



CHAPTER 5

Good Governance & Publication Participants





CHAPTER 5:

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

5.1 Overview of the Executive and the Council Functions and Achievements

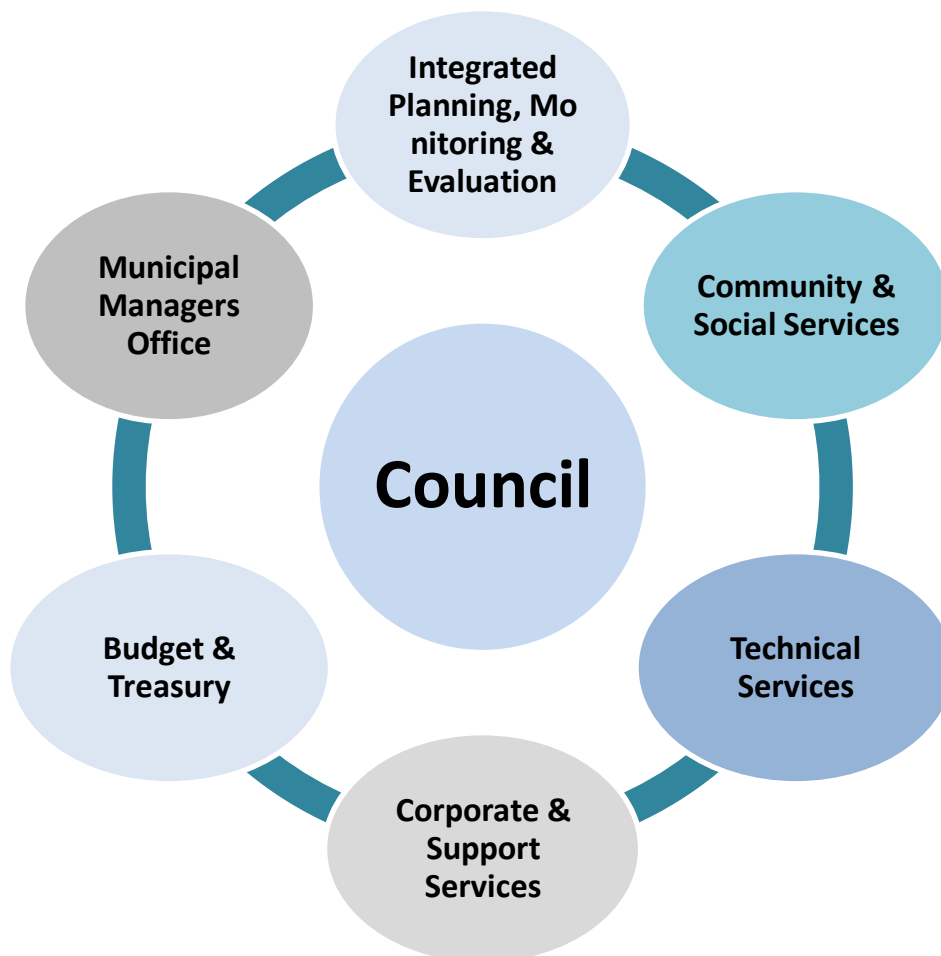
a. Executive Committee, Council and Standing Committees

In terms of the Municipal Structures Act, Act No 117 of 1988 Senqu Municipality functions according to a Council Executive System. This municipality functions as a democratically elected Category B Municipality. In terms of this structure, Senqu Municipality's Council is comprised of elected Ward Councillors and Proportional Representation Councillors.

The manner in which this Council operates is reflected as follows:



Councillors are elected for a period of five (5) years. This Council has been in office for the period 2006 – 2011. In terms of the functional structure of Council and through the operational nature of standing committees Councillors are required to make informed decisions regarding the running of the organization within the areas of: IPME; Community and Social Services; Corporate and Support Services; Budget and Treasury, Technical Services and the Municipal Managers office as depicted below:



SENQU MUNICIPALITY COUNCIL



YEAR 2011 - 2014



CLLR N. Y. Miyali (Mayor)



CLLR N. P. August (Ward 17) and
(Speaker)



CLLR M. Mpelwane (Chief Whip and
EXCO - Head of Technical Services)



CLLR G. Mbotyana (EXCO - Head
Community Services)



CLLR N. Kwinana (Ward 04) and
EXCO - Head of Corporate &
Support Services



CLLR J. Constable (EXCO - Head of
Budget and Treasury)



