

ANNEXURE 1

Buffalo City Metropolitan Municipality: Administrative Structure

The Buffalo City Metropolitan Municipality implements its Integrated Development Plan through its administrative structures headed by the Municipal Manager with the following Directorates:

- Municipal Manager's Office
- Directorate: Executive Support Services
- Directorate: Corporate Services
- Directorate: Planning & Economic Development
- Directorate: Engineering Services
- Directorate: Community Services
- Directorate: Health & Public Safety
- Directorate: Financial Services
- Directorate: Chief Operations Officer

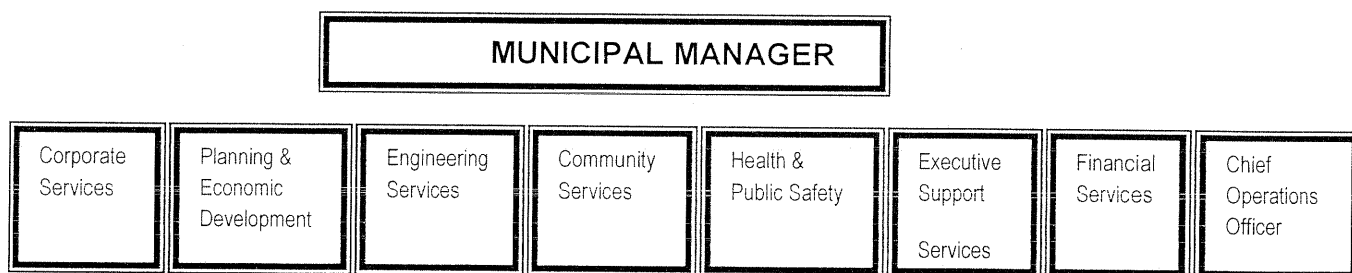


FIGURE 1: BUFFALO CITY METROPOLITAN MUNICIPALITY: ADMINISTRATIVE STRUCTURE

1.1 Directorate: Executive Support Services

The Directorate of Executive Support Services consists of the following Departments, namely:

- Public Participation & Special Programmes
- IDP, Budget Integration & Performance Management
- Development Cooperation & Communications
- Executive Support Services
- Knowledge Management & Research
- Office of the Speaker

Figure 2 details the organogram of the Directorate of Executive Support Services up to Management level.

