

# CHAPTER FIVE: GOOD GOVERNANCE & PUBLIC PARTICIPATION

## 1. IDP PROCESS PLAN

### Introduction

Senqu Local Municipality reviews its IDP and Budget in accordance with the requirements as set out in the Local Government: Municipal Systems Act (MSA) 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 and the Municipal Finance Management Act 56 of 2003.

The review also takes into account the 2012-13 IDP assessment recommendations which rated the municipality high in all areas but that of financial viability which was medium.

### Adopted Process Plan

The MSA 28(1) states that *each municipal council ... must adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP*". The process plan was adopted on the 31<sup>st</sup> August 2012. The Process Plan outlines the programme to be followed and provides details on issues specified in the Act.

The Local Government: Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000 and Municipal Finance Management Act 56 of 2003 are specific to municipalities and are the key legislation for the development of the IDP. Other national sector legislations also contain various kinds of requirements for municipalities to undertake planning.

Some important National and Provincial guiding plans and policy documents for the IDP include the Medium-term Strategic Framework, the National Spatial Development Perspective (NSDP), the National development Plan, the new Growth Path, the Eastern Cape Provincial Spatial Development Plan (ECPSP), the Eastern Cape Provincial Growth and Development Plan (ECPGDP) and the Ukhahlamba (now Joe Gqabi) District Growth and Development Summit (GDS).

### IDP Process

The IDP Process is a continuous cycle of planning, implementation and evaluation.

### **Institutional arrangements and roles and responsibilities**

The development of the IDP and Budget involves Municipal Officials, Councillors as well as stakeholders/actors outside the Municipality.

<b>Institution</b>	<b>Role &amp; responsibility</b>
Council	Approves, adopts the IDP and budget  Participates in M&E
Executive Committee	Decides on the Process Plan.  Manages, co-ordinates and monitors the process and drafts the IDP and budget
IDP Manager	Drafting and co-ordination of the IDP process on a day to day basis
IDP and Budget Steering Committee	Provides technical expertise for the drafting of the IDP and budget
IDP Representative Forum	Provide community needs and priorities and indigenous knowledge.  Act as a M&E mechanism

### **Other actors**

<b>ACTORS</b>	<b>ROLES AND RESPONSIBILITIES</b>
Ward Councillors/Ward Committees (assisted by CDWs)	<ul style="list-style-type: none"> <li>• Major link between municipality and residents</li> <li>• Link the planning process to their wards or constituencies</li> <li>• Organize public consultation and participation</li> <li>• Represent the ward at the IDP &amp; Budget Representative Forum</li> <li>• Analyse ward-based issues, determine priorities, negotiate and reach consensus.</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Represents interests, contribute knowledge and ideas to the Representative Forum</li> <li>• Inform interest groups, communities and organizations</li> <li>• Analyse issues, determine priorities, negotiate and reach consensus</li> <li>• Participate in designing project proposals</li> <li>• Discuss and comment on the draft IDP</li> <li>• Monitor performance in implementation</li> <li>• Conduct meetings with groups, communities, etc to prepare for</li> </ul>

	and follow-up on relevant planning activities.
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### **Mechanisms for community and stakeholder participation**

One of the main features about IDP and Budget Processes is the involvement of community and stakeholder organizations in the process. This was done through the:

- IDP Representative Forum to verify and add data
- District Municipality's Rep Forum to ensure that local priorities are adequately reflected on the District's IDP
- Ward Councillors and ward meetings to keep communities informed about the IDP progress (including Ward Committees and CDWs)
- Annual reports on municipal progress
- Mayoral outreaches
- Advertisements in local newspapers and community radios on the progress
- Making the IDP document available to all units and in public places for public comments
- Municipal website.

English is used as a language of governance however in community meetings languages that are spoken in that community are used. Officials are responsible for arranging venues and transport for all wards to all meetings. Transport is arranged for Traditional Leaders, Designated Groups and Ward Committees at the cost of the municipality.

### **Mechanisms and procedures for alignment**

The IDP Manager (Municipal Manager) and the Manager IDP & PMS of Senqu Municipality is responsible for ensuring smooth co-ordination of the IDP process and its alignment with the District's IDP through bilateral discussions with affected sector departments and neighbouring Municipalities as well as IDP representative Forums. Inter-Governmental Forums such as the Joe Gqabi District IDP Representative Forum are also used to ensure that beneficial alignment of programmes and projects do occur.