CLLR M.M. Mafika (Ward 16) and
EXCO - Head of Integrated Planning,
Monitoring & Evaluation)



CLLR S. Mziki (EXCO Member)



CLLR B.S. Majodina (Ward 01)



CLLR P.G. Key (Ward 02)



CLLR N. Nombula (Ward 03)



CLLR J.J. Lamane (Ward 05)



CLLR N.C. Mjaji (Ward 06)



CLLR N.A. Mkhontwana (Ward 07)



CLLR M.G. Moeleisi (Ward 08)



CLLR A.P. April (Ward 09)



CLLR S. Mfise (Ward 10)



CLLR M.N. Ngendane (Ward 11)



CLLR M.P. Bingwa (Ward 12)



CLLR L.M. Tokwe (Ward 13)



CLLR M.J. Mjaji (Ward 14)



CLLR S.S. Ndzongana (Ward 15)



CLLR B. Ngogodo (Ward 18)



CLLR N.C. Motemekwana (Ward 19)



CLLR S.S. Tindleni



CLLR G.N. Mvunyeiswa



CLLR M.A. Mshasha



CLLR A. Kwinana



CLLR I. Elia



CLLR M.J. Sereba



CLLR N.M. Nihako



CLLR M.A. Mangali



CLLR R.M. Joubert



CLLR L. Mossadi



CLLR A. Sobhuza



CLLR M. Senoamali



CLLR I.S. Van de Walt

COUNCILLORS (July 2010 TO 19 MAY 2011)

There are 32 Councillors in total. These are made up of 16 Ward Councillors and 16 Party Representatives, detailed as follows:

WARD	COUNCILLOR
1	Ms E N Mbobo
2	Ms N Nombula
3	Ms N C Mraji
4	Ms N M Kwinana
5	Mr J Lamani
6	Mr S SNdzongana
7	Ms N A Mkhontwana
8	Mr M G Moeletsi
9	Ms A Kwinana
10	Ms G N Parkies
11	Mr V VMbulawa
12	Mr M P Bingwa
13	Ms L M Tokwe
14	Mr L Booï
15	Mr M G Ncise
16	Mr M Mafilika

PROPORTIONAL COUNCILLORS
Mr Z I Dumzela
Ms M C E Stanley
Ms G Mvuyiswa
Mr M W Mpelwane
Mr J Konstabel
Ms I Elia
Mr X M Ganamfana
Ms G Mbonyana
Ms P August
Ms A H Sobhuza
Ms N Kuse
Ms M N Ngendane
Ms N G Beje
Mr A Mateisi
Mr S STindleni

As 2011 represented the end of this 5-year term, a new Council was elected and in inaugurated with effect from 31 May 2011. This new Council is reflected diagrammatically below as follows:

List of new Councillors: 2011 – 2016 (May 2011)

ANC	PARTY REPRESENTATIVES	N.Y MTYALI – MAYOR
	PARTY REPRESENTATIVES	M.W. MPELWANE
	PARTY REPRESENTATIVES	A.P. KWINANA
	PARTY REPRESENTATIVES	S.S TINDLENI
	PARTY REPRESENTATIVES	G.N. MBONYANA
	PARTY REPRESENTATIVES	JOB KONSTABEL
	PARTY REPRESENTATIVES	N.R. NTHAKO
	PARTY REPRESENTATIVES	I.MOSISIDI
	PARTY REPRESENTATIVES	G.S. MVUNYISWA
	PARTY REPRESENTATIVES	M.A. MSHASHA
	PARTY REPRESENTATIVES	I.M. ELIA
	PARTY REPRESENTATIVES	M.A. MANGALI
	PARTY REPRESENTATIVES	A.H. SOBHUZA
	WARD COUNCILLOR – WARD 1	B.S. MAJODINA
	WARD COUNCILLOR – WARD 2	P.G. KEY
	WARD COUNCILLOR – WARD 3	N. NOMBULA
	WARD COUNCILLOR – WARD 4	N.M. KWINANA
	WARD COUNCILLOR – WARD 5	J. LAMANI