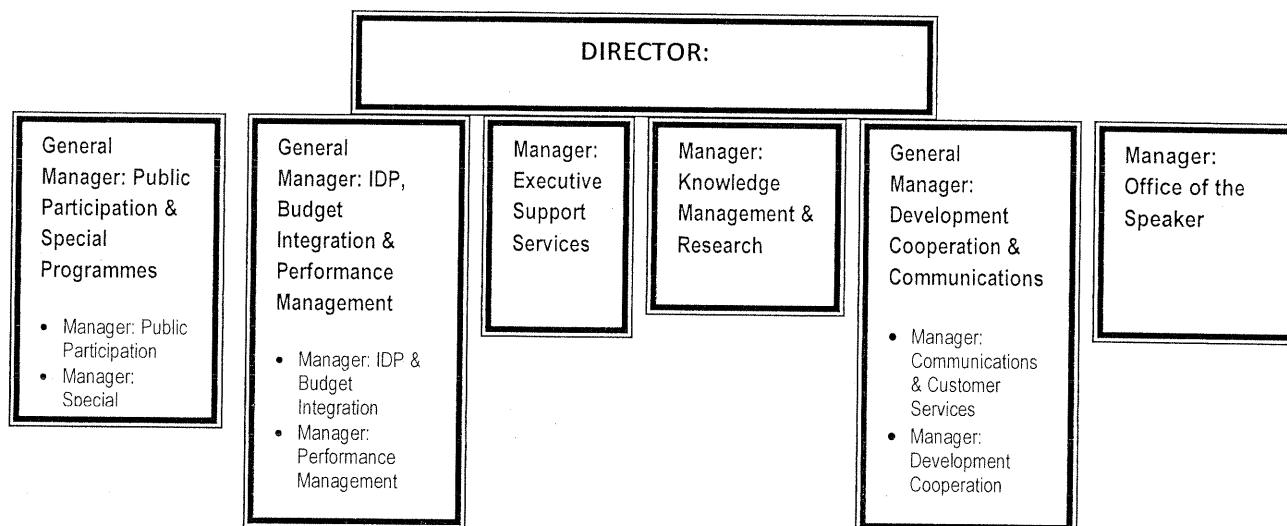


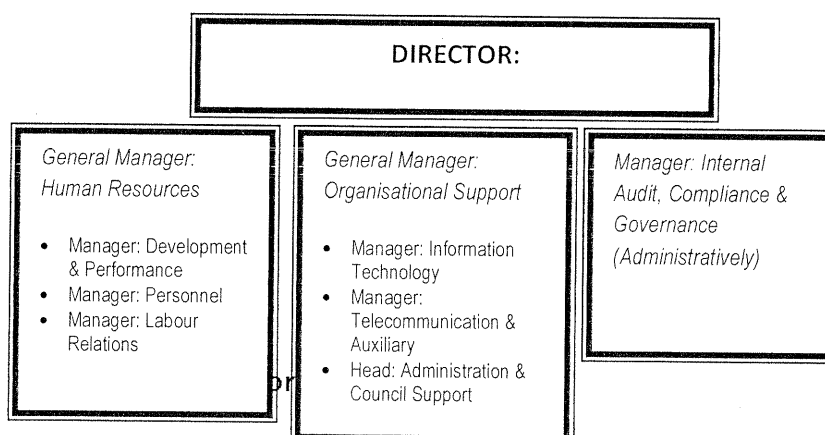
FIGURE 2: EXECUTIVE SUPPORT SERVICES

1.2 Directorate: Corporate Services

The Directorate of Corporate Services consists of the following Departments, namely:

- Human Resources
- Organisational Support
- Internal Audit, Compliance & Governance

Figure 3 details the organogram of the Directorate of Corporate Service up to management level.



1.3 Directorate: Planning & Economic Development

The Directorate of Planning & Economic Development consists of the following Departments, namely:

- Development Planning
- Transport Planning & Operations
- Economic Development & Tourism

Figure 4 details the organogram of the Directorate of Development Planning & Economic Development up to management level.

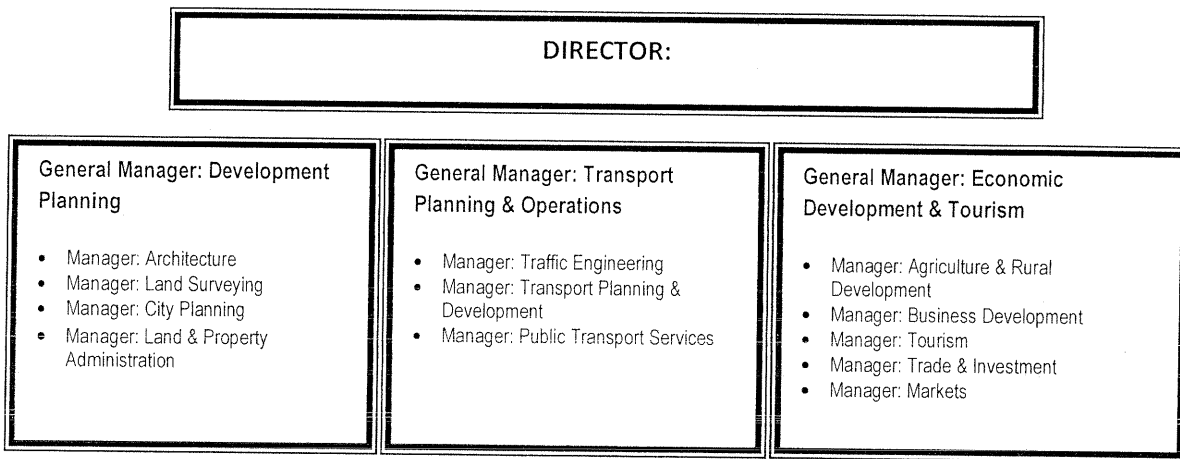


FIGURE 4: PLANNING & ECONOMIC DEVELOPMENT

1.4 Directorate: Engineering Services

The Directorate Engineering Services consists of the following Departments, namely:

- Water & Sanitation
- Construction, Roads & Projects
- Electrical & Mechanical Services

Figure 5 details the organogram of the Directorate of Engineering Services up to management level.

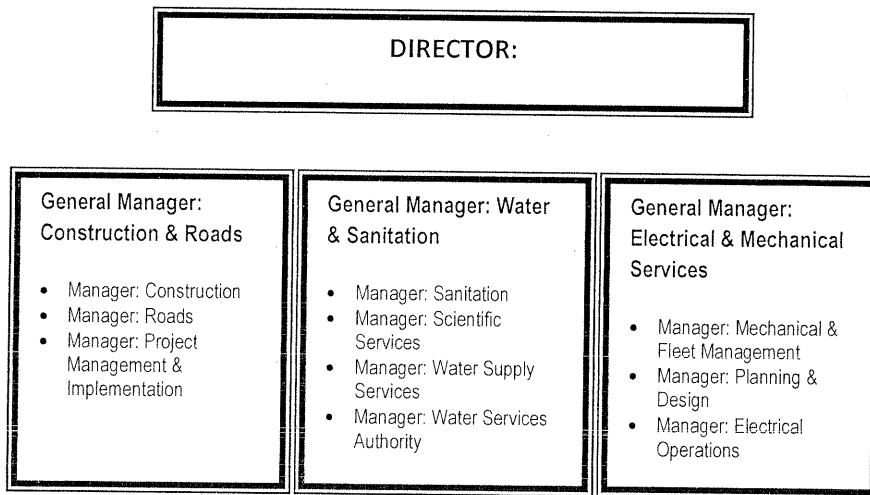


FIGURE 5: ENGINEERING SERVICES

1.5 Directorate: Community Services

The Directorate Community Services only has the following Departments, namely:

- Solid Waste Management
- Environmental, Amenities & Arts & Cultural Services
- IEMP & Sustainable Development

Figure 6 details the organogram of the Directorate of Community Services up to management level.

