



MAKANA
MUNICIPALITY | EASTERN CAPE
MASIPALA WASEMPUMAKOLONI
MUNISIPALITEIT | OOS-KAAP
...a great place to be

FINAL ANNUAL REPORT

2022-2023



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ACRONYMS AND ABBREVIATIONS:

IDP	Integrated Development Plan
LM	Local Municipality
STATS SA	Statistic South Africa
EPWP	Extended Public Works Programme
AFS	Annual Financial Statements
MSA	Municipal systems act 32 of 2000
IGR	Inter-Governmental Relations
MOU	Memorandum of understanding
MISA	Municipal Infrastructure Support Agent
FAME	Finance, Administration, Monitoring & Evaluation
GRAP	General Recognised Accounting Practice
MUNI-MEC	An intergovernmental body that meets quarterly to analyse the state of local government and is made up of the MEC'S, the municipal mayors and municipal managers
MIG	Municipal Infrastructure Grant
NERSA	National Energy Regulator of South Africa
COGTA	Corporative Governance & Traditional Affairs
SPLUMA	Spatial Planning and Land Use Management Act
SBDM	Sarah Baartman District Municipality
HR	Human Resources
IT	Information technology

SDF	Spatial Development Framework
CWP	Community Worker's Programme
MFMA	Municipal Finance Management Act
LED	Local Economic Development
PMS	Performance Management System
SMME	Small, Medium & Micro Enterprise

This document has been prepared for public consumption for the 2022-2023 Financial Year

Signed:

Signed:

M.P. KATE

MUNICIPAL MANAGER

on this day _____ of _____ 2024

Y. Vara

EXECUTIVE MAYOR

on this day _____ of _____ 2024

CHAPTER ONE: MUNICIPAL OVERVIEW

1.1 Municipal Profile

Makana Local Municipality (Makana) is a category B Municipality approximately halfway between East London and Port Elizabeth that forms part of the seven local municipalities of the Sarah Baartman (formerly Cacadu) District Municipality in the Eastern Cape Province.

Vision

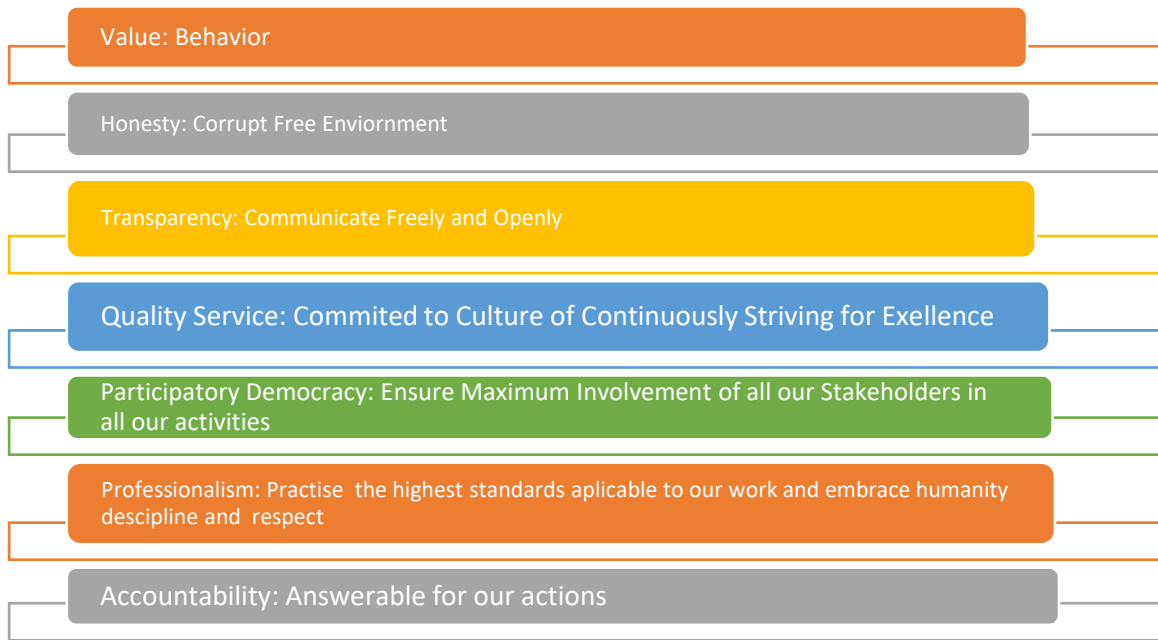
Making Makana Local Municipality a “Great place to be” by 2030

**Vision Statement
“Makana Municipality strives to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy environment, which promotes social and economic growth for all”.**

Makana’s area is bordered in the North-East by Amathole District Municipality, North-West by Blue Crane Route Local Municipality, in the South by Ndlambe Local Municipality and in the South-West by the Sundays River Valley Local Municipality, with the cities of Port Elizabeth 120km to the West and East London 180 km East. In 2011 the Municipality was delimited into fourteen wards.

Makana Municipality’s commitment to developing a “**Great Place to be**” is driven with specific emphasis of translating the Municipality’s strategies into an Implementable Action Plan. The Municipality is committed in ensuring that it achieves its Developmental Priorities for the term.

1.1.2 Core Values Figure1



1.1.3 Demographics and Socio-Economic Profile

The following Statistical Overview Report aims to quantify the economic, demographic and socio-economic environment of Makana Local Municipality in context of its neighbouring regions, the district, the province and South Africa. A better understanding of the demographic, economic and socio-economic environment could inform stakeholders to implement and monitor plans and policies that will allow for a healthy, growing and inclusive economy and society.

Understanding the changes in the composition of the population with respect to population group, age and gender is vital in the face of growing pressure on food, energy, water, jobs and social support on the country's citizens. An understanding of how the total fertility rates, age-specific fertility rates, sex ratios at birth, life expectancies and international migration affect the respective population groups, ages and genders is essential for effective planning on a spatial level. The first section of the Statistical Overview Report will aim to disentangle the changes in the Makana Local Municipality demographics in context of other locals of the region, the districts, the Province and South Africa.

The second section will provide insights into the economic environment of Makana Local Municipality in relation to the other local municipality in the region, the district, the province and South Africa's performance. The changing economic environment subsequently influences the ability of the economy to create jobs. This section will therefore also include analysis on the employment and subsequent income dynamics of Makana Local Municipality.

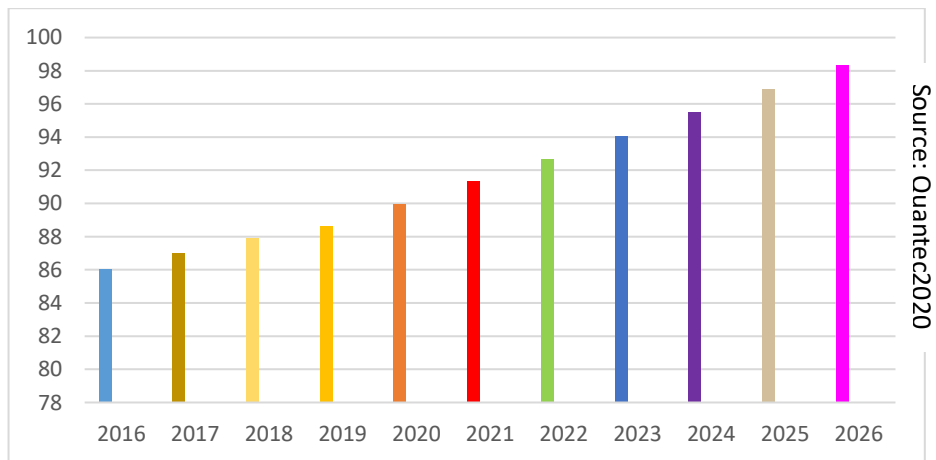
1.1.3.1. Demographic Profile

"Demographics", or "population characteristics", includes analysis of the population of a region. Distributions of values within a demographic variable, and across households, as well as trends over time are of interest. In this section, an overview is provided of the demography of the +Makana Local Municipality and all its neighbouring regions, Sarah Baartman District Municipality, Eastern Cape Province and South Africa as a whole.

Total Population: Population statistics is important when analysing an economy, as the population growth directly and indirectly impacts employment and unemployment, as well as other economic indicators such as economic growth and per capita income. This chapter is of paramount importance as it informs all the municipal planning.

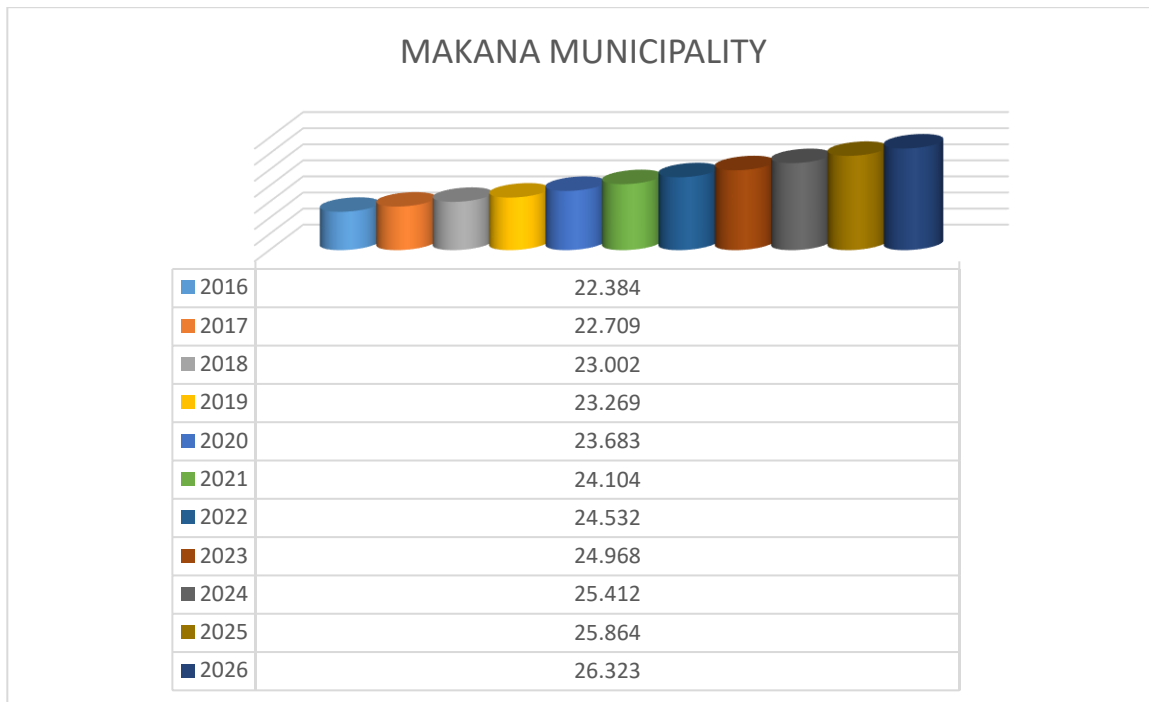
The municipal area is 4 375.6km² with a population span of 20.9 people per km² and 24 104 households (a household is considered a group of people living together or a single person who lives alone). A population is the number of individuals who live within a specific area. The growth rate of the municipality is greater to that of the district between 2016 and 2019, at 0.26%.

The figure below depicts the actual population numbers up until 2019 as well as a forecasted value for the subsequent years.



The number of households in Makana is expected to rise to at least 26 323 households by 2026, with an average annual growth rate of 0.52%. Makana's household growth rate is higher than that of the district (Sarah Baartman District) municipality (0.37%).

Makana Households 2016-2026



Household Size 2016 - 2026	2016	2020	2026
Makana	3.85	3.85	3.85
Sarah Baartman	3.63	3.62	3.61

Dependency Ratio

The dependency ration is the ratio of dependents (people younger than 15 and older than 65. The working population age is 15-65. The higher the ratio, the more financial burden there is on the working age population to support those who are not economically active.

Dependency Ratio 2016-2026	2016	2020	2026
Makana	46.4	46.8	46.8
Sarah Baartman	54.4	54.6	54.7

In 2020 the Makana Municipality had an estimated dependency ratio of 46.75% meaning that there are about 47 dependencies for every 100 people of working age. The dependency ratio is expected to increase to 46.77% by 2026. The dependency ratio in Makana is lower compared to that of Sarah Baartman District.

Conclusion

The Makana Municipality had an average population growth of 0.39% and a household growth of 0.52%. Household sizes are therefore increasing. This has implications for the demand of housing, as well as the types of housing that will be demanded in the future.

1.4 Municipal Socio-Economic Status

1.1.4.1 Household Profile

Number of Households by Population Group: A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

If the number of households is growing at a faster rate than that of the population it means that the average household size is decreasing, and vice versa.

In 2020, the Makana Local Municipality comprised of 23 600 households. This equates to an average annual growth rate of 0.94% in the number of households from 2010 to 2020. With an average annual growth rate of 1.03% in the total population, the average household size in the Makana Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2010 increased from approximately 3.8 individuals per household to 3.9 persons per household in 2020.

Relative to the district municipality, the Makana Local Municipality had a lower average annual growth rate of 0.94% from 2010 to 2020. In contrast, the province had an average annual growth rate of 0.97% from 2010. The South Africa had a total of 17 million households, with a growth rate of 1.90%, thus growing at a higher rate than the Makana.

The composition of the households by population group consists of 79.4% which is ascribed to the African population group with the largest number of households by population group. The Coloured population group had a total composition of 10.5% (ranking second). The White population group had a total composition of 9.3% of the total households. The smallest population group by households is the Asian population group with only 0.8% in 2020.

1.1.4.2 Total Population – Makana, Sarah Baartman, Eastern Cape and National 2011-2021(Numbers Percentage)

Year	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of	Makana as % of Province	Makana as % of National
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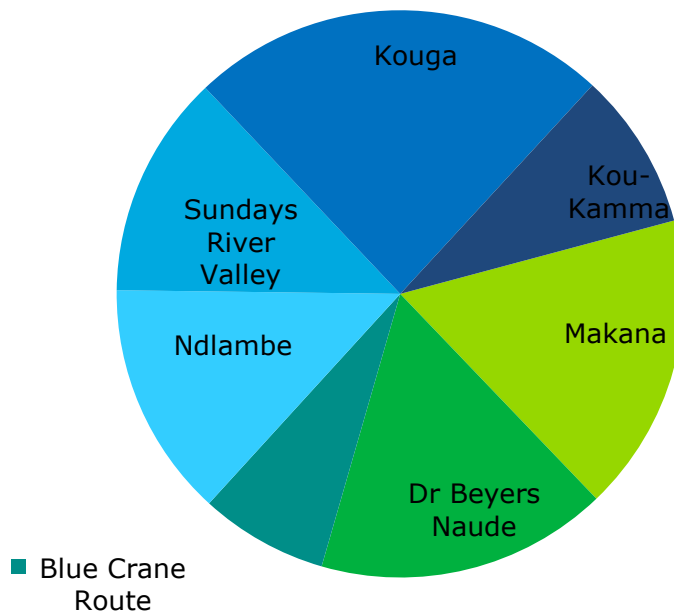
					District Municipality		
2011	81.900	458.000	6.690.000	52.000.000	17.9%	1.22%	0.16%
2012	82.800	466.000	6.750.00	52.800.000	17.8%	1.23%	0.16%
2013	83.700	474.000	6.810.000	53.700.000	17.7%	1.23%	0.16%
2014	84.700	483.000	6.880.000	54.500.000	17.5%	1.23%	0.16%
2015	85.700	491.000	6.950.000	55.300.000	17.5%	1.23%	0.15%
2016	86.600	499.000	7.020.000	56.200.000	17.4%	1.23%	0.15%
2017	87.600	507.000	7.100.000	57.000.000	17.3%	1.23%	0.15%
2018	88.500	515.000	7.180.000	57.900.000	17.2%	1.23%	0.15%
2019	89.400	522.000	7.250.000	58.800.000	17.1%	1.23%	0.15%
2020	90.400	530.000	7.330.000	59.600.000	17.1%	1.23%	0.15%
2021	91.200	536.000	7.400.000	60.300.000	17.1%	1.23%	0.15%
Average Annual Growth: 2011-2021			1.08%	1.60%	1.01%	1.50%	

Source: HIS MarkIT Regional eXplorer version 2257

With 91 200 people, the Makana Local Municipality housed 0.2% of South Africa's total population in 2021. Between 2011 and 2021 the population growth averaged 1.08% per annum which is slightly lower than the growth rate of South Africa as a whole (1.50%). Compared to Sarah Baartman's average annual growth rate (1.60%), the growth rate in Makana's population at 1.08% was close to half than that of the district municipality.

1.1.4.3 Chart 1 Total Population – Makana and the rest of Sarah Baartman 2021 (Percentage)

Total population
Sarah Baartman District Municipality, 2021



Source: IHS Markit Regional eXplorer version 2257

When compared to other regions, the Makana Local Municipality accounts for a total population of 91,200, or 17.0% of the total population in the Sarah Baartman District Municipality, with the Kouga being the most populous region in the Sarah Baartman District Municipality for 2021. The ranking in terms of the size of Makana compared to the other regions remained the same between 2011 and 2021. In terms of its share the Makana Local Municipality was slightly smaller in 2021 (17.0%) compared to what it was in 2011 (17.9%). When looking at the average annual growth rate, it is noted that Makana ranked fifth (relative to its peers in terms of growth) with an average annual growth rate of 1.1% between 2011 and 2021.

1.1.4.4 Population Projections

Based on the present age-gender structure and the present fertility, mortality and migration rates, Makana's population is projected to grow at an average annual rate of 1.2% from 91 200 in 2021 to 96 600 in 2026.

1.1.4.5 Table: Population projections- Makana, Sarah Baartman, Eastern Cape and National Total 2021-26 (Number Percentage)

	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of district municipality	Makana as % of province	Makana as % of national
2021	91,200	536,000	7,400,000	60,300,000	17.0%	1.23%	0.15%
2022	92,100	543,000	7,470,000	61,100,000	17.0%	1.23%	0.15%
2023	93,100	549,000	7,550,000	61,900,000	17.0%	1.23%	0.15%
2024	94,200	556,000	7,630,000	62,700,000	16.9%	1.24%	0.15%
2025	95,400	563,000	7,710,000	63,500,000	17.0%	1.24%	0.15%
2026	96,600	570,000	7,780,000	64,300,000	17.0%	1.24%	0.15%
Average Annual growth							
2021-2026	1.17%	1.21%	1.02%	1.29%			

Source: IHS Markit Regional eXplorer version 2257

The population projection of Makana Local Municipality shows an estimated average annual growth rate of 1.2% between 2021 and 2026. The average annual growth rate in the population over the projection period for Sarah Baartman District Municipality, Eastern Cape Province and South Africa is 1.2%, 1.0% and 1.3% respectively. The Eastern Cape Province is estimated to have an average growth rate of 1.0% which is very similar than that of the Makana Local Municipality. The South Africa is estimated to have an average annual growth rate of 1.3% which is very similar than that of Makana's projected growth rate.

1.2 NUMBER OF HOUSEHOLDS BY POPULATION GROUP

A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own.

An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

If the number of households is growing at a faster rate than that of the population it means that the average household size is decreasing, and vice versa. *In 2021, the Makana Local Municipality comprised of 23 400 households.* This equates to an average annual growth rate of 0.90% in the number of households from 2011 to 2021. With an average annual growth rate of 1.08% in the total population, the average household size in the Makana Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2011 increased from approximately 3.8 individuals per household to 3.9 persons per household in 2021.

NUMBER OF HOUSEHOLDS - MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER PERCENTAGE]

Year	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of District Municipality	Makana as % of Province	Makana as % of National
2011	21,400	131,000	1,710,000	14,300,000	16.4%	1.25%	0.15%
2012	21,600	133,000	1,730,000	14,600,000	16.3%	1.25%	0.15%
2013	21,800	135,000	1,750,000	14,900,000	16.1%	1.25%	0.15%
2014	21,900	137,000	1,760,000	15,200,000	16.0%	1.25%	0.14%
2015	22,300	140,000	1,790,000	15,600,000	15.9%	1.24%	0.14%
2016	22,800	143,000	1,830,000	16,000,000	15.9%	1.24%	0.14%
2017	23,300	147,000	1,880,000	16,300,000	15.8%	1.24%	0.14%
2018	23,600	150,000	1,900,000	16,400,000	15.7%	1.24%	0.14%
2019	23,300	150,000	1,870,000	16,400,000	15.5%	1.24%	0.14%
2020	22,900	148,000	1,840,000	16,400,000	15.4%	1.24%	0.14%
2021	23,400	152,000	1,880,000	16,600,000	15.4%	1.25%	0.14%
Average Annual growth							
2011-2021	0.90%	1.53%	0.93%	1.51%			

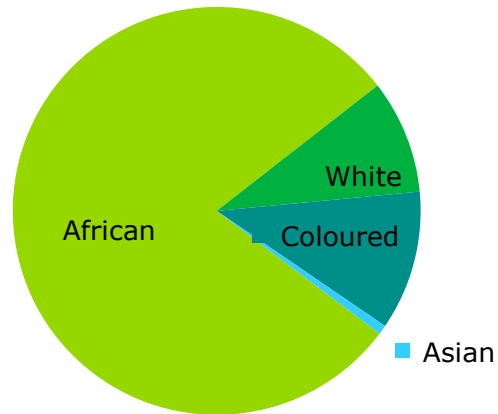
Source: IHS Markit Regional eXplorer version 2257

Relative to the district municipality, the Makana Local Municipality had a lower average annual growth rate of 0.90% from 2011 to 2021. In contrast, the province had an average annual growth rate of 0.93% from 2011. The South Africa had a total of 16.6 million households, with a growth rate of 1.51%, thus growing at a higher rate than the Makana.

The composition of the households by population group consists of 79.2% which is ascribed to the African population group with the largest number of households by population group. The Coloured population group had a total composition of 11.1% (ranking second). The White population group had a total composition of 9.0% of the total households. The smallest population group by households is the Asian population group with only 0.7% in 2021.

NUMBER OF HOUSEHOLDS BY POPULATION GROUP - MAKANA LOCAL MUNICIPALITY, 2021 [PERCENTAGE]

Number of Households by Population group Makana, 2021



Source: IHS Markit Regional eXplorer version 2257

The growth in the number of African headed households was on average 1.16% per annum between 2011 and 2021, which translates in the number of households increasing by 2 010 in the period. Although the Asian population group is not the biggest in size, it was however the fastest growing population group between 2011 and 2021 at 1.57%. The average annual growth rate in the number of households for all the other population groups has increased with 0.89%.

1.1.4.2 Labour Profile

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e., people who are actively employed or seeking employment. This is also called the economically active population (EAP).

People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

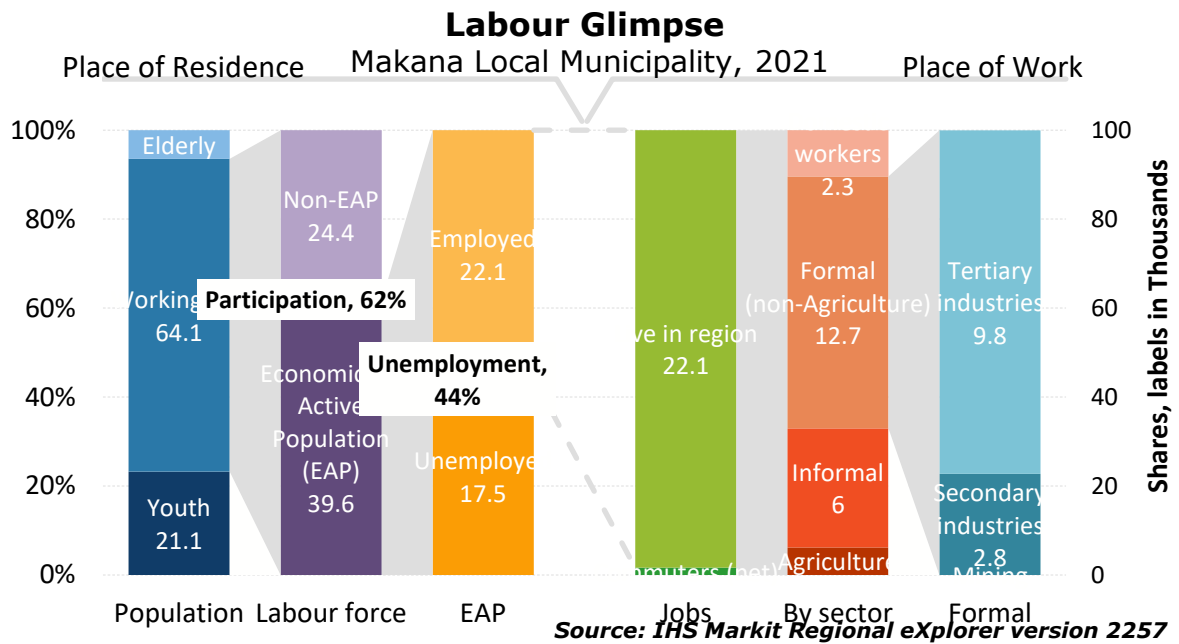
WORKING AGE POPULATION IN MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL, 2011 AND 2021 [NUMBER]

	Makana		Sarah Baartman		Eastern Cape		National Total	
	2011	2021	2011	2021	2011	2021	2011	2021
15-19	8,030	6,360	39,500	35,600	782,000	673,000	5,120,000	4,880,000
20-24	11,900	10,400	49,500	43,200	750,000	602,000	5,410,000	4,650,000
25-29	9,150	10,700	46,500	54,600	607,000	704,000	5,020,000	5,330,000
30-34	5,930	8,760	34,100	52,300	414,000	673,000	4,050,000	5,610,000
35-39	4,640	7,790	28,200	46,300	312,000	546,000	3,420,000	5,010,000
40-44	4,310	6,230	25,100	35,200	269,000	375,000	2,870,000	3,870,000
45-49	4,170	4,500	23,900	26,400	271,000	283,000	2,550,000	3,170,000
50-54	3,820	3,440	21,400	21,500	269,000	245,000	2,200,000	2,630,000
55-59	3,040	3,260	17,800	19,900	228,000	244,000	1,800,000	2,290,000
60-64	2,310	2,740	14,900	17,800	192,000	237,000	1,450,000	1,930,000
Total	57,300	64,100	301,000	353,000	4,090,000	4,580,000	33,900,000	39,400,000

The working age population in Makana in 2021 was 64 200, increasing at an average annual rate of 1.14% since 2011. For the same period the working age population for Sarah Baartman District Municipality increased at 1.61% annually, while that of Eastern Cape Province increased at 1.14% annually. South Africa's working age population has increased annually by 1.51% from 33.9 million in 2011 to 39.4 million in 2021.

The graph below combines all the facets of the labour force in the Makana Local Municipality into one compact view. The chart is divided into "place of residence" on the left, which is measured from the population side, and "place of work" on the right, which is measured from the business side.

Labour Glimpse - Makana Local Municipality, 2021



Reading the chart from the left-most bar, breaking down the total population of the Makana Local Municipality (91 200) into working age and non-working age, the number of people that are of working age is about 64 200. As per definition, those that are of age 0 - 19 (youth) or age 65 and up (pensioners) are part of the non-working age population. Out of the working age group, 61.8% are participating in the labour force, meaning 39 600 residents of the local municipality currently form part of the economically active population (EAP).