	WARD COUNCILLOR – WARD 6	N.C MRAJI
	WARD COUNCILLOR – WARD 7	N.A. MKHINTWANA
	WARD COUNCILLOR – WARD 8	M.G. MOELETSI
	WARD COUNCILLOR – WARD 9	P.A. APRIL
	WARD COUNCILLOR – WARD 10	S. MFISA
	WARD COUNCILLOR – WARD 11	M.N. NGENDANE
	WARD COUNCILLOR – WARD 12	M.P. BINGWA
	WARD COUNCILLOR – WARD 13	L.M. TOKWE
	WARD COUNCILLOR – WARD 14	M.J. MJALI
	WARD COUNCILLOR – WARD 15	S.S. NDZONGANA
	WARD COUNCILLOR – WARD 16	M. MAFILIKA
	WARD COUNCILLOR – WARD 17	P.N AUGUST - SPEAKER
	WARD COUNCILLOR – WARD 18	B. NGOGODO
	WARD COUNCILLOR – WARD 19	N.C. MOTEMEKWANA
DA	PARTY REPRESENTATIVES	R.M JOUBERT
DA	PARTY REPRESENTATIVES	I.H. VAN DEN WALT
PAC	PARTY REPRESENTATIVES	S. MZIKI
	PARTY REPRESENTATIVES	M.J. SEREBA
UDM	PARTY REPRESENTATIVES	M. SENOAMALI

A total of 37 Councillors

FUNCTIONAL STRUCTURE OF DIVISIONS

The functional nature of each division (directorate is reflected below):

Municipal Manager	Corporate Services	Financial Services
<ul style="list-style-type: none"> Community Liaison Chief Operational Officer (SPU, HIV/Aids) IPP and Performance Management Internal Audit 	<ul style="list-style-type: none"> Administration & Council Support Human Resources Labour Relations Skills/Equity /Training and Career Developmnet Legal Services Logistics (Fleet Control) 	<ul style="list-style-type: none"> Budget & Treasury Information Technology Supply Chain Management Expenditure Revenue Traffic Asset Management
Technicial Services	Community and Social Services	Integrated Planning, Monitoring and Evaluation
<ul style="list-style-type: none"> Asset Control Roads Electricity PMU Water & Sanitation Stormwater 	<ul style="list-style-type: none"> Waste Management Cleansing Refuse Amenities Libraries Commonages Public Open Spaces 	<ul style="list-style-type: none"> IPED Town Planning Customer Care Communications LED Tourism SMME Development Proverty Alleviation

Standing Committees

Currently there are 5 Standing Committees that correspond with the 5 Directorates. Committee meetings are held monthly as required and information and recommendations from these are submitted to the full Council.

All Councillors are required to serve in the Standing Committees with the exception of both the Mayor and the Speaker.

In this manner informed decision making is facilitated, as Councillors become more focussed and knowledgeable about strategic and Directorate-specific issues.

The focus areas of these Standing Committees are defined as follows:

Members of Standing Committees

Budget & Treasury Office Chairperson : Cllr Kuse Councillors : Cllr M Stanley Cllr J Constable Cllr Senoamali Cllr N Kwinana	Focus Areas <ul style="list-style-type: none"> • Management of financial resources • Policies, Procedures and By-lays (MFMA and National Treasury) • Financial support to all Departments
Strategic Planning and Development Chairperson: Cllr Mafilika Councillors : Cllr M Mpelwane Cllr L Tokwe Cllr Beje Cllr M Moeletsi	Focus Areas <ul style="list-style-type: none"> • Council facilitation (Powers & Functions) • Support to community participation structures • By-Laws • Service Delivery • Communications Management and Customer Care • LED • Town Planning
Corporate & Support Services Chairperson : Cllr V Mbulawa Councillors : Cllr I Elia Cllr L Booie Cllr N Nombula Cllr M Ncise Cllr V Mkhontwana	Focus Areas <ul style="list-style-type: none"> • Council Administration • Departmental Corporate Support • Legal Compliance
Community and Social Services Chairperson : Cllr G Mbonyana Councillors : Cllr A Kwinana Cllr M Ngendane Cllr M Bingwa Cllr B Juju	Focus Areas <ul style="list-style-type: none"> • Community based service provision • Community based by-laws • Waste Management
Technical Services Chairperson : Cllr August Councillors : Cllr G Parkies Cllr S Ndzongana Cllr G Mvunyiswa Cllr A Mbobo Cllr J Lamani	Focus Areas <ul style="list-style-type: none"> • Infrastructure Development (Maintenance and Construction) • Technical Service Delivery • PMU Administration

5.2 Public Participation and Consultation

Many focussed efforts were applied in an effort to foster public participation and input from all parties on board.

The concept of public participation was kept alive by engaging in a number of activities which will be discussed further below.