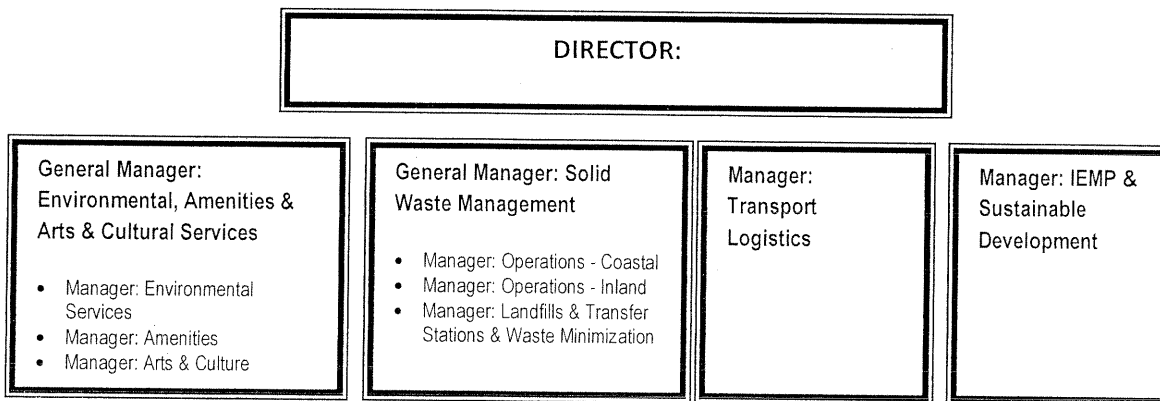


FIGURE 6: COMMUNITY SERVICES

1.6 Directorate: Health & Public Safety

The Directorate Health & Public Safety has the following Departments, namely:

- Public Safety
- Health Services

Figure 7 details the organogram of the Directorate of Health & Public Safety up to management level.

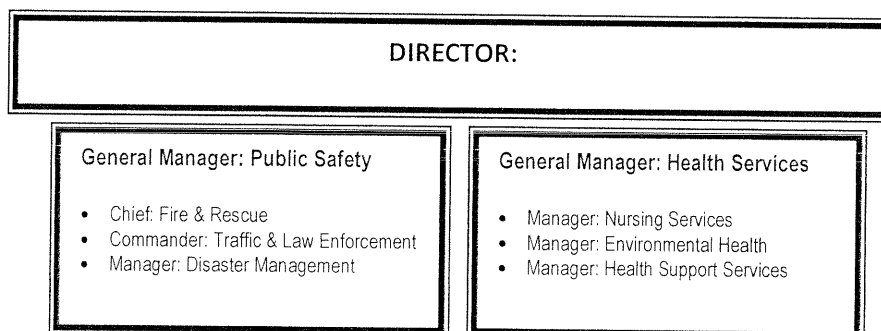


FIGURE 7: HEALTH & PUBLIC SAFETY

1.7 Directorate: Financial Services

The Directorate Financial Services consists of the following departments, namely:

- Asset & Risk Management
- Revenue Management
- Budget & Treasury
- Supply Chain Management

Figure 8 details the organogram of the Directorate of Financial Services up to management level.