### **Detailed IDP and budget action plan**

	Activity	Time frame	Progress
1.	Develop draft IDP Framework Plan and present to Council for adoption	June – August 2012	Completed and sent to Council for adoption

2.	Discuss process plan with IDP and Budget Steering committee and Ex Co	20 August 2012 23 August 2012	Held 20 August 2012
3.	Adopt Process Plans	31 August 2012	Council adopted the process plan on the 31 August 2012
4.	Publish and make known Process Plan (i.e. key activities and deadlines)	7 September 2012	Published in the Reporter and the Aliwal Weekblad on the 7 <sup>th</sup> September 2012
5	IDP Representative Forum	18 September 2012	Postponed to the 9 <sup>th</sup> October 2013 due to civil unrest. Postponed again to the 25 <sup>th</sup> November 2012
6.	Public engagement and consultation	16 October – 15 November 2012	The planned outreach was postponed due to the civic unrest in the wards. An attempt was made to hold an outreach in February but this failed again due to unrest and again in April and May 2013
7.	IDP Representative Forum	27 November 2012	Held 25 <sup>th</sup> November 2012
8.	Departmental Strategic sessions	3-7 December 2012	The departmental strategic session were held
9.	IDP & Budget Steering committee	11 December 2012	Not held
10.	IDP & Budget Steering committee	13-14 December 2012	Not held
11.	Municipal strategic session	16 -18 January 2013	Held at Fish river sun
12	Report on mid-year and performance assessment	20 January 2013	Report went to Council
13.	IGR meeting	13 February 2013	Held on the 13 <sup>th</sup> February 2013
14.	IDP & Budget Steering committee Meeting	19 February 2013	Postponed to 8 March 2013
15.	IDP Representative Forum	5 March 2013	Postponed to 25 March 2013
16.	IDP & Budget Steering committee	13 March 2013	8 March & 19 March 2013
17.	Council	29 March 2013	Council adopted the draft IDP on the
18.	Departmental SDBIP sessions	5 -23 April 2013	Completed
19.	Public comments	15 April – 3 May 2013	Published in the Reporter and Aliwal Weekblad 5 April 2013. Comment period from 2 April until 30 April 2013
20.	IDP & Budget Steering committee	6 May 2013	Held on the 3 <sup>rd</sup> May 2013

21.	IDP Representative Forum	7 May 2013	Held on the 11 <sup>th</sup> June 2013 to discuss the SDBIP and PMS
22.	Table municipal draft budget and proposed revisions to the IDP	31 May 2013	Draft budget and IDP were tabled and adopted by council on the 28 <sup>th</sup> May 2013
23.	SDBIP to Mayor	26 June 2013	Went on the 18 <sup>th</sup> June 2013
24.	SDBIP to Council	28 June 2013	Mayor will take it and explain to Council
25.	SDBIP made public	14 July 2013	The SDBIP will be published once the Mayor agrees to it being publicised.

## 2. IDP ASSESSMENT & REVIEW

It should be remembered that this document is a review of the original IDP. Thus the changes are the following:

- Updating of municipal data based on the 2011 census
- Incorporation of the 2013 LED strategy
- Incorporation of the 2013 Tourism plan
- Incorporation of the draft 2013/14 budget
- Incorporation of sector departments draft projects and budgets
- Reviewed ward priorities and projects

KPA Assessment 2012/13	Progress
<b>Institutional development</b> <ul style="list-style-type: none"> <li>• Summary of HR plan</li> <li>• Summary of WSP including operational plan</li> <li>• Organogram to indicate numbers and how it will be filled</li> <li>• Employment Equity plan summary</li> <li>• Copy of HR plan and council resolution</li> <li>• Reflection on succession plan</li> <li>• PMS rollout and summary</li> </ul>	Included Included Included Included Included Included Included
<b>LED</b> <ul style="list-style-type: none"> <li>• BBEE, SMME and Co-operative Targets</li> </ul>	Included in SDBIP
<b>GOVERNANCE</b> <ul style="list-style-type: none"> <li>• Social cohesion programmes and plans</li> <li>• Integrated social cohesion programme</li> <li>• Integrated community safety forum and plan</li> <li>• More on audit action plan and committees</li> </ul>	Included Working on including Working on including Included