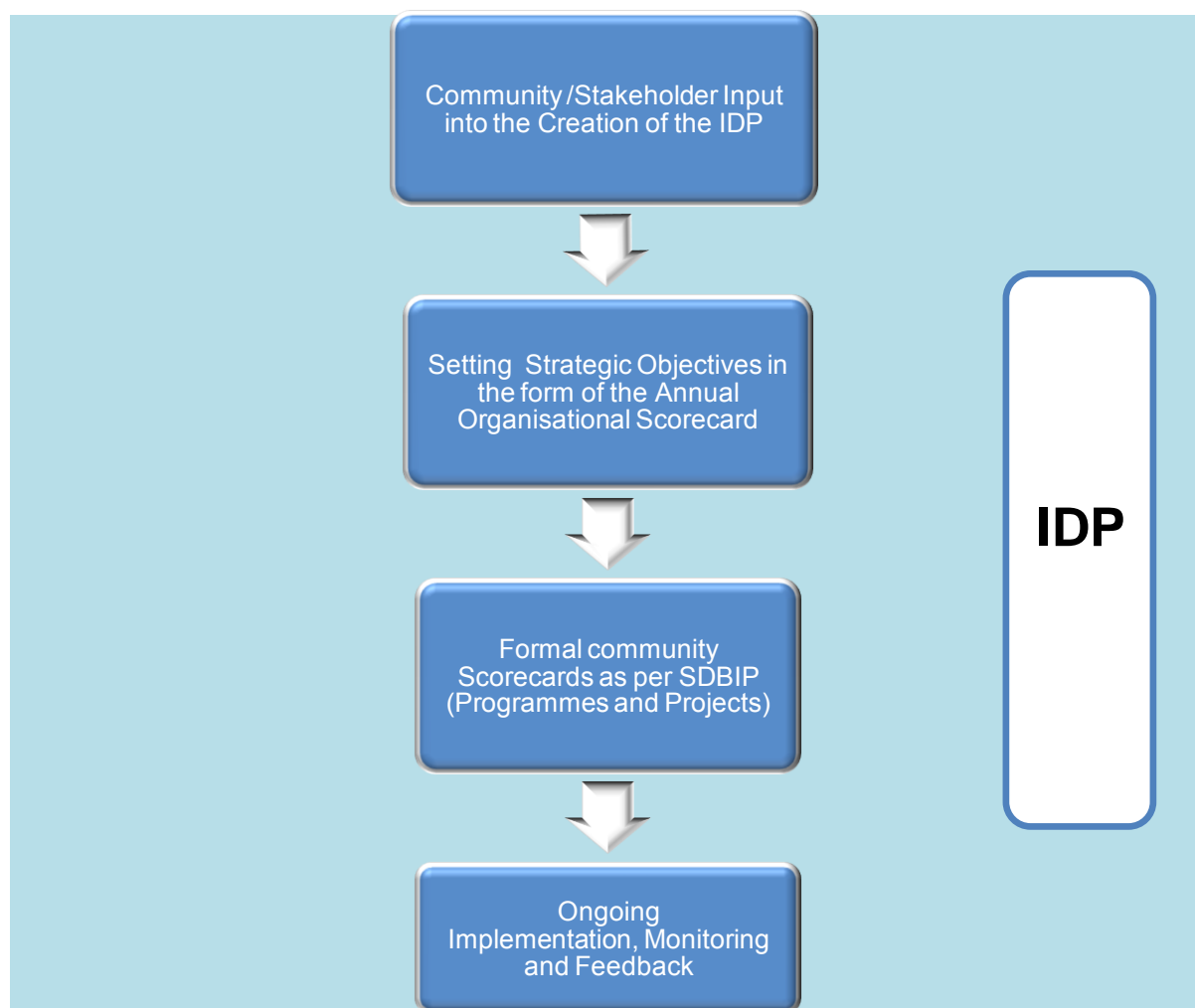
In order to set performance objectives and targets for the municipality that reflect the needs of the community and represent an inclusive process, set steps are followed, which begin with the development of the IDP.

The Integrated Development Plan (IDP)

In terms of s34 of the Municipal Systems Act, (Act No 32 of 2000), together with Chapter 2 of the Local government Municipal Planning and Performance Management Regulations, No. 796/2001 Senqu Municipality completed its first IDP in 2002, and then again in May 2006. This document is developed for a period of 5 years to correspond with the new Council's term of office and is reviewed annually in order to ensure that all the information remains current.