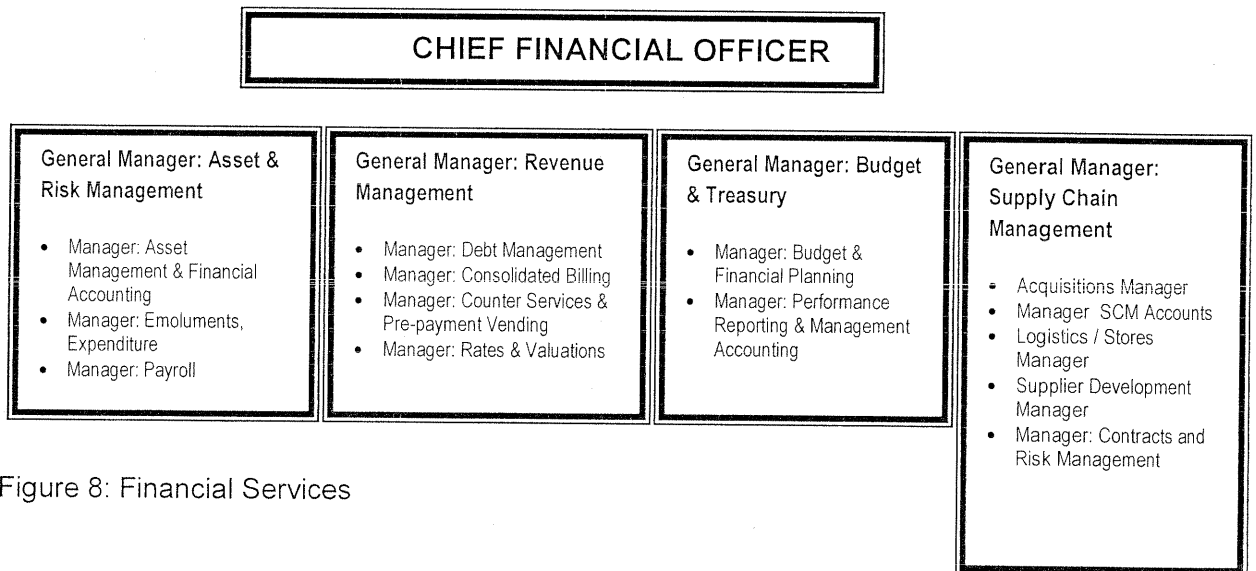


Figure 8: Financial Services

1.8 Directorate: Office of the Chief Operating Officer

The Directorate: Office of the Chief Operating Officer consists of the following departments, namely:

- Housing
- Mdantsane Urban Renewal Programme
- Special Projects

Figure 9 details the organogram of the Directorate: Office of the Chief Operating Officer up to management level.

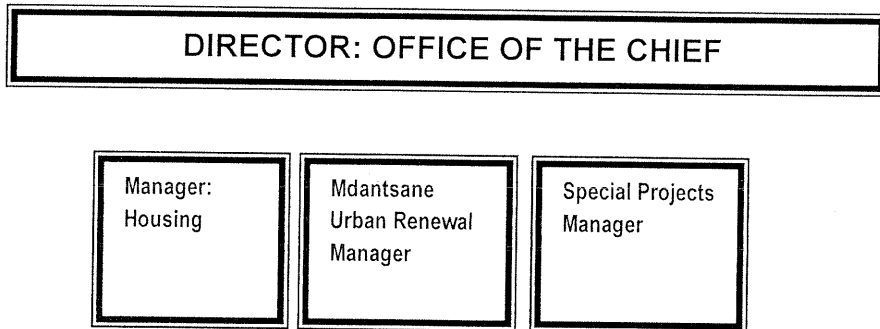


Figure 9: Office of the Chief Operating Officer

BUFFALO CITY MUNICIPALITY INSTITUTIONAL SCORECARD 2010/11

INSTITUTIONAL DEVELOPMENT PERSPECTIVE

KPA	IDP Objectives	Indicators	Indicator Origin	Measurement Source	Frequency	Baseline	Target 10/11	Quarter 3 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	Quarter 4 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	BCM is capacitated and structured to enable efficient, effective and Sustainable Service Delivery	Number of Senior Management Positions (Levels 0-4) filled by targeted gender groups [All females]	National	Pay roll data	Quarterly	26 females on post level 0-4	7	5	0%		Difficulty in finding suitable female candidates for the positions that were filled during the period of assessment	There are currently 6 vacancies falling within this specified category. Already one female has been recommended in one of the positions for the 4th quarter	7	1		Out of three positions that were supposed to be filled during the period of assessment, only one has been filled. There was also a moratorium placed on filling of vacant funded posts.	Ensure that the remainder of the positions falling in this category are filled by females if they are suitable	
		Number of Institutional performance assessments conducted	IDP	Quarterly assessments reports	Quarterly	4	4	3	3				4	4				
		% Reviewal of the Organisational Structure	IDP	Reviewed organisational structure	Quarterly	Existing Structure	100% Reviewed	60%	50%			A moratorium has been placed on all amendments to the structure with effect from 25 Feb 2011 until 30 June 2011, owing to the	The new draft structure for metro needs to be adopted and constant review of the structure to be effected	100%	100%		Macro organisational structure approved with IDP and budget	Embark in the development of a micro design
		% of municipal staff budget actually spent on implementing WSP	National	Expenditure report	Quarterly	1% of the staff budget	1.25% of the staff budget	0.83% of the staff budget	0,13% of staff budget			Due to votes being blocked, no expenditure incurred	Funds from budget adjustment are now available and expenditure will take place	1.25% of the staff budget	,59%		The department was able to spend all allocated funding, the funding could not be enough to cover the targeted percentage as per the plan	Expect entire 1,25% fund allocation in next financial year.
		Number of managers trained towards meeting minimum competency for Financial Officials as per the Government Gazette No. 29967 (CPMD)	SOCA	Competency certificates	Quarterly	5 managers are currently meeting minimum required competency levels	12 managers	17	17					12	17		Target met	n/a
		% of Internal Audit findings actioned by management	MFMA	Management Reports	Quarterly	NIL	100%	100%	100%					100%	Information not available during time of reporting			
		% Implementation of Integrated Resource Planning System	IDP	Feasibility Study	Quarterly	Existing disintegrated application system	Feasibility Study	75% (Draft report to Council on Feasibility Study)	30%			Delay in releasing the budget	A tender advert closed 01 April 2011 and the feasibility study will concluded by mid June 2011.	100% (final report on feasibility study)	30%		The tender was re-advertised as the was no suitable service providers could be sourced	The project was rejected at BAC and will be re-advertised in order to the feasibility study to commence. It should also be noted that some work has been done regarding the feasibility study in that an SCCM
		% Progress towards positioning BCM as a Metro	Dermacon Board	Reports to Council	Quarterly	Section 12 Notice	Report completed on transision to Metro by June 2011	Implementation of TFC plan	Information not available during time of reporting				Indicator should be transferred to the MM's Office	Finalisation of the Transision	Finalisation of the Transision		Target achieved, the report to council reveals that	
		% progress of implementation of Council Resolutions	Council Minutes	Reports to Council	Quarterly reports to Council	100%	100%	100%	90%			The Council processes made it impossible to provide index to directorates in time and minuntes are for the last	To circulate the index at least a week after each quarter to each directorate	100%	100%		Target met	n/a