<p><b>SERVICE DELIVERY</b></p> <ul style="list-style-type: none"> <li>• More on ISD unit</li> <li>• More on SLA's with DM and other service providers</li> <li>• Sustainable environmental practises for re-cycling</li> <li>• Audit on community facilities</li> <li>• More on EIA's</li> <li>• More on ability to deliver services</li> <li>• Information on credible land register</li> <li>• Control mechanisms for land invasions</li> <li>• Nature of service delivery levels through CIP</li> <li>• Social viability of settlements</li> <li>• Vulnerability and risk assessment</li> <li>• DM co-operative agreements</li> <li>• Fire services tariffs</li> <li>• Elec – determine need</li> <li>• Look at renewable energy solutions</li> <li>• O&amp;M for electricity reticulation and upgrade</li> </ul>	<p>Included</p> <p>Included</p> <p>Working on including</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Working on inclusion</p> <p>Included</p> <p>Working on inclusion</p> <p>Working on inclusion</p> <p>Working on inclusion</p> <p>Included in SDBIP</p>
<p><b>FINANCIAL MANAGEMENT</b></p> <ul style="list-style-type: none"> <li>• Include national goals and community participation</li> <li>• More financial policies</li> <li>• By-law relook</li> <li>• Alternative mechanisms for financial investment in infrastructure, maintenance of old infrastructure and acquiring new</li> <li>• GRAP compliant infrastructure register</li> <li>• Changes in targets and objectives and strategies</li> <li>• Changes in community priorities</li> <li>• Budget figures</li> <li>• Draft SDBIP</li> <li>• Show expenditure percentage of budget for last 2 years and audited results</li> <li>• Show extent of own revenue and grant usage</li> <li>• Viability of IDP implementation</li> <li>• Last 2 years of capital and operational expenditure analysis</li> <li>• % of budgeted income in the past 2 years per category</li> <li>• Linkage between IDP and budget</li> <li>• Reflect DM budget</li> <li>• Updated valuation roll and supplementary roll</li> <li>• Functional supply chain unit and bid committees</li> </ul>	<p>Included</p> <p>Included</p> <p>included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p> <p>Included</p>
<p><b>POPULATION</b></p> <ul style="list-style-type: none"> <li>• Migration plan</li> </ul>	<p>Working on incorporation</p>

<ul style="list-style-type: none"> <li>• Sectoral plans including population concerns</li> <li>• Sector plans taking account of MDG's and Section 12 outcomes</li> <li>• Assessment of social impact of development initiatives</li> <li>• 2011 Census figures</li> </ul>	Working on incorporation Working on incorporation Included Included
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### Previous IDP Assessments

KPA	Rating 2008/9	Rating 2009/10	Rating 2010/11	Rating 2011/12	Rating 2012/13
Spatial Development Framework	Medium	High	Medium	High	High
Service delivery	Medium	High	Medium	Medium	High
Financial Viability	Medium	Medium	Low	High	Medium
Local economic Development	Medium	Medium	Low	Medium	High
Good governance & public participation	Low	Low	Low	High	High
Institutional Arrangements	Medium	Low	Medium	High	High
<b>Overall Rating</b>	<b>Low</b>	<b>Medium</b>	<b>Medium</b>	<b>High</b>	<b>High</b>

## 3. PUBLIC PARTICIPATION

### Public Participation Plan

The Municipality prepares a draft annual public participation plan to Council which goes to Council by the end of the 1<sup>st</sup> quarter for adoption. This was done as can be seen by the plan below for 2012/13. The plan reflects all the events which require the public to participate for all departments and the responsible person for the event. This year 2013/14 the plan will first be sent to the newly launched Public Participation Forum for comments and additions before it is sent to Council for adoption.

Annual Public participation Plan 2012-13	
July	
Ward Committee Meetings	Ward Councillors
August	
Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year <b>31 August 2012.</b>	Mayor
Ward committee meetings	Ward Councillors
Woman's month meetings	SPU
September	
IDP Representative Forum to discuss process plan and review analysis <b>18 September 2012</b>	IDP
Municipal Round Table <b>27 September 2012</b>	CCO
Ward Committee Meetings	Ward Councillors
Youth festival	SPU
October	
ExCo outreach <b>16 October to 15 November 2012</b>	IDP

