
and inventory management of assets and inventory management (Bithough compliance with GRAP standard	810 021	conducted number of quarterly assets verifications conducted	quarterly bases The includes updating the assets register and in- derielication of obsolete assets and completion of assets counts and ventications				250 000 00		Achieved	M2.216,500	rika 3.27 rika	ela ela	Budget and Trassury Other Gudget and Trassury Other	§ §	Stack sheets Asset verthuston report
Erisurng spending within Co	CS 014	Percentage of departmental budget spent by the 30th June 2016	The refer to the bold operational budget after (P) budget industrient against the available bulieses at the end of featureal.	Proceedings	\$.00.5	100% R84.5	16	100% 98.62%	2% Partially Actroved	ed 183,654,677	The expenditure is aligned in the operational in the operational inquarements, therefore the budget was spend according to the requested inquarements.	d Proper budget montavop will be enableded	Corporate Services	55	Expenditure report and budger
Instructor expecutation and cash MHWSA 010 % of op- flow management budget in year. Year WPPA 4: Good Governance and Public Participation.	MHWSA 010 %	crations and maintenance spent in the current financial	Montaving of operational expenditure against Pre-	ercerlage News	New indicator New in	decata R41,605,000	-	100% 100%	Achieved	RZB.022.369	Na	1/2	Municipal Health and Water Services	55	Exponditure report
O effectively and stakeholders	MM 015	and types of Mayoral three meetings conducted by or	This neters to the number of IDP and Budget May consultative meetings conducted by the UTDM in all boal municipalities within a destrict sensitives. An emering mann seath community patheting called by the Majors in each memorphism Two meetings per municipality.	Humber	-	4 R2 645	F2 645 063 00	10 12	Actioned	Ft3 260 072 43	est.	El P	Office of the Municipal		Messins of the meetings
				-	-	-	-	-		_					