FINANCIAL MANAGEMENT PERSPECTIVE

KPA	IDP Objectives	Indicators	Indicator Origin	Measurement Source	Frequency	Baseline	Target 10/11	Quarter 3 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	Quarter 4 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT	BCM is capacitated and structured to enable efficient, effective and Sustainable Service Delivery	% increase revenue debt collection rate	IDP	Financial Reports	Quarterly	92%	93.5%	93%	93,61%				93.50%	94,17%				
		%Progress made towards preparing Annual Financial Statements in terms of legislation and relevant accounting standards	IDP	Annual Financial Statements	Annual	Audited AFS 2008/09	100% submitted AFS	N/A	N/A					N/A	N/A			
		Reduction of debtors book as at 30 June 2010	IDP	Monthly Financial Statements	Monthly	R540m	R440m	R470m	R482m					R440m	R477,5m			
		Long Debt to Revenue as defined in the Municipal Planning and Performance Management Regulations (2001)	IDP	Performance Report	Quarterly	33%	40%	39%	28%					40%	Information not available during time of reporting			
		% of Outstanding Service Debtors to Revenue as defined in the Municipal Planning and Performance Management Regulations (2001)	IDP	Performance Report	Annually	16%	18%	18%	29%					18%	Information not available during time of reporting			
		Increase in the no. of indigent Households registered	IDP	Indigent Register	Quarterly	64 800	5200	4200	3810					5200	Information not available during time of reporting			
		Reduction in turn around time for formal tenders	SCM Reports	Contract register	Quarterly	4 months	3 months	3 months				Information not available during time of reporting		3 months	Information not available during time of reporting			

GOVERNANCE PROCESS PERSPECTIVE

KPA	IDP Objectives	Indicators	Indicator Origin	Measurement Source	Frequency	Baseline	Target 10/11	Quarter 3 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	Quarter 4 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	
GOOD GOVERNANCE & PUBLIC PARTICIPATION	BCM is capacitated and structured to enable efficient, effective and Sustainable Service Delivery	% Progress towards a fully GRAP compliant asset register	IDP	GRAP compliant Asset Register	Quarterly	70% 2009/10 Asset Register	90% 2010/11 Asset Register	75% 2010/11 Asset Register			Information not available during time of reporting		90% 2010/11 Asset Register	Information not available during time of reporting				
		Youth Development Initiatives	Council Open Day	i) Letter of award ii) YAC's employment contracts	Quarterly	3 (Bursary Fund, YACs & Review Youth Strategy)	4	(3) Elect BCM Youth Council	BC Youth Forum elected and inducted December 2010			N/A		(4) Youth Month Imbizo	Youth Social Cohesion Dialogue hosted by BCM in June 2011 & will be followed by BCMM Summit in July 2011			
	Cross-cutting issues mainstreamed through out BCM	% progress in implementing Knowledge Management strategy plan	IDP	i) Training programmes ii) Attendance registers	Quarterly	Adopted KM Framework and Strategy	40% (Basic KM training)	30% (Office & Programme Managers)	0% (Bid specification has been approved, advert is closing on the 19.04.2011 Memo for rollover has been approved)			(Votes were opened late last year)	Rollover funds so as to finalise the project	40% (KM champions)	20% Tenders were received and evaluated. None were responsive		Funding for the project was released only at the end of second quarter	Tenders to be re-advertised on 5 July 2011 and closed on 19 July 2011
		Number of Initiatives to Strengthen institutional mechanisms for Public Participation	IDP	i) Training programmes ii) Attendance registers	Quarterly	Adopted Annual Plan	4	IDP public Hearings (3)	Not achieved					Council Open Day (4)	Council Open Day & IDP Public Hearings were held and stakeholders & community members attended			
		Conduct Customer Satisfaction Survey	IDP	Survey results	Annual	Customer Satisfaction Survey 2006	Customer Satisfaction Survey Results 2010	Draft Results	5% (Requested City's Network to assist with terms of reference for customer satisfaction survey)			This project has been moved to 2011/12 due to Local Government elections that will take place in May 2011	Revive or follow-up with City's Network request in developing Terms of reference.	Final Survey Results	Not achieved, nothing was done		The Customer Satisfaction Survey has been moved to 2011/2012 due to Local Govt Elections	To be conducted during 2011/2012 financial year