Ward Committee Meetings	Ward Councillor
<b>November</b>	
IDP Representative Forum to discuss and finalise outreach issues <b>27 November 2012</b>	IDP
Ward Committee Meetings	Ward councillor
16 days of activism against child and woman abuse activities	SPU
<b>December</b>	
Municipal Round Table <b>12 December 2012</b>	CCO
IDP & Budget Steering Committee to discuss issues and revise and develop draft objectives, strategies and formulate draft project proposals with sector departments <b>13- 14 December 2012</b>	IDP
Council finalises tariff (rates and service charges) policies for next financial year	CFO
Ward Committee meetings	Ward Councillors
Programme for people with disabilities	SPU
HIV & Aids day celebrations	SPU
<b>January</b>	
Ward committee Meetings	Ward councillors
Customer care & policies roadshows 15 January 2013	CCO
Community Based Planning for Wards 10,14,19 & 16	IDP
<b>February</b>	
IGR Meeting to discuss project proposals and budgets with sector departments <b>13 February 2013</b>	IDP
Ward Committee Meetings	Ward Councillors
Customer Satisfaction Survey	CCO
<b>March</b>	
IDP Rep Forum to discuss draft IDP <b>5 March 2013</b>	IDP
Mayor tables municipality budget, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year <b>29 March 2013</b>	Mayor
Ward Committee Meetings	Ward Councillors
Municipal Round Table	CCO
<b>April</b>	
Public comments on IDP & Budget <b>15 April - 3 May 2013</b>	BTO & IDP
Ward committee meetings	Ward Councillors
<b>May</b>	
IDP Representative Forum to discuss draft PMS targets <b>7 May 2013</b>	IDP & PMS
Council to consider approval of budget and plans at least 30 days before start of budget year, <b>31 May 2013</b> .	Mayor
Ward committee meetings	Ward Councillors
<b>June</b>	
Municipal Round Table	CCO
Ward Committee Meetings	Ward Councillors

### Public Participation Framework/Strategy

The Public Participation Framework has been developed and sent to Council for adoption. The strategy was presented to both the IDP Representative Forum and the Public Participation Forum for comment.



The framework outlines the roles and responsibilities of all stakeholders in public participation as well as the mechanisms for undertaking public participation. These include the guidelines for public events that must be followed as well as the processes that members of the public must follow if they wish to submit grievances or complaints.

### Challenges and intervention for public participation

- **Geographical –** the municipal area consists of 19 wards with many villages. Due to the mountainous terrain and the lack of infrastructure development during the homeland period, the road network is poorly conceived and as a result villages which should be directly connected are normally connected through rerouting to a main road. The Demarcation Board did not consider the terrain with the result that 1 ward has a village which is located almost 4 hours away by road as it falls on the other side of a mountain range.
- **Infrastructure –** due to the vastness of the terrain, it is difficult to find a central meeting spot in the ward which is accessible to all by foot and has a facility large enough to accommodate all residents. The municipality is in the process of ensuring that all wards at least have one community hall.
- **Education levels –** it is an ongoing process to educate the community about local government so that they can participate in an effective and efficient manner
- **Traditional leaders –** the municipality has made a concerted effort to ensure that traditional leaders are included in all public participation events and in Council activities but many still see the municipality as undermining their role and will not work with them.
- **Communication -** due to the vastness of the area and mountainous terrain telecommunication networks are limited with the result that it is difficult to communicate with communities due to lack of telephone and email networks.
- **Financial-** although a budget is set aside for public participation under the IDP and budget vote, it is not enough as it is expensive to cater for the transport and food that is required for all these occasions. However departments also have operational budget for their public participation occasions.
- **Sustainability –** many community based organisations do not have a long life span due to in fighting or inactivity by members
- **Apathy –** members of the public do not feel the need to participate in government processes due to a variety of factors

### Stakeholder Communication Strategy

The municipality has a communication strategy which identifies and outlines which and how to communicate with stakeholders. The adopted communication strategy relies on Ward Councillors, CDW's and the Executive Committee to ensure that information reaches the public. Other methods such as posters, loudhailers and the local radio station Ekepini and newspapers are used to keep the community informed. However due to financial constraints and the poor accessibility and poor network coverage of the region, some communities struggle to access information. As a result the

onus is on developing central points where billboards will be erected and information displayed on a regular basis.

The Communications Officer has been trained on website management so that the municipal website will be continually updated and remain relevant. Monthly newsletters are printed and distributed as well as quarterly newsletters. Outreaches such as the Executive Committee outreach will occur on a quarterly basis to ensure that the community are informed and can also relay complaints to the Mayor.

The municipality has increased the amount of funding that it has given to the communication section. As a result of this funding the municipality has improved its public address system and bought a public loudhailer system for vehicles. In addition it is in the process of procuring public notice boards to be located centrally in the wards and a tent.