The IDP represents the strategic document which directs and influences the functioning of the organisation and which informs the strategic direction and operation of all projects and planning that occur within the municipality.

Effectively, the manner in which the strategic objectives are set within the municipality are cascaded and translated further throughout the organisation as depicted in the diagram below:



As depicted within the diagram, alignment between the IDP, Budget and SDBIP is ensured at all levels, and this is strictly applied when developing scorecards for s57 Managers and staff who report to these managers at all levels throughout the organisation.

Annually, a Process Plan is developed which informs the manner in which the IDP will be reviewed and managed. The planned meetings were detailed and scheduled as follows

IDP Rep Forum: 19 October, 26 November 2010, 8 & 9 March 2011

Outreach

Ward 1	15 November
Ward 2	16 November
Ward 3	16 November
Ward 4	17 November
Ward 5	1 November
Ward 6	4 November
Ward 7	2 November
Ward 8	15 November
Ward 9	2 November
Ward 11	3 November
Ward 12	4 November
Ward 13	3 November
Ward 14	9 November
Ward 15-16	2 November

Ward 10 – meetings cancelled

Public Participation

Public Participation refers to any and all attempts to meet with and engage with the public. Inclusive of the IDP and SDBIP related hearings are the following:

- **Mayoral Outreach/Imbizo's**
Mayoral Imbizo's were held in all wards. It has been the intention of these Imbizo's to provide the public with the required feedback on progress in respect of the IDP and Budget. All feedback received was then forwarded to the relevant standing committees for appropriate action.
- **Public Hearings**
With the advent of a number of by-laws during the current financial year, a number of public hearings were held, in order to sensitize and provide information to the public in this regard.

In this manner it is ensured that formal opportunities are created during which the public have an opportunity to input into policy and the strategic direction of the municipality. Similarly they have an opportunity to provide and receive feedback to and from the Council.

Additionally the Municipal Manager has set aside a specific period each month, specifically to facilitate an opportunity for the community to make direct contact and to ensure that pressing needs are discussed. This began during 2009/2010 and is continuing successfully to date.

5.3 Ward Committees Establishment and Functionality

Ward Committees were established as required and in terms of Gazette No. 1405, Notice no. 209 of 9/12/2005. Additionally the Municipality published its By-Laws relating to Ward Committees in terms of s13 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) read with s162 of the Constitution of the Republic of South Africa Act 1996 (Act 108 of 1996).

According to these prescriptions it must be noted that:

- Representation on Ward Committees shall not be according to political party affiliation and will include religious, youth, civic, education, sport, culture, business, welfare, and women's associations.
- Committees are required to meet at least once per quarter and report formally to the Municipal Manager at least quarterly through their Ward Councillor;
- The term of office of a member is a period of two years;
- The Mayor is responsible overall for the functioning of the Ward Committees and will meet at least quarterly with all Ward Committees to discuss issues of mutual concern and issues to be addressed; and
- The Mayor shall submit a 6 month report to Council on the activities and considerations of the Ward Committees.

In so far as their functioning it must be noted that Ward Committee members were for the first time paid "out of pocket expense" which were commensurate with the amount of work required to be done by the Ward Committee members. Each Ward Committee member was paid R1500 for the financial year.

Certain challenges in respect of functionality were present and these are reflected as follows:

- Not all Ward Committees were meeting as regularly as required;
- Challenges in travelling impacted the most on the degree of functioning of these committees. Due to the geographical spread of the area required to be covered (served by these committees), ward members were required to travel huge distances in order to service the needs of these wards. A stipend of R500 per month for each ward committee member was therefore budgeted and paid for in order to facilitate this process.

Toward the end of the financial year the Speaker became involved in the appointment of new ward committee members in order to coincide with the new term of office. Accordingly, a workshop was held with the Ward Councillors and it was agreed that within the 19 Wards, a total of 16 ward committees will be established.

Each Committee will be chaired by its respective Ward Councillor. During Ward Committee meetings, the community members are briefed about developments in their ward and within the municipality itself. In this manner, a consultative community structure is created and maintained.

In order to facilitate the smooth running of these communities a code of conduct has been developed which will in turn be work shopped.

In keeping with all required legislation it must be noted that:

- All records of meetings scheduled and attended are maintained (minuted);
- Minutes of all meetings are made available;
- Written proof is available regarding resolutions tabled to Council;
- Minutes are available for all feedback meetings with communities; and
- Ward Committee activity reports are made available to all.