Local, Provincial & National Stakeholders support and work together to achieve the vision for BCM	% progress made towards development and adoption of 5 year IDP (2011-2016)	IDP	Council Resolution	Quarterly	2010/2011 Adopted IDP	5 Year IDP (2011-2016)	Draft IDP (80%)	Draft IDP (80%)				Adopted IDP (100%)	Adopted IDP (100%)			
	Number of programmes towards implementation of BCM communication plan	IDP	i) Radio licence ii) Signed Agreements iii) Newsletter	Quarterly	4	4	Conversions of CSC to Thusong Centres (3)	60% (Meeting with stakeholders eg. ADM, OTP, GCIS, MURP & DVRI. Site visits of centres identified to be Thusong centres. Mdantsane is already a semi-		No funding for centre coordinator & vandalised infrastructure in Gompo.	Source funding for centre coordinator. Official handing over of centres so that they can be incorporated to BCM fixed assets	Assist in establishing Community Radio Station (4)	Assist in establishing Community Radio Station (MOU with Mdantsane FM Board signed & Communication tools DVD produced)			
	% implementation of IGR Framework	IDP	IGR Reports	Quarterly	Draft IGR Framework	100%	Launch IGR forum (100%)			Information not available during time of reporting		100% IGR implementation	Target not achieved,		IGR Framework not yet adopted	
	Number of South- South Partnerships established	SOCA	MOU's	Quarterly	0	2	N/A	1 milestone achieved however agreement needs to be signed on Francistowns reciprocal visit to Buffalo City.		African countries have limited resources to partner. Alternate sources of funding needs to be found to support the African Partnerships	Limit number of African partnerships however find alternate sources of funding eg ICLD to support partnership	2 (Wellington)	Target not achieved		African countries have limited resources to partner. Alternate sources of funding needs to be found to support the African Partnerships	Limit number of African partnerships however find alternate sources of funding eg ICLD to support partnership

SERVICE DELIVERY PERSPECTIVE

KPA	IDP Objectives	Indicators	Indicator Origin	Measurement Source	Frequency	Baseline	Target 10/11	Quarter 3 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	Quarter 4 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action
		Kilometers of roads upgraded	IDP	Completion Certificate	Quarterly	50 km	25km	15km	6km		Implementation of Mdantsane Roads and non signing of Contract 26 orders	SCM to sign requisitions submitted by Roads Dept.	25km	10km			
		Kilometers of roads surfaced and gravelled	IDP	Completion Certificate	Quarterly	600 kms	700km	500km	752.7km				700km	890km			
		% reduction in water losses	SDBIP	Water statistics spreadsheet	Quarterly	40%	30%	34%	40%		The votes that were meant for water loss interventions were blocked by the Department of Finance until December 2010, therefore all the planned activities were put on hold. This percentage is highly influenced by inconsistent meter reading and revenue collection.	Opening of votes must be done at beginning of the year so that the implementation of projects can start timeously.	30%	45%		The annual target was not achieved due the late availability of CRR funding which resulted in late implementation of projects that were targeted to reduce the water losses. Some of the projects were completed at the end of the financial year	Votes need to be opened at the beginning of the financial so that all targets can be met.
		Number of Chemical toilets replaced	National	Completion Certificate	Quarterly	282	140	120	129				140	129		Exhaustion of funding	
		Number of projects implemented towards implementation of the Integrated Waste Management Turnaround Strategy	IDP	Management Report	Quarterly	2	8	6	6 (Buy Back Center, Clean Up Campaigns, Installation of Street Bins, Introduction of permanent night shift, Acquisition of 6 Refuse Compactor Trucks and Implementation of 3 Bag Pilot Project in Quigney)		6 (Buy Back Center, Clean Up Campaigns, Installation of Street Bins, Introduction of permanent night shift, Acquisition of 6 Refuse Compactor Trucks and Implementation of 3 Bag Pilot Project in Quigney)		8	8 (Buy Back Center, Clean Up Campaigns, Installation of Street Bins, Introduction of permanent night shift, Acquisition of 6 Refuse Compactor Trucks and Implementation of 3 Bag Pilot Project in Quigney, 20 Drop off points were constructed in ward 5,6,9 and 10; Training on Supervisory and Leadership skills was			

INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

BCM is well structured, efficient and supports sustainable human settlements, thus enabling residents their physical, social, developmental, environmental, cultural and psychological needs. (live, work & play)