A stakeholder register has been developed and updated for the launch of the Public Participation Forum. This is attached as Annexure 3. The launch of the Forum will assist the municipality in its efforts to increase the effectiveness and efficiency of public participation by mobilising stakeholders.

### **Ward Committees**

Ward committees have been formed for the 19 wards. Ward Committees are chaired by the Ward Councillors and consist of up to ten elected members. The purpose of the committees are to broaden participation in the democratic process of Council and to assist the Ward Councillor with organizing consultation, disseminating information and encouraging participation from residents in the ward. The Ward Committees gather information from the communities during the IDP process which are forwarded to the IDP and Budget Steering Committee for consideration in the budget process. In addition problems identified by the ward committee are forwarded to the IPME Standing Committee for resolution by the responsible Department head. Ward committees and Councillors are also utilised to mobilise ward members for the Executive Committee outreaches.

The functioning of the ward committees has been hampered this year by the civic unrest in and around Sterkspruit. As a result many ward meetings have not been held due to threats against Councillors and Ward Committee members. This is also one of the reasons why ward based plans were not undertaken this year.

Ward committees have been trained. Funding has also been allocated on an annual basis to compensate ward committee members for their time but the suggested stipend amount from national treasury will not be met due to financial constraints of the municipality.

#### **Traditional leadership**

The municipality is committed to meeting with Traditional leaders to find solutions to the problem of acquiring sufficient land for development outside town boundaries. Traditional leaders are represented in Council and at all standing committees. The municipality is however experiencing some resistance from Traditional Leaders who feel that their authority is being undermined by the Municipality. The Mayor has however made it a clear policy that nothing may be implemented in wards without the knowledge of Traditional Leaders and they are invited to be part of all municipal outreach events.

#### **4. SOCIAL COHESION**

The municipality has several social cohesion programmes. These involve door to door campaigns whereby the municipality and sector department target certain areas and run campaigns on problems being experienced in that area such as child headed households. A plan is then formulated to resolve these issues and all stakeholders state their commitment to resolving these issues.

The Municipality has also resuscitated the Mayoral cup whereby all sports codes participate in their codes and the winners receive prizes and cups. The Youth festival was also launched in March 2013 whereby the youth are encouraged to showcase their talents in song and art. These will both become annual events

The municipality participates in community policing forums in order to unite stakeholders to fight against crime. The municipality also forms part of the moral regeneration programme of the Presidency. The **Integrated Community Safety Forum** relaunched in June 2013 under the leadership of the Community Services Portfolio Councillor. The relaunch of this forum has been delayed several times by the civic protest. The work of the new forum will be the development of an Integrated Community Safety Plan.

All of these programmes and public participation forums together assist in providing platforms whereby people can meet and discuss their differences and problems. This dialogue leads to nation building as people begin to realise that there is more that unites them than divides them.

The municipality has IGR structures such as the IDP Representative Forum whereby sector departments are engaged with in order to find solutions to service delivery issues. In addition special meetings are arranged for departments to meet outside the IDP Rep Forum. Sector departments

(national and provincial) are also engaged with through Munimec and the District IGR structures such as DIMAFO. Sector departments are also contacted throughout the year to respond on community queries as well as participate in public participation programmes. In addition engagement with provincial and national departments is facilitated through the Joe Gqabi District IGR structures such as the various committees like governance and administration which are attended by the municipality.

The Municipality also participates in all SALGA structures where it can meet and discuss issues with other municipalities. These structures **facilitate inter municipal planning**. In addition the District DIMAFO structure provides a space for all Mayors and Municipal Managers to meet and discuss on issues which affect the District as a whole. Other relevant District forums are also attended by the Municipality such as the District Support Team, and Communicators Forum.

### **Other Public Participation Forums and Players**

#### **IDP Rep Forum**

This forum meets at least four times a year to discuss progress achieved on implementation as well as to give direction around the needs and requirements of the future as contained in IDP. The forum is chaired by the Mayor and is constituted by various government departments, interested parties, organised groups, CBO's, Ward committees and NGO's.

#### **CDW's**

CDW's are another resource which the municipality utilises in order to improve public participation. However the implementation of this programme remains problematic due to power struggles between ward committees and CDW's. The problem is exacerbated by the fact that CDW's report to and are paid by the Province which means that in essence the municipality has no administrative control over the actions of these individuals. The municipality has attempted to alleviate the problem by having a quarterly **Round Table** meeting where issues pertaining to ward issues are discussed. It is chaired by the Speaker and consists of Ward councillors, Traditional Leaders, LG & TA and CDW's.