Comparing this with the non-economically active population (NEAP) of the local municipality: fulltime students at tertiary institutions, disabled people, and those choosing not to work, sum up to 24 500 people. Out of the economically active population, there are 17 500 that are unemployed, or when expressed as a percentage, an unemployment rate of 44.2%. Up to here all the statistics are measured at the place of residence.

On the far right we have the formal non-Agriculture jobs in Makana, broken down by the primary (mining), secondary and tertiary industries. The majority of the formal employment lies in the Tertiary industry, with 9 840 jobs. When including the informal, agricultural and domestic workers, we have a total number of 22 500 jobs in the area. Formal jobs make up 56.7% of all jobs in the Makana Local Municipality. The difference between the employment measured at the place of work, and the people employed living in the area can be explained by the net commuters that commute every day into the local municipality.

1.2.1 ECONOMICALLY ACTIVE POPULATION (EAP)

The economically active population (EAP) is a good indicator of how many of the total working age population are participating in the labour market of a region. If a person is economically active, he or she forms part of the labour force.

The economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

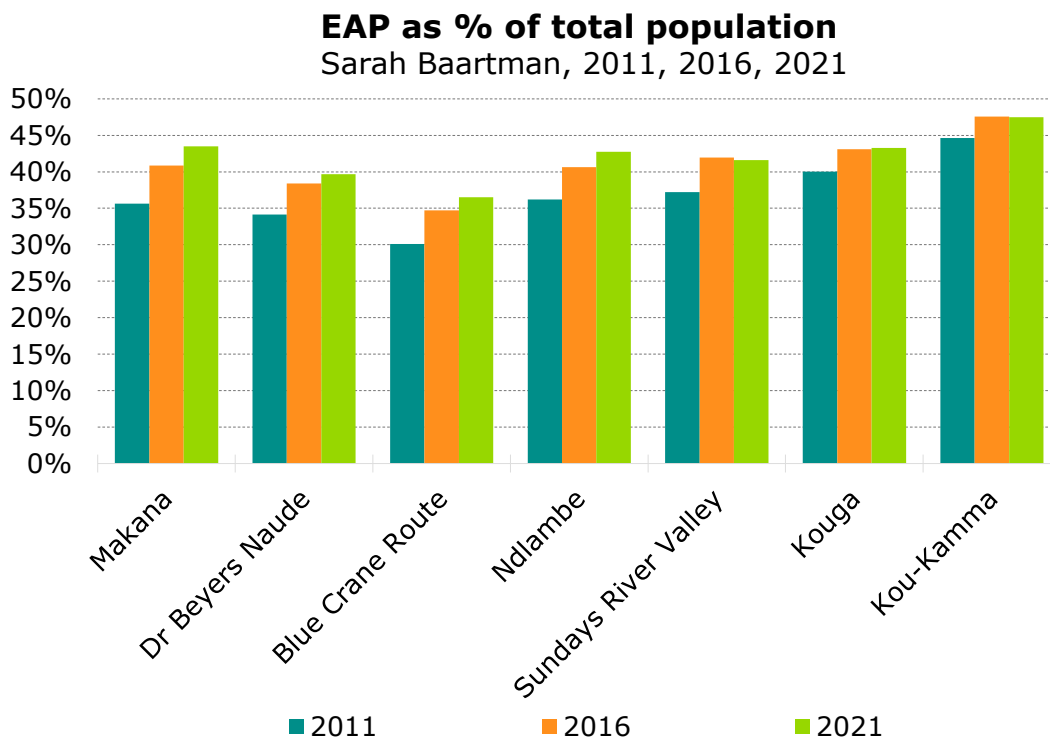
ECONOMICALLY ACTIVE POPULATION (EAP) - MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER, PERCENTAGE]

	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of district municipality	Makana as % of province	Makana as % of national
2011	29,200	169,000	1,730,000	18,300,000	17.2%	1.69%	0.16%
2012	29,800	173,000	1,760,000	18,700,000	17.2%	1.69%	0.16%
2013	31,000	180,000	1,830,000	19,300,000	17.2%	1.70%	0.16%
2014	32,700	190,000	1,920,000	20,100,000	17.2%	1.70%	0.16%
2015	34,000	198,000	2,000,000	20,800,000	17.2%	1.70%	0.16%
2016	35,400	206,000	2,090,000	21,500,000	17.2%	1.70%	0.17%
2017	36,900	213,000	2,180,000	22,000,000	17.3%	1.69%	0.17%
2018	37,700	218,000	2,240,000	22,300,000	17.2%	1.68%	0.17%
2019	39,000	225,000	2,330,000	22,700,000	17.3%	1.68%	0.17%
2020	38,700	223,000	2,330,000	22,100,000	17.4%	1.66%	0.18%
2021	39,700	227,000	2,400,000	22,200,000	17.5%	1.65%	0.18%
Average Annual growth							
2011-2021	3.12%	2.97%	3.35%	1.96%			

Source: IHS Markit Regional eXplorer version 2257

Makana Local Municipality's EAP was 39 600 in 2021, which is 43.48% of its total population of 91 200, and roughly 17.48% of the total EAP of the Sarah Baartman District Municipality. From 2011 to 2021, the average annual increase in the EAP in the Makana Local Municipality was 3.12%, which is 0.145 percentage points higher than the growth in the EAP of Sarah Baartman's for the same period.

**EAP AS % OF TOTAL POPULATION - MAKANA AND THE REST OF SARAH BAARTMAN,
2011, 2016, 2021 [PERCENTAGE]**



Source: IHS Markit Regional eXplorer version 2257

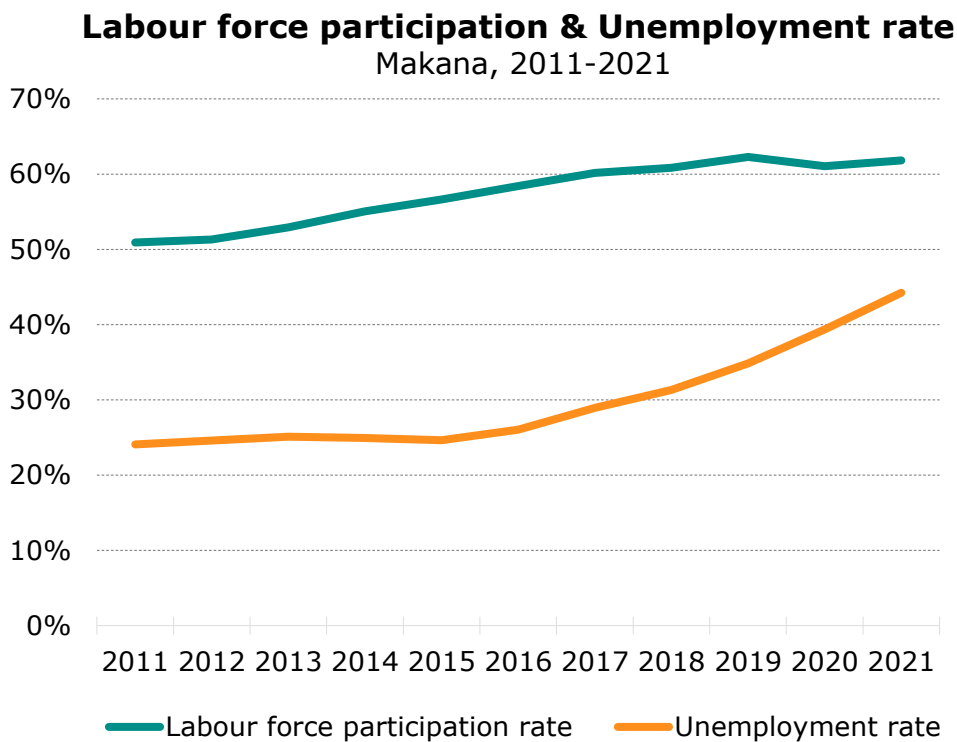
In 2011, 35.6% of the total population in Makana Local Municipality were classified as economically active which increased to 43.5% in 2021. Compared to the other regions in Sarah Baartman District Municipality, Kou-Kamma Local Municipality had the highest EAP as a percentage of the total population within its own region relative to the other regions. On the other hand, Blue Crane Route Local Municipality had the lowest EAP with 36.5% people classified as economically active population in 2021.

LABOUR FORCE PARTICIPATION RATE

The labour force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working age population.

The following is the labour participation rate of the Makana, Sarah Baartman, Eastern Cape and National Total as a whole.

**THE LABOUR FORCE PARTICIPATION AND UNEMPLOYMENT RATES
MAKANA LOCAL MUNICIPALITY, 2011-2021 [PERCENTAGE]**



Source: IHS Markit Regional eXplorer version 2257

In 2021 the labour force participation rate for Makana was at 61.8% which is significantly higher when compared to the 50.9% in 2011. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2011, the unemployment rate for Makana was 24.1% and increased overtime to 44.2% in 2021. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Makana Local Municipality.

TOTAL EMPLOYMENT

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators.

1.2.1.2 Total Employment Consists of Two Parts:

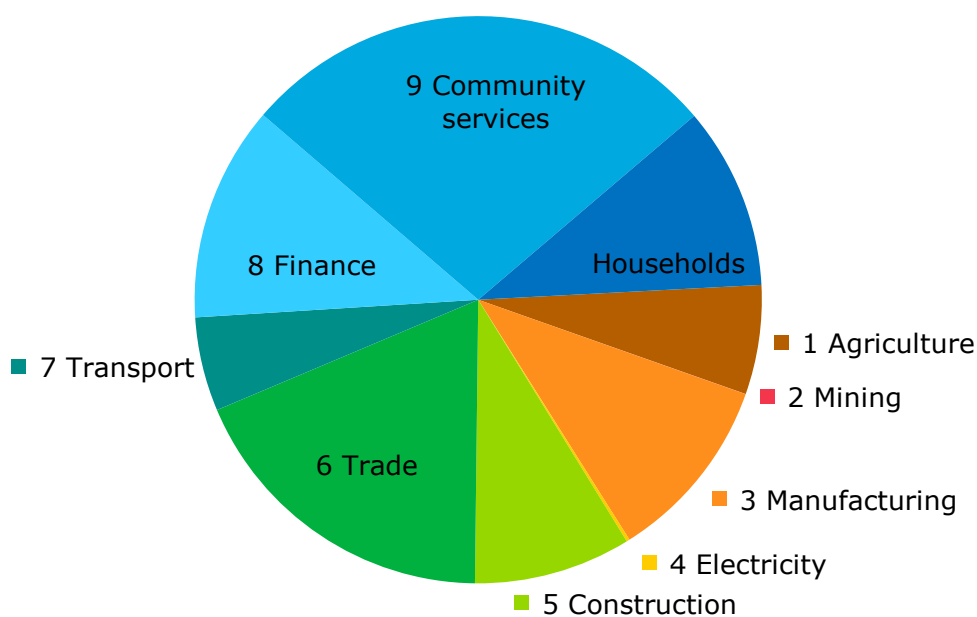
Employment in the Formal Sector, and Employment in the Informal Sector

Makana Local Municipality employs a total number of 22 500 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within Sarah Baartman District Municipality is Kouga local municipality with a total number of 35 600. The local municipality that employs the lowest number of people relative to the other regions within Sarah Baartman District Municipality is Blue Crane Route local municipality with a total number of 8 520 employed people.

In Makana Local Municipality the economic sectors that recorded the largest number of employments in 2021 were the community services sector with a total of 6 180 employed people or 27.5% of total employment in the local municipality. The trade sector with a total of 4 150 (18.5%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 2.11 (0.0%) is the sector that employs the least number of people in Makana Local Municipality, followed by the electricity sector with 39.7 (0.2%) people employed.

1.2.1.3 TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR MAKANA LOCAL MUNICIPALITY, 2021 [PERCENTAGE]

Total Employment Composition
Makana, 2021



Source: IHS Markit Regional eXplorer version 2257

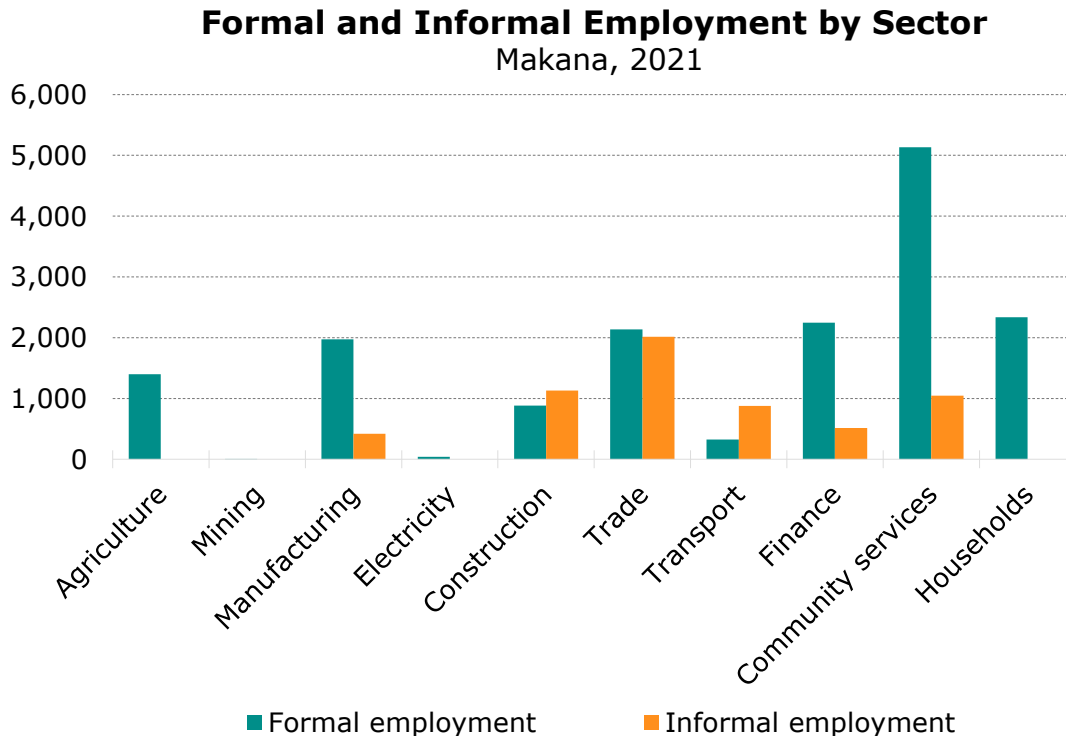
1.2.2.1 FORMAL AND INFORMAL EMPLOYMENT

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

The number of formally employed people in Makana Local Municipality counted 16 500 in 2021, which is about 73.30% of total employment, while the number of people employed in the informal sector counted 6 000 or 26.70% of the total employment. Informal employment in Makana increased from 5 590 in 2011 to an estimated 6 000 in 2021.

1.2.2.2 FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR MAKANA LOCAL MUNICIPALITY, 2021 [NUMBERS]



Source: IHS Markit Regional eXplorer version 2257

In 2021 the Trade sector recorded the highest number of informally employed, with a total of 2 010 employees or 33.54% of the total informal employment. This can be expected as the

barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 418 and only contributes 6.97% to total informal employment.

1.2.2.3 FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR - MAKANA LOCAL MUNICIPALITY, 2021 [NUMBERS]

Sector	Formal Employment	Informal Employment
Agriculture	1,400	N/A
Mining	2	N/A
Manufacturing	1,970	418
Electricity	40	N/A
Construction	885	1,130
Trade	2,140	2,010
Transport	326	880
Finance	2,250	516
Community services	5,130	1,050
Households	2,340	N/A

Source: IHS Markit Regional eXplorer version 2257

1.2.2.4 UNEMPLOYMENT

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

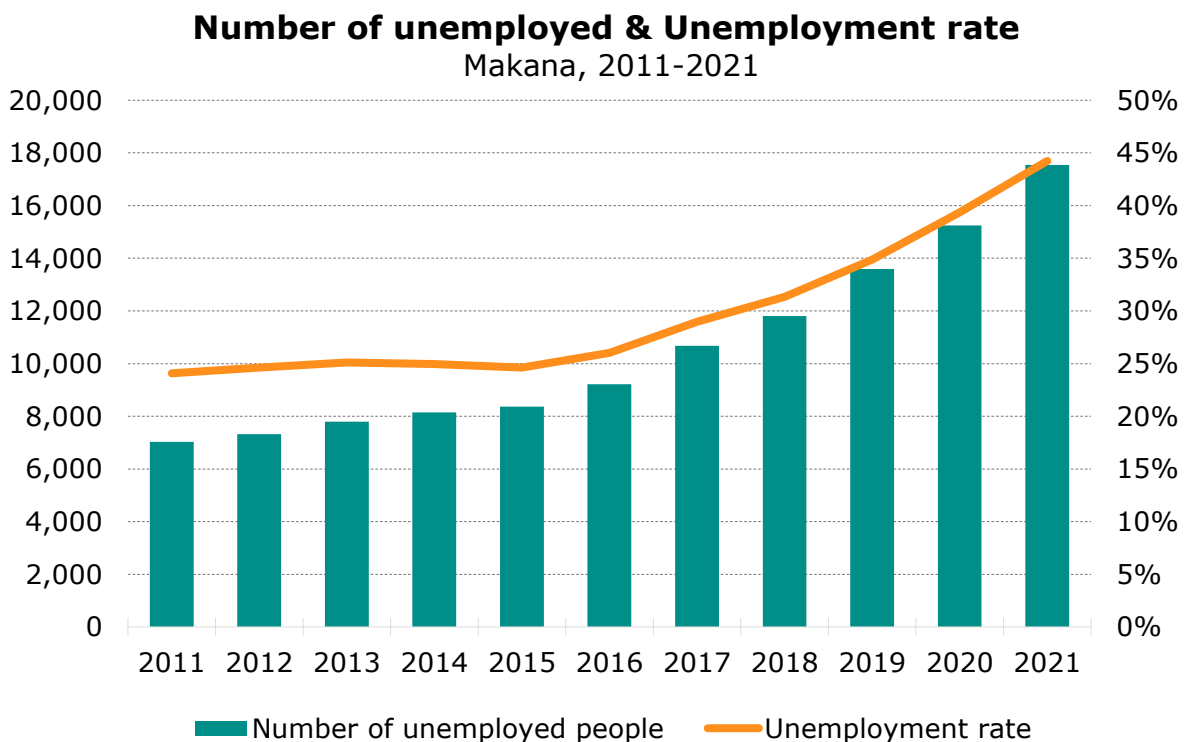
- "Without work", i.e., not in paid employment or self-employment.
- "Currently available for work", i.e., were available for paid employment or self-employment during the reference period; and
- "Seeking work", i.e., had taken specific steps in a specified reference period to seek paid employment or self-employment.

The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

In 2021, there were a total number of 17 500 people unemployed in Makana, which is an increase of 10 500 from 7 020 in 2011. The total number of unemployed people within Makana constitutes 22.63% of the total number of unemployed people in Sarah Baartman District Municipality. The Makana Local Municipality experienced an average annual increase of 9.58% in the number of unemployed people, which is better than that of the Sarah Baartman District Municipality which had an average annual increase in unemployment of 9.96%.

In 2021, the unemployment rate in Makana Local Municipality (based on the official definition of unemployment) was 44.23%, which is an increase of 20.2 percentage points. The unemployment rate in Makana Local Municipality is higher than that of Sarah Baartman. Comparing to the Eastern Cape Province the unemployment rate for Makana Local Municipality was lower than that of Eastern Cape which was 45.61%. The unemployment rate for South Africa was 33.58% in 2021, which is an increase of -8.5 percentage points from 25.08% in 2011.

1.2.2.5 UNEMPLOYMENT AND UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - MAKANA LOCAL MUNICIPALITY, 2011-2021 [NUMBER PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2257

When comparing unemployment rates among regions within Sarah Baartman District Municipality, Makana Local Municipality has indicated the highest unemployment rate of 44.2%, which has increased from 24.1% in 2011. The Sundays River Valley Local Municipality had the lowest unemployment rate of 20.4% in 2021, this increased from 10.4% in 2011.

1.3.1 ECONOMY

The economic state of Makana Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Sarah Baartman District Municipality, Eastern Cape Province and South Africa.

The Makana Local Municipality does not function in isolation from Sarah Baartman, Eastern Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

1.3.2 GROSS DOMESTIC PRODUCT BY REGION (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance is used to compare economies and economic states. Gross Domestic Product by region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measure the economy in actual rand and constant prices measures the economy by removing the effect of inflation and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

1.3.2.3 GROSS DOMESTIC PRODUCT (GDP) - MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [R BILLIONS, CURRENT PRICES]

	Makana	Sarah Baartman	Eastern Cape	National Total	Makana As % Of District Municipality	Makana As % Of Province	Makana As % Of National
2011	4.6	25.8	255.4	3,327.0	17.8%	1.80%	0.14%
2012	5.1	28.9	283.4	3,566.4	17.7%	1.81%	0.14%
2013	5.5	31.5	305.7	3,868.6	17.4%	1.79%	0.14%
2014	5.9	33.8	326.3	4,133.9	17.4%	1.80%	0.14%
2015	6.4	36.6	352.9	4,420.8	17.4%	1.80%	0.14%
2016	6.7	38.9	373.2	4,759.6	17.3%	1.80%	0.14%
2017	7.2	41.7	400.4	5,078.2	17.3%	1.80%	0.14%
2018	7.6	43.5	420.2	5,348.6	17.4%	1.80%	0.14%
2019	7.8	44.8	436.0	5,613.7	17.5%	1.79%	0.14%
2020	7.7	44.0	426.6	5,556.9	17.6%	1.81%	0.14%
2021	8.5	48.5	473.5	6,225.4	17.6%	1.80%	0.14%

Source: IHS Markit Regional eXplorer version 2257

With a GDP of R 8.52 billion in 2021 (up from R 4.59 billion in 2011), the Makana Local Municipality contributed 17.57% to the Sarah Baartman District Municipality GDP of R 48.5 billion in 2021 increasing in the share of the Sarah Baartman from 17.84% in 2011. The Makana Local Municipality contributes 1.80% to the GDP of Eastern Cape Province and 0.14% the GDP of South Africa which had a total GDP of R 6.23 trillion in 2021 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2011 when it contributed 0.14% to South Africa, but it is lower than the peak of 0.14% in 2015.

1.3.2.4 GROSS DOMESTIC PRODUCT (GDP) - MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES]

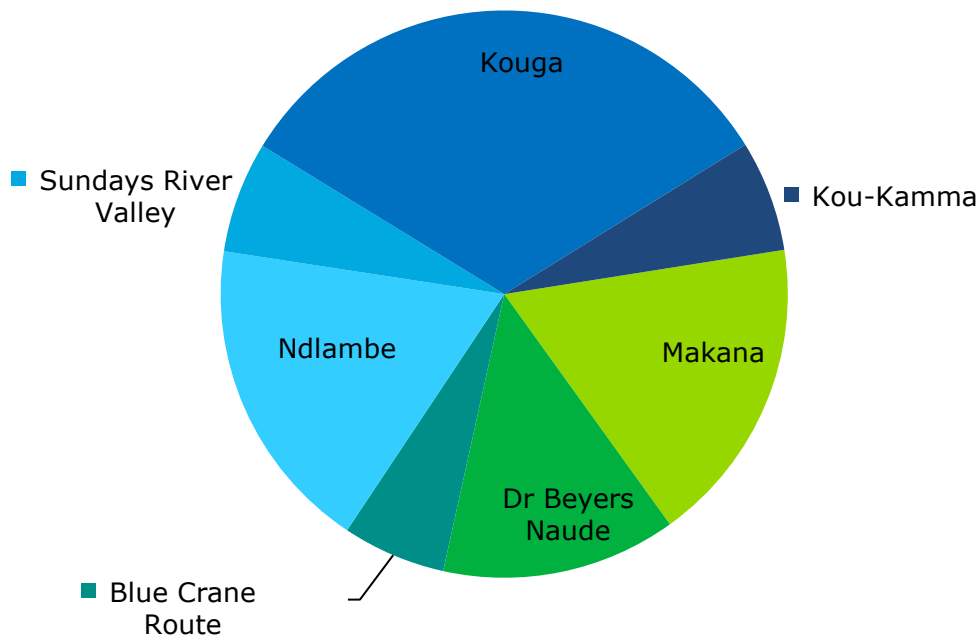
Year	Makana	Sarah Baartman	Eastern Cape	National Total
2011	1.3%	4.2%	3.3%	3.2%
2012	2.4%	2.2%	2.0%	2.4%
2013	1.5%	1.9%	1.4%	2.5%
2014	0.5%	1.1%	0.7%	1.4%
2015	1.1%	1.2%	1.0%	1.3%
2016	1.0%	0.2%	0.8%	0.7%
2017	1.2%	1.4%	0.5%	1.2%
2018	1.0%	1.7%	1.1%	1.5%
2019	0.4%	-0.2%	0.1%	0.3%
2020	-5.3%	-6.6%	-6.5%	-6.3%
2021	5.1%	4.9%	5.8%	4.9%
Average Annual growth 2011-2021	0.85%	0.76%	0.65%	0.95%

Source: IHS Markit Regional eXplorer version 2257

In 2021, the Makana Local Municipality achieved an annual growth rate of 5.13% which is a significant lower GDP growth than the Eastern Cape Province's 5.79%, but is higher than that of South Africa, where the 2021 GDP growth rate was 4.91%. Contrary to the short-term growth rate of 2021, the longer-term average growth rate for Makana (0.85%) is very similar than that of South Africa (0.95%).

1.3.2.5 **GROSS DOMESTIC PRODUCT (GDP) - MAKANA LOCAL MUNICIPALITY AND THE REST OF SARAH BAARTMAN, 2021 [PERCENTAGE]**

Gross Domestic Product (GDP)
Sarah Baartman District Municipality, 2021



Source: IHS Markit Regional eXplorer version 2257

The Makana Local Municipality had a total GDP of R 8.52 billion and in terms of total contribution towards Sarah Baartman District Municipality the Makana Local Municipality ranked third relative to all the regional economies to total Sarah Baartman District Municipality GDP. This ranking in terms of size compared to other regions of Makana remained the same since 2011. In terms of its share, it was in 2021 (17.6%) slightly smaller compared to what it was in 2011 (17.8%). For the period 2011 to 2021, the average annual growth rate of 0.8% of Makana was the second relative to its peers in terms of growth in constant 2010 prices.