5.4 Community Development Workers (CDW's)

During the current year, it must be noted that Senqu Municipality had 15 CDW's. An additional 4 are to be appointed in order to cover the newly demarcated wards and this would amount to a total of 19 CDW's.

The objectives and functioning of CDW's is motivated by the need not only to identify households in need, but also to ensure that community relationships between the communities and the municipality are fostered, in order to ensure adequate marketing and utilization of services offered.

CDW's report monthly to their co-ordinator in Sterkspruit in order to provide operational monthly reports. Reports regarding activities performed and observations noted are forwarded monthly to the municipality via the Speakers Office. All Ward Committee meetings are attended by the CDW's who also then provide assistance to the Ward Councillors in respect of the dissemination of information.

In an effort to ensure effective service delivery from the CDW's, it is noted that all CDW's have undergone the appropriate training. Difficulties in communication between the CDW programme and the municipality has not yet been resolved. It would seem that this was in part due to misunderstandings by the Ward Councillors as to the role of the CDW's and this in turn resulted in miscommunications and "turf wars". Through additional training in this regard, it is hoped that this challenge will be addressed over time and especially with the appointment of the new Council.

At a practical level it must be noted that CDW's have had difficulty in fulfilling their work duties, due to a lack of adequate inter-ward transport and the lack of computers and printers to document evidence and to produce reports.

Overall, while the prime focus of the current year has been to identify and report on households in need (utilizing a "door to door campaign" which facilitates the identification of the household situation and the government services required).

Through their reporting mechanisms the CDW's are then submitted to the relevant government department in an effort to enlist the required assistance for that household.

While this programme has achieved great success through its marketing campaigns, it is hampered by the lack of transport and telecommunications that would enable CDW's to ensure that the requested services reached the required families.

Overall it is fair to state that the greatest operational challenges are :

- The lack of transport – experienced due to the poorly constructed road network; and
- Poor telecommunications (attributed to lack of access to airtime and too few cell phone towers) which prevent the CDW's ensuring that they reach the necessary families as required.

5.5 Communication Strategy

In terms of the Intergovernmental Relations (IGR) Framework Act, 2005, forums were required to be established to ensure alignment between the local government communications systems. This act required that within these forums, municipalities and provincial government communications would meet in order to discuss issues relating to communication and would effectively plan together in order to improve this lot.

The GCIS has recommended District Communication Forums (DCF's) and Local Communicators Forums (LCF's).

In terms of progress thus far, it must be noted that:

- The Senqu Communications Forum was initially established 21 August 2008;
- The LCF is active and sits quarterly, although traditionally participation from local departments has not been positive;
- Core members of the LCF are:
 - Senqu Communications Officer
 - Political Head, Mayor of Senqu Municipality
 - GCIS, Senqu
 - Senqu SPU
 - Senqu CDW's Coordinator
 - OTP Communicator, Joe Gqabi Municipality
- The LCF core team members also sit in the SCF, in which the LCF Chairman forms part of the DCF executive committee.

As far as the Communication Strategy is concerned, this was developed and adopted in October 2009 In the interests of public participation this was developed in consultation and in partnership with CDW's, Ward Committee Representatives and community members. This is reviewed annually and workshopped to the local Communications Forum members.

Within the 2010/2011 period, it is noted that :

- The Local Communications Forum meeting was held 1 March 2010 in which the strategy was modified and additions made by forum members;
- The Draft Communications Strategy was then presented to Exco and submitted to Council for adoption;
- After adoption, this strategy was then launched as the official Communications Strategy for Senqu Municipality.

Structure and information on communications strategy and activities

Strategy and activities covered by this strategy are reported on as follows:

Media Relations and monitoring

Establishing good relationships with the media is vital to the success of the organization and its public participation responsibility. Acknowledging this, Senqu Municipality has ensured that every effort has been made to establish good relations with the media.

Accordingly it is noted that:

- Newspaper coverage is received from publications such as: the Barkly East Reporter and the Aliwal Weekly (as local newspapers); the Daily Dispatch, and the Sun (where minimal feedback is received as this represents a national newspaper);
- Relationships have been developed and maintained with broadcast media such as : Takalani FM (local radio station); SABC Lesedi FM; and SABC Umhlobowenene;

- Improvements are required moving forward in efforts to provide regular information reports to the media so as to manage and control this process in a proactive manner.