#### **Economic Development Forum**

This newly launched forum will meet on a quarterly basis and consists of all stakeholders involved in LED. They will meet to discuss issues and challenges relating to the implementation of LED. It is chaired by a Portfolio Councillor. In addition it will monitor the implementation of the LED strategy.

#### **Communicator's Forum**

This forum meets quarterly to discuss issues pertaining to communicators in the region. It consists of local municipal communicators, GCIS and media representatives.

## 5. COMPLAINTS & FRAUD MANAGEMENT

The municipality has a Community Liaison Officer who mans the Presidential Hotline as well as regular liaising with Ward Councillors and Ward Committees to ensure that they are kept abreast of any developments and complaints originating in their wards. The Officer contacts the necessary department with the complaint and then monitors to ensure that it is resolved.

The section is in the process of installing a complaints hotline which will be run by interns. In addition the system will run annual customer satisfaction surveys as well as development a customer charter which outlines the level of service which customers can expect from the municipality. The complaint management system is electronic and a SEBATA system known as Issue Management. The Customer Care Officer enters the complaint into the system and assigns it to the responsible official to deal with. If the Official fails to deal with the complaint, the system after a set amount of time refers it to their superior until it eventually lands up with the Municipal Manager. The system will be implemented from 1 July 2013.

The municipality has an adopted customer care charter and policy which outlines how complaints should be dealt with. This is contained in Annexure 4.

The Municipality adopted its **fraud prevention plan** in December 2008. The plan outlines what is fraud, a code of conduct for employees and Councillors, procedures for reporting fraud and lastly protection of the whistleblowers. The plan also outlines the policies and procedures that the municipality must implement in order to prevent fraud like supply chain management. The Internal and External Audit as well as the Audit committee are mandated to expose any evidence of fraud.

Most of the recommendations of the plan have been implemented and all employees are inducted about the Code of Conduct. The fact that Senqu has managed to receive an unqualified audit for 3 years indicates that the fraud prevention plan is effective.

## 6. AUDIT & OTHER COMMITTEES

### Section 80 Committees

The only section 80 committee in Senqu is the Executive Committee which sits monthly comprising the Mayor, Chief Whip and Portfolio Councillors. This is because Senqu has an Executive Committee system. The Executive Committee has 5 sub committees each headed by a Portfolio Councillor. These are Technical services, finance, IPME, community services and corporate services.

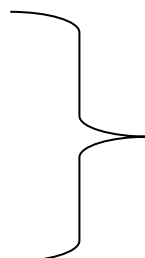
## Section 79 Committees

- **MPAC Committee**

The MPAC Committee was set up to improve the oversight role of Council. It meets to discuss all issues related to oversight as well as develop the oversight report for Council on an annual basis. The Committee is headed by Cllr A.Kwinana and 6 Councillors. The committee now meets on a monthly basis until it is fully operational and will then meet quarterly

- **Mandate committee**
- **Remuneration Committee**

were approved during a Council



These committees

- **Strategic and Governance Committee**
- members and

of the 27<sup>th</sup> March 2013 and their

- **Ethics Committee**
- finalised

terms of reference have yet to be

## Other Committees

### Performance Audit Committee

This committee meets to evaluate the performance of the municipality and S 57 employees on a quarterly basis. It consists of the members of the Audit committee.

## Audit Committee and audit action plan

The Committee meets to discuss the annual plan of the internal audit unit. The quarterly performance reports from the departments are also discussed in this committee.

The following are the audit opinion for Senqu Municipality for the past few years from 2007/8 financial year to date.

2007/8	2008/9	2009/10	20010/11	2011/12
Qualified	Unqualified	Unqualified	Unqualified	Unqualified

The municipality continues to implement the OPCAR (operation clear audit report) reporting template that monitors corrective matters undertaken to the prior year audit as well as PAF (preparation audit file) which sets in place the framework for all information to be collected for the 2012/13 financial

year's audit. The municipality prepares an electronic audit file under the direction of the Chief Finance Officer. The order of documentation is placed in the order of financial statements as indicated in GRAP and hyperlinked to relevant line item of the financial statements.

The Municipality aims to be the first municipality to attain a clean audit in the Eastern Cape.