1.3.2.6 GROSS DOMESTIC PRODUCT (GDP) - REGIONS WITHIN SARAH BAARTMAN DISTRICT MUNICIPALITY, 2011 TO 2021, SHARE AND GROWTH

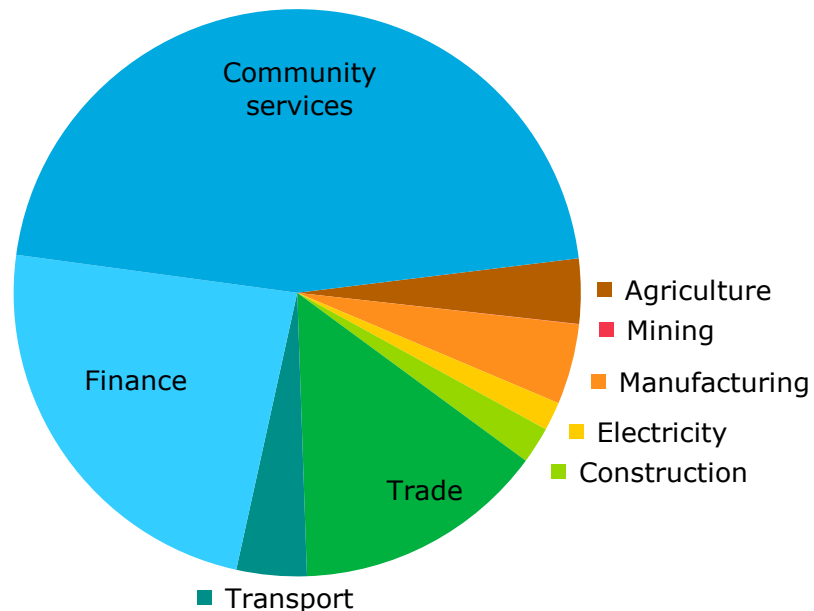
Municipality	2021 (Current prices)	Share of district municipality	2011 (Constant prices)	2021 (Constant prices)	Average Annual growth
Makana	8.52	17.57%	5.80	6.31	0.85%
Dr Beyers Naude	6.49	13.39%	4.55	4.83	0.60%
Blue Crane Route	2.86	5.89%	2.00	2.14	0.72%
Ndlambe	8.76	18.07%	6.11	6.57	0.72%
Sundays River Valley	3.07	6.34%	2.03	2.26	1.08%
Kouga	15.71	32.42%	10.72	11.65	0.84%
Kou-Kamma	3.07	6.33%	2.15	2.20	0.23%

Source: IHS Markit Regional eXplorer version 2257

Sundays River Valley had the highest average annual economic growth, averaging 1.08% between 2011 and 2021, when compared to the rest of the regions within Sarah Baartman District Municipality. The Makana Local Municipality had the second highest average annual growth rate of 0.85%. Kou-Kamma Local Municipality had the lowest average annual growth rate of 0.23% between 2011 and 2021.

1.3.2.7 GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MAKANA LOCAL MUNICIPALITY, 2021 [PERCENTAGE COMPOSITION]

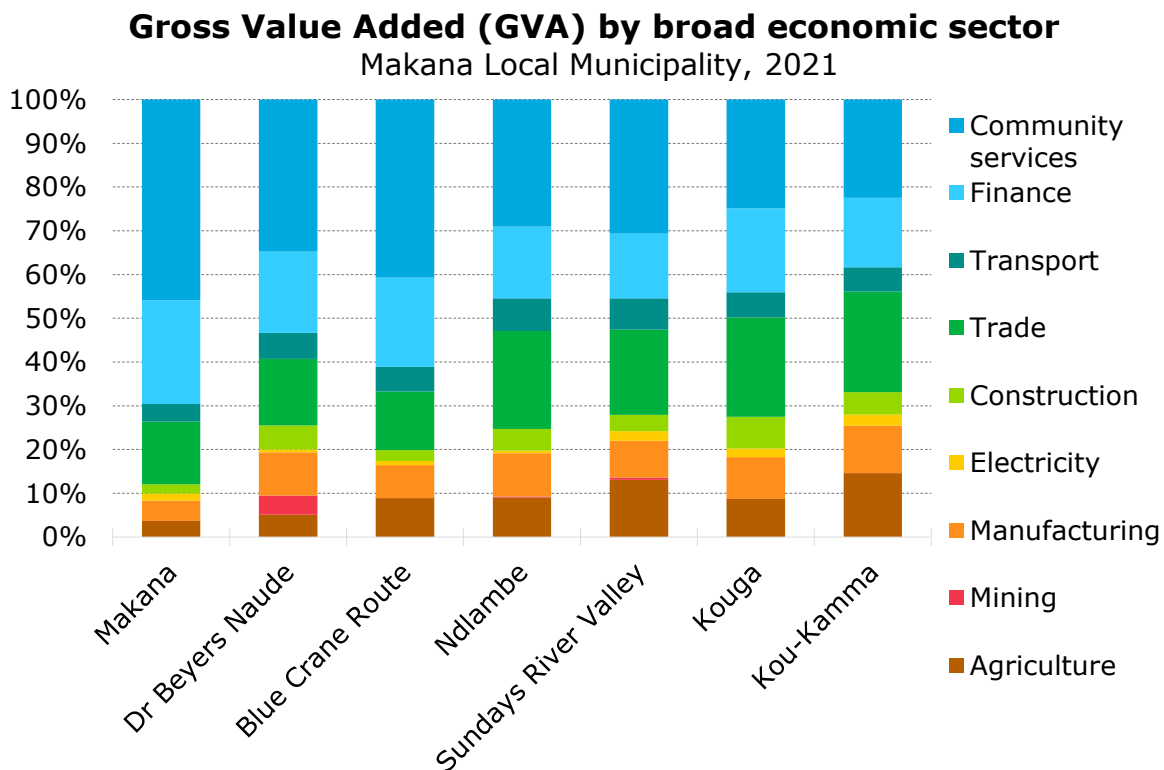
Gross Value Added (GVA) by broad economic sector
Makana Local Municipality, 2021



Source: IHS Markit Regional eXplorer version 2257

The community sector, which includes the government services, is generally a large contributor towards GVA. When looking at all the regions within the Sarah Baartman District Municipality, the Makana contributes the most community services towards its own GVA, with 25.61%, relative to the other regions within Sarah Baartman District Municipality. The Makana contributed R 7.86 billion or 17.73% to the GVA of Sarah Baartman District Municipality. The region within Sarah Baartman District Municipality that contributes the most to the GVA of the Sarah Baartman District Municipality was the Sundays River Valley with a total of R 2.78 billion or 6.26%.

1.3.2.8 GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MAKANA, DR BEYERS NAUDE, BLUE CRANE ROUTE, NDLAMBE, SUNDAYS RIVER VALLEY, KOUGA AND KOU-KAMMA, 2021 [PERCENTAGE COMPOSITION]



Source: IHS Markit Regional eXplorer version 2257

1.4 CRIME

The state of crime in South Africa has been the topic of many media articles and papers in the past years, and although many would acknowledge that the country has a crime problem, very little research has been done on the relative level of crime. The media often tend to focus on more negative or sensational information, while the progress made in combating crime is neglected.

1.4.1 IHS COMPOSITE CRIME INDEX

The IHS Composite Crime Index makes use of the official SAPS data, which is reported in 27 crime categories (ranging from murder to crime injuries). These 27 categories are divided into two groups according to the nature of the crime: i.e., violent crimes and property crimes. IHS uses the (a) Length-of-sentence and the (b) Cost-of-crime to apply a weight to each category.

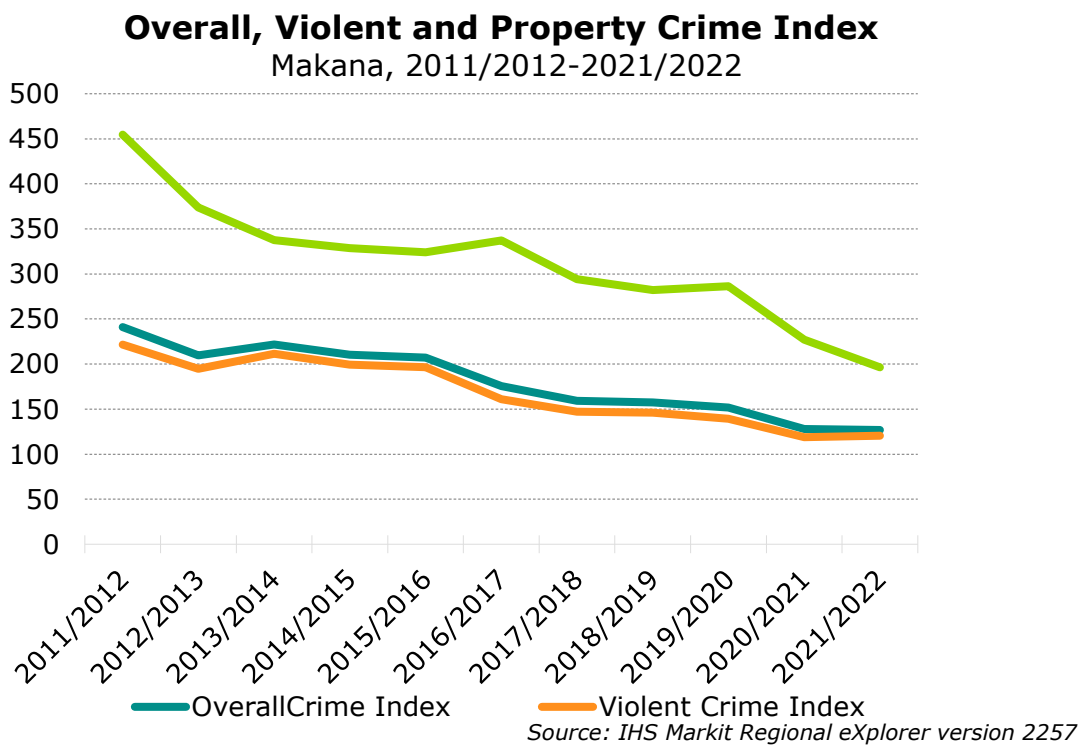
1.4.1.2 IHS CRIME INDEX - CALENDER YEARS (WEIGHTED AVG / 100,000 PEOPLE) - MAKANA LOCAL MUNICIPALITY, 2011/2012-2021/2022 [INDEX VALUE]

HIS COMPOSITE CRIME INDEX

The IHS Composite Crime Index makes use of the official SAPS data, which is reported in 27 crime categories (ranging from murder to crime injuries). These 27 categories are divided into two groups according to the nature of the crime: i.e., violent crimes and property crimes. IHS uses the (a) Length-of-sentence and the (b) Cost-of-crime to apply a weight to each category.

Overall crime Index:

The crime index is a composite, weighted index which measures crime. The higher the index number, the higher the level of crime for that specific year in a particular region. The index is best used by looking at the change over time or comparing the crime levels across regions.



For the period 2011/2012 to 2021/2022 overall crime has decrease at an average annual rate of 6.22% within the Makana Local Municipality. Violent crime decreased by 5.91% since 2011/2012, while property crimes decreased by 8.05% between the 2011/2012 and 2021/2022 financial years.

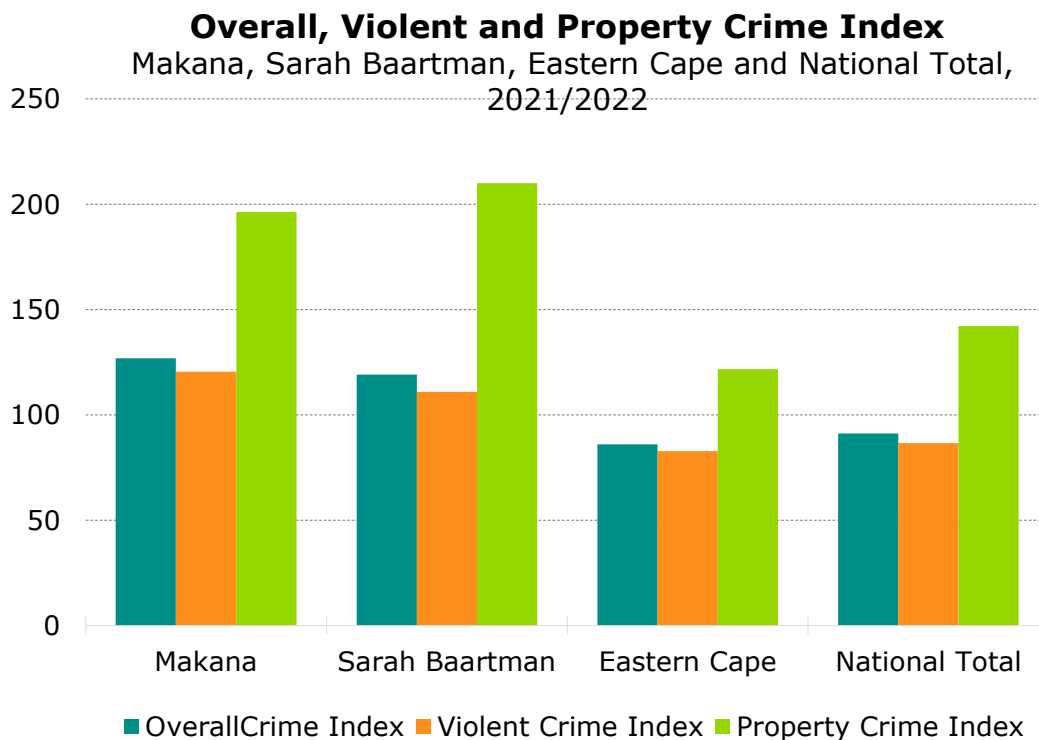
**OVERALL CRIME INDEX - MAKANA LOCAL MUNICIPALITY AND THE REST OF SARAH
BAARTMAN, 2011/2012-2021/2022 [INDEX VALUE]**

	Makana	Dr Beyers Naude	Blue Crane Route	Ndlambe	Sundays River Valley	Kouga	Kou-Kam ma
2011/2012	241.03	125.05	143.58	181.04	174.38	142.46	176.76
2012/2013	209.78	131.39	138.20	176.40	175.49	123.87	159.70
2013/2014	221.84	116.71	145.60	172.83	168.85	123.41	148.39
2014/2015	210.28	122.42	135.71	181.44	172.91	119.97	143.65
2015/2016	207.28	132.97	131.13	171.30	156.29	124.26	128.34
2016/2017	175.66	127.48	135.64	170.25	133.21	127.09	127.86
2017/2018	159.29	119.99	121.86	157.95	133.40	120.25	136.92
2018/2019	157.29	121.85	125.33	169.33	155.99	121.35	138.32
2019/2020	151.70	124.91	129.43	147.26	158.54	117.34	111.10
2020/2021	127.86	111.88	97.03	128.51	139.73	89.54	86.38
2021/2022	126.82	117.43	116.77	131.13	156.44	94.89	103.46
Average Annual growth							
2011/12-2021/22	-6.22%	-0.63%	-2.05%	-3.17%	-1.08%	-3.98%	-5.22%

Source: IHS Markit Regional eXplorer version 2257

In 2021/2022, the Sundays River Valley Local Municipality has the highest overall crime rate of the sub-regions within the overall Sarah Baartman District Municipality with an index value of 156. Ndlambe Local Municipality has the second highest overall crime index at 131, with Makana Local Municipality having the third highest overall crime index of 127. All the crime is decreasing overtime for all the regions within Sarah Baartman District Municipality. Kou-Kamma Local Municipality has the second lowest overall crime index of 104 and the Kouga Local Municipality has the lowest overall crime rate of 94.9. Crime is decreasing overtime for all the regions within Sarah Baartman District Municipality. The region that decreased the most in overall crime since 2011/2012 was Makana Local Municipality with an average annual decrease of 6.2% followed by Kou-Kamma Local Municipality with an average annual decrease of 5.2%.

IHS CRIME INDEX - CALENDER YEARS (WEIGHTED AVG / 100,000 PEOPLE) - MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL, 2021/2022 [INDEX VALUE]



Source: IHS Markit Regional eXplorer version 2257

From the chart above it is evident that property crime is a major problem for all the regions relative to violent crime.

1.5 Social Cohesion in the Municipal Planning

There are several social activities organised by the Municipality and other stakeholders that encourage social cohesion within the municipal area. Below are some of the activities organised annually

ACTIVITIES	PERIOD
National Arts Festival	June/ July yearly
National Arts Festival Soccer Tournament	June/ July yearly
Science Festival	March yearly
New year's Cup	December yearly
Mayor's Cup	December yearly

Dimension and Cross- Cutting:

1.5.1 HIV+ AND AIDS ESTIMATES

How does HIV affect society?

Further, the HIV epidemic not only affects the health of individuals, but it also impacts households, communities, and the development and economic growth of nations. Many of the countries hardest hit by HIV also suffer from other infectious diseases, food insecurity, and other serious problems.

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people living with HIV. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

The HIV+ estimates are calculated by using the prevalence rates from the HIV/AIDS model built by the Actuarial Society of Southern Africa (ASSA-2008). These rates are used as base rates on a provincial level. IHS slightly adjusted the provincial ASSA-2008 data to reflect the national HIV Prevalence rate more accurately per population group as used in the national demographic models.

The ASSA model in turn uses the prevalence rates from various primary data sets, in particular the HIV/AIDS surveys conducted by the Department of Health and the Antenatal clinic surveys. Their rates are further adjusted for over-reporting and then smoothed.

Makana 's HIV prevalence increase from 59 382 to 71 818 between 2016 and 2019, while the number of clients starting ART decreased from 981 to 699 of the same periods. In 2016: 21 722 % of people received ART in Makana. This decreased to 21.34% in 2019. In 2020, 12 800 people in the Makana Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.74% since 2010, and in 2020 represented 13.95% of the local municipality's total population. The Sarah Baartman District Municipality had an average annual growth rate of 2.50% from 2010 to 2020 in the number of people infected with HIV, which is higher than that of the Makana Local Municipality. The number of infections in the Eastern Cape Province increased from 785,000 in 2010 to 940,000 in 2020.

When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2010 to 2020 with an average annual growth rate of 2.31%

CHAPTER TWO: MUNICIPAL GOVERNANCE:

In the quest to realise Makana Municipality's vision of "A Great Place to be", it is imperative that the Municipality is governed in a way that promotes good governance. The Municipality strives to achieve excellence by balancing the needs of all residents and the constitutional and legal framework applicable to local government with the available resources in such a way that service delivery takes place in an efficient, economic and effective manner.

Makana Municipality is established in terms of Section 12 of the Municipal Structures Act, 1998 (Act 118 of 1998) as a Municipality with a Mayoral Executive System combined with a Ward Participatory System. Section 2(b) of the Municipal Systems Act states that a Municipality is constituted by its Political Structures, Administration and Community

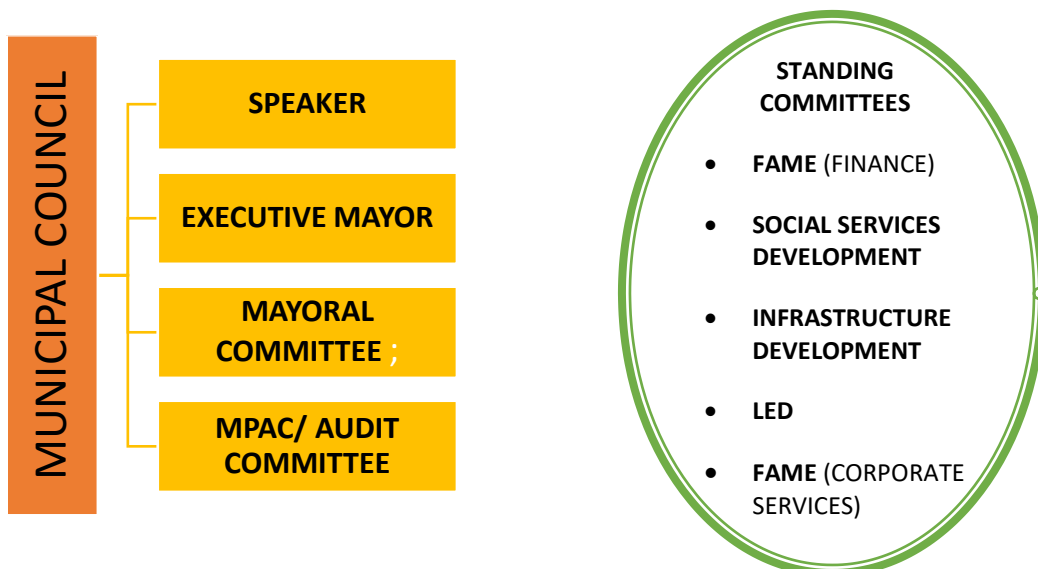
The Municipality is a Category B Municipality (local municipality) with an Executive Mayoral Committee System combined with a Ward Participatory System, as defined under Chapter 1 of the Local Government: Municipal Structures Act No. 117 of 1998. The Political and Administrative seat is situated in Makhanda.

2.1. POLITICAL GOVERNANCE

In compliance with Section 151(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996); Section 53 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); and the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), Makana Municipal Council governs the local government affairs of the local community on its own initiative.

The roles and areas of responsibility of each political structure and each political office-bearer of the Municipality and of the Municipal Manager are defined and adhered to accordingly.

2.1.1. The Outline of Makana's Political Structure



The Executive Mayor, assisted by the Mayoral Committee heads the political executive arm of the Municipality. The Executive Mayor is at the center of the system of governance since executive powers are vested in her to manage the day-to-day affairs. This means that she has an overarching strategic and political responsibility.

The key element of the executive model is that the executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation.

Although she is accountable for the strategic direction and performance of the municipality, the Executive Mayor operates in close conjunction with the Mayoral Committee.

The Municipal Council which comprises 27 Councillors, 14 of whom are Ward Councillors and 13 of whom are Proportional Representative (PR) Councillors. The Speaker is the Chairperson of the Municipal Council. There is an Executive Mayor and Executive Mayoral Committee; and Portfolio Committees who provide oversight on directorial operations.

2.1.2.1 FULL-TIME OFFICER BEARERS- FROM DECEMBER 2021 FOR 2022- 2027 TERM OF OFFICE:

REF NO	DESIGNATION	FUNCTION
01	Council Speaker Cllr Mthuthuzeli Matyumza	<p>The Speaker of the Municipal Council:</p> <ul style="list-style-type: none"> ▪ Presides over the Council meetings. ▪ Performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000). ▪ Must ensure that the Council meets at least quarterly. ▪ Must maintain order during meetings. ▪ Must ensure compliance in Council and Council committees with the Code of Conduct set out in Schedule 1 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); and ▪ Must ensure that Council meetings are conducted in accordance with the Rules and Orders of the Council.

02	Executive Mayor Cllr Yandiswa Vara	<p>The Executive Mayor represents the public and is the chief political principal of the municipality. In terms of legislation the Executive Mayor has the following functions:</p> <ul style="list-style-type: none"> ▪ Identify the needs of the Municipality. ▪ Review and evaluate those needs in order of priority. ▪ Recommend to the Municipal Council strategies, programmes and services to address priority needs through the Integrated Development Plan and the Operating and Capital Budgets, considering any applicable national and provincial development plans; and ▪ Recommend or determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the benefit of the community.
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2.1.2.2 FULL-TIME OFFICE BEARERS

REF NO	DESIGNATION	NAME
01	Council Speaker	▪ Cllr M Matyumza
02	Executive Mayor	▪ Cllr Y Vara

2.1.3. Council and Councilors

Council's primary role is to govern the Municipality in a democratic and accountable manner, to perform legislative and executive functions and generally to fulfil its roles and responsibilities as set out in the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996).

It focuses on legislation, decision-making, oversight, and participatory roles and has delegated executive functions to the Executive Mayor, other office bearers, the Municipal Manager and other staff members where applicable.

Makana Municipal Council consists of 14 ward councilors and 13 proportionally elected councilors. Political parties are represented through elected councilors from the ANC (14), DA (5), and EFF (2), MCF (5), IND (1)

2.1.4. Political Decision Making

Section 160(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) prescribes the way Council takes decisions. A quorum of all Councilors must be present to take any decision and most of the votes cast results in a legal decision.

The exception to this rule is that when any of the following issues are determined, it is determined by a decision taken with a supporting vote of a majority of all its members:

- The passing of policies and by-laws

- The approval of IDP and budgets
- The imposition of rates and other taxes, levies and duties
- The raising of loans and
- Appointment of section 54 and 57 employees

MAKANA MUNICIPAL MEETING SCHEDULE: 2022-2023

DEC 2022	NOV 2022	OCT 2022	SEPT 2022	AUG 2022	JULY 2022	MEETING	TIME
		27.10.22		30.8.22	28.7.22	COUNCIL	09:00
01.12.22		24.10.22	22.09.22	22.08.22	23.07.22	MPAC & SECT 21 COMM	10:00
		05.10.22			13.07.22	AESTH COMM	09:00
		07.10.22			15.07.22	EMPLOY EQUITY COMM	09:00
		07.10.22			15.07.22	TRAINING COMM	09:00
02.12.22					19.07.22	HEALTH & SAFETY COMM	09:00
		19.10.22			20.07.22	LOCAL LABOR FORUM	09:00
	09.11.22			10.08.22		SOCIAL DEVELOP	09:00
	10.11.22			11.08.22		INFRASTRUCT DEVELOP	09:00
	11.11.22			12.08.22		LOCAL ECO DEVELOP & TOURISM	09:00
	15.11.22			17.08.22		FIANCE, ADMIN, MON & EVAL	09:00
	16.11.22			18.08.22		CORPORATE & SHARED SERVICES	09:00
06.12.22			07.09.22			MAYORAL COMM	11:00
	24.11.22			26.08.22		LIBRARY ADVISORY	14:00
13.12.22	15.11.22	13.10.22	13.09.22	16.08.22	13.07.22	BUDGET STEERING COMM	10:00/ 14:00
		18.10.22		16.08.22	21.07.22	AUDIT COMM	11:00
		06.10.22				RISK COMM	09:00
	10.11.22			23.08.22		IGR	10:00

JUNE 2023	MAY 2023	APR 2023	MAR 2023	FEB 2023	JAN 2023
		26.04.23			26.01.23
02.06.23	03.05.23		03.03.23		
		12.04.23			18.01.23
		05.04.23			19.01.23
		05.04.23			19.01.23
06.06.23			07.03.23		
		19.04.23		17.02.23	26.01.23
	10.05.23			15.02.23	
	11.05.23			09.02.23	
	12.05.23			21.02.23	
	24.05.23			22.02.23	
	19.05.23			16.02.23	
			08.03.23		
	23.05.23			09.02.23	
13.06.23	16.05.23	13.04.23	14.03.23	14.02.23	13.01.23
27.06.23		11.04.23			19.01.23
09.06.23		06.04.23			17.01.23
	24.05.23			22.02.23	

2.1.5 Mayoral Committee

The Executive Mayor is supported by a Mayoral Committee. Each member of the Mayoral Committee has a portfolio with specific functions. The Executive Mayor may delegate specific responsibilities to each member of the Mayoral Committee. Any powers and duties delegated to the Executive Mayor by the Municipal Council must be exercised and performed by the Executive Mayor together with the other members of the Mayoral Committee.

The Committee assists in harnessing the common understanding between political and administrative components before the IDP reports are considered at the council meeting. It also makes recommendations to the IDP Representative Forum

2.1.5.1 MAYORAL COMMITTEE BEARERS- FROM DECEMBER 2021 FOR 2022- 2027 TERM OF OFFICE:

REF NO.	COUNCILLOR	PORTFOLIO
01	Cllr T. Vayo	Chairperson Social Services Development
02	Cllr M.R. Xonxa	Chairperson Financial Administration, Monitoring & Evaluation – Corporate Services
03	Cllr Z.A Hoyi	Chairperson Financial Administration, Monitoring & Evaluation – Finance
04	Cllr G.B. Mene	Chairperson Engineering & Infrastructure Development:
05	Cllr M. Nkwentsha	Local Economic Development and Planning

2.1.6 Portfolio Committees

Five (5) Section 80 committees are established, namely: PSSS, FAME, BTO, EIS and LED to advise the Executive Mayor on policy matters and any other matter to be considered by the Executive Mayor. They are assigned to focus on specific functional areas of the Municipality and can only make decisions on specific functional issues if delegations have been granted to them.