Events Management

Event management is an important skill in the government communication process, in order to ensure that specific events achieve their goals and to ensure that the correct messages are communicated to the people targeted. Communicators plan for these events and to date have been successful in assisting politicians to host events. In this regard it is noted that:

- The communications section of the municipality has played a major role in facilitating a number of events that have taken place within the municipality. These have included:
 - The opening of Council (February 2011);
 - The Annual Mayoral Budget Speech Address which has been rotating around the three major towns within Senqu;
 - The former Mayors farewell event that was held within the new offices in Lady Grey;
 - Recently the municipality played host to many MEC's from the province during the Siyabonga rally by President Zuma that was held in Senqu and it is noted that the communications section played a major role in this event. MEC's present included: MEC Pemmy Majodina (Social Development and Department for Women, Children and People living with Disability); MEC Mlibo Qhobosheyan (Local Government and Traditional Affairs); MEC Thandiswa Marawu (Public Works, Roads and Transport); MEC Phumulo Musualle (Provincial Planning and Finance); and HOD's and DG's from the province and other prominent leaders from within and from outside the district.

All events hosted by the municipality have been a tremendous success.

External Communication

Of critical importance is the role of internal and external communication within the organisation. In efforts to improve these, the following actions were undertaken:

- The municipality is currently in the process of establishing an external newsletter that will go out to the communities once per quarter;
- This external newsletter will be the official route and manner in which information, recent news and updates about the municipality and its activities will be disseminated; and
- Although it is noted that the municipality's internal newsletter has been discontinued due to a number of challenges, this is an area that needs to be resolved moving forward.

Municipal Website

The municipal website is fully functional and is updated monthly. All legislated documentation (for public information and comment), tender documents, policies, by-laws and issues of interest are placed on this user-friendly site.

5.7. Intergovernmental Relations

Intergovernmental Relations (and the improvement thereof) is driven at the district level, through the IGR Forum, which provides the necessary vehicle to promote and to improve this process.

In an effort to facilitate this process an Intergovernmental Relations Framework Policy was adopted by the District Municipality. In keeping with this, intergovernmental structures have been created and are functional. These refer to the following clusters: social needs, economic and infrastructure, safety and justice clusters. At this point the governance cluster is in the process of reorganising itself.

All clusters are formally constituted and have their terms of reference in place, which clearly spells out their roles and responsibilities. Accordingly, all clusters within the district meet bi-monthly while sub-committees meet monthly in order to discuss service delivery, policy issues, integration, coordination, monitoring and evaluation issues.

Aside from the clusters, other existing and functional structures include: the District Technical Task Group and the District Mayors Forum (DIMAUFU). DIMAFU sits quarterly in order to align key programmes and issues between Senqu Municipality and the other local municipalities that fall within the Joe Gqabi Municipal District.

As a s79 Committee, DIMAFU represents a special committee made up of councillors. In this instance it is made up of the Mayors of all the local municipalities (including Senqu Municipality). Clusters hold meetings quarterly, and the District Technical Task Group also holds these meetings.

Additionally, it must be noted that the Municipal Manager and the Mayor attend the Munimec meetings. These are driven and coordinated by the MEC for Cooperative Governance. Munimec is considered to be a vehicle that scrutinises the performance of government programmes.

A Community Liaison Officer has been appointed to drive and address the Presidential hotline issues and Senqu Municipality has been commended for their efforts and achievements in this area as a result of this appointment and the work conducted thus far.

During the IDP process it must be noted that consultation occurred with the Sector Departments (usually in February/March). Overall it is noted that Senqu Municipality has experienced successful public participation programmes and this in turn has improved IGR and communication processes greatly.

5.8 Legal matters

5.8.1 Setting up of legal units

The Municipality does not currently have a legal unit, but is utilising the services of Legal Personnel from the Joe Gqabi District Municipality for assistance in Disciplinary and Legal issues. External service providers are used for more complex legal issues as in the case of land disputes and legal opinions on service delivery issues (for which Messrs Douglas and Botha in Aliwal North are used). For transfers and title deeds the attorneys Greyvenstein and Spence in Barkly East are used as well as Douglas & Botha in Aliwal North.

5.8.2 Management of Litigation

A number of litigation cases were handled during the year under review. These are referred to more specifically as follows:

	Case	Parties involved	Issue	Status
1.	Herschel Land Dispute	Senqu Municipality vs. Herschel Tribal Authority	Land Ownership	Ongoing
2.	Land Dispute Senqu Municipality purchased land to create a taxi rank in Sterkspruit	Senqu Municipality vs. Parkies	Land Ownership	Case won (Umthatha High Court)
3.	Labour Court Dispute: Traffic Officers handled by Kirchmann's Attorneys	Senqu Municipality vs. Yalezio et al	Dismissal appealed	Arbitration Award in favour of Traffic Officers who were found guilty on fraud in Barkly East

It is noted that Kirchmann's Attorneys are currently utilized for legal opinions relating to Human Resource disputes within the municipality.