% spending of capex	IDP	Financial Reports	Quarterly	60%	100%	70%			Information not available during time of reporting		100%	Information not available during time of reporting			
% spending of opex (projects)	IDP	Financial Reports	Quarterly	80%	100%	75%			Information not available during time of reporting		100%	Information not available during time of reporting			
% spent of repairs maintenance	IDP	Financial Reports	Quarterly	100%	100%	75%			Information not available during time of reporting		100%	Information not available during time of reporting			
Number of Informal Settlements formalised and upgraded	SOCA / National / MDG	Establishment plan	Quarterly	21	8	6	0		Additional layout plans for formalisation of informal settlements to be prepared inhouse.	Final approvals for draft layout plans to be obtained from Council	8	5 Layouts approved and 3 Layouts finalised and to be submitted for approval		Time consuming process and delays in obtaining comments on draft layouts	Departments to increase turnaround timeframes in providing comments
Number of people benefitted through indigent transfers to support land reform in BCM (tenure upgrading)	IDP	Indigent transfers effected.	Quarterly	50	2000	1000	500		The Conveyancers are encountering problems around insufficient documents and conflicts with families	An Action Plan was developed by Land Administration to address the non movement of transfers and submitted to Directorate of Finance: G.M. for their input. The Action Plan entailed Roadshows to be conducted in various Townships to educate and assist the Heirs/Beneficiaries.	2000	0		Delay in getting matters registered because of incomplete documentation which in turn caused the Attorneys not to be able to draw up their transfer documents for lodgement and registration. On receipt of Applications from the Municipality, the Attorneys realised that the documentation was incomplete and required assistance from the Municipality.	Meetings / Roadshows to educate the Communities through the Ward Councillors were arranged between February - April 2011, but did not materialise and Land Admin will revive the meetings in the new financial year 2011/2012.
Increase in the number of beneficiaries benefitting in the Extended State Discount Benefit Scheme programme, in support of land reform in BCM (tenure upgrading)	IDP	Extended Discount Benefit Scheme	Quarterly	500	100	80	12		12 Beneficiaries approached Land Administration for assistance in obtaining their Title Deeds	Organise Roadshows to inform the public of the procedure Council is following in finalising the transfers	100	14		An advert was published through media notifying Communities of the free transfer of ownership in terms of the Extended State Discount Benefit Scheme but still the Municipality	Roadshows are to be arranged through the Councillors to educate communities and advising where they need to go to obtain Title Deeds for properties that were obtained from
Number of strategic land parcels acquired for land reform	IDP	Offer & Acceptance letters / Deed of Donations / Deed of Transfers.	Quarterly	10	35	30	0		Land parcels still being identified	Land affairs is willing to assist in acquiring land parcels	35	1		An application to acquire the identified state land for Municipal use was submitted to Public Works and Department of Rural Development & Land Reform. The process of state land release is lengthy, cumbersome and tedious.	Request for Political Intervention has been sought.
% of budget spent on the improvement of traffic & pedestrian safety by the installation of traffic calming measures	IDP	Comprehensive roll out programme for Traffic Calming Measures around Schools and High Accident Zones.	Quarterly	0%	100%	60%	0		Funding for project only released at the end of the second quarter.	Report to be submitted to BID committee shortly.	100%	85%		Delay with sole supplier purchases	Procurement issues have been resolved.
Improve Traffic & Pedestrian Safety by the construction of roads bridges	IDP	Completion Certificate for Construction of Yellowwoods River Bridge	Annually	0	Bridge construction complete and practical site hand over	Abutments and Piers Complete to deck	Abutments and Piers to Deck complete					90%		Delay to heavy rains	Project to be completed by end of July 2011

	Milestones towards provisioning of a bridge linking Needs Camp and Potsdam	IDP	Feasibility study report and submission of Detailed Design and Tender Documents for the Needs Camp / Potsdam bridge project	Annually	0	Completion of feasibility study, Detailed Design and Tender Documents	Approval of Detailed Design	Tender Documents being evaluated by Supply Chain and Department. Report to be submitted to BID committee	👎	Funding for project only released at the end of the second quarter.	Report to be submitted to BID committee shortly.	Approval of Tender Documents and report to Bid Specification Committee	0	👎	Funding for project only released at the end of the second quarter.	Award was made on 27 June 2011 for Consultants to conduct feasibility study
	Number of buses acquired and licensed as part of recapitalisation of the City Bus Service	IDP	Bus licences	Quarterly	0	9	6	Tenders closed 25 March 2011	👎	Funding for project only released at the end of the second quarter.	Report to be submitted to BID committee shortly.	9	0	👎	Funding for project only released at the end of the second quarter - it takes 20 weeks to manufacture a bus.	Award has been made and delivery period is 20 weeks
	% Progress made towards design of the 1st Phase of BRT System	IDP	Design report	Quarterly	0%	100%	60%	Tender Specifications being finalised	👎	Project could not commence until legal issues had been resolved	Report to be submitted to BID committee shortly.	100%	2%	👎	Project could not commence until legal issues had been resolved	Legal issues have been resolved and the tender was advertised and is currently being assessed.
BCM complies with the National Key indicators relating to water, electricity, sanitation and solid waste	Increase in number of households in low income areas electrified	National/ IDP	DOE report form/Connection form	Quarterly	102000	1500	1000	35	👎	Bulk services are being installed at present and the actual connections can only take place thereafter.	Contractor has been requested to increase program output	1500	250	👎		
	Increase in number of households with access to basic levels of sanitation	National	Completion certificates	Quarterly	133400	5500	3590	4393	👍			5500	Information not available during time of reporting	👎		
	Reduction in number of households without access to basic levels of water	National	Asbuilt drawings	Quarterly	6578	5869	ee	0	👎	The approval for the appointment of Learner Contractors took a long time than anticipated	The contractors are currently on site and the projects are planned to be completed by October 2011	5869	4937	👍	N/A	More funding required
	Increase in number of households with access to basic level of solid waste removal	National	Waste collection schedule	Quarterly	118384	34000	22000	22000	👍			34000	240000 households were serviced	👍		
BCM is well structured, efficient and supports sustainable human settlements, thus enabling residents their physical, social, developmental, environmental, cultural and psychological needs. (live, work & play)	Milestones towards establishment of new cemeteries	IDP	Final Environmental authorisation	Quarterly	3	3	0.3	0.3	👍	N/A	N/A	Public Participation, draft basic assessment report. Final basic assessment report. Environmental Authorization.	Information not available during time of reporting	👎		

INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

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Number of Housing units provided to those with Special needs	IDP	Handover certificate	Annually	5	50	25	9 = (6 beneficiaries from Reeston Phase 1 & 2 AND, 1 beneficiary from Z Soga) (2 = Potsdam Unit P, Mzoli Qomiyana 5001185745083 has been relocated to Potsdam Unit-P. His wife is disabled. The second one is Daweti Julia I.D no 5102270448086 suffering from a stroke. He has been allocated a house in Potsdam Unit-P phase 2.)		Of the 3 beneficiaries in Q2 only 2 have qualified. Mbongeni Gebesha's application has been sent out for verification again. BCM have not received approvals of applications since January 2011. PDoHS has reported that NDoHS has terminated the service provider and this affects processing of application Nationally and they are not sure when this matter will be resolve.	Beneficiaries with special needs are still being assessed and will be considered for the 3rd Quarter. Applications are also being processed and will be considered for the 3rd Quarter.	50	(9) Beneficiaries : (6 beneficiaries from Reeston Phase 1 & 2 AND, 1 beneficiary from Z Soga) (2 = Potsdam Unit P, Mzoli Qomiyana 5001185745083 has been relocated to Potsdam Unit-P. His wife is disabled. The second one is Daweti Julia I.D no 5102270448086 suffering from a stroke. He has been allocated a house in Potsdam Unit-P phase 2.)		Beneficiaries with special needs are still being assessed and will be considered for the 2011 / 2012 financial year.	Applications are being processed and will be considered in the 2011 / 2012 financial year.
% progress in creating an intergrated Housing Demand Data Base system	Institutional Planning Session	Completion certificate	Annually	5%	100%	100%: continue with the electronic registration processes of beneficiaries in East London and the various satellite offices	47% - completed: 16600 of the old data base of 35000 registered onto the new data base. Still on 2000 of the electronic registration from the remaining 4000 backyard shack dwellers on the new Housing Needs Demand Data Base. 82 Informal of the Of the 154 settlements in the BCM urban edge; 82 from Mdantsane have been registered (8100 informal dwellings), the remaining 72 East London and KWT settlements are still being		The software provided by National Department of Human Settlement is failing to provide certain reports necessary for the success of the allocation procedure. The funding for the temps utilized for capturing of data have been cut, so all the temps had to be cut. The Housing Department had a "brake in" on 27 March 2011 and 12 computers have been stolen. This incident is being investigated by the SAPD. IT failures have also continued	Replacement computers have been received from other internal BCM departments. New computers have been ordered. Additional funds are being sourced to bring in temps again for capturing of the data. The additional satellite offices in KWT, Dimbaza, Mzamomhle and Nompumelelo proposed to be opened 1 May 2011.	100%	60% • 87 informal settlements of 154 informal settlements have been registered. The Housing Department undertake to register the balance of 40% which consist of 67 informal settlement with East London Area being Phase 2 and King Williams Town /Dimbaza Phase 3. 17,500 Beneficiaries have already been registered. 14,000 beneficiaries have been captures on the new demand data base A total of 3,500 beneficiaries have been registered but not yet uploaded onto		•Delays concerning the appointment of temporary staff were experienced, this led to the registration process of beneficiaries not be completed. As result from a burglary in the housing department the registration process was affected. Additional temporary staff have been employed to bring the electronic registration process to completion. New computers have also been provided to the Housing Department.	• Additional funds are being sourced to bring in temporary staff again for capturing of data. • In the interim , the Registrations is currently being undertaken by some of the permanent staff on short term basis . • Replacement computers on loan have been received from other internal BCM departments. • New computers have been ordered.
Number of Housing Units provided to Second Creek Community	SOCA	Handover certificate	Quarterly