The members are appointed by Council. The chairpersons appointed by the Executive Mayor are full-time Councilors and form part of the Mayoral Committee.

2.1.7 Municipal Public Accounts Committee (MPAC)

Section 79 committees are permanent committees appointed to advise the municipal Council. The council established the Municipal Public Accounts Committee (MPAC) to perform an oversight function on behalf of Council over the executive functionaries of the Council. The MPAC, inter alia serves as an oversight committee to make recommendations to the Council when it adopts the Oversight Report on the Annual Report in terms of Section 129 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA). No members from the political executive arm are a member of the MPAC.

The committee met on four (4) occasions during the year under review to deal with Annual and Oversight Report of 2019/20 Annual Report as well as considering matters relating to unauthorized, irregular, fruitless, and wasteful expenditure.

2.1.7.1 MPAC MEMEBRS:

REF NO	NAME	CAPACITY	POLITICAL PARTY
01	Cllr V Jezi	Chairperson	ANC
02	Cllr S. Zono	Member	ANC
03	Cllr L Sizani	Member	DA
04	Cllr Z. Mantla	Member	MCF
05	Cllr M. Booysen	Member	EFF

2.1.8 Audit Committee

In compliance with Section 166(2) of the MFMA, Council has an Audit and Risk Committee which is an independent body advising the Municipal Council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to:

- Internal control.
- Risk management.
- Accounting policies.
- Adequacy, reliability and accuracy of financial reporting and information.
- Annual financial statements
- Performance management.
- Governance
- Compliance with MFMA, DoRA and other applicable legislation.
- Issues raised by the Auditor-General and Internal Audit; and
- Monitoring and evaluation of the Internal Audit Unit.

The Audit and Risk Committee Terms of Reference are reviewed by Council annually to ensure compliance with legislation and governance best practices. The Audit and Risk Committee meets on a quarterly basis and details regarding their recommendations to Council can be found in the Internal Audit reports.

2.1.8.1. Members of the Audit and Performance Committee

Ref No.	Name	Capacity
01	Prof W. Plaatjies	Chairperson
02	Ms. Mahlakahlaka	Member
03	Mr. Manthe	Member

2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Accounting Officer of the Municipality and the head of Administration. His primary function is to serve as chief custodian of service delivery and the implementation of political priorities.

He is assisted by his Senior Management Team (SMT), which comprises of the Directors of the five directorates established in the organogram as indicated in the chart below. There are also six (6) divisional managers reporting directly to the Municipal Manager. The SMT meet at least twice on monthly basis to discuss current priorities, strategic interventions to improve service delivery and new initiatives based on feedback from political leadership, departments and the local community.

The Municipal Manager provides direction and support to all officials under his leadership. Committees exist in ensuring smooth operation both within the institution and to the communities we serve, such committees as the Management Committee that constitutes of the Municipal Manager and his Directors as well as the Extended Management Committee which constitutes of the Municipal Manager, Directors and Operational Managers.

2.2.1 Organogram



The municipality undertook a comprehensive organisational development exercise for the entire institution. The objective was the alignment of the current and future organisational needs.

Workshops were conducted with both senior managers and middle managers to discuss and consider current and emerging issues and how these might apply at Makana local municipality. Individual meetings were then held with all managers to gain their personal insight into service levels, resourcing, performance, structure and sustainability.

Senior Management of the Municipality

- Municipal Manager: **Mr Pumelelo Kate**
- Chief Financial Officer: **Ms Nomfundo Ntsangani**
- Director Corporate and Shared Services: **Mr Xolela Kalashe**
- Director Engineering and Infrastructure: **Ms Asanda Gidana**
- Director Public Safety and Community Services: **Mr Kelello Makgoka**
- Director Local Economic Development and Planning: **Vacant**

NB: Director LED resigned in June 2023 leaving a vacancy in the Local Economic Development directorate.

2.3 INTERGOVERNMENTAL RELATIONS

An intergovernmental Relations Forum exists under the guidance of the Executive Mayor. The purpose of the forum is to coordinate the planning of projects and the implementation of programmes emanating from the IDP processes.

The meetings of the IGR Forum are chaired by the Executive Mayor and convened on a quarterly basis with all local Government Departments being represented by Senior-Decision Makers. The impact of COVID19 pandemic introduced virtual meetings to continue with servicing the community of Makana by discussing issues concerning service delivery and compliance.

2.3.1 National Intergovernmental Structures

As an active member of the South African Local Government Association, the Makana Municipality plays an active role when National Planning Proposals are discussed.

2.3.2 Provincial Intergovernmental Structures

The Municipal Manager attends all meetings of the Provincial Muni-MEC and similar structures with all resolutions taken at that level being worked into the Makana Council agenda. The value of this interaction is in ensuring that the needs of the local community are considered when the implementation of Government Projects are discussed.

2.3.3 District Intergovernmental Structures

The Makana Municipality regularly interacts with the other Municipalities in the district as the Government has created platforms for such deliberations, such as the Sarah Baartman District Municipal Managers Forum. This ensures that information related to new initiatives in the district is effectively relayed to the Makana Municipality's Senior Management.

2.4 PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1 STAKEHOLDER INPUT AND COMMUNITY BASED PLANNING

The IDP is about determining the stakeholder and community needs and priorities which need to be addressed to contribute to the improvement of the quality of life of residents within the municipal area. As is required by law, public participation meetings were held within the municipal space to go through community needs and priorities, to refine, add and remove those that are no longer a priority.

2.4.2 WARD PUBLIC MEETINGS

Community meetings are held per ward-by-Ward Councillors and their committees at least once per quarter. Notices to the public/ residents are distributed at least two days in advance for the communities to prepare for such meetings.

The municipality also makes use of the local Radio, and Virtual Newspaper to inform the public as well as social media e.g., WhatsApp groups and MobiSAM. This helps to get the message to the people on time so they can plan their questions and make necessary arrangements to attend.

As is required by law, there were IDP revision / budget process review meetings held in 2022-2023 financial year. Public participation meetings with regards to Community development priorities were held in March 2023 and the public was also consulted in May for the approval of the municipal budget and Integrated Development Plan of the municipality.

2.4.4.1 WARD COMMITTEES

Ward committees form an essential part of the public participation process, and these structures are particularly useful to ensure a relationship between Councilors and ward residents. It provides the opportunity to discuss local matters that concern the residents in that ward. Ward committees play an important role in this regard as they advise on the projects the community would like to have implemented in their wards.

These ward projects further strengthen the relationship between the Municipality and the communities due to the direct impact that the ward committees can make on development projects in their wards.

The purpose of ward committees:

- To act as an advisory committee to the Ward Councillor and Council.
- To ensure two-way communication to and from the community.

- To identify ward specific needs and to refer same to the administration and Council for attention.
- To actively partake in the annual IDP ward based public meetings.
- To assist the Ward Councillor in identifying ward projects and ward capital projects
- To identify stakeholders in the wards and to liaise with them regarding matters needing attention; and
- To discuss ward related Council agenda items and to make inputs regarding same if necessary.

The chairperson of the ward committee is the elected Ward Councillor and other members of the ward committee are elected by the residents of the ward. It is expected of the ward committees to hold regular meetings – at least once every three (3) months – and the minutes are submitted to the Speaker’s Office. The functionality of the ward committees is monitored and reported on to the Council on a quarterly basis.

2.4.4.1 IDP/ Budget Roadshows:

Table: IDP/ Mayoral Imbizo:

WARD	AREA	VENUE	DATE	TIME	STATUS
06/ 09	Extension 6, 26 Sites, Extension 4& 5, PA houses	New Indoor Sport Centre	07.03.23	17h30	Postponed due to weather and changes in loadshedding schedule
07/ 10	Xolani, O- Z streets, Lombo, Lukwe, Sofisa and Archie informal settlement	Tantyi Hall	08.03.23	17h30	Success
07/ 09	Hlalani Location, Ethuthwini, K & L streets	Foley’s Grounds	08.03.23	17h30	Success
08 & 12	Sunnyside, CBD area, Rhodes	City Hall	14.03.23	17h30	Success
10	A-E streets, Wood Street, Raglan Road, Victoria Road, I - N streets	BB Zondani Community Hall	15.03.23	17h30	Success
11	Extension 7, Ethembeni, Khayelitsha	Dlukulu clinic (tent)	16.03.23	17h30	Success
13/ 09	Vukani location	Open space: Rev Lolwana Street (tent)	16.03.23	17h30	Success
13	Salem, Farmer fields, Garden gates	Salem sport club	16.03.23	10h00	Success
01	Kwa Nomzamo	Afred Dike Community Hall	16.03.23	10h00	Success
14	Kwa Nonzwakazi location, Transrivier and town	Alicedale Town Hall	22.03.23	10h00	Success

03	Phumlani location, Mnandi and Extension 10	Ebaleni Mayfields (Extension 10)	22.03.23	17h30	Success
03	Extension 8/9, Transit camp, Phumlani, Enkanini	Extension 9 Community Hall	22.03.23	17h30	Success
04	Kingswood area, Scott's Farm, Graeme College area	Recreation Community Hall	27.03.23	17h30	Success
05	Mary Waters area, Ghosttown, Lower and upper Zolani, Sun City, Hooggenoeg and Vergenoeg	Oval Fields (tent)	27.03.23	17h30	Success
02/ 09	Extension 1, Extension 2, Eluxolweni	Noluthando Hall	28.03.23	17h30	Postponed due to poor attendance by community

IDP / Budget Road Shows

Date	Time	Wards	Area	Venue
23.05.23	17h00	02/ 03/ 05/ 06/ 09/ 11	<ul style="list-style-type: none"> All areas of ward 2, Ward 3, Extension 10, Mnandi, Zolani, Phumlani, Phaphamani All areas of ward 5, all areas of ward 6, Ward 9, D Block, Extension 4, Extension 5, and all areas of ward 11 	Indoor Sport Centre
24.05.23	11h00	07/ 09/ 10/ 13	All areas of Ward 7, Hlalani, Vukani, Newtown, Ndancama, A & B Street and all areas pf Ward 10	Foley's Grounds
24.05.23	17h00	01/ 03/ 04/ 08	Ward 01, Hooggenoeg, Ward 03, Phola Park, all areas of Ward 4, all areas of Ward 08	City Hall

These meetings help with the planning of projects for the following financial year budgeting. These sessions provide an opportunity for municipality to interact with the communities to get feedback and recommendations for the next financial year.

2.5 CORPORATE GOVERNANCE

2.5.1 Internal Audit and Risk Committee:

The current Audit and Risk Committee was appointed by Council in August 2021 effective from the 01 August 2021 to serve for a period of three years. The Chairperson of the committee was reappointed and there were three new members that were appointed of which one resigned. The committee holds its quarterly meetings and performs its function in terms of the Makana Municipality Audit and Risk Committee Charter approved by Council and Performance Management System Framework which are reviewed annually before the start of each financial year.

Other parties in attendance are:

Makana Municipality: The Municipal Manager, Director of Budget & Treasury / Chief Financial officer, Director of LED & Planning, Director Engineering & Infrastructural Services, Director of Corporate Services and Director Public Safety and Community Services.

Managers: Internal Audit; IDP/PMS Managers and the MPAC Chairperson act as ex-officio.

External Parties: Provincial Treasury; Provincial CoGTA and Auditor-General representatives.

2.5.2 Internal Audit Unit:

The Municipality has an in-house Internal Audit Unit in place that is in the office of the Municipal Manager, headed by an Internal Audit Manager.

The staff component consists of Internal Audit Manager, Senior Internal Auditor appointed 01 April 2020 and 1x National Treasury Interns appointed in 2021. The Internal Audit Unit also having 2 vacant positions for Internal Auditors.

Risk based and statutory audits as required by section 165 of the Municipal Finance Management Act are performed each year including Ad – Hoc requests from time to time.

2.5.3 Risk Management:

A risk management framework is in existence and there is a risk-based audit plan. Risk management is not fully embedded in the culture and internal control processes of the municipality. There is a fully functional Risk Management Committee that has an independent Committee Chairperson.

Annual Risk Assessment workshops are held where a development and review of the strategic risk register is done. Quarterly risk reviews and monitoring is in place and reports produced on the implementation of corrective action are prepared quarterly.

Summary of Strategic Institutional Risks

No	Risk Description	Mitigation actions to be taken
1.	No financial sustainability (not a going concern)	<p>1. i) Ensuring disconnections are managed effectively.</p> <p>2.i) Monthly meter reading is implemented.</p> <p>ii) Conduct variance meter report before billing is done.</p> <p>iii) Replacement of faulty meters and installation of meters where there is none.</p> <p>3. i) Conduct roadshows to inform the public about the financial position of the municipality. ii) Timely attendance of complaints by Technical Services. iii) Community services to collect refuse as scheduled 4.i) Put set timeframes for renewal of indigent applications ii) Improve on awareness campaigns to consumers</p> <p>5.i) Disposal of our obsolete assets to generate cash -</p> <p>ii) Reduce expenditure on salaries, fuel, telephone, and other controllable expenditure. iii) Cash flow management to address service delivery challenges</p>
2.	Inadequate water supply	<p>1 & 2. (i) Development of WSDP with O&M plan. ii) Implement and monitor the WSDP and O&M plans. 3. Installation and monitoring of CCTV surveillance. 4. Develop a Multi-year budgeting in line with the SDBIP 6. Isolation of plants from loadshedding schedule to ensure better supply of water. 7. Enhance selection process to ensure that the best service provider is selected.</p>
3	Ageing road and storm water infrastructure	<p>1, 2 and 4. (i) Development of roads and storm water master plan. (ii) Implement and monitor roads and stormwater master plan. 3.i) Develop a Multi-year budgeting in line with the SDBIP ii) sourcing of funding from government sectors. iii) sourcing funding from sponsors</p>
4	Unstable and poor reliability of supply of electricity	<p>1 & 2. (i) Development of Electricity master with O&M plan. (ii) Implement and monitor the electricity master and O&M plans. 3. Installation and monitoring of CCTV surveillance. 4. Develop a Multi-year budgeting in line with the SDBIP</p>
5.	Inability to effectively manage solid waste	<p>1. a-c) i) Re-allocation of equitable share adequately for waste management. ii) implement the Developed waste management tariffs for landfill sites. iii) procurement of waste management fleet with the Lobbied funding from Dept of economic development and environmental affairs and development of material recovery facility/drop off centre. d) i) employment of more personnel to cleansing ii) Filling of critical positions. 2. Increase frequency of awareness campaigns to weekly. 3. i) Annual Review of by-laws. ii) Create and Appoint peace officers for waste management by-laws to conduct monitoring and enforcement. 5. Review refuse bills for residents that have flats.</p>

6.	Ineffective strategic management planning processes	1. a) Development of Directorate operation SDBIP Scorecard 2 Cascading of PMS to all management levels. 3. Timeous conduct regularly performance review through management review monthly and quarterly evaluations
7.	Noncompliance with laws and statutory regulations	Institutionalise Compliance Management. Conduct quarterly reviews on the alignment of IDP, Budget and SDBIP for all levels of management.
8.	Inadequate implementation of ict governance framework	1.i) Procurement of effective SAN /NAS storage servers ii) Procurement of external hard drives for senior and middle managers to backup data. 2. Procurement of specialised network monitoring software and infiltration of network data on municipal servers. 3. Procurement of specialised log management tools to view system logs centrally. 4. Appointment of a service provider on an SLA basis to manage and support the municipality's physical network infrastructure of the municipality. 5. Procurement of effective back up hardware and software.
9.	Poor execution of capital projects	PROJECT MANAGER 1. Ensure Proper planning for all projects. 2. Proper Identification of SMME packages. 3. Reporting all fraudulent activities 4. Prepare realistic project cashflow. 5. and 6. Set Realistic programs. 7. Submission of monthly and quarterly reports by the Manager. B. FINANCE 1. Convene workshops for training on SCM procedures for SCM staff and Bid committee members. 2. Training of BSC members on tender specifications. 3. Training of the BEC members on tender evaluation. 4. Appoint competent secretariat staff. 5. Conduct War rooms for objection AND LITIGATIONS with SBDM. Need planning checklist.
10.	Business continuity compromised	Review the Disaster Recovery Plan. Installation of the VPN solution Use Alicedale office as a disaster recovery site. Server capacity be increased. Space requirements and centralised records management system. A singular system that encompasses all records (GRC system). Backups done on a regular basis. Create an offsite storage space. Appointment of an experienced ICT Manager. Appointment of ICT security officer to Safe-guard manual records.
11.	Inadequate implementation of spatial planning and land use management	1. a) Capacitate the existing building inspector and controller to be the peace officers to effectively deal with illegal buildings. b) develop building control by-law. 2. Provision of adequate basic infrastructure (conduct (technical studies to ascertain the required levels of basic infrastructure) 3. Mobilise funding

12	Sewer spillages and inadequate wastewater treatment plants	1 & 2. (i) Development of WSDP with O&M plan. (ii) Implement and monitor the WSDP and O&M plans. 3. Installation and monitoring of CCTV surveillance. 4. Develop a Multi-year budgeting in line with the SDBIP 6. Upgrading the infrastructure 7. Close monitoring of the refurbishment project and submit monthly reports
13	Inadequate management of municipal public amenities	1. Review public amenities management and maintenance plan. 2.i) Review the allocation of equitable shares to cater for public amenities. ii) Procurement for repairs and replacement. 3. Appointment of security personnel to guard and monitor the amenities. 4. Upgrade the insurance cover.

2.5.4 Fraud and Anti-Corruption Strategy:

The Makana Municipality developed and adopted a Fraud Prevention Framework, and Fraud Prevention has been included in the KPAs of the Directors. During the year of review, the Municipality assigned this function to the Risk manager and attempts were made to operationalise fraud-reporting. An independent Fraud reporting Hotline has been established and operational and a Fraud Whistle Blower Policy was formulated to protect whistle blowers. Quarterly fraud report is submitted.

2.5.5 Dedicated Fraud hotline numbers: 046 001 0012 and 087 809 4100:

All legitimate matters are reported to this number for further investigation. Furthermore, in accordance with the Protected Disclosure Act 26 of 2000, Makana Municipality provides assurance to all staff members, the public, suppliers, and other stakeholders related to the municipality, that they will be protected from any victimisation arising from any legitimate matters reported through any of the reporting channels provided.

2.5.7 Information Communication and Technology

Information Communication & Technology (ICT) section is responsible for the following functions: Planning, Network, Data, Security and Support.

Makana Municipality's ICT Environment supports about 150 users. The municipality has the following offices namely:

- | | |
|------------------------------|----------------------------------|
| I. Corporate Services | Admin/ HR City Hall/ High Street |
| II. Financial Viability | Finance Building High Street |
| III. Infrastructure Services | Engineering Building High Street |
| IV. Alicedale Office | |
| V. Riebeeck East Office | |
| VI. Electricity | |
| VII. Asset Management | Stores Breytenbach Road |

VIII. Land and Estate Housing	Sonny Street/ Joza
IX. Parks Recreational	Parks
X. Traffic Services	Knight Street
XI. Fire Services	Knight Street
XII. Cleansing	Knight Street
XIII. Environmental Services	Knight Street
XIV. Internal Audit	Knight Street
XV. Strategic Planning & Monitoring	Knight Street
XVI. Local Economic Development	High Street
XVII. Legal	City Hall/ High Street
XVIII. Records Management	City Hall/ High Street

2.5.8 Status report on public participation (councillors and ward committees)

The Makana Municipality has fully functional Ward Committees. The ward committees holding monthly meetings.

The meetings are held according to the “Back to Basics” concept and meetings as follows:

1. Area meetings (Ward Committee member)
2. Ward general meetings (Councillor as a Chairperson)
3. Ward committee meetings (Councillor as a Chairperson)

Ward Committee reports are submitted to the office of the Speaker every month from all the wards with attendance registers used as a proof that the Ward Committee meeting that took place and that is also used as proof for the payment of the stipends to Ward Committee members.

Ward General Meetings: most of the wards do not hold their general meetings. The reports are submitted to the Council as an item quarterly.

Ward Based Planning: has been done in all wards and priorities have also been developed for each ward and are reflecting in the IDP.

MASIPHATHISANE: In Makana municipality Masiphathisane/ War Rooms have been established in all the wards of the municipality but are inactive. The challenge is however that only one ward (ward 2) has a functioning war room where they hold meetings and attend to the problems raised in the meetings.

STAKEHOLDERS: Makana Municipality has a database of its stakeholders and meet bi-monthly with them to discuss community concerns and progress on community projects.

WOMEN'S CAUCUS: A Women's caucus has been established and is not fully active.

WOMEN'S FORUM: A Women's Forum has been established and would be launched in the next financial year.

PETITIONS: A Petitions committee has been established and is chaired by the Speaker. All the petitions are handled by the office of the Speaker. Speaker receives all the petitions and hand them to the Petitions Committee.

COMMUNITY DEVELOPMENT WORKERS: The municipality provides transport for CDW's to attend their Regional Round Tables and sometimes also to the Provincial Round Table. CDW's have been allocated an office at the municipal offices. The Provincial office has been requested to assist them with the necessary tools of trade.

CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process that measures the implementation of the organisation's strategic objectives. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level, performance management is institutionalised through the legislative requirements of the performance management process. Performance management provides the mechanism to measure whether targets are met in line with the strategic objectives as set by the organization.

Section 152 of the Constitution of the Republic of South Africa, 1996, deals with the objectives of local government and paves the way for performance management.

The idea of a government that is accountable is important to meet the needs of Makana Municipality. The democratic values and principles in terms of section 195(1) are also linked with the concept of performance management, with reference to the principles of the following, among others to:

- Promote the effective, efficient and economic use of resources.
- Ensure accountable public administration.
- Be transparent by providing information.
- Be responsive to the needs of the community; and
- Facilitate a culture of public service and accountability.

The Local Government: Municipal Systems Act (MSA) of 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) require the Integrated Development Plan (IDP) to be aligned to the municipal budget. The monitoring of organisational performance of the budget must be done against the IDP on a quarterly basis via the Service Delivery and Budget Implementation Plan (SDBIP). The report was made public after the Council has been informed of the quarterly progress against set targets.

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations of 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, 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, the Budget and the SDBIP.

3.1.2 Legislative requirements

In terms of section 46(1) (a) of the Local Government: Municipal Systems Act, a municipality must prepare an Annual Performance Report (APR) for each financial year that reflects the municipality’s performance and any service provider’s performance during the financial year. The APR must furthermore indicate the development and service delivery priorities and the performance targets set by the municipality for the financial year, and based on the results indicate what corrective measures were or are to be taken to improve performance....

3.1.3 The IDP and the Budget

The Municipal Systems Act requires that the Municipality’s Integrated Development Plan be reviewed annually to accommodate changes in the municipal environment, including community priorities. In turn, the revised IDP will inform changes to the budget, key performance indicators and targets of the municipality.

3.1.4 Service Delivery and Budget Implementation Plan (SDBIP)

The organisational performance is evaluated by means of a municipal scorecard (Top-Layer SDBIP). Performance objectives, as reflected in the municipal scorecard, are required to be practical, measurable and based on the key performance indicators.

The SDBIP is a tool that converts the IDP and budget into measurable criteria of how, where, when and the strategies, objectives and normal business processes of the Municipality are implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and the budget.

MFMA Circular No. 13 is a clarification of the Municipal Budget and Reporting Regulations, Schedule A1, General Notice 393 in Government Gazette 32141 and prescribes that:

- The IDP and Budget must be aligned.
- The Budget must address the strategic priorities.
- the SDBIP should indicate what the Municipality is going to do during the next 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the Budget/IDP processes.

3.1.5 The Municipal Scorecard (TOP-LAYER SDBIP)

The municipal scorecard (Top-Layer SDBIP) consolidates service delivery targets set by Council/ Executive management and provides an overall picture of the performance of the Municipality as a whole, reflecting performance in its strategic priorities for the 2022-23 financial year. The scorecard is the performance evaluation tool and is used during the informal and formal performance assessment of the Municipal Manager and Directors.

Components of the Top-Layer SDBIP include:

3.1.5.1 One-year detailed plan with the following components:

- Expected revenue to be collected.
- Monthly projections of expenditure (operating and capital) and revenue for each vote.
- Quarterly projections of service delivery targets and performance indicators for each vote.
- Non-financial, measurable performance objectives in the form of targets and indicators.
- Output management objectives; and
- The level and standard of service being provided to the community.

3.1.5.2 Top-Layer KPI's were prepared based on the following:

- Key performance indicators (KPIs) for the programmes/activities identified to address the strategic objectives as documented in the IDP in co-operation with the community who identifies developmental priorities.
- KPIs identified during the IDP public participation process and KPIs that need to be reported to key municipal stakeholders; and
- KPIs to address the required national minimum reporting requirements.

3.1.5.3 Amendment of the Top-Layer SDBIP

SDBIP is developed to improve on performance planning, implementation, measurement and reporting, the institution implemented the following actions. IDP and Budget for 2022/23 financial year were approved by Council on the 29th of May 2022 subsequently to that, SDBIP was approved on 28th June 2022 and adjusted on the 28th of February 2023. after consideration and approval of adjusted 2022/23 MTREF budget to reaffirm by Council in committing to achieve its service delivery targets and also to address the Internal audit and AG findings.

3.1.6 Organisational Performance

Strategic performance assessment indicates how well the Municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is effective, efficient and economical. Municipalities must develop strategic plans and allocate resources for implementation. Implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role players to enable them to implement corrective measures timeously as and when required.

The Annual Performance Report (APR) highlights the strategic performance in terms of the municipality's Top-Layer Service Delivery and Budget Implementation Plan (SDBIP), high-level performance in terms of the strategic objectives of the municipality and performance on the National Key Performance Indicators prescribed in terms of section 43 of the Municipal Systems Act of 2000.

3.1.7 Performance Management Policy Framework

The Municipality adopted a Performance Management (PM) Policy Framework. The Policy was reviewed and approved by the Council on the 20th of July 2021. The PM Policy articulates the Municipality's objectives to promote accountability and the overall strategy of the Municipality.

Therefore, the main principles of the PM Policy are that it must be feasible in terms of the available resources to the Municipality and that the PM Policy must serve as an enabling mechanism for employees to achieve their performance objectives and targets.

Performance management has been introduced in the Local Government: Municipal Systems Act, Act 32 of 2000 (hereafter referred to as the MSA). The MSA is specific with regard to performance management. Each municipality must develop a performance management system (PMS) to enhance service delivery inputs to maximise outputs to the community.

The MSA emphasises the amplified role of the Council in performance management. Legislative enactments which govern performance management in municipalities are found in various documents.

As outlined in Section 40 of the MSA, Municipality must establish mechanisms to monitor and review its Performance Management System (PMS) to measure, monitor, review, evaluate and improve performance at organisational, departmental and lower levels.

3.1.8 Actual performance (2022-2023)

The Municipality utilises an automotive system on which KPI owners update actual performance on a quarterly basis. KPI owners report on the results of the KPI by documenting the following information on the Performance Management system.

The actual result in terms of the set target:

- A performance comments.
- Actions to improve the performance by the submission of corrective measures to meet the set target for the reporting interval in question, if the target was not achieved.
- It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results update and provide it to performance management unit for evaluation and the Internal Auditor and Auditor General upon request during the quarterly and annual audit testing.