5.9 Risk Management

As per s59 of the Local Government: Municipal Systems Act, Act 32 of 2000, Council is required to adopt policies to shape and inform administrative government. From the work of the Internal Audit Committee it was determined that Council was required to adopt a Risk Management System in order to ensure compliance with Councils Audit objective --- that of having clean audits. Accordingly the following policies, frameworks and charters were developed and adopted by Council:

- Risk Management Policy
- Risk Management Framework
- Audit Committee and Performance Audit Charter, and
- Internal Audit Charter

Following on from this it is noted that:

- Price Waterhouse Coopers facilitated business risk identification and rating workshop with members of management on 13 and 14 April 2010.
- Workshops were also conducted in accordance with Senqu Municipalities Internal Audit Plan for 2009/2010 and additionally in February 2010.

High levels of risk were identified by course participants and a Risk Register to mitigate Risks identified was identified with the view to implementation of a Risk Management Plan and strategy.

Whilst progress has been made in respect of the establishment of the risk management structure and framework, a risk management function and process has also been established and implemented for the year under review. The Risk Committee is acknowledged to be the Audit Committee in which risk management reports have been tabled. Facilitation of the strategic and operational risk assessments has been conducted. Notwithstanding, it is acknowledge that there are still areas where improvement in risk management is required and it is suggested that Department conduct their own risk assessments and put in place the appropriate controls within which to mitigate risk.

5.10 Anti-Corruption Strategy

Senqu Municipality has an approved Anti- Corruption Strategy and Policy. This policy has been extremely well marketed and applied. Staff and Councillors have all been issued with a booklet and training on Fraud Prevention which clearly spells out a zero percent tolerance for any aspect of corruption or fraud. Specific reference is made to a Code of Conduct for both Councillors and Staff and this provides detail on the consequences of anyone found to transgress where this is concerned.

Protection for "Whistle-blowers" is assured and it is noted that the anti-corruption hotline in this regard has been both well-received and well utilized.

5.11 Audit Committee Functionality

Internal Audit

It is required by the MFMA that the accurateness and correctness of the performance management function and the performance reporting be audited and verified. The Audit Committee was duly established to:

- Review the quarterly reports submitted to the internal audit
- Review the PMS System of the Municipality and make recommendations to Council; and
- To submit the Audit Report to the Municipal Council at least twice during the financial year.

The Audit Committee was established in terms of the MFMA and the Municipal Planning and Performance Management Regulations and is comprised of a minimum of 3 members, the majority of which are not employees of Council, and must exclude Councillors. Additionally the Chairperson may not be an employee of Senqu Municipality.

The Audit Committee was fully functional for the period 2010/2011. It was originally established in 2004 and currently consists of the following members:

Name of Member	Number of Meetings attended for the financial year ended 30 June 2011
Mr. D Du Plessis(Chairperson)	4
Mr. G De Jager	4
Mr. .J. Hattingh	4

Audit Committee Responsibility

The Audit Committee is required to audit and report in terms of the terms of reference that was established and agreed to in the Audit Committee Charter (approved and adopted by the Municipal Manager).

Evaluation of Annual Financial Statements

Primarily and in evaluating the Annual Financial Statements of the municipality the committee is required to:

- Verify that they are prepared in accordance with the basis of accounting determined by the National Treasury as set out in the accounting policy and in a manner required by the MFMA;
- Reviewed the Auditor-General report and management's response thereto;
- Reviewed the selection of accounting policies and practices;
- Reviewed the effectiveness of the internal control systems;
- Reviewed the effectiveness of internal audit;
- Reviewed the risk areas of the Municipality's operations to be covered in the scope of internal and external audits;
- Reviewed the adequacy, reliability and accuracy of financial information provided to management and other users of such information;
- Reviewed the accounting and auditing concerns identified as a result of internal and external audits; and
- Reviews and facilitates the Municipality's compliance with legal and regulatory provisions.

In so doing the Audit Committee gives weight to the development of the Audit Action Plan and facilitates the controls required to ensure that issues raised are addressed as required. Every effort is made to ensure that Senqu Municipality moves forward