Furthermore, the Audit Action team consisting of key role-players in the audit is to continue its work to coordinate, resolve problems and share resources to continue with the improved audit results

There are no recurring financial issues raised by AG report, recurring issues are mainly relating to non-compliance as well as performance information. The audit action plan reflected in the table below is therefore based on the matters of emphasis as well as the areas of non-compliance identified in the Consolidated Audit.

**Table 45: Audit Action Plan**

<b>Finding</b>	<b>Progress to date</b>
<p>Restatement of corresponding figures</p> <p>The corresponding amounts included in the financial statements for the financial year ended 30 June 2012 have been restated for the purposes of corrections of errors in the prior year. These corrections arose as a result of the indication of the discontinuation of water services provided by the district municipality, as well as compliance with GRAP 13 in regard to the classification of the three year lease contract; and the VAT implication on prior year debts written off by the council in the current year</p>	<p>These figures have been restated correctly</p>
<p>Material losses</p> <p>The municipality suffered an electricity loss of 3, 7 million kilowatts in the current year (2011: 5, 6 million kilowatts) amounting to R2, 2 million (2011: R3 million).</p>	<p>The municipality is in process of replacing part of its network in order to reduce electricity losses. this work is ongoing as can be seen in the 201/14 SDBIP.</p>
<p>Strategic planning and performance management</p> <p>The municipality did not implement 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.</p>	<p>A PMS and Compliance Manager has been engaged to ensure that this is dealt with.</p>
<p>Budgets</p> <p>The mayor did not submit all quarterly reports to council on the implementation of the budget and the financial state of affairs of the municipality within 30 days after the end of each quarter.</p> <p>The mayor did not take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved within 28 days after the approval of the budget.</p>	<p>A PMS and Compliance Manager has been engaged to ensure that this is dealt with. The IA have confirmed that these reports are now being submitted.</p> <p>The SDBIP has been submitted to the Mayor on the 18<sup>th</sup> June and signed by both her and the Municipal Manager. It will then be submitted to Council.</p>
<p>Annual financial statements, performance and annual report</p> <p>Material misstatements were identified by the auditors.</p>	<p>The material misstatements were corrected</p>
<p>Procurement and contract management</p> <p>Goods and services with a transaction value of between R10 000 and R200 000 were procured without obtaining written price quotations from at least three different prospective providers.</p>	<p>These cases have been investigated and steps taken to ensure that it does not re-occur.</p> <p>These cases have been investigated and steps taken to ensure that they do not re-occur.</p> <p>These cases have been investigated and steps taken to ensure that they do not re-occur</p>

<p>The register of bids received on time and the bid results were not published on the website of the municipality.</p> <p>Awards were made to suppliers based on criteria that were not similar to those stipulated in the original bid documents.</p> <p>Awards were made to suppliers who did not submit a declaration of their employment by the state or their relationship to a person employed by the state.</p> <p>The contract performance measures and methods whereby they are monitored were insufficient to ensure effective contract management.</p> <p>Awards were made to providers who are persons in service of other state institutions. Furthermore the providers failed to declare that they are in the service of the state.</p>	<p>These cases have been investigated and steps taken to ensure that they do not occur.</p> <p>A new Manager has been employed in Corporate Services to ensure that contracts are better managed</p> <p>The Municipality has investigated the cases and taken steps to ensure that they do not re-occur. A great emphasis has been placed on ensuring that the declaration register is accurate</p>
<p>Usefulness of annual performance report</p> <p>Presentation</p> <p>The municipality did not prepare a performance report in respect of the performance of each external service provider, a comparison of the performance with targets set for and performances in the previous financial year were not included in the performance report and mechanism and measures to improve the performance were also not included in the performance report.</p> <p>Consistency</p> <p>The audit of predetermined objectives revealed that a number of indicators, targets and strategies reflected in the SDBIP/IDP review are not aligned to the annual report, some IDP strategies were not included in the SDBIP and in some instances IDP strategies were not aligned to SDBIP focus areas, thus the consistency between the planning and reporting documents could not be verified.</p> <p>Measurability</p> <p>A number of focus areas indicated in the SDBIP did not have set targets and/or key performance indicators and some key performance indicators are not well defined.</p> <p>Reliability of selected objectives in the annual performance report</p> <p>Validity, accuracy and completeness</p> <p>The municipality did not provide evidence that Councillors have been trained in order to enhance their oversight roles in monitoring and evaluation of the performance of the municipality. Furthermore, in its annual performance report, the municipality has indicated that the training was provided to 189 employees and stated 100% achievement in the annual performance report, however, the staff compliment of the municipality is more than 189 employees. The municipality has targets in the IDP/SDBIP which were not reported in its annual performance report.</p>	<p>A new Manager of compliance has been employed to ensure that performance reports on service providers are accurate.</p> <p>A service provider was engaged and a new Manager of compliance to ensure that the IDP, SDBIP, PMS and budget are fully aligned.</p> <p>These mistakes have been rectified in the new SDBIP and the newly engaged Compliance Manager is ensuring that the 2013/14 SDBIP does also not have the same issues.</p> <p>Councillors have been trained through the LGSETA on their oversight role especially those on the MPAC.</p>