3.1.9 Monitoring of the SDBIP

Municipal performance is measured as follows:

- Mid-year assessment and submission of the mid-year report to the Executive Mayor in terms of section of Section 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act to assess the performance of the Municipality during the first half of the financial year.
- Quarterly performance was subjected to an internal audit and the results of their findings were submitted to the Audit Committee; and
- Quarterly performance reports are submitted to the Council for information.

3.1.10 Individual performance

Individual performance is implemented at senior management only and its coordination is done in the office of the municipal manager. In the 2020-21 financial year Council resolved that cascading of the PMS would be managed and coordinated in Corporate & Shared Services department under the Organizational Development unit.

3.1.11 Municipal Manager and Directors Accountable to the Municipal Manager

The Municipal Systems Act (MSA), 2000 (Act 32 of 2000) prescribes that the Municipality must enter into performance-based agreements with all section 57 employees and that performance

agreements must be reviewed annually and published for public interest. This process and the format are further regulated by Regulation 805 (August 2006), MSA.

The performance agreements for the section 57 appointments for the 2022-23 financial year were signed as follows:

- Municipal Manager - 31.01.23
- Chief Financial Officer - 13.09.22
- Director: Public Safety and Community Services - 01.07.22
- Director: LED and Planning - 28.02. 2023
- Director: Engineering & Infrastructure Services - 01.07.22
- Director: Corporate & Shared Services - 01.07.22

3.2 RESULTS FOR THE 2022/2023 FINANCIAL YEAR

This section of the Annual Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. Since the Municipality has 6 Development priorities with the inclusive of Human Settlement under Basis service delivery and infrastructure development. An overview of the overall Municipality's actual performance linked to the National KPA's not yet available as they link with finalisation Annual Financial Statement

COLOR CODE	STATUS	DESCRIPTION
N/A	KPI Information not Available yet	KPIs with no targets linked to finalisation Annual Financial Statement
G	KPI Fully Effective	Actual meets Target (Actual/Target = 100%)
G2	KPI Performance Significantly Above Expectations	100.001% <= Actual/Target <= 149.999%
B	KPI Outstanding Performance	150.000% <= Actual/Target
R	KPI Unacceptable Performance	0% <= Actual/Target <= 74.999%
O	Performance Not Fully Effective-(Partially)	75.000% <= Actual/Target <= 99.999%

There were 62 Key Performance Indicator (KPI) in the Adjusted Service Delivery Budget Implementation Plan for 2022-23 Financial year. For this draft Annual Performance report 57 Key Performance Indicators has been reviewed. For the year under review 28 KPI (45%) were achieved, 3 KPI (5%) were not fully met (partially achieved) and 31 KPI (50%) were unacceptable performance, 5 national KPI information are not available they will be concluded upon finalisation of Annual Financial Statement

5.1 Overall performance Key Performance Area (KPA)

KPA	NO KPI	ACHIEVED	PARTIALLY	2021-22 %	2022-23 %
Basic Service and Infrastructure and Infrastructure	9	2	1	33%	33%
Community and Social Cohesion	8	4	1	33%	63%
Local Economic development and Planning	9	4	0	33%	44%
Institutional Capacity and Organisational Development	12	7	0	N/A	58%
Financial Viability and Management	8	7	0	N/A	88%
Good Governance & Public Participation	11	3	2	36%	45%
TOTAL	57	27	4	35%	54%

3.2.2 Audit of Performance Information

The Auditor General's Office concluded their audit during November 2022, the Audit Opinion expressed on Performance information is a qualified for 2022/23. The main issues attributed to the qualification is ***Usefulness and Reliability of reported performance information.***

AUDIT OPINION	2018/19	2019/20	2020/21	2021/2022	2022/23
Unqualified opinion without matters (Clean Audit)					
Unqualified opinion with emphasis of matter or other matters					
Qualified opinion			X	X	X
Adverse opinion					
Disclaimer	X	X			

3.3 BASIC SERVICE DELIVERY

Water, Sanitation, Roads, Electricity (Electricity in the former Makhanda East area and certain rural areas is supplied by Eskom, whilst the former Makhanda West and parts of Alicedale are supplied by the Municipality), wastewater and refuse removal services are fundamentally important basic services to ensure a healthy and safe environment for all Makana inhabitants which is a mandate of the municipality. Other services such as Libraries, Traffic Control and Environmental Management has service level agreements with sector provincial departments. These basic services sections play a very important part in the planning and implementation of basic services in all formally established township developments as well as informal settlements.

To market the Makana area, the Municipality has a long-standing arrangement with Makana Tourism where the Municipality makes an annual financial allocation to Makana Tourism in exchange for marketing the area and promote tourism. A Service Level Agreement was also completed by both parties to formalise the arrangement and the body provides the Municipality with monthly financial reports. The Makana Municipality does not have a “Municipal Entity”, nor does it utilise external mechanisms for basic service delivery.

3.3.1 WATER AND SANITATION PROVISION

In terms of the Water Services Act (Act no. 108 of 1997) and declaration of the powers and functions by the Minister of Water Affairs and Forestry in 2004, Makana Municipality is acting as both ***Water Services Authority and Water Services Provider***.

The Authority function means that the Municipality is responsible for regulation, water quality, ensuring access and monitoring and evaluation. The Provider function means that the Municipality is responsible for access, provision, operations and maintenance of all water needs.

3.3.1.1 Water Provision

The National Department of Water Affairs is responsible for policy formulation, capacity building and support where it is needed, regulation and enforcement of legislation. The National Department of Corporate Governance and Traditional Affairs is responsible for the funding of some water capital projects through Municipality Infrastructure Grant. The Municipality has the responsibility of implementing water services projects and maintenance thereof. Water deliveries are made by trucks to rural areas on request by the Community and Social Services Directorate.

Description	2022/23 Actual No of Households
Water: (above min level)	
Piped water inside dwelling	10 400

Piped water inside yard (but not in dwelling)	5 340
Using public tap (standpipes)	1 650
Other water supply (within 200m)	
Minimum Service Level and Above sub-total	
Minimum Service Level and Above Percentage	

Description	Actual no of Households for 2021-22	2022-23 Actual Household No.
<i>Water: (below min level)</i>		
Using public tap (more than 200m from dwelling)	2% located at rural farms	384
Other water supply (more than 200m from dwelling)	None	0
No water supply	2% located at farms	
Below Minimum Service Level sub-total	None	0
Below Minimum Service Level Percentage	None	0
Total number of households	16481	19 300

3.3.1.2 Water Supply

The Municipality provided its households with sufficient water except for some farm areas and informal settlements. The Municipality supplies water to farm areas by carting water with water trucks and informal settlements receive their water through communal standpipes. Makana is currently providing the basic level of services as per the RDP standards but most of our households have individual house connections. The Municipality currently supplies water from two sources, which are the Fish River and Howieson's Poort Dams.

3.3.1.3 Challenges

The Municipality is still struggling with its aging infrastructure and low capacity of water treatment plant due to increase of demand of water. Internally human resources capacity was also affected due to resignation of Manager for Water and Sanitation in 2017/18 year however, the manager was appointed in the 2019-20 financial year.

3.3.1.4 Water and Sanitation infrastructure Development projects

External funding has been sourced from different stakeholders MIG and WISG. Underneath are water related infrastructure development projects funded for in the 2022-2023 financial year.

Projects	Budget
Waainek Bulk Water Supply Refurbishment	2,287,085
Replacement of Ageing Asbestos pipes in Makhanda Phase 3	26,674,326

Upgrade Mayfield Bulk Outfall Sewer Phase 2	1,350,712
Howiesonspoort Pumpset Replacement	2,700,000
Belmont Valley Wastewater Treatment Works	12,849,089

3.3.2 Wastewater (Sanitation) Provision

In terms of the Water Services Act (Act no. 108 of 1997) and declaration of the powers and Functions by the Minister of Water Affairs and Forestry since 2004 Makana Municipality has been acting as both Water Services Authority and Water Service provider.

The Department of Corporate Governance and Traditional Affairs is responsible for funding of some sanitation capital projects through MIG. The Municipality has a responsibility of implementing sanitation projects and maintenance thereof.

Level and standard of services	The municipality has not met the target of providing households with basic sanitation services for informal settlements. It is currently providing the basic level of services as per the RDP standards. The sewer infrastructure is very old and makes use of asbestos pipes which are no longer manufactured in South Africa. This results in continuous sewer blockages and overflows. The main wastewater treatment plant is currently overloaded. There is a lack of capacity on human resources, especially on technical expertise in-order for the Municipality to respond effectively on issues of operations and maintenance. This is still a challenge.
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Annual Performance as per Key Performance Indicator in Sanitation Services

Indicator	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the Financial Year under review (actual numbers)	Number of Households/customer reached during the Financial Year	Percentage of achievement during the year
Households with access to sanitation services	1%	1986	569	629	Above 100%
Indigent households with access to free basic sanitation services	8064 have benefited.	7930	8000	8604	Above 100%

All Clinics and schools were provided with adequate sanitation services during the year under review.

3.3.2.1 Challenges

Lack of financial resources, funding application will be made to the Department of Water Services. Most schools have sanitation infrastructure but there are water pressure problems at several schools that are being addressed.

Makana is also challenged with increasing pressure on its wastewater treatment leading to works overflow i.e., Belmont Valley which is near full capacity. The Wastewater Treatment Works (WWTW) is a 5.4MI biological filter plant currently being operated at an average inflow of between 7 and 8MI/d. The plant is servicing the entire CBD and Western side and 60% of the Eastern side, Mayfield WWTW has a stated existing hydraulic capacity of 2.5 MI/day and currently treats flows from the areas known as Mayfield, Makanaskop, Kings Flats, Transit Camp and Extensions 6 and 7.

3.3.3 Electricity

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATOR IN ELECTTICITY SERVICES						
Indicator	Total number of households or customers expected to benefit	Estimated backlogs (Actual numbers)	Target set for the financial year under review (actual numbers)	Number of households or customers reached during the financial year	Percentage of achievement during the year	Major challenges and remedial action
Households with access to electricity services	245	0	169	81	%	Funding for electrification of rural area (formalised infill area). All avenues of funding will be investigated.
Indigent households with access to basic electricity services		0	300	416	70%	None

The Makana Municipality's Electricity Department ensures that its customers get good supply of quality service in compliance with the quality criteria prescribed by the national Electricity Regulator.

The Department has the duty of refurbishing electrical infrastructure and the responsibility of connecting customers who are not on the grid. The Department is also responsible for project implementation as well as day-to-day operations and maintenance.

<p>Level Standard of Services</p>	<p>Customers are provided with a bulk 11 kilovolts of electricity. Some of this electricity is provided from renewable energy.</p> <p>The Municipality provides streetlights in accordance with the standards as outlined in the National Energy Regulator of South Africa (NERSA) guidelines. It also provides high masts which are funded by the Municipal infrastructure grant (MIG).</p> <p>Medium and low voltage electricity is distributed according to consumer requirements and with NERSA standard.</p>
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3.3.3.1 Achievements

The Electricity Department sought funding from the Department of Minerals & Energy (DME) under the Integrated National Electrification Programme Grant (INEP), for upgrade and refurbishment of various Makana 11kv Mini-Substations. There was also a successful construction of a 66KV Overhead line refurbishment in Makhanda.

3.3.3.2 Challenges and remedial action

The major challenge was the absence of resources such as the vehicles and material. A further challenge was the absence of training measures for staff due to a lack of funds. In addition, the inadequate maintenance of infrastructure was a major problem. More funding would be sourced from external parties to address the challenges in the next financial year.

3.3.3.3 Road and Storm water

The maintenance of the Makana Road Network involves 4 major role players:

- The Provincial Road Construction Unit presently constructing a surfaced road between Makhanda and Alicedale. The road is situated partially within Makana and Sundays River jurisdiction.
- The District Road Engineer (provincial maintenance unit) is responsible for 155, 0 km. surfaced trunk and main roads as well as 663,0km of gravel roads within the rural areas of Makana. The condition of these roads is presently poor.
- The Makana Council is responsible for the maintenance of 176,0km of gravel and 163.0km of surfaced roads within the urban areas. The roads are generally in a poor to fair condition. owing to lack of financial resources.

- A District Roads Forum has been established to address the problem of a lack of communication between the role-players.

The road network consists of a national road between Port Elizabeth and King William's Town consisting of ± 45km surfaced road each side of Makhanda being maintained by the National Roads Agency. The department is currently maintaining only Rural District Roads.

Level and standard of road services	The 16 503 erven within the urban areas of Makana have an acceptable surfaced or gravel access road to each erf. The 400 erven within the informal areas have no acceptable access. Maintenance done is of a high standard utilising cold premix, chip and spray and acceptable decomposed shale with a CBR of 45.		
Annual Performance as per Key Performance indicator in Road Maintenance			
Indicator	Total number of household/ customers expected to benefit	Estimated backlogs (Actual numbers)	Major challenges and remedial action
Households without access to gravel or graded roads	350	350	Funding was a major challenge and for the next financial year a Business Plan will be developed to address this matter
Road infrastructure requiring upgrade	80%	153 kilometres	Lack of finance Shortage of material
Annual performance as per Key Performance indicator in Roads Maintenance			
Planned new road. infrastructure constructed	2.5 Km	176km	Insufficient funding
Capital budget reserved for road upgrading and maintenance effectively used.	2,4%	176Km	Insufficient funding

3.3.4 Free Basic Services and Indigent Support

The Makana Municipality provides free basic services to registered indigent residents and has a policy for indigent support that is implemented by the Finance Department.

The registration of more Indigents is a project that has been receiving attention to increase the number of beneficiaries.

3.4 PUBLIC SAFETY AND COMMUNITY SERVICES

3.4.1 Library Services

Reporting Level	Detail	TOTAL
Overview	The provision of accessible community facilities to an acceptable standard for all people in Makana Municipality.	
Description of activity	Provision of: Adequate library services for all sectors of the community. Access to library material for the purposes of education, information, recreation and aesthetic appreciation for all residing within the Makana municipal area. The strategic objectives of this function are to: <ul style="list-style-type: none"> • Ensure that the residents have access to up-to-date information through libraries. • Ensure that there are libraries in needy areas. • Ensure that there is an acceptable standard of service for all. • Decrease the illiteracy rate of the Makana community. 	
Analysis of function	Statistical information: Quantity of materials circulated. <ul style="list-style-type: none"> • Main Library (Hill Street) 54,600 • Community Library 32,300 • Duna Library 23,300 • Fingo Library 40,957 • Alicedale Library 10,095 • Riebeeck East Library 11,016 • Ext 9 10,394 Total 182,662	
	Number of current patrons <ul style="list-style-type: none"> • Main Library (Hill Street) 15,164 • Community Library (Currie Street) 4,335 • Duna Library 7,325 • Fingo Library 1,187 • Alicedale Library 913 • Riebeeck East Library 347 • Ext 9 --- Total 29,271	
Challenge	<ul style="list-style-type: none"> • Children's activities space at Fingo, Riebeeck East and Alicedale Library. 	

Reporting Level	Detail	TOTAL
Highlights	<ul style="list-style-type: none"> • Provision of office space at Hill Street Library for Mobile Library and Library Clerk. • Installation of a library detector system and CCTV camera at Duna, Fingo and Community Libraries. • Providing public access to internet at Fingo and Hill Street libraries using “Connect with Sarah Baartman” vibrant literacy and audio projects in all libraries. 	

3.4.2 Environmental Management

Environmental management function is a strategic one, providing environmental leadership to the municipality and the community at large. The municipality functions with its partners through the Makana Environmental Forum, a forum of local individuals and organizations with a focus on environmental matters in the municipality.

The municipal environmental programmes and plans are communicated to the public through the quarterly meetings of the Makana Environmental Forum. The municipal environmental awareness activities continued to be strengthened by a collaboration with the Eastern Cape’s Department of Environment and Economic Development Good Green Deeds which create community awareness and engagements.

3.4.2.1 Activities

Environmental education and awareness: Department Environmental Affairs has seconded an official to coordinate all Environmental education and awareness program. Environmental Awareness campaigns are being created in schools throughout the municipal are of jurisdiction, planting of trees and donations of waste receptacles. Some of the schools included primary schools and high schools in Makhanda, Riebeeck East, Alicedale and Seven fountains’ areas.

In addition, door to door awareness campaigns were conducted in collaborations with ward councillors, educational material was distributed and placed in libraries, clinic and police stations.

EPWP THUMA MINA GREEN GOOD DEEDS PROGRAM:

The community environmental education and awareness programme was strengthened by the appointment of twenty youth to assist with cleaning at the illegal dumping sites. These individuals were from various wards of the municipality. This programme was sponsored by the Department of Environment and Economic Development in the Eastern Cape. DEA, SALGA and Sarah Baartman District Municipal together with Makana LM embarked on the review of the waste by-laws and they are currently in a draft format, however SBDM has review Municipal Health By-laws. Several workshops were held with the group to familiarise them with municipal waste by-laws.

Municipal Assisted Initiatives:

Department of Economic Development and Environmental Affairs (DEDEA) has introduced Good Green Deeds program to assist the municipality with environmental management programs, including awareness and education program, door to door campaigns and schools outreach program. A total of 22 youth was appointed for the program.

The Municipality has also partner with Environmental NGO and was assisted with 14 young people in waste management in Makhanda area.

Waste pickers at the landfill site:

The recycling at the landfill site has been formalised through the appointed services, the program is currently will be monitored under the services provider's watch.

Adopt – A- River Project:

This initiative was a project was on hold during this financial year due to redirection of funds for EPWP which was focusing on waste management, the project will be reinstated in the next financial year as the river are once again polluted.

Makana Municipal Invasive Action Plan:

A Makana Alien & Invasive Action Plan is in place drafted (date), accordance with the terms of the Alien & Invasive Species Regulations of 2014 and the National Environmental Management: Biodiversity Act (2006), which states “all Organs of State are meant to have developed Alien Species Control Plans for areas under their jurisdiction by October 2016”.

In the case of Makana municipality this regulation affects all land that is private or owned by other organs of state and would include *inter alia commonage* areas, street verges, green open spaces etc. The plan has been submitted to Council for approval in February 2017. The plan also incorporated actions underway and future such as Working for Water's activities. The plan due for review during this current financial year in collaboration with Department of Water and Sanitation.

Environmental Risk Register:

With due consideration of the Environmental Monitoring outlined in the Makana Local Environmental Action Plan, assessment of risks associated with the environment to monitor effects of exposure of humans and/or the environment to hazardous situations is necessary. Monitoring environmental risks will also assist in avoiding litigation or compelling contractors or service providers working in the municipal area to comply with relevant legislation.

3.4.2.2 Main challenges

The general lack of funding to initiate community environmental projects remains a threat towards the implementation of projects. To mitigate this risk, the environmental management section continues to apply for funding from other state departments or in the form of EPWP projects.

External stakeholders should be brought in to assist the municipality to discharge its environmental mandate and be provided with various kinds of rewards such as rates rebates etc. This could be the case with environmental stewardship programmes by business and NGO entities.

The function of Environmental Health Services was recalled by the District Municipality in the financial year 2021/22. In terms of the Municipal Structures Act, Section 84 (1) (i) Municipal Health Services is the function of the District Municipality. The unit is responsible for ensuring businesses, including restaurants, comply with applicable health standards to ensure clients are not at risk of picking up diseases.

Currently Municipal Health Services are performed by SBDM and monthly reports to Makana Local Municipality are submitted quarterly.

3.4.3.1 Waste Management (Solid)

<p>Strategy and main role player</p>	<p>The overall objective of waste management is to reduce the generation of waste; reduce the environmental impact of all forms of waste to ensure the health of the people of Makana. The Municipality's waste management system enhances the quality of its environmental resources.</p> <p>The roles and responsibilities in terms of the National Waste Management Strategy for local government include:</p> <ul style="list-style-type: none"> • Waste minimisation: Local Government must implement and enforce appropriate national waste minimisation initiatives and promote the development of voluntary partnerships with industry. • Recycling: Local Government is to establish recycling centres and/or facilitate community initiatives. • Waste collection and transportation: Local Government is to improve service delivery. • Waste disposal: Local Government is to take responsibility for the establishment and management of landfill sites, and to promote the development of regionally based facilities. <p>Formalising and controlling of scavenging are the responsibility of the permit holder.</p>
<p>Level and standard of services</p>	<p>It is expected that every household has access to waste collection services. The Municipality is expected to collect refuse from every household on a regular basis.</p>

Annual performance as per Key performance indicator in refuse removal services

Indicator	Total Number of Households/ Customers expected to Benefit	Estimated Backlogs (Actual numbers)	Target Set for the Financial Year under review (actual numbers)	Number of Households / Customers reached. During the Financial Year	Percentage of Achievement During the Year	Major Challenges and Remedial Action
Households with access to refuse removal services	23 366	648 (farmhouses) Rural areas	0	22500	97%	Illegal dumping is a major challenge in Makana.

3.4.3.2 Fire and Rescue Services

Function Public Safety	
Sub-Function: Fire & Rescue Section	
Reporting Level	Detail
Overview:	Includes firefighting, fire safety and awareness campaigns. The municipality has signed a corporate agreement with Sarah Baartman District Municipality to perform the functions on agency basis as well as with the other six (6) LMs in Sarah Baartman district.
Mission statement	It is the mission of Makana Fire and Rescue to create a safer environment for all persons in our society by providing an efficient and effective firefighting, emergency, rescue and fire safety service within the framework of the resources available.

3.4.3.2.1 Core Functions

Core Functions (As per the Fire Brigade Services Act 99 of 1987), the municipal core function is:

- Preventing the outbreak or spread of a fire.
- Fighting or extinguishing a fire
- The protection of life or property against fire or other threatening danger
- The rescue of life or property from fire or any other threatening danger; and
- The performance of any other function connected with any of the matters related to the above.

These functions are performed in accordance with Standard By-Laws relating to Fire Brigade Services, which was promulgated on 11 June 1982 (Provincial Notice 661 / 1982)

3.4.3.2.2 Administration Section

This section deals with the day-to-day administrative activities of the Fire and Rescue Section which includes report writing, typing, recording and updating of information and all other related activities as required. This section is headed by the Manager and includes the Station Commander, Senior Clerk and Messenger /Cleaner.

3.4.3.2.3 Operational Section

This section consists of four (4) Platoon Commanders, six (6) Senior Fire Fighters, twenty-four (24) Fire Fighters, and four (4) Dispatchers. The following posts have been filled: Two (2) Platoon Commanders, one (1) Senior Fire Fighter and three (3) Fire Fighter posts, two (2) Senior Fire Fighter posts have since become vacant.

The operational section implements the practical aspects relating to firefighting and other emergency incidents. To achieve its aim, this section is responsible for the following:

- The attendance and handling of all fires, rescues and emergency incidents.
- The acquisition of vehicles and operational equipment.
- The maintenance of vehicles and equipment.
- The checking and cleaning of fire hydrants.
- The training of public by group inspections and lectures.

3.4.3.2.4 Fire Prevention

Businesses are inspected to ensure that they comply with the fire safety regulations. A total of eighty-seven (87) businesses were inspected during the financial year 2021/22.

3.4.3.2.5 Activity

Reduction of Vegetation Fires:

The key objective is to try and minimise the amount of vegetation fires. Emphasis is put on.

- Analysing the risk areas
- Training the farmers on proper fire control/ burning tactics
- Awareness campaigns involving the Fire Protection Association, Albany Working for Water, Parks Department and DAFF etc.
- Includes firefighting, fire safety and awareness campaigns.

3.4.4 Mission Statement

The municipality's mission is to provide for measures to safeguard the physical wellbeing and safety of the environment and property, to ensure the implementation of an integrated and coordinated approach to disaster management across all spheres of government, involving all relevant stakeholders.

3.4.4.1 Core Functions:

- Recruitment and training of disaster management volunteers

- Conduct disaster management awareness program at schools, farmers associations and for the general community.
- Inform the above-mentioned groups of possible disaster areas, dangers associated with it and how to deal with disaster situations.
- Advise council on disaster management legislation.
- Prepare disaster management plans to ensure maximum emergency plans for its area.
- Ensure disaster management plans are in place.
- Form an integral part of the municipal IDP.
- Anticipate the types of disaster that are likely to occur and their possible effects.
- Provide prevention and initiation strategies.
- Establish contingency plans and emergency procedures in the event of a disaster.

These functions are performed in accordance with the Disaster Management Act, 2002 (Act no 57 of 2002) and provides a legislative framework for the management of disasters in the country.

In terms of sections 19, 38 and 53 all spheres of government are required to prepare disaster management plans setting out the way in which the concept and principles of disaster management are to be applied in its functional area.

These plans must facilitate maximum emergency preparedness and contain contingency plans and emergency procedure in the event of a disaster clarifying the allocation of responsibilities to the various role-players and coordination in the carrying out of those responsibilities. The aim of this readiness plan is to ensure prompt and effective response to emergency incidents during and after the disaster occurrences.

3.4.4.2 Administration Section:

This section deals with the day-to-day administrative activities of Disaster Management which includes report writing, typing, recording and updating of information and all other related activities as required. It is headed by the Disaster Management Officer only and reporting to the Manager: Fire Services.

3.4.4.3 Operational Section:

This section consists of one Disaster Management Officer. It implements the practical aspects relating to fire fighting in conjunction with the fire department since fires are classified as potential disasters and other emergency incidents e.g.

- Floods/Fire Victims – To conduct damage assessment to flooded/fire damaged areas, arrange temporary housing units to those who have their houses badly damaged by the flooding/fires, the office has been providing mattresses and blankets where necessary, refer the victims to other relevant sector departments for assistance e.g. SASSA, Social Development etc. and assist flood/fire victims with necessary requirements including evacuation of the area if needs be.

- The office forms part of the Road Incident Management System which seeks to reduce road incidents/accidents on the N2 and our national roads by taking note of bad surface on our roads, road marking, stray animals, managing tow truck operators and training of emergency personnel in incident management.
- The Office forms part of the Safety Events Management Team that constitute amongst other stake holders SAPA, Rhodes University, NAF Organisers, Makana Municipal Departments, Home Affairs etc. to make sure that all events taking place in Makana Municipality are planned in accordance with the Safety, at Sports and Recreational Events Act no 02 of 2010 to protect participants, spectators and property.
- To conduct awareness campaigns to the targeted groups making them aware of potential disasters and how to deal with them when they do occur.
- Dissemination of weather warnings to the community at large via community radio stations, Grocott's and social networks.
- The Office forms part of the Provincial Project Management Steering Committee Meetings, monitoring the DMRG (Disaster Management Risk Grant) allocated to Municipalities and Sector Departments to repair the damaged infrastructure after disaster occurrences.

3.4.4.4 Building Plans:

Building plans are scrutinized to ensure that they comply with Fire Safety Regulations.

A total of thirty-five (35) building plans were scrutinised during the year under review.

3.4.4.5 Flammable liquids:

Flammable liquid inspections are carried out on businesses that deal with flammable liquids. The annual tariff charges also make provision that all businesses dealing in the sale, manufacture, handling or storage of flammable liquids or gases must register and acquire a license from the municipality. An annual license fee for this purpose is therefore payable after safety requirements have been met. A total of eleven (11) flammable liquid inspections were conducted.

3.4.4.6 Fire Hydrants:

Fire Hydrants inspections are done regularly to ensure that they are clean, clearly marked and in operation. A total of one hundred and forty (140) fire hydrant inspections were conducted.