Apriant Science	Popular Sorgan	Psychaet Concodi	Paparahed Scenerard	Perate Serecas	Budget Process Plan	Capies of adverts	Surved report and dated pictures		rsi of beneficianes	Draft LED straingy and	usi of beneficiaries, obvert, Alterdance legisler and certificates	let of beneficiaries,	toke cut report, advert
3	2	7	20	2	2	2	2	g	es.	52 0 3	2 2 2	72	E E
Office of the Manager Manager	Office of the Municipal	Office of the Municipal Manages	Office of the Municipal Manager	Office of the Managar	Budgel and Treasury Office	Orporale Services	Muncipal Health and Mater Services Department	Municipal Health and Nahiir Services Department	Secul and Economic Services	Social and Economic Services	Socul and Economic Services	Social and Economic Services	Social and Economic Services
The lighting conductors will be installed in the made free free frames from the conductors of the frames plan will be developed in 2016/17 frames.	Pedesimed of bars, written of prescribed debut, no algorithm of bid commisses and featishing of because smoot by the AD betters to commisser entire of the commisser of the comm	Moverhament to envite potential service providers to render is namely services will be results in 2016/17 frament year and budget spanning will replemented and monitored on quarterly bases	Additional capacity and proper implementation will be implemented in next financial year identity project monitoring meetings will be itself with external services.	Eaper will be adjusted in 2016/17 financial from due to budget contrants.	14.5	19.5	24	72	25 SS	95	S 33	Soc	905
Only two targets not achieved due to non delevery of materials to artist lightery conductors and no adoption of therefor management plan	Only eight larges not active of the second convention of the second convention of effective SCM process and percentage of AO queries resolved	Only two Largets not actived due to non apending on departmental budget and workplace skills plan	Only eight out of 21 arguin not achieved due exproper planning and poor project monitoring	Only one leaget partially achieved because of two out of these environmental awarrens campagns conducted	rg.	ria	272	2	e,e	47	7	nda	rda
N/3	ž	ā	ş	ş	PO 260 072 43	7585,112	R150.227	13,236,488	R4,124,043				
Parkally Achieved	Parlady Acheved	Parhaby Achieved	Parlially Acthieved	DBAGILLAN (Arra III)	Acheved	artially Achieved	penago	arhally Achieved	Acheved	heved	pavac	Chieved	Achieved
í	75%	ATA.	%1.9		30042018	r.		2	81	MONTO HE	3	-	- -
5	,	100%	100%		30042018		*	c	40	900067016	R	-	
	g	E/a	£ 2		A 2 645 063 00	R1,000,000	3450,000	75,643,132	R4,322,782	12			
		E II	New Indicator		902015		indicator	ndcator	indealor	100%	ndealor	-	
and castor		4			30002015	of color		and a second	New Edicalor New	100%	Hew indicator New r		_
Percedage			administration of the same					4	Tribar Tribar			umber	200
	The second liverage and the se	reducibra activored from the seel largets in the SDBIP. The indicator relevant man be seen.	THE RESERVE THE PERSON NAMED IN	redealors acheved from the set largets in the SDBIP				in a measure freeze to be representation of Me environmental mareness campagns, in order to included a culture of preventing the politheon of the environment by communities.	This refers to the number of beneficianes are employed though the Sryaphambit and Marbumbanen LED impaires	This refers to a document used to investigate Oute to opening and opportunities available to invalent the local economic base of the area and affect divestment in a sustainable name.	oncust to the	Powerthment sector departments to assist The indicator refers to annual to assist	Med to promote Ultracia brough proper tode-connent; inhibites and burism Pevelopment
achieved from Social and Economic Services Services Percentage of SDBIP largets	adherend from Budget and Treasury Office Percentage of SOBP Lenter	achieved from Corporate Services Department Percentage of SOBP largets	achieved from Water and Technical Infrastructure Department Percertage of SDBIP achieved from	Department Date of controlled on of brokes we	public consultation mechanics in all local municipations within destrict unraticism	community on the saling of Council		Statement of the last of the l	0	Date of submission of the Draft of TI	hrough mmes	0 0 0	THE OWNER OF THE OWNER, WHEN
MM 017	910	610 77	MW 020	810 022		10	THE RESERVE AND PERSONS ASSESSMENT AND PARTY.			SED 004 DI		-	4
				Water public account and			nocaq odns q a du	anomic Devel		esvastal insimpolar			идио-од

		setup by the District	setting by the District the district (AgriPARR and LED and fourism)							Adheved		n/a	E/U	Social and Economic	nda	minutes and altendance
MKPA B. Cross Cutting Issues								1								ingster.
	SED 009	Date of development of Municipal Desayler Management Plan	This indicator refers to a Policy Framework developed in therms of Disaster Management Act. 2005	Chate	SOURCES DAIP	draft was	52.	30/06/2016 2	2M082016 Not Achieved	Not Achieved	n/s	sta	inda	Social and Economic Services		Council Resolution
immove Distriction principles	SED 010	Percentage of reported disaster incidents responded to watern 72 hours	This indicator refers to a furnishment time taken Precentage to respond to the reported anodems	Percentage	190%	3,001	PC1.470,600	100%	100%	Acheved	PS,304,080	nla	ę.	Social and Economic Servors		Agreed report and
and environmental munagement	SED 011	Murtiper of lighteing conductors entabled	The indicator refers to metal rocks object mounted on box of an elevated structure, such as a buffer, a electración produce unique ever el electrical conductor to interface with ground of "earth" through an electració, engineered to profect the abucture in the event of legistrary.	Number	New indicator Nave	ndcabr	N9-40 000	8	R	Partialy Achieved	Pt 786.610	70 Agribing conductors were included out of 80 there was a deby in debyery	The lightering conductors will be installed by 30 Social and Economic November 2016	Social and Economic Services		GPS coordinates and dose out report
Improve planning and coordination	SED 012	Mumber of District Planning Forum sealing's	This refers a functional District Forum comprises of all local municipalities with a district	Number	New indicator New indicator	lew indicator	nča	2	-	Achavad	2	17.5	Na	Social and Economic Services		Merutes and altendance registers