The audit action plan has been developed and monitored on a quarterly basis by the Audit Committee to ensure that the departments concerned have corrected or put measures in place to ensure that these issues will not reoccur.

### IT Steering Committee

This committee consists of officials from every department and discusses issues relating to IT. This includes the purchasing of software and hardware as well as problems being experienced with the expansion or current usage of the IT system. It meets quarterly.



### **Budget & IDP Steering Committee**

This committee meets according to the annual IDP and budget process plan. It consists of top management officials from each department, Municipal Manager, Mayor and the Finance Portfolio Councillor. It is headed by the Finance Portfolio Councillor and discusses issues relating to the budget and IDP.

### **Management Meeting**

This meeting is chaired by the Municipal Manager which meets monthly and discusses issues pertinent to the administration.

### **Supply Chain Committees**

**Senqu has two committees** viz the Specification/Evaluation Committee which ensures that the specifications are correct and in line with scm legislation and approves them for tender advertisements. The Committee also evaluates bids once tenders have closed and forwards their recommendations to the Bid Committee. The Bid Committee makes the final decision on tenders except for tenders above R 10 million.

### **HR Committees**

HR has several committees.

- **Local Labour Forum** which consists of selected management, Finance and Corporate Services Portfolio Councillors and the labour Unions to discuss labour issues
- **Training Committee** to discuss the implementation and development of the WSP
- **Employment Equity Committee** to discuss recruitment and selection based on EE principles
- **Placement committee** which meet on an adhoc basis to discuss issues relating to the organisational structure
- **Occupational Health and Safety Committee** which discusses issues relating to the health and safety of officials and the buildings.

## **7. SPECIAL GROUPS**

The Municipality has an SPU Officer and eventually the unit should receive additional staff. Portfolio Councillors for each area have been allocated from the Executive Committee

### **HIV and AIDS**

An Officer is responsible for HIV and Aids co-ordination in the municipality. An **HIV and Aids Council** co-ordinates HIV and Aids activities in the region. The Council has also developed an HIV & Aids mainstreaming policy which is going for out for public comment. It will then be adopted by Council.

HIV and AIDS ward Committees headed by Ward councillors are being launched in every ward. Council has also adopted a HIV and AIDS strategy for the municipality.

### **Youth Council**

The Youth Forum has just been reformed and a youth strategy and plan developed for the coming years. A ward youth committee is being launched for every ward. The municipality is increasing its funding to provide for youth projects and ensure that more youth are assisted to find employment through the youth database. The municipality is committed to channelling all job advertisements and bursaries funded by various departments through to Ward Councillors for distribution to the youth.

### **Elderly Forum**

The municipality has developed a Forum which will then implement an annual plan.

### **Women Forum**

A women empowerment forum exists led by a Portfolio Councillor from the Executive Committee. A plan is done on an annual basis. The idea behind the forum is to ensure that women are empowered to take advantage of economic opportunities in the region. A ward based women committee is being launched for every ward.

### **Persons with Disabilities**

Persons with a disability have their own forum, known as the **Disabled Forum** which like the others develops and implements an annual plan. A database has been developed to indicate disability types so that sector departments may utilise it to increase the level of employment amongst people with disabilities.

### **Mainstreaming and access to economic opportunity**

The municipality's sector plans all acknowledge the fact that the Senqu population is youthful with a high degree of unemployment. In recognition of this the municipality's infrastructural projects sets youth targets in respect of youth, women and disabled. The municipality also tries where possible to implement job intensive projects. It is experiencing difficulty in promoting people with disabilities as the database of disabilities is not updated. In addition most projects in the municipality tend to involve physical labour which excludes most type of disabilities. The poor educational facilities in the area for the disabled also precluded people from many types of work as they do not have the necessary work skills to engage in any decent work opportunities.