3.4.4.7 Water Deliveries:

As an additional income, the department delivers water to farms situated within the protected area upon request. Normal tariffs apply that include the use of the fire engine plus the distance travelled. Water is also delivered to rural communities in municipal area of jurisdiction, the Department of Technical and Infrastructural Services, is then responsible for the charges.

3.4.4.8 Motor Vehicle Accidents:

The Directorate responds to motor vehicle accidents to assist with vehicle extrication, patient treatment, hazardous materials, etc. A total of (19) accidents were attended to during the 2021/22 financial year.

3.4.4.9 Training and Awareness:

Lectures and practical drills are presented to the staff of the Fire Department on various subjects of firefighting, rescues, handling of hazardous incidents and legislation applicable to the fire service. This is In - Service Training and only focus on preparedness of Fire Fighters to combat fires and other emergencies.

3.4.4.9.1 Public Training:

Fire awareness campaigns are conducted at rural communities, schools and clinics within Makana to make the community aware of the dangers of fires. A total of two hundred and four (204) public members were reached. Elementary Fire Fighting training is presented to businesses to enable their staff to react immediately when a fire occurs at their workplace whilst it is still small. Covid 19 has had a negative impact on the Fire Awareness Campaigns.

3.4.4.9.2 School Awareness Programme:

The department continued with our School Awareness Programme to make the students/ scholars aware of the dangers of fires and what to do in case of a fire. A total of twelve (12) schools and two hundred and three (203) students / scholars were reached during the financial year 20/21 Covid 19 had a negative impact on the School Awareness Programme.

Challenges:

Progress/ Update

Fire station in Alicedale	SBDM has procured temporary satellite Fire Station for Alicedale, the station is semi equipped, and procurement of additional vehicle is underway and expected to be delivered in the next financial year
Fire station in Riebeeck-East	SBDM has procure temporary satellite Fire Station for Riebeeck East, procurement of vehicle and recruitment of

	the personnel is currently underway, and target is next financial year.
No fire station in Makhanda-East	No Capital Budget for the 2019/20 financial year, due to the financial situation of the Municipality.
Handling of after-hours complaints.	The Control Room is dealing with after-hours complaints, such as electricity, water, sewer etc. posing a risk, as the telephone lines are continuously engaged due to the influx of complaints from the public.
No Capital Budget to procure vehicles and equipment	No Capital Budget to procure much needed vehicles and equipment for the 2019/20 financial year, due to the financial situation of the Municipality. Sarah Baartman District Municipality procured two new vehicles and equipment.
Shortage of Staff	Shortage of staff has an impact on the operations of the department because Vacant positions are not filled, and posts will be filled I the next financial year.

3.4.5 Safety and Security

The Makana Municipality does not have an in-house policing force but does actively participate in the Local Safety and Security Forums.

3.4.5.1 Traffic and Law Enforcement

Reporting Level	Detail
Overview:	Includes Traffic, Licensing, Roadworthy and Technical Services
Description of activities Traffic Law Enforcement	<p>The key function of the Traffic Department is to provide safer roads for all stakeholders within the Makana area.</p> <p>The Municipality has a mandate to:</p> <ul style="list-style-type: none"> • Conduct preventative traffic patrols and enforce traffic legislation. • Enforce speed limits. • Attend traffic accidents. • Enforce parking legislation. • Enforce municipal bylaws.

Reporting Level	Detail
	The key objective of this function is to ensure safe and free flow of traffic within Makana Municipal area.
Driving Licenses	<p>These services include all driver testing functions.</p> <p>The Municipality has a responsibility to:</p> <ul style="list-style-type: none"> • Test applicants and issue learner licenses • Test applicants and issue driving licenses. • Renew card driving licenses. • Renew and issue Professional driving licenses. <p>The key objective of this function is to ensure safety on the roads by ensuring a high level of competency amongst vehicle drivers.</p>
Roadworthy Testing	<p>These services include all vehicle testing functions. The Municipality has a responsibility to:</p> <ul style="list-style-type: none"> • Test vehicle • Issue roadworthy certificates <p>The key objective of this function is to ensure safety on our roads by ensuring roadworthy vehicles</p>
Technical services	This service is responsible for the maintenance of all road markings and road signs
Challenges	Lack of finances are seriously hampering operations as we find it difficult to maintain old and outdated equipment. Vehicles are old and break down frequently. The department has filled most critical vacancies that have been vacant for years.

3.4.6 Parks; Sport and Recreation

Function: Horticulture and auxiliary services sub-function: Aerodrome		
Overview:	Makana and the surrounding municipalities are fortunate to have at their disposal a category 1 licensed aerodrome with an all-weather runway and navigation lights that needs maintenance to accommodate up to a light jet aircraft.	
Description of activity:	<i>Inspections</i>	Quarterly

	The section: The Department of Civil Aviation also undertakes annual inspections in support of the retention of the category 1 licence.	
	<p style="text-align: center;">Administration</p> <p>Collection of landing fees: The lease contract will be expiring with the flying club toward the end of the next financial year.</p> <p>Challenges</p> <ul style="list-style-type: none"> • The airfield is currently not fully operational due to various challenges relating to fencing, overgrown weeds, runway with potholes and no runway lights. • The continued deterioration of the main tarred runway due to lack of maintains is still a main challenge 	Annually
	<p>Achievements</p> <p>Mowing of the airfield was done twice during 21/22 financial year and not much was achieved in terms of fencing, runway road, lights during this period under review, the plan is to attend to the maintenance of the airfield in the next financial.</p>	
Overview:	This sub-function includes several sections including maintenance of grass verges and public open space, planted layouts, street trees and weed control.	
Description of Activity	<p>The services provided include:</p> <ul style="list-style-type: none"> • Moving of verges in Makhanda, Alicedale and Riebeeck East including main entrances, CBD, material roads, suburban roads and council facilities. • Moving of public open spaces with tractor drawn implements • Maintenance of gardens and planted layouts within the city. • Maintenance of street trees including tree planting and the maintenance of streets under power lines as well as the removal of trees where required. • Manual tree stump removals • Weed control that includes the eradication of weeds and annual grass on roads, gutters and storm water channels. 	<p>196ha</p> <p>449ha</p> <p>2.5 ha</p> <p>673 trees</p> <p>17</p> <p>1650 ha</p>
Function: Horticulture and auxiliary services sub-function: Cemeteries		
Overview:	This sub-function includes the maintenance of cemeteries in Makhanda, Alicedale and Riebeeck East.	
	<p>The services provide include:</p> <ul style="list-style-type: none"> • Administration of electronic recording system for burials • Cemetery maintenance • Contract management 	<p>+857 –</p> <p>1023</p> <p>burials</p> <p>annually</p>

Description of activity	<p>Challenges</p> <ul style="list-style-type: none"> Acquisition of land for new cemetery in Alicedale and Makhanda. Funding to maintain cemeteries. Vandalism/ theft of artefacts/ fencing, caretaker's house and metal railings, burial records not properly updated. 	
	<p>Achievement</p> <ul style="list-style-type: none"> Extensions to Mayfield airspace Maintenance of service roads to Mayfield Procurement of contracts for the maintenance of grass areas: Waainek, Mayfield, Historical. Lavender Valley and Kings Flats cemeteries. Formalisation of parks equipment tender for long term supply 	
Function: Horticulture and auxiliary services sub-Function: Nursery		
Overview:	Provision of nursery to produce greening material for the Municipality.	
Description of activity:	<p>The services provided include:</p> <ul style="list-style-type: none"> The production of ground covers, shrubs and trees. Maintenance of ornamental section for decorations. Production of manuals for street displays <p>CHALLENGES: Old equipment such chain saws, weed eaters, lawn mowers to deal with maintenance of grass and trees in town and the surrounding area. Limited budget for the operation of the municipal nursery</p> <p>ACHIEVEMENTS: Procurement of 4x weed eaters and 2x chain saw. Planting of aloe plants on 7 x illegal dumping spots to discourage illegal dumping. Trimming and cutting of dangerous trees in seven fountains and Alicedale (in progress) and assisting electricity department with cutting trees affecting electric power lines</p>	

3.5 LOCAL ECONOMIC DEVELOPMENT AND PLANNING

Local Economic Development is an approach towards economic development which allows and encourages local communities to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improve quality of life for all.

The role of Local Economic Development and Planning in municipalities is to unlock economic opportunities through support and providing a spatial environment that stimulates economic growth.

The priority of the Department has been to develop policies and expansion plans that give strategic guidance to develop the local economy of Makhanda.

Through a joint initiative between Makana & Kagiso Trust, the Municipality has managed to develop a precinct plan for Makhanda East aimed at developing an economic node on the East and an LED Strategy that gives a framework for economic development.

For the implementation of these plans the Municipality will have to ensure a full staff component with the competency required for local economic development & planning. This requires a review of the departmental organogram to ensure prioritisation of strategic positions in the directorate.

The LED and Planning Directorate is constituted as follows:

- a) **Local Economic Development Section:** responsible for agricultural development, tourism development and promotion; trade and investment promotion and SMME development.
- b) **Town Planning Section:** Responsible for spatial planning, Settlement Planning and Land Use Management
- c) **Building Inspectorate Section:** Regulating development in terms of National Building Regulations and Standards Act 103 of 1977
- d) **Land and Estates Section:** responsible for the management of Municipal immovable assets.

The staff component of LED Directorate will be fully populated with qualified and experienced staff once the remaining vacancies have been filled. During the year under review the municipality solicited funding to implement the following Agricultural and Tourism projects:

3.5.2 Highlights and Achievements.

- More than 950 businesses registered on CIPC.
- About 32 SMMEs have benefited from subcontract opportunities since the promulgation of the revised Preferential Procurement Regulations.
- Registered more than 900 people on CWP.
- Trained more than 2 SMMEs on Business Management and Tendering.
- 105 informal business and small-scale businesses received equipment from DSBD.

3.5.3 Spatial Planning and Land Use Section:

- The Makhanda East Precinct plan was approved by Council in April 2023 and was presented at the District Development Summit.
- The Municipality is part of the District Planning Tribunal which is fully operational.

3.5.4 Job Creation

Job creation opportunities will be from different Infrastructure development Projects of water and sanitation interventions, upgrading and rehabilitation of Roads, EPWP and Community Development works Program.

NAME OF PROJECT	NUMBER OF LABOURERS	FUNDER	PROJECT STATUS
Upgrade of Mayfield Bulk Outfall Sewer Phase 2		MIG	Construction
Replacement of Asbestos Pipes in Makhanda Phase 3		MIG	Construction
Upgrade of Ncame Street	30	MIG	Construction
Community Works Program	898	COGTA	Ongoing
Expanded Public Works Program	172	Public Works	Ongoing
TOTAL	1269		

CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 MUNICIPAL WORKFORCE

The Makana Local Municipality currently has 30 different functions, based on the Municipal Systems Act, No 32 of 2000 and Act 117 of 1998.

4.1.1 MUNICIPAL MANAGER AND SECTION 57 MANAGERS

	Approved Positions (e.g., MM-S57 etc.)	Number of Approved and Budgeted posts.	Filled Posts	Vacant Posts
1	Municipal Manager	1	Yes	0
2	Director Corporate Services	1	Yes	0
3	Chief Financial Officer	1	Yes	0
4	Director Local Economic Development	1	Yes	0
5	Director Technical & Infrastructure	1	Yes	0
6	Director Public Safety	1	Yes	0
	Total	6	6	0

4.1.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT INDICATORS

	Indicator Name	Total Number of People (planned for) During the Year Under Review	Achievement Level during the Year Under Review	Achievement Percentage During the Year Under Review	Comments on the Gap
1	Vacancy rate for all approved and budgeted posts	25	25	100%	None
	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	4	60%	One resignation and a suspension were experienced at this level
3	Percentage of Section 57 Managers including Municipal Managers who attended at least one skills development training course within the financial year	3	3	100%	No Gap
4	Percentage of Managers in Technical Services with a professional qualification	6	6	100%	No Gap
5	Percentage of staff that have undergone a skills audit (including competency profiles) within the current five-year term	619	0	0%	Process will be addressed as one of the outcomes of the Organisational development process of the Municipality.

7	Percentage of councillors who attended skills development training within the current five-year term	27	4	20%	Training was hampered by a severe lack of funds.
8	Percentage of staff complement with disability	1	1	100%	N/A
9	Percentage of female employees	131	131	100%	No Gap
	Percentage of employees that are aged 35 or younger	57	44	77%	N/A

4.2 MANAGING THE MUNICIPAL WORKFORCE

4.2.1 Human Resources Unit:

This Unit is responsible for the transformation of Makana Local Municipality into an effective, efficient, and progressive public sector organisation.

It is further responsible for the:

- development and implementation of policies, procedures, and oversight of the daily operations of the municipality.
- develop and implement HRM strategies, policies and plans aligned to the strategy of the organisation that enable the organisation to achieve its objectives,
- Facilitate employee benefits, skills development, recruitment & selection, employee wellness, occupational health & safety and employee relations.
- Annually to review and prepare for the submission of the policy to Council for adoption. The policies may be amended from time to time and must be revised at least every five years. All other policies.

4.2.2 Compliance with Health and Safety Legislation

The Makana LM has adopted a policy for the Occupational, Health and Safety. The position of the Occupational, Health and Safety Officer has been approved in the organogram with the aim of ensuring an ongoing review, its standards, policies and procedures to comply and, where

possible, to exceed legislative requirements pertaining to Occupational Health & Safety regulations.

The Occupational Health and Safety Act (85 of 1993) and its regulations provide guidelines for the Makana Council to develop appropriate standards and management systems. Makana municipality has appointed a Health and Safety officer

4.2.3 Capacitating the Municipal Workforce

A Work Skill Plan is revised annually by the Skill Development Facilitator. The plan is approved by the Council with a specific budget and an implementation report is submitted to LGSETA on or before the 30th of March, to recover the funds spent on implementing the plan.

The Makana Local Municipality offers various annual in- service training opportunities to promote the development of skills in specific areas to encourage growth in skills availability in the province and to assist learners in obtaining practical exposure to the world of works.

Targeted training and employment are also used to affirm previously disadvantaged categories, with a special training initiative to address the gender imbalances in the work force. There has been a particular focus on developing women as water treatment works operators over the past five years. This trend will continue in the future.

In further support of its major transformation outcomes, Makana Local Municipality has also revised its human resources training and development policy and plans, making this area the responsibility of a dedicated Training Committee.

The Training Committee is responsible for the issuing and updating of Makana Local Municipality Workplace Skills Plan prepared in terms of the requirements of the Skills Development Act. The Skills Plan maps out training priorities for the organisation based on identified skills gaps and deficiencies and envisaged future operational needs (including succession and career planning), thus permitting appropriate training interventions to be devised and implemented.

As per the Skills Development Act 97 of 1998 Makana Municipality has a responsibility to encourage the unemployed to enter labour market through learnership programme. This also applies to internal staff for the advancement of career growth, for personal growth and upward mobility within the institutional departments. Interns - the program of the unemployed graduated to gather work experience in the workplace. The Skills Plan maps out training priorities for the organisation based on identified skills gaps and deficiencies and envisaged future operational needs (including

succession and career planning), thus permitting appropriate training interventions to be devised and implemented.

4.2.3.1 Skills Development & Training

Municipality has a challenge of lack internal capacity and scarcity funding as result lot of training could not take place. The following training programmes were undertaken regarding staff development:

Details	Training Undertaken
Councillors	Training on local labour terms of reference
Staff:	<ul style="list-style-type: none"> ▪ Occupational health and safety training course- 10 Officials serving as Safety representatives. ▪ Training in water and wastewater treatment. - Learnership for 29 Makana Employees

Staff Registered with Professional Bodies

Technical Services	Total Numbers of Managers & Officials	Total Number of Registered with Professional Accredited Body	Total Number of Pending Registrations Confirmation with the Accredited Professional Body	Total Number Not Registered with Accredited Professional Body
Water	1	1	0	0
Electricity	3	2	0	1
Technical	4	2	0	2
Town Planning	2	1	0	1
Project Management Unit	1	0	0	1
Internal Audit	3	3	0	0

4.3.2.3 Levels of Education and Skills

Total Number of Staff	Number of Staff Without Grade 12	Number of Staff with Senior Certificates Only	Number of Staff with Tertiary/ Accredited Professional Training
616	223	170	226

4.2.4 Employment Equity and Recruitment Policy

The success and competitive standing of Makana LM business activities hinge critically upon the quality of its human capital and on its retention and continual development of a workforce of competent and motivated personnel. Consequently, the Makana LM seeks, as a key intent, to implement best practices in the direction of all its human resources provisioning, management, and employee development activities. An Employment Contract has been developed and adopted by the Council. After that Human Resources Plan was developed and adopted by the Council as guiding tool towards achieving organisational objectives.

An Employment Equity policy has been adopted by the Makana Council and guides the organisation's human resources practices in promoting employment equity, the recruitment and development of employees from designated groups and the advancement of appropriate gender representation in the organisation. An Employment Equity Plan has been developed setting out organisational equity targets, while simultaneously ensuring compliance with requirements by the Department of Labour.

Progress towards employment equity has been accorded high priority and is being driven by the Employment Equity and Training & Development Committee that reports directly to the FAME. The committee includes both Makana Councillors and Management Committee representation.

A range of policies have been formulated to advance both Makana LM initiatives to address historical employment inequalities as well as wider organisational transformation goals.

Areas of employment equity focus have included the review and revision of the policy on employee recruitment practices to bring these into alignment with the requirements of Makana LM Employment Equity and Affirmative Action plans.

4.2.5 EMPLOYEE WELLNESS

The Makana LM pursues employee wellness initiatives and, within this effort, has implemented an HIV/AIDS prevention programme that serves to create awareness and share information on available assistance for HIV/AIDS treatment. The initiative has also offered elected community members as peers' educators so that participants are able to interact meaningfully with affected persons, both within the workplace and in the broader community.

Various additional efforts have been made to exploit employee communication tools and staff training opportunities to promote the maintenance of employee health and positive levels of staff motivation and healthy workplace relations. This has included efforts to disseminate information and advice on the management of HIV/AIDS related illnesses and workshop training to impart knowledge and skills to managers and supervisors to promote the recognition and embracing of cultural and other diversity in the workplace.

4.2.6 INJURIES, SICKNESSES AND SUSPENSIONS:

During the year under review, 5 cases of “Injury on Duty” were reported to the Compensation Commission.

Comment on Suspensions and Cases of Misconduct:

In the same year, the Makana Municipality dismissed two employees for various cases of misconduct.

4.2.7 OTHER STRUCTURES AND FORUMS:

Makana Local Municipality acknowledges that relationships with other strategic forums impact positively in an indirect manner on the management of the organisation. Makana LM has a formal recognition agreement with the South African Municipal Workers Union (SAMWU) and annual salary and wage adjustments affecting the union represented employees have been satisfactorily concluded since 2001.

Makana LM has a disciplinary and grievance procedure in place and invokes these in dealing with employee relations problems that may arise, with recourse taken to the Council for Conciliation, Mediation and Arbitration (CCMA) to settle any matters not satisfactorily resolved internally. An Industrial Relations Officer position has been filled with aim of improving employer-employee’s relations.

4.2.8. MAJOR CHALLENGES AND REMEDIAL ACTIONS WITH REGARD TO HUMAN RESOURCE AND ORGANISATIONAL MANAGEMENT

The Makana Municipality continues to face challenges related to the inability to retain key engineering skills. As a response to this challenge, the Makana Municipality has developed and adopted a Scarce Skills and Retention Policy. The Scarce Skills and Retention policy seeks to provide a framework for the retention of critical skills and provide incentives for such skills.

4.2.9 MANAGING WORKFORCE

OFFICE OF THE MUNICIPAL MANAGER:

EMPLOYEES: PLANNING(IDP/PMS), LEGAL, RISK, IA, ICT, PMU ETC.			
Job Level	Ending 31 July 2022		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	1	0	1
7-9			
10-12	4	0	4

13-15			
16-18	2	0	2
19-20			
TOTAL	7	0	7

OFFICE OF EXECUTIVE MAYOR/ SPEAKER:

EMPLOYEES:			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	1	0	1
7-9			
10-12	2	0	2
13-15			
16-18			
19-20			
TOTAL	3	0	3

SUMMARY EMPLOYEES: OFFICE OF THE MUNICIPAL MANAGER

Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
Municipal Manager's Office	17	12	5
Internal Audit	4	2	2
IDP and PMS	3	3	0
Legal	3	3	0
Risk Management	2	1	0
PMU	6	4	2
TOTAL	31	22	9

LOCAL ECONOMIC DEVELOPMENT:

EMPLOYEES: AGRICULTURE			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6			
7-9			
10-12	2	2	0
13-15			
16-18			
19-20			
TOTAL	2	2	

EMPLOYEES: SMME

Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3	1	1	0
4-6	1	1	0
7-9			
10-12			
13-15			
16-18	1	1	0
19-20			
TOTAL	3	3	0
SUMMARY EMPLOYEES: LED			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
Agriculture			
SMME, Trade & Investment	1	1	0
Tourism & Heritage	1	0	1
Planning & Estate	9	7	2
TOTAL	11	8	3

Community & Social Services:

EMPLOYEES: FIRE			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	1	1	0
7-9	39	29	10
10-12	1	1	0
13-15	1	1	0
16-18			
19-20			
TOTAL	42	32	10
EMPLOYEES: TRAFFIC			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	15	5	10
7-9	10	10	0
10-12	3	2	1
13-15	1	1	0
16-18			
19-20			
TOTAL	29	18	11

EMPLOYEES: PARKS			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3	56	51	5
4-6	46	23	23
7-9	4	4	0
10-12	2	2	0
13-15	1	0	1
16-18			
19-20			
TOTAL	109	80	29

SUMMARY EMPLOYEES: COMMUNITY SERVICES			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
Office of Director	3	3	0
Cleansing	62	43	19
Fire	42	32	10
Library	37	22	15
Environmental Health	5	5	0
Parks	109	80	10
Traffic	29	18	11
TOTAL	287	203	65

EMPLOYEES: TREASURY & BUDGET OFFICE			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	39	34	5
7-9	7	7	0
10-12	6	3	3
13-15	4	2	2
16-18			
19-20			
TOTAL	56	46	10

EMPLOYEES: COMPLIANCE & REPORTING			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	1	1	0
7-9			

10-12	1	0	1
13-15	1	0	1
16-18			
19-20			
TOTAL	3	1	2

EMPLOYEES: EXPENDITURE			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	3	3	0
7-9			
10-12	4	3	1
13-15	1	1	0
16-18			
19-20			
TOTAL	8	7	1

EMPLOYEES: REVENUE & DATA CONTROL			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	30	26	4
7-9	4	4	0
10-12			
13-15	1	1	0
16-18			
19-20			
TOTAL	35	31	4

EMPLOYEES: SUPPLY CHAIN			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	5	4	1
7-9	3	3	0
10-12	1	0	1

EMPLOYEES: SUPPLY CHAIN			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
13-15	1	0	1
16-18			
19-20			
TOTAL	10	7	3

SUMMARY EMPLOYEES: TBO			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
Compliance & Reporting	3	1	2
Expenditure	7	7	0
Supply Chain	13	7	5
Revenue & Data Control	31	28	3
TOTAL	54	43	10

CORPORATE AND SHARED SERVICES:

EMPLOYEES: ADMINISTRATION			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3	2	1	1
4-6	12	8	4
7-9	17	11	6
10-12	1	1	0
13-15			
16-18	1	1	0
19-20			
TOTAL	32	22	11

EMPLOYEES: HUMAN RESOURCES			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	1	1	0
7-9	2	2	0
10-12	6	6	0
13-15	1	1	0
16-18			
19-20			
TOTAL	10	10	0

EMPLOYEES: RECORDS			
Job Level	Ending 30 June 2023		
	Number of posts	Posts filled	Vacancies
0-3			
4-6	6	3	2
7-9	1	1	0
10-12			
13-15	1	1	0
16-18			
19-20			
TOTAL	7	5	2

4.2.9.1 Employee Expenditure:

Financial Year	Total number of Staff	Total Audited Operating Expenditure	Personnel Expenditure (Salary Related)	Percentage of Expenditure
2018-2019	716	554 915 489	165 707 277	29.86%
2019-2020	724	484 812 324	190 680 765	39.33%
2020-2021	622 incl. Cllrs, interns & contract workers	616 473 663	217 141 964	35%
2021-2022		656 176 577	214 975 574	33%
2022-23				

4.2.9.2 List of Pension and Medical Aid Schemes 2022-23:

Names of pension fund	Number of Staff	Name of Medical Aids	Number of Staff
Cape Joint Pension Fund	01	Bonitas	71
Cape Joint Retirement	285	LA Health	55
SALA Pension Fund	97	SAMWU Med	84
SAMWU Provident Fund	145	Key Health	31
		Hosmed	04

4.2.9.3 Employee Related Cost:

Related Cost	2019-20	2020-21	2021-22	2022-23
Salaries	R 190 680 765	217 141 964	214 975 574	
Remuneration of Councillors	R 11 410 126	R11 398 481	11 204 692	

4.2.10 Terminations:

REASON	2019-20	2020-21	2021-22	2022-2023
RETIREMENTS	A combined total of 20 people left the institution during the 2019/20 financial year.	8	12	
DECEASED		12	17	
RESIGNATIONS		5	03	
MEDICALLY BOARDED		1	00	
CONTRACT EXPIRY		1	01	
DISMISSAL		1	04	

Municipal Financial Management

CHAPTER FIVE: FINANCIAL VIABILITY AND PERFORMANCE:

5.1 Financial Viability Highlights

The steady progress made is evidenced by a better cash coverage ratio was slightly reversed by the economic impact of the COVID19 pandemic as the municipality's built-up reserves had to be released to cover the reduced collection rate. The municipality still, however, had an increased ability to contribute towards paying Eskom account and long outstanding debt which led reduction in arrear creditors of the municipality. The municipality has also improved its financial management by ensuring Grant funding is ring-fenced and not used in the ordinary course of business.

The financial performance of the municipality has been forecasted with marginal deviation to the operational budget when comparing actual results to the budget. The review of municipal organogram and job description is another initiative that will bring accountability and ensure that departmental managers' ability to plan, perform & implement internal controls. There remains a budget shortfall to adequately cover the impairment of debtors & was partially rectified in 2020/21 Adjustments Budget together with achieving a funded budget.

EXECUTIVE SUMMARY OF KEY FINANCIAL ACHIEVEMENTS FOR THE YEAR UNDER REVIEW:

With leadership of the CFO and managers, the Budget & Treasury Office has been able to diagnose and identify possible remedial action to enhance municipal revenue.

5.2 Financial Viability Challenges

The following general challenges are experienced by the municipality with regards to financial viability:

Challenges

- Maintain a sound financial position in the context of the national and international economic climate.

- Long outstanding creditors
- Revenue enhancement
- High volume of litigations
- Limited revenue base
- Financial recovery plan
- Filling of critical positions

5.3 National Key Performance Indicators- Municipal Financial Viability and Management (ratios)

The following table indicates 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.

These key performance indicators are linked to the **National Key Performance Area** namely **Municipal.**

Financial Viability and Management.