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Out of 30 indicators under Municipal Transformation and Institutional development the municipality achieved 93%. The Municipality has shown great improvement in terms of Municipal Transformation and institutional development: The Audit and Performance Committee is functional and the relevant policies have been adopted as per legislation. The Performance Management System has been cascaded to Middle Managers. The municipality has complied with the risk management policy and framework.

In order for the Municipality to comply with the records management procedure, the records policy was submitted to Provincial Achieves for assessment. The Records Policy has been adopted by Council

The challenges uncounted under this National Key Performance Area was the Assessment of section 56 managers.

2. BASIC SERVICE DELIVERY

The municipality has managed to achieve 72% of the planned targets. Basic Service Delivery is the core function of the organisational grants have been utilised that were allocated to the municipality. Although challenges have been uncounted, project monitoring is still a mile stone the municipality has to overcome.

3. Municipal Financial Viability and Management

The municipality has managed to achieve 50% under this National Key Performance Area. There has been major challenges in the revenue section and collecting revenue. The organisation has development action plan to address the challenges uncounted.

4. Good Governance and Public Participation

The organisation has faced great challenges under this National Key Performance Area, which attributed the achievement of 30%.

5. Local Economic Development

The organisation has achieved 100% out of the planned indicators under Local Economic Development. This is one of the highlights of the organisation.

6. Cross Cutting Issues

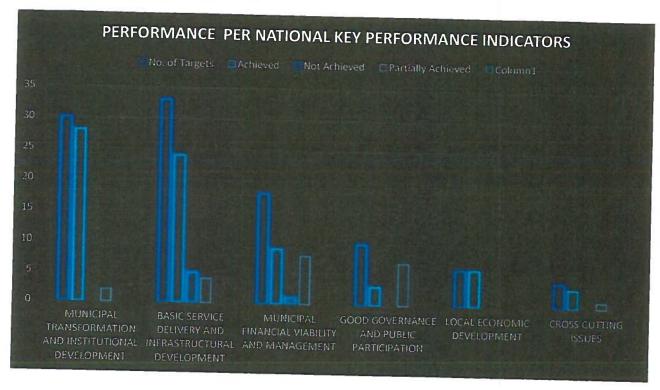
The municipality has achieved 75% in this National Key Performance Area

PERFORMANCE MANAGEMENT STATUS

	No. of targets	Targets Achieved	Not Achieved Targets	Partially Achieved Targets
Municipal Transformation &	30	28	0	02
Organizational Development				
Basic Service Delivery	33	24	05	04
Municipal Financial Viability	18	09	01	08

and Management				
Good Governance and Public Participation	10	03	0	07
Local Economic Development	06	06	0	0
Cross Cutting Issues	04	03	0	01

Table: Summary of National Key Performance Areas



CONCLUSION

Despite various challenges and historic events which led to the decline in provision of services to the Community, UThukela District Municipality under trying circumstances did its best with limited resources and capacity to serve the people.

The 2015/2016 Financial was focused on re-engineering the organisation and bringing change within the Municipality, higher levels of performance are expected in the next financial year when the plans are at a higher maturity level of implementation. Many of the challenges which were impeding on service delivery and implementation of plans have been addressed and change will be visible in the next financial year.

Out of the 101 indicators, the municipality has achieved 72% overall. This faces a huge challenge in making sure that the organisation improves on performance.

I wish to extend my gratitude to the Municipal Council as well as to all the employees of UThukela District Municipality who willingly and competently assisted to ensure that the Municipality is well on its way to becoming "People Centred and Performance Drive".

SN KUNENE MUNICIPAL MANAGER

Annexure