Ratio	2019-20	2020-21	2021-22	2022-23	Remarks
Liquidity Ratio (Current Ratio) - this ratio indicates the extent to which current assets can be used to settle short-term liabilities. If current assets do not exceed current liabilities, it means a liquidity problem i.e., insufficient cash to meet financial obligations. The norm is 1.5 - 2:1.	0.53	0.39	0.24	0.40	The ratio suggests that the municipality would be unable to pay all its current or short-term obligations when they fall due. This highlights serious financial challenges and a risk cover to enable continued operations at desired levels.

Ratio	2019-20	2020-21	2021-22	202-23	Remarks
Cash Coverage Ratio - indicates the municipality's ability to meet at least its monthly fixed operating commitments without collecting any revenue during that month. The norm should not be less than 1 - 3 months.	0.42 months	1 month	0.10	2 months	<p>The ratio indicates that the municipality's result is within the norm.</p> <p>The municipality is at moderate risk in the event of financial setbacks to meet its obligations to provide for basic services.</p>
Creditors Payment Period – this indicates the average number of days taken to pay trade creditors. The norm is 30 days.	279 days	258 days	230 days	48 days	<p>The ratio indicates that the municipality is not adequately managing its working capital and that effective controls are not fully in place to ensure prompt payments.</p>
Contracted Services as a % of Total Operating Expenditure – measures the extent to which municipal resources are committed towards contracted services. The norm is 2% - 5%	4%	6%	6%	4%	<p>The ratio result is within the norm.</p> <p>Outsourcing decision should be weighed against ability to attract skills, as increased ratio would be an indication of reliance on contractors and inability to build capacity.</p>
Irregular, Fruitless and Wasteful and Unauthorised Expenditure to Total Expenditure – this ratio measures the extent of irregular, fruitless and wasteful and unauthorised expenditure to total expenditure. The norm is 0%.	13%	22%	23%	22%	<p>The norm of this ratio should be kept at 0%, the result is an indication that cases are not investigated and acted upon.</p> <p>The municipality has started to advertise old legacy contracts to reduce irregular expenditure and this should manifest itself in the 2023/2024 financial year, where irregular is anticipated to decrease.</p>

<p>Capital Expenditure Budget Implementation Indicator – measures the actual to budgeted capital expenditure that has been spent by the municipality.</p> <p>The norm range is between 95% - 100%.</p>	72%	63%	56%	48%	<p>The norm of this ratio is 95% and performance below is an indication that there are discrepancies in planning and budgeting, also capacity challenges to implement projects and as well as supply chain management process failures.</p> <p>Corrective measures have been put in place in that the current year expenditure, and expenditure on Capital Grants has drastically improved in the current year.</p>
<p>Percentage of Property, Plant and Equipment, Intangible Asset and Investment Property Impaired – indicates the loss in future economic benefits or service potential of an asset over and above the systematic recognition of depreciation.</p> <p>The norm is 0%.</p>	0%	0%	0,3%	0%	<p>The performance result of this ratio is in line with the acceptable norm, and therefore an indication that the municipality has not lost any future economic benefits/service potential through assets impaired.</p>
<p>Repairs and Maintenance to Property, Plant and Equipment and Investment Property – measures the level of repairs and maintenance to ensure adequate repairs and maintenance to prevent breakdowns and interruptions to services delivery.</p> <p>The norm is 8%.</p>	0.93%	1%	0.8%		

5.4 Financial Overview

Financial year	2021-2022			2022-2023		
Detail	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual
Income	R607 681	R607 581	R651 481	R695 026	R725 979	R653 627
Less Expenditure	R528 282	R524 465	R686 952	R626 484	R639 052	R679 838
Net surplus	R79 399	R83 116	-R35 471	R68 452	R86 927	R26 211

5.5 Operating Ratios:

Financial year	2021-2022			2022-2023		
Detail	Expected Norm	Actual	%Variance	Expected Norm	Actual	%Variance
Employee cost	25% - 40%	33%	7%	40%	29,34%	-10,66%
Repairs & maintenance	8%-12%	3.5%	4.5%	8%-12%		

5.6 Total Capital Expenditure

DETAILS	2018/19	2019/20	2020-21	2021-2022	2022-2023
R' 000					
Original budget	R68 498	R39 069	R43 047	R49 227	R47 279
Adjustment budget	R96 234	R86 164	R67 859	R77 740	R54 529
Actual Expenditure	R29 808	R61 824	R57 778	R43 260	R26 284

5.7 Auditor General Report

5.7.1 Audit Outcomes

AUDIT OPINION	2018/19	2019/20	2020-21	2021-22	2022-23
Unqualified opinion without matters (Clean Audit)					
Unqualified opinion with emphasis of matter or other matters					
Qualified opinion					
Adverse opinion					
Disclaimer	X	X	X	X	X

The municipality regrettably received the fourth disclaimer audit opinion for 2022/2023 financial year

The major components that contributed to the disclaimer are as follows:

- Property Plant and Equipment.
- Revenue from Exchange and Non-Exchange Transactions.

- Receivables from Exchange and Non-Exchange Transactions.
- Expenditure Management.
- Procurement and Contract Management; and
- Compliance with Supply Chain Management.

The audit report will be tabled to Council first, to improve the audit outcome and an audit action/improvement plan will be developed to address all the audit findings.

5.8 Supply Chain Management

5.8.1. Supply Chain Management

Supply chain management includes all processes which need to be followed to procure goods and services. It entails the identification of needs by the end user departments, registration of vendors, processes of obtaining quotes, competitive bids, and management of inventory.

This section has not managed to reduce the number of material findings highlighted by the AG in the 2021-22 audit report, instead there has been a regression in this area. It is however the intention of the municipality to change the situation in the next financial reporting period by ensuring that there are proper supply Chain processes and laws and regulations are adhered to.

Competitive Bids More than R 200 000

5.8.2	Bid Number	Title of Bid	Value of bid awarded (R)
5.8.2.1	MLM/2021-22/BTO/003	Provision of Short-term Insurance services.	R1 159 645.78
5.8.2.2	MLM/2022-23/INFRA/002	Replace of Ageing Asbestos Pipe in Makhanda Phase 3B.	R10,808,405.98
5.8.2.3	MLM/2022-23/BTO/001	Procurement of Travel and Accommodation Agency Services for a period of 36 Months.	9% Comission on order
5.8.2.5	MLM/2022-23/MM/001	Invitation for service provider to supply, configure and deliver laptops, desktops, backpacks and other computer peripherals.	R172,051.50 (Rate Based) On Order
5.8.2.6	MLM/2022-23/BTO/003	Printing and Posting of Municipal Services Debtors Account for Makana Local Municipality.	R7.22
5.8.2.7	MLM/2022-23/INFRA/005	Supply, Delivery, Installation and Commissioning of two new 110KVA Standby Generators for Makana Local Municipality.	R1,116,300.00
5.8.2.8	MLM/2022-23/BTO/005	Auctioneering Services of Municipal Assets for period of 36 Months.	3,5% Commission

5.8.2	Bid Number	Title of Bid	Value of bid awarded (R)
5.8.2.9	MLM/2022-23/INFRA/008	Professional and Consulting Services for the upgrade of Sports Facilities in Oval Stadium at Lavender Valley, Makhanda.	R1,604,460.36
5.8.2.10	MLM/2022-23/INFRA/001	Replace of Ageing Asbestos Pipe in Makhanda Phase 3A.	R 13 030 545,14
5.8.2.11	MLM/2022-23/INFRA/006	Upgrade of Belmont Waste-Water Treatment Works.	R 31 265 841,20
5.8.2.12	MLM/2022-23/BTO/006	Supply and Delivery of Cleaning Material: Main stores for a period of 24 Months.	various Items
5.8.2.13	MLM/2022-23/CMS/001	Supply, Delivery, Revamp or Rebuild, Installation the Changing rooms and demolish the old toilets at Dlepu Stadium.	R487 040.00
5.8.2.14	MLM/2022-23/BTO/006	Procurement of professional services for the compilation of Grap compliant asset register for a period of 24 months.	R 1 599 995,00

5.8.2.1 Bid Committee meeting

In compliance with SCM regulations and policy all bid committees were established and are functioning fully, namely:

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

There are two separate sets of bid committees for Infrastructure projects and the other for other goods and services to try and expedite expenditure through service delivery.

A calendar of meetings was drawn up but was not fully adhered to. The committees thereafter functioned on an ad-hoc basis but managed to shorten the procurement processes. Delays were mostly in the planning stages up to Bid Specification approval.

5.8.2.2 Awards made by the Bid Adjudication Committee:

The highest bids awarded by the Bid Adjudication Committee are as follows.

Ref	Bid Number	Title of Bid	Value of bid awarded (R)
	MLM/2022-23/INFRA/002	Replace of Ageing Asbestos Pipe in Makhanda Phase 3B	R10,808,405.98
	MLM/2022-23/INFRA/001	Replace of Ageing Asbestos Pipe in Makhanda Phase 3A	R 13 030 545,14
	MLM/2022-23/INFRA/006	Upgrade of Belmont Waste Water Treatment Works	R 31 265 841,20

5.8.2.3 Awards Made by the Accounting Officer

In terms of paragraph 5(2) (a) of Council's SCM Policy, only the Accounting Officer may award a bid which is more than R10 million. The power to make such an award may not be sub-delegated by the Accounting Officer.

5.8.2 Procurement Statistics

a) Awards Made to the Companies/Enterprises established in the Makana Municipal Area

Request for Quotations are called from prospective service providers for procurement of items of less than R30 000-00. For procurement of items above R30 000-00 adverts are published on the notice board, e-tender and website and when the responses meet the municipal needs and specifications we therefore considered and approve.

To ensure Local Economic Development, quotations are first requested from Makana Service providers. Should there be no match, the municipality then goes outside the municipal jurisdiction. Majority of the external award values is made up of RFQs and tenders that were advertised openly during 2021/2022 Financial Year.

THRESHOLD	GOODS/SERVICE - ORDERS		PROCUREMENT METHOD MINIMUM	APPROVAL AUTHORITY	SERVICE PROVIDER (S)
	VALUE	NO			
R0 – R2 000 Petty Cash	R1 086 040.05	265	One Quote (1)		
R2 001 – R30 000	R6 066 015.75	383	Three Quotations (3)	Head of Department or Delegated Authority	VARIOUS
30 001 – R200 000	R10 923 534 74	115	7days Advertisement via Website and Notice board: Three Quotations	This level of approval will be applied in terms of the Accounting Officer's delegation. CFO approves	VARIOUS
R200 001 – R2 Million	R1 189 819.83	3	Competitive Bidding Process	Bid Adjudication Committee	<u>VARIOUS</u>
R2 Million – R10 Million	NONE	NONE	Deviation	Head of Department or Delegated Authority	N/A
Above R10 Million	NONE	NONE	Competitive Bidding Process	Accounting Officer	N/A

R19 584 440.30

5.8.3 Deviation from Normal Procurement Processes 2022-23

Type of deviation	Value of deviations (R)	Percentage of total deviations value
Sole Provider	573,096.74	7.84%
Goods/Service needed urgently/	184,156.28	2.52%
Other (Strip and Quote)	6, 543,345.98	90%
Total	7,300,599.00	100%

5.8.4 Logistics Management

The system of logistics management must ensure the following:

- monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number.
- the setting of inventory levels that include minimum and maximum levels and lead times wherever goods are placed in stock.
- the placing of manual or electronic orders for all acquisitions other than those from petty cash.
- before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract.
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased.
- regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and monitoring and reviewing of the supply vendor performance to ensure compliance with specifications and contract conditions for goods or services.

Each stock item at the municipal stores is coded and listed on the financial system. Monthly monitoring of issues and receipts patterns is performed by the storekeeper. Inventory levels are set at the start of each financial year. These levels are set for normal operations. If special projects are being launched by departments, such information is not communicated timely to the stores section for them to gear them to order stock more than the normal levels.

Internal controls are in place to ensure that goods and services that are received are certified by the responsible person which is in line with the general conditions of a contract. Regular checking of the condition of stock is performed. Quarterly stock counts are performed at which surpluses, deficits, damaged and redundant stock items are identified and reported to Council.

5.8.5 Disposal Management:

This is one of the critical vacant posts in SCM unit. Currently there is no one in this section, all the work is distributed amongst other SCM officials and asset accountant that is presently employed by the municipality. The municipality needs to give this section urgent attention and make recommendation for the filling of the posts to council.

The system of disposal management must ensure the following:

- Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise.
- Movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous.
- Firearms are not sold or donated to any person or institution within or outside the Republic, unless approved by the National Conventional Arms Control Committee.
- Immovable property is let at market related rates except when the public interest or plight of the poor demands otherwise.
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed.
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the provincial Department of Education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.
- The municipality is complying with section 14 of the MFMA which deals with the disposal of capital assets. The disposal policy plan was reviewed and finalised in June 2014 and aims to provide the guidelines for the disposal of all obsolete and damaged assets. This policy however needs to be reviewed. Information regarding assets earmarked for disposal have already been collated and the request for approval for disposal was tabled to Council and further requests will be tabled soon looking at the state of municipal vehicles and ICT infrastructure.

5.8.6 Performance Management

The SCM policy requires that an Internal Monitoring System be established and implemented based on retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM Policy were achieved.

Monitoring of internal processes is an on-going process.

Procedure manuals for various SCM processes have been developed, approved and are being implemented. Monthly reporting of appeals received by aggrieved bidders are also done to measure the performance of the bid specification and bid evaluation committees.

5.8.7 Procurement and Contract management (2022-23)

The municipality has complied with SCM Regulation 6(2) for the 2022/2023 financial year. These reports were submitted on time by the Chief Financial Officer, the Accounting Officer, as well as the Executive Mayor and Council, on a quarterly basis throughout the financial year.

5.8.8 Procurement and Contract management- Suppliers not registered for Vat.

VAT registration numbers of suppliers are indicated on a VAT 103 form that is issued by SARS. The municipality can also confirm a VAT number that appears on an original tax clearance certificate. The unit has access to a VAT number validity function which is available on the SARS website. It is easily accessible and is currently utilized. The unit also utilises centralise supplier database for verification of supplier's vat and tax matters.

5.8.9 Procurement and Contract Management-Monitoring of contract not done on a Monthly basis

Contract management is the responsibility of each manager for contracts in his/her functionality area. There is one official at SCM unit who deals with contracts monitoring and reporting. Additional capacity needs to be created within the SCM Contract Management Unit. In future the Chief Financial Officer will ensure that vacant funded positions within SCM are filled to capacitate the unit.

5.9 Financial Performance

5.9.1 Revenue by Source:

The following table indicates the various types of revenue items:

Revenue Sources	2019-20	2020-21	2021-2022	2022-23
Government subsidies	32%	26%	31.3%	22%
Service charges	43%	51%	46.7%	52%
Properties rates	17.26%	19%	16.1%	16,4%
Interest received Investment	0.79%	5.72	0.1%	1%
Agency services	0.41%	0.52	0.8%	0,45%
Interest received debtors	5.64%	5.6%	2.4%	8%
Rentals of facilities	0.07%	0.04%	0.1%	0,04%
Other Revenue	0.83%	0.25%	2.5%	0,11%

5.9.2 Expenditure by Type

The following graph indicates the various types of expenditure items:

Type	2020-21	2021-2022	2022-23
Employees cost	35.3	33%	29,34%
Remuneration of Councillors	2.25%	1.7%	1,76%
Debt impairment		22.6%	26,9%
Depreciation		5.4%	4,7%
Finance Charges		1.5%	2,5%
Bulk purchases		20.8%	20%
Contracted services		7.7%	4,5%
Transfer & Grants		0.1%	0,2%
Other expenditure	7.35%	7.5%	6,16%

6. APPENDICES A: COUNCIL NEW TERM OF OFFICE FROM NOVEMBER 2021

APPENDIX A: MUNICIPAL COUNCILLORS

NO.	ORG	WARD	SURNAME & NAME
1	EFF	PR	BOOYSEN MZAMO
2	EFF	PR	BUWA NOLUTHANDO MEMORA
3	ANC	10	CETU ZODWA ALFREDA
4	DA	08	CLARK CAROLYNN
5	MCF	PR	DEKE AMANDA
6	DA	04	EMBLING GEOFRE KEITH WYNSTAN
7	MCF	PR	GEELBOOI MILO DIBANISILE
8	ANC	03	HOYI ZANEKHAYA ANDILE (MAYCO)
9	DA	08	JACKSON BRIAN
10	ANC	06	JEZI VUYANI NELSON
11	DA	PR	MADYO XOLANI GLADMAN
12	MCF	PR	MANTLA ZONWABELE
13	ANC	07	MASINDA LUNGA
14	MCF	PR	MATEBESE THANDISIZWE
15	ANC	13	MATINA WANDISILE
16	ANC	PR	MATYUMZA MTHUTHUZELI (SPEAKER)
17	ANC	05	MENE GCOBISA BRENDA (MAYCO)
18	IND	14	VUYANI NESI
19	ANC	12	NKWENTSHA MZOBANZI (MAYCO)
20	ANC	01	PETER PHUMELELE
21	MCF	PR	SIXABA WONGEZILE LUNGISA
22	DA	PR	SIZANI LUVUYO
23	ANC	PR	VARA YANDISWA (EXECUTIVE MAYOR)
24	ANC	PR	VAYO THANDOLWETHU (MAYCO)
25	ANC	02	XONXA MPHUMZI RUMSELL (MAYCO)
26	ANC	09	YAKA THOZAMILE SYLVESTER
27	ANC	11	ZONO SAKHIWO

APPENDICES B: PREVIOUS TERM OF OFFICE COUNCIL

NO.	ORG	WARD	SURNAME & NAME
1	DA	PR	BRUINTJIES, THEO FREDLIN(M)
2	DA	PR	CLARK, CAROLYNN (F)
3	DA	04	FARGHER, BRIAN (M)
4	ANC	03	FATYI, MTHUNZI (M)
5	ANC	PR	MPAHLWA MZUKISI, EXECUTIVE MAYOR(M)
6	ANC	06	GAUSHE, THEMBISA (F)
7	ANC	11	GOJELA, MNCEDISI (M)
8	ANC	12	NKWENTHSA, MZOBANZI (M)
9	DA	08	JACKSON, BRIAN (M)
10	ANC	07	KHUBALO, MALIBONGWE (M)
11	ANC	14	Vuyani Nesi {M}
12	DA	PR	MADYO, XOLANI GLADMAN (M)
13	ANC	PR	MASOMA, NOMBULELO, CHAIRPERSON: FAME CORPORATE SERVICES PORTFOLIO (F)
14	ANC	PR	MATYUMZA, MTUTUZELI, CHAIRPERSON: LED PORTFOLIO (M)
15	ANC	PR	MATYUMZA PHUMLA, CHAIRPERSON: PUBLIC SAFETY & SOCIAL SERVICES PORTFOLIO (F)
16	DA	PR	MEYER, ALDWORTH JOHN (M)
17	ANC	09	MOYA, MFUNDO (M)
18	EFF	PR	BASHE, SIYABONGA (M)
19	ANC	05	NASE, LUYANDA (M) CHAIRPERSON: FAME FINANCIAL SERVICES PORTFOLIO
20	DA	PR	LUVUYO, SIZANI (M)
21	ANC	01	PIETERS, NTOMBEKHAYA MAVIS (F)
22	EFF	PR	DYANTYIE, SIYAMTHANDA (F)
23	ANC	10	SAKATA, LUYANDA (M)
24	ANC	13	SEYISI, THEMBAKAZI (F) (MPAC CHAIRPERSON)
25	ANC	PR	SODLADLA, SIYABULELA (M)
26	ANC	PR	VARA, YANDISWA, SPEAKER (F)
27	ANC	02	XONXA, MPHUMZI RUMSELL (M)

APPENDIX: C THIRD TIER STRUCTURE

NO.	DIRECTORATE	MANAGER (TITLE AND NAME)
1.	Corporate and Shared Services	Manager Administration: Vacant
3.		Records Manager: Ms N Xintolo
4.		Manager Human Resources: Ms Phumla Qezu
5.		Unit Manager: Alicedale: Mr GK Goliath
6.		Unit Manager Riebeeck East: Ms N Kulati
7.		Budget and Treasury Office
8.	Manager Budget and Reporting: Vacant	
9.	Manager Revenue: Ms C Mani	
10.	SCM Manager: Vacant	
11.	Mayor and Municipal Manager's Office	Manager in Office of MM: Mr L Ngandi
12.		Internal Audit Manager: Ms G.C Mtshazi
13.		IDP/PMS Manager: Mr M Pasiya

NO.	DIRECTORATE	MANAGER (TITLE AND NAME)
14.		Manager office of Speaker: Ms N Santi
15.		Special Project Unit Manager: Mr S Wali
16.		Legal Manager: Ms N Mbanjwa
17.		Risk Manager: Mrs N Kosi
18.	Local Development and Planning	Tourism Manager: Vacant
19.		Agriculture Manager: Vacant
20.		Manager Planning: Ms Sinazo Jonas
21.	Public Safety and Community Services	Environmental Manager: Mr N Nongwe
22.		Manager Fire Services: Mr W Welkom
23.		Manager: Cleansing Services: Mr J Esterhuizen
24.		Assistant Director: Parks: Mr J Budaza
25.		Operations Manager: Mr Phumzile Smile
26.		Manager Traffic & Licensing: Mr. C Hanekom
27.	Engineering and Infrastructure Services	Acting Deputy Director Electricity distribution: Mr M Radu
28.		Manager Electricity: Mr X Bokwe
29.		Renewable Energies: Mr M Siteto
30.		Manager: Water & Sanitation: Mr G Maduna
31.		Manager: Roads & Stormwater: (vacant)
32.		Deputy Director: Civil Services (vacant)

APPENDIX: D MAKANA LOCAL MUNICIPALITY'S POWERS AND FUNCTIONS

NO.	POWERS AND FUNCTIONS	NO.	POWERS AND FUNCTIONS
1.	Building regulations	17.	Facilities for the accommodation, care and burial of animals
2.	Billboards and the display of advertisement in public spaces	18	Fencing and fences
3.	Cemeteries, funeral parlours and crematoria	19	Local amenities
4.	Childcare facilities	20	Local tourism
5.	Cleansing	21	Local sport facilities
6.	Control of undertakings that sell liquor to the public. Noise pollution	22	Firefighting services
7.	Licensing and control of undertakings that sell food to the public	23	Municipal airport
8.	Municipal planning	24	Municipal health services
9.	Markets	25	Municipal abattoirs (Not applicable)
10.	Municipal parks and recreation	26	Municipal roads
11.	Noise pollution	27	Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under the Constitution or any other Law
12.	Storm water management	28	Trading regulations

NO.	POWERS AND FUNCTIONS	NO.	POWERS AND FUNCTIONS
13.	Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	29	Pounds
14.	Public places	30	Refuse removal, refuse dumps and solid waste disposal
15.	Street trading	31	Street lighting
16.	Traffic and parking	32	Municipal transport (Not applicable)

APPENDIX: E WARD REPORTING

REPORT ON ESTABLISHMENT AND ACTIVITIES OF THE WARD COMMITTEES UNDER THE OFFICE OF THE SPEAKER

The constitution of the country places an obligation on all local municipalities to establish Ward Committees immediately after the local government election. The primary function of the ward committee is to be a formal communication channel between the community and the council.

The Speaker called for the establishment of ward committees which was done through an electoral process managed by the Independent Electoral Commission. To date Makana has managed to establish Ward Committees in all 14 wards.

APPENDIX: F WARD COMMITTEE INFORMATION

Details of Ward Committee Members					
WARD 1			WARD 2		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
1.	Ntomboxolo Cinthia Mkhambana	F	1	Nandipha Mancam	F
2.	Liyema Mali	F	2.	Bulelwa Majiza	F
3.	Dawie Roman	M	3.	Bekithemba Mabona	M
4.	Lindiwe Basie	F	4.	Olwethu Zabo	M
5.	Mzoxolo Papu	M	5.	Thembisa Mantile	F
6.	Vuyokazi Yamile	F	6.	Yolulwe Libi	M
7.	Nomawethu Hempe	F	7.	Zibangele Gladman Mcuba	M
8.	Candy Mentoor	F	8.	Mihlali Mzizi	M
9.	Xabiso Ngqawana	M	9.	Malithenjwe Lubelwana	M
10			10.	Khuthala Milani Mvawkwendlu	F
WARD 3			WARD 4		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
1.	Tyron Oswald Austin	M	1.	Devon Waldick	M
2.	Ntombozuko Hazel Faxe	F	2.	Elizabeth Endlene Davies	F
3.	Nontle Mama	F	3.	Akhona Mantashe	F
4.	Eric Tamboer	M	4.	Alison Neville Holleman	F
5.	Amanda Habana	F	5.	Brian Fargher	M
6.	Siphosethu Nogampula	M	6.	Hester Magrietha Coetzee	F

Details of Ward Committee Members					
WARD 1			WARD 2		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
7.	Nicolla Arends	F	7.	Catherine Letcher	F
8.	Khanyiswa Kiswa	F	8.	Phillipa Sauls	F
9.	Sizwe Mbunge	M	9.	Lena May	F
10.	Mveliso Simangweni	M	10.	Jenicquill Nelson	M
WARD 5			WARD 6		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
1.	Zamuxolo Gladman Nesi	M	1.	Noncedo Teyi	F
2.	Tembakazi Bottoman	F	2.	Phumza Veronica Magida	F
3.	Vusumzi Sexon Gazo	M	3.	Nwabisa Bill	F
4.	Linda Sylvia Kom	F	4.	Ntombikayise Princess Jali	F
5.	Fundiswa Brenda Mami	F	5.	Xolani Christian Dibela	M
6.	Nomonde Gladys Kalipa	F	6.	Bulelwa Madeli	F
7.	Nokuzola Primrose Namba	F	7.	Mpumezo Seteni	M
8.	Unathi Siphokazi Makile	F	8.	Ntombekhaya Ntenti	F
9.	Zwelandile Albert Madyo	M	9.	Nobuntu Nogqala	F
10.	Nontsikelelo Maki	F	10.	Yamisa Tyibilika	F
WARD 7			WARD 8		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
1.	Xolelwa Manana-Tsokotsiyane	F		Akona Gabavana	F
2.	Luvuyo Nzanzeza	M		Yolanda Niwa	F
3.	Zimasa Thame	F		Fiona Mary Semple	F
4.	Andiswa Tafane	F		Rowan Mark Engelbrecht	M
5.	Anele Ken Rala	M		Robyn Cooper	F
6.	Bongani Christopher Sam	M		Peter Lamond Knowling Sturrock	M
7.	Vukile Phillip Kelele	M		Bernadette Nontuthuzelo Blow	F
8.	Nomakhosazana Albertina Budaza	F		Tracey Ann Arthur	F
9.	Luzuko Christian Nkupu	M		Zukiswa Constance Mhlwatika	F
10.	Mzwamadoda Makalima	M		Kimberly Chante Lindoor	F
WARD 9			WARD 10		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
1.	Nomakula Theresa Fondini	F		Noxolo Beverly Bodla	F
2.	Sakhumzi Zondani	M		Thembinkosi Andrew Nkosinkulu	M
3.	Ntombozuko Gloria Madinda	F		Simphiwo Funani	M
4.	Phumelelo Palacios Beyi	M		Ntomboxolo Lerato Ngeleza	F
5.	Zamamiya Majola	F		Nontutuzelo Thelma Mtsora	F
6.	Noluvuyo Kralo	F		Ben Mpinda	M
7.	Xhanti Qoko	M		Gcobisa Ntanjana	F
8.	Anele Kepe	M		Unathi Klaas	F
9.	Akhona Mafani	M		Nosipho Moyikwa	F

10.	Libona Danster	M		Lizo Bonyongo	M
WARD 11			WARD 13		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
	Zoleka Nguta	F	1.	Lungile Joja	M
1.	Ngcingci Bonkinkosi	F	2.	Melisizwe Lawu	M
2.	Nomatile Kula	F	3.	Zolelwa Peter	F
3.	Siyabonga Dondashe	M	4.	Sabelo Bashe	M
4.	Monwabisi Fulani	M	5.	Nokulunga Ngxingo	F
5.	Thanduxolo Mbekela	M	6.	Ntombikayise Ngindo	F
6.	Eunice Qwazi	F	7.	Bulelwa Yawa	F
7.	Mkhanyiseli Solomon	M	8.	Nwabisa Mahlahla	F
8.	Mthuthuzeli Silo	M	9.	Nomsa Julia Yame	F
9.	Xolani Mzileni	M	10.	Ngcwelekazi Kuhlana	F
WARD 14			WARD 12		
	SURNAME & INITIALS	GENDER		SURNAME & INITIALS	GENDER
1.	Tembaletu Magopeni	M	1.	RHODES UNIVERSITY	
2.	Phumela Primrose Kewuti	F	2.		
3.	Tamara Mboyi	F	3.		
4.	Brendon Klaase	M	4.		
5.	Clinee Bruintjies	F	5.		
6.	Nosibusiso Faxe	F	6.		
7.	Zanemvula Ntoyanto	M	7.		
8.	Neliswa James	F	8.		
9.	Bulelwa Macwili	F	9.		

Annexure : A Audited Annual Performance Report 2022-2023

5.1.1 KEY PERFORMANCE AREAS: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
MSC1.1	Provision of water, sanitation and electricity service to all Makana Municipality communities	Replacement of Pump set in Howiesonspoort	2 for JK	1	0	R	Not Achieved	Pump set has not been delivered and installed delivered as agreed service provider.	Poor performance by service provider	Municipality issued notice for breach of contract on the 24 April 2023 for not delivery and install of pump set which was supposedly to have been delivered on the 28 February 2023. Service provider requested to meeting with Municipality to resolve matter to ensure the project is completed as soon as is practical. The Municipal has decided re-negotiated with service provider a new SLA with new timeframes has been developed. The project has start by the end June finished by 11th October 2023

MSC-1.2	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of ageing asbestos pipes in Phase 3	Phase 2 100%	100%	60%	R	Not Achieve	The project was sitting at 60% by the end of June 2023. Phase 3 of replacement of asbestos was broken into two Phases 3A and 3B:	Poor project management planning that lead the delay in the procurement of service provider	Phase 3B of started first on 20th January 2023 to 20th July 2023 and Phase 3A was appointed only in April 2023. Contractor was falling behind on his construction programme. However, they have since brought in additional resources as a catch-up plan i.e., extra TLBs and teams.
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SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
MSC-1.3	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of Refurbishment of Belmont Valley Wastewater Treatment Works completed.	9%	100%	9%	R	Not Achieved	The overall work completed is presently 9%. Poor project management leads the delay in the procurement of service provider. The delay was due to the revision of the original scope of work from refurbishment to total upgrade of treatment plant.	Tender advert was issued on the 6th of December 2022 and closed on the 21st January 2023. Contractor was then appointed on 13th April 2023 and project will be completed 12 April 2024. Risk adjustment strategy has been development and included in the 2023-24 IDP Document with focus on Planning and Expenditure on project implementation.	
MSC-1.4	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of Mayfield outfall sewer upgrade completed.	45%	100%	100%	G	Achieved	Mayfield outfall Sewer Upgrade was completed in October 2022	N/A	

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SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
MSC-1.5	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of Waainek WT W refurbishment Cathodic protection completed.	0	50%	75%	B	Achieved	Service provider commence on the 4th April 2023 Cathodic protection work has started is expected to completed be 4 August 2023	N/A "	N/A "

MSC-1.6	To provide safe & sustainable roads network	Percentage of upgraded Ncame Street from tar blocks paving completed.	45.0%	100%	75%	0	Partially Achieved	SMME continue with previous constructor scope of work and the overall project is at 75% complete.	Previous constructor absconded the site due to liquidation.	The contract of the main contractor was terminated, and the Municipality appointed four SMME's that who were working with main contractor Mamalambo before it liquidation to complete the scope of work. The four SMME were working and managed by the Project consultant EAS to complete scope. New constructor has be appointed on the 29 June 2023 to complete the project.
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SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
MSC-1.7	To provide safe & sustainable roads network	Percentage of upgrading of Makana Way Phase 1 completed.	0	50%	0%	R	Not Achieved	The Project has not started by the end of June 2023. The Project is still in design stages	Poor project management planning led to the delay in the procurement of the service provider. Municipality panel of engineer has expired. Municipality had to start by appointing panel of engineers	Panel of engineer were appointed on the 21 April 2023 and The consultant for the project has been appointed on 18th May 2023 and Municipality is in process of appointing contractor.
MSC-1.8	Provision of a safe, healthy, and secure living environment	Number of halls Refurbishment in Alicedale	0	2	0	R	Not Achieved	Project overrun and Project is behind program i.e., this project is supposed to be completed within four months (4) completion date was on end December 2022.	Poor quality and workmanship of the works and Poor monitoring of the project by the Municipality.	A meeting was held with contractor to discuss performance. A recover plan was developed with contractor.

MSC-1.9	Ensure equitable access to housing development.	Construction of 178 outstanding RDP Houses	0	178	0	R	Not Achieved	Construction has not started due to delay in finalisation of the procurement process.	Consultant has been appointed on the 3rd December 2021. Contractor has not been appointed due to funder condition of appointing local	New tender for local based mentor was advert on the 18 April 2023 close on the 28 April 2023 and adjudicated but the tender was non-responsive again. Municipality is in process of
SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
									contractor, which were not responsive to requirements.	appointing mentor from outside Makhanda.

5.1.2 COMMUNITY AND SOCIAL COHESION

SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
MSC1.1	Provision of water, sanitation and electricity service to all Makana Municipality communities	Replacement of Pump set in Howiesonspoort	2 for JK	1	0	R	Not Achieved	Pump set has not been delivered and installed delivered as agreed service provider.	Poor performance by service provider	Municipality issued notice for breach of contract on the 24 April 2023 for not delivery and install of pump set which was supposedly to have been delivered on the 28 February 2023. Service provider requested to meeting with Municipality to resolve matter to ensure the project is completed as soon as is practical. The Municipal has decided re-negotiated with service provider a new SLA with new timeframes has been developed. The project has start by the end June finished by 11th October 2023

MSC-1.2	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of ageing asbestos pipes in Phase 3	Phase 2 100%	100%	60%	R	Not Achieve	The project was sitting at 60% by the end of June 2023. Phase 3 of replacement of asbestos was broken into two Phases 3A and 3B:	Poor project management planning that lead the delay in the procurement of service provider	Phase 3B of started first on 20th January 2023 to 20th July 2023 and Phase 3A was appointed only in April 2023. Contractor was falling behind on his construction programme. However, they have since brought in additional resources as a
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SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
										catch-up plan i.e., extra TLBs and teams.

MSC-1.3	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of Refurbishment of Belmont Valley Wastewater Treatment Works completed.	9%	100%	9%	R	Not Achieved	The overall work completed is presently 9%.	Poor project management planning that leads the delay in the procurement of service provider. The delay was due to the revision of the original scope of work from refurbishment to total upgrade of treatment plant.	Tender advert was issued on the 6th of December 2022 and closed on the 21st January 2023. Contractor was then appointed on 13th April 2023 and project will be completed 12 April 2024. Risk adjustment strategy has been development and included in the 2023-24 IDP Document with focus on Planning and Expenditure on project implementation.
MSC-1.4	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of Mayfield outfall sewer upgrade completed.	45%	100%	100%	G	Achieved	Mayfield outfall Sewer Upgrade was completed in October 2022	N/A	N/A

SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			

MSC-1.5	Provision of water, sanitation and electricity service to all Makana Municipality communities	Percentage of Waainek WT W refurbishment Cathodic protection completed.	0	50%	75%	B	Achieved	Service provider commence on the 4th April 2023 Cathodic protection work has started is expected to completed be 4 August 2023	N/A "	N/A "
MSC-1.6	To provide safe & sustainable roads network	Percentage of upgraded Ncame Street from tar blocks paving completed.	45.0%	100%	75%	0	Partially Achieved	SMME continue with previous constructor scope of work and the overall project is at 75% complete.	Previous constructor absconded the site due to liquidation.	The contract of the main contractor was terminated, and the Municipality appointed four SMME's that who were working with main contractor Mamalambo before it liquidation to complete the scope of work. The four SMME were working and managed by the Project consultant EAS to complete scope. New constructor has be appointed on the 29 June 2023 to complete the project.

SBDIP Ref	Predetermined Objective	Key Performance Indicator	Baseline 2021-22	Overall Performance starting 1 st July 2022 to June 2023				Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
				Target	Actual	R	Status			
MSC-1.7	To provide safe & sustainable roads network	Percentage of upgrading of Makana Way Phase 1 completed.	0	50%	0%	R	Not Achieved	The Project has not started by the end of June 2023. The Project is still in design stages	Poor project management planning led to the delay in the procurement of the service provider. Municipality panel of engineer has expired. Municipality had to start by appointing panel of engineers	Panel of engineer were appointed on the 21 April 2023 and The consultant for the project has been appointed on 18th May 2023 and Municipality is in process of appointing contractor.
MSC-1.8	Provision of a safe, healthy, and secure living environment	Number of halls Refurbishment in Alicedale	0	2	0	R	Not Achieved	Project overrun and Project is behind program i.e., this project is supposed to be completed within four months (4) completion date was on end December 2022.	Poor quality and workmanship of the works and Poor monitoring of the project by the Municipality.	A meeting was held with contractor to discuss performance. A recover plan was developed with contractor.

MSC-1.9	Ensure equitable access to housing development.	Construction of 178 outstanding RDP Houses	0	178	0	R	Not Achieved	Construction has not started due to delay in finalisation of the procurement process.	contractor, which were not responsive to requirements.	New tender for local based mentor was advert on the 18 April 2023 close on the 28 April 2023 and adjudicated but the tender was non-responsive again. Municipality is in process of appointing mentor from outside Makhanda.
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5.1.2 Community and Social Cohesion

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-2.1	Provision of a safety, healthy and secure living environment	Number of report maintenance done in landfill site to Portfolio Committee	4	12	12	G	Achieved	At total of 12 landfill sites progress report were issued during financial regarding management of sites.	N/A	N/A
MSC-2.2	Provision of a safety, healthy and secure living environment	Report on the number of illegal Dumping eradicated and revamp by 30 June 2023	0	7	10	G2		A total of 10 illegal dumping sites were cleaned and revamp.	N?a	N/A
MSC-2.3	Provision of a safety, healthy and secure living environment	Percentage of Oval Stadium, Lavendar Valley refurbishment completed.	0	40%	0%	R	Not Achieved	Construction has not commenced to delay in procurement processes.	This was due poor project management planning that led to the delay in the procurement of service provider.	Consultants was appointed on 7th March 2023 and Contractor was appointed on the 19 July 2023 and contractor Is on site.
MSC 2.4	Provision of a safety, healthy and secure living environment	Number of Community roads and safety awareness programme conducted	3	12	10	O	Partial	A total of 10 road safety awareness campaign including schools and the public safety awareness were facilitated	Environmental awareness programs were not conducted due to Manager responsible was booked sick after operation	Improve performance in next financial year

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-2.5	Provision of a safety, healthy and secure living environment	Number Community Stakeholder engagement held.	2	12	5	R	Not Achieved	Only one community forum was held in the first quarter, second no forum has sit, third quarter all 3 forums did sit and for fourth quarter only 1 forum did sit.	This was due other forums were not sitting due to non-attendance from stakeholders	Encourage participants to attend forum meetings and this will be prioritised in next financial year
MSC-2.10	Provision of a safety, healthy and secure living environment	Number of library service awareness programmes held.	0	4	4	G	Achieved	All library 4 awareness program were conducted as planned- this includes National book week and School programmes	N/A	N/A
MSC-2.11	Provision of a safety, healthy and secure living environment	Number of community library service outreach programmes held.	3	4	4	G	Achieved	Four library outreach was conducted this include literature festival outreach	N/A	N/A
MSC-2.12	Promoting and enabling environment	Number of milestones achieved towards reviewing of Commonage Management Policy & Plan	0	2	1	R	Not Achieved	Commonage Management Policy/Plan has not been reviewed	Due to Internal capacity challenges	Policy is currently under review, and it will conclude in the next quarter

5.1.3 KPA: Local Economic Development and Planning

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-3.1	Improved stakeholder collaboration to unlock opportunities for economic growth.	Number of Job opportunities created through EPWP.	172	172	94	R	Not Achieved	94 Work opportunities were created EPWP program instead of planned 172.	This was due to delay in the start of Dlepu Stadium refurbishment project, which only started in June 2023.	Risk adjustment strategy has been development and included in the 2023-24 IDP Document with focus on Planning and Expenditure on project implementation.
MSC-3.2	Improved stakeholder collaboration to unlock opportunities for economic growth.	Number of Job opportunities created through CWP.	898.00	1,000	1000	G	Not Achieved	1000 work opportunities were created, this is including 62 New appointees for 2022-23 financial year	N/A	N/A
MSC-3.3	Improved stakeholder collaboration to unlock opportunities for economic growth.	Number of Job opportunities created through Infrastructure development investment.	194.00	194	103	R	No Achieved	103 work opportunities were created instead of planned 194.	This was due to delay in the starting of infrastructure development projects. i.e. Makana Way and Upgrade of the Ncame street	Improve Project Management Planning thought risk adjustment strategy
MSC-3.4	Improved stakeholder collaboration to unlock opportunities for economic growth	Number of Milestones reached towards the establishment of the LED Forum	0	1	1	G	Achieved	A consultative stakeholder's session was held on the 31 January 2023 to development Terms of reference.	N/A	N/A

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
								The Local Economic Development Forum was established and named Local Economic Development Labor Council (LEDLC) on 7th March 2023		
MSC-3.5	Promoting and enabling environment	Number of Milestones reached towards the completion of Makhanda East Precinct Plan.	0	1	1	G	Achieved	Makhanda East Precinct Plan was approved by Council In May 2023	N/A	N/A
MSC-3.7	Promoting and enabling environment	Number of Milestones reached towards the development of the Informal trading policy	0	1	1	G	Achieved	Informal trading policy was developed and Approved by Council in May 2023	N/A	N/A

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-3.8	Promoting and enabling environment	Number of SMME Support programmes facilitated	2	2	1	G	Achieved	Two Support programmes for SMME development facilitated with SANRAL for the training of SMME's and IMEDP Equipment program that were given to SMME's by the department Small Business Development	N/A	N/A
MSC-3.9	To plan, promote investment and facilitate economic growth	Facilitate Town establishment for Fort Brown and Seven Fountains Town	0	3	1	R	Not Achieved	The project has been abandoned	Due to financial constraints.	Programme will be prioritised in the next financial year
MSC-3.10	To plan, promote investment and facilitate economic growth	Acquire funding for land Audit from external funding	0	3	2	R		Funding application has been sent to potential external funders.	Municipality has not been able to acquire funding to conduct land Audit	Acquire function for conducting land audit will be prioritised in the new financial year.

5.1.4 Institutional Development and Capacity Development

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC 4.1	Ensure efficient and effective organisational support by a competent and skilled workforce!	Number of reviewed organisational structures approved by council".	1	1	1	G		An organogram was tabled to Council on the 29 June 2023 and was Approved.	N/A	N/A
MSC-4.2	Ensure efficient and effective organisational support by a competent and skilled workforce	Number of Milestones reached towards conducting evaluation		1	1	G	Achieved	Job Evaluation Report was table at the Council meeting on the 30 March 2023 and approved.	N/A	N/A
MSC-4.3	Ensure efficient and effective organisational support by a competent and skilled workforce	Number milestone reached towards Review of Service Delivery Business Model for Alicedale and Riebeeck		3	1	R	Not Achieved	The proposed structure was tabled to Council and approved;	Changes has not been effected	changes will be affected during the current review
MSC-4.4	Ensure efficient and effective organisational support by a competent and skilled workforce	Percentage reduction of vacancy rate		13%	13%	R	Not Achieved	Municipality has not reach 10% reduction vacancy rate.	This due to Moratorium in relation to non-critical - scarce skills.	Municipality will prioritise reduction in the vacancy rate in the new financial year.

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-4.5	Ensure efficient and effective organisational support by a competent and skilled workforce	Report number of people from employment equity groups employed in the three highest levels of management	0	4	4	G	Achieved	In the Senior Manager one male and two female. In the Middle Management One male and one female.	N/A	N?A
MSC-4.6	Ensure efficient and effective organisational support by a competent and skilled workforce.	Percentage of budgeted Rand Value spent on Skills Development	0	100%	0%	R	Not Achieved	Municipality has not budget training from the internal budget.	This due budget limitation	Budget is to be re-adjusted to meet the needs of Skills Development
MSC-4.7	Ensure efficient and effective organisational support by a competent and skilled workforce	Number of reviewed human resources plans by 30th June		1	1	G	Achieved	Makana Policies were tabled on the 29 June 2023 with inclusive of Human Resource Plans which is 5-year plan not issue where ident for adjustment	N/A	N/A
MSC-4.8	Ensure efficient and effective organisational support by a competent and skilled workforce	Number of employees wellness programmes facilitate		4	4	G	Achieved	Four employee's wellness programmes were held in all quarters. This included Financial Literacy Workshop and	N/A	N/A

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
								Medical roadshows and other programmes		
MSC-4.9	To create an efficient, effective and accountable administration	Number of Milestones reached towards the cascading of PMS to lower level than Middle management.		3	1	R	Not Achieved	Performance Management System has not been cascaded to Middle Management.	This is delay due to delay in review of Job descriptions and completion of Job Evaluation	Workshop for Middle Managers on PMS is planned for the first quarter of 2023-24 financial year, that will be kick start of the cascading.
MSC-4.10	To create an efficient, effective, and accountable administration	Number of Milestones reached towards the development of a Rewards system linked to high performance".	0	1	0	R	Not achieved	Policy has not yet been developed.	This was due to delay in the cascading of PMS to lower level.	PMS Policy is under review and will be linked with Municipal Staff Regulations (890)
MSC-4.12	To create an efficient, effective and accountable administration	Number of milestones towards reviewing HR Policies	8	1	1	G	Achieved	Makana Policies were tabled to Council on the 29th June 2023 which were including Human Resources Policies	N/A	N/A

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-4.13	To create an efficient, effective and accountable administration	Number of Milestones reached towards the review of file plan'	1	3	3	G	Achieved	The file plan was reviewed and approved on the 12 December 2022 by Provincial Archives	N/A	N/A
MSC-4.31	To create an efficient, effective and accountable administration	Number of Milestones reached towards the development of a Centralised Customer care Management System	0	3	0	R	Not achieved	The customer care management system has been not developed.	This was due to internal capacity challenges	In the process of developing performance standard to monitor performance which will be linked to customer care management system

5.1.5 Financial Viability and management

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-5.1	Ensure sound financial sustainability and adhere to statutory prescriptions.	Percentage of Total Annual Operating Budget revenue raised/collected by 30 June.	80%	80%	58.34%	R	Not achieved	Municipality has not reach 80% collection rate that has been planned to achieved in the 2022-23 financial year .	The municipality did not do well in water services and refuse collection The municipality has no way to collect water and other services especially in the eastern side, as electricity is supplied by Eskom	Installation prepaid meter for water in the Makana East side
MSC-5.2	Ensure sound financial sustainability and adhere to statutory prescriptions	Number of Review Financial Recovery Plan/Strategy conducted	1	1	1	G		The FRP was reviewed and will be tabled to Council on 26 January 2023	N/A	N/A
MSC-5.3	Ensure sound financial sustainability and adhere to statutory prescriptions	Percentage of the municipality's operating budget spent on indigent relief for free basic services	7%	5%	9.10%	B	Achieved	The municipality spent 4% more than the required target on indigent	N/A	N/A
MSC5.4	Ensure sound financial sustainability and adhere to	Percentage reduction in the unauthorised	0	30%	0%	B	Achieved	There was no unauthorised expenditure as at 30 June 2023, however this will be	N/A	N/A

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
	statutory prescriptions	expenditure' 'by 30%						confirmed when AFS are concluded		
MSC-5.5	Ensure sound financial sustainability and adhere to statutory prescriptions	Percentage of Payments of creditor with 30 days	230 days	12.50%	3.91%	B	Achieved	Only 5 creditors are owed beyond 30 days by the municipality as of 30 June 2023	N/A	N/A
MSC-5.6	Ensure sound financial sustainability and adhere to statutory prescriptions	Number of Fixed assets register compliant to GRAP Standard	1	4	6	B		Six Fixed assets register compliant to GRAP Standard where produces in the 2022-23 financial	N/A	N/A
MSC-5.7	Ensure sound financial sustainability and adhere to statutory prescriptions	Number of GRAP compliant AFS submitted to the Auditor General by the 31st of August 2022".	2021-22 AFS submitted	1	1	G	Achieved	Number of GRAP compliant AFS submitted to the Auditor General by the 31st of August 2022".	N/A	N/A
MSC-5.8	Ensure sound financial sustainability and adhere to statutory prescriptions	Improved Cash Flow position cash coverage above 1 month by reducing creditors.	2.93	1:01	1:01	G	Achieved	Improved Cash Flow position cash coverage above 1 month by reducing creditors.	N/A	N/A

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-5.9	Ensure sound financial sustainability and adhere to statutory prescriptions	Net Debtors Days	53.86	40	76	R	Not Achieved	Municipality did meet its target 40 days	Due to nonpayment of outstanding debts	Enforcement of credit control processes
MSC-5.10	Ensure sound financial sustainability and adhere to statutory prescriptions	Service debtors to revenue ratio - measured annually	109%	1	100%	G	Achieved	N/A	N/A	N/A
MSC-5.11	Ensure sound financial sustainability and adhere to statutory prescriptions	Current ratio	0.30	1	1	G	Achieved	In terms of acceptable financial ratios norm which is 1:5 – 2:1	N/A	N/A
MSC-5.12	Ensure sound financial sustainability and adhere to statutory prescriptions	Cost coverage ratio measured annually	2.93	1-3 months	1-3 months	G	Achieved	Unspent grant are cash backed and the municipality will be able sustain itself for a over one moth	N/A	N/A

5.1.6 Good Governance and Public Participation

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-6.1	Ensure good governance and compliance	Obtain one (1) 'Audit Opinion'	Disclaimer	1	0	R	Not achieved	Disclaimer Opinion Auditor was no able to obtain sufficient appropriate audit evidence,	Municipality did not correctly disclose the required information in terms of MFM i.e properties. Municipality not correctly classify inventories,	Audit action Plan and AI tracking document was developed
MSC-6.2	Ensure good governance and compliance	Number of repeated audit findings from previous year resolve	0	0	11	R	Not achieved	There were 11 repeated Audit findings from 2021-22 financial year Audit Report	This was due to non-implementation of corrective and submission of information on time	Audit action Plan and AI tracking document was developed
MSC-6.3	Ensure good governance and compliance	Percentage Audit and Performance Committee resolutions implemented/ in progress	94.75%	90%	80.22%	O	Partially	80% was achieved	This was due to late or none submissions of delay and none implementation of resolutions	Development of Audit action Plan and Audit Internal tracking document will for part of the SMT meetings
MSC-6.4	Ensure good governance and compliance	Percentage of Risk Committee resolution implemented quarterly	0	90%	56%	R	Not achieved	56 % was achieved	This is due to none implementation and delay in the implementation of resolutions	Strategic Risk Registers reports be monitored through the SMT meetings.

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-6.5	Ensure good governance and compliance	Percentage of compliance achieved quarterly	94.75%	100%	97%	O	Partially	97% of compliance was achieved in the by the end of June.	This was delay due delays in the review of SDBIP submission of report to council on recommendations and amendments	Ensure that performance agreements and SDBIP reviews and recommendations are made in time and submission to Council be made on time.
MSC-6.6	Ensure good governance and compliance	Number of stakeholder engagements held by 30 June	2	4	1	R	Not Achieved	There were four IGR forum meeting planned for year, however, two sessions were facilitated one on the 17th of February 2023 and on the 29th May 2023. .	This was due to poor response forms the Stakeholder has had impact number planned meetings	Prioritise and schedule for stakeholders' meetings
MSC-6.7	Ensure good governance and compliance	Review and update ICT Governance Framework	1	1	1	G	Achieved	The ICT Governance Framework Document in line with ICT Policies and other Institutional Policies were reviewed by Council in the last Virtual Special Council Meeting which was held on the 29 June 2023.	N/A	N/A
MSC-6.16	Ensure good governance and compliance	Review and update Disaster Recovery plan annually	0	1	0	R	Not achieved	ICT Disaster Recovery Plan was not reviewed in 2022-23 financial year,	This was due to inadequate capacity internally	Review of the ICT Disaster Recovery Plan will be prioritised in the in new financial year

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
MSC-6.8	Ensure good governance and compliance	Development of ICT Master Plan	0	2	1	R	Not Achieved	ICT Master plan was not developed	This was due to inadequate capacity internally	An assistance has been sought from SALGA to craft the ICT Master Plan.
MSC-6.9	Ensure good governance and compliance	Upgrading of ICT Infrastructure (Servers and Backup Devices)	1	1	1	G	Achieved	The upgrading of the Municipality's Core ICT Infrastructure was implemented in February 2022 after a Service Provider was awarded with the Tender to upgrade Backup Servers (Huawei Ocean Stor SAN Backup Servers) and one HP Server in one of the Municipality's Server Room.	N/A	N/A
MSC-6.10	Ensure good governance and compliance	Upgrading of IT network Infrastructure	0	1	1	G	Achieved	The upgrading of the Municipality's Core ICT Infrastructure was implemented in February 2022 after a Service Provider was awarded with the Tender to upgrade Backup Servers (Huawei Ocean Store SAN Backup Servers) and one HP Server in one of the	N/A	N/A

SBDIP Ref	Pre-determined Objective	Key Performance Indicator	Baseline	Target	Actual	R	Status	Performance Comment	Reason for variance/Deviations	Improvement Plan/Corrective action for under performance
								Municipality's Server Room.		

5.2 MUNICIPAL PERFORMANCE PER NATIONAL KEY PERFORMANCE INDICATOR

5.2.1. Basic Service Delivery and Infrastructure Development

Indicator	2020-21	2021-22	2022-23
The percentage of households earning less than 2 x social grant plus 25% per month with access to free basic services	33.41%	18%	12%
The percentage of households with access to basic level of water	95%	95%	82%
The percentage of households with access to basic level of sanitation	84%	84%	80%
The percentage of households with access to basic level of electricity	91%	91%	100%
The percentage of households with access to basic level of solid waste removal	92%	92%	94%

5.2.2 Institutional Development and Management

Indicator	2020-21	2021-22	2022-23
Percentage of budgeted Rand Value spent on Skills Development	0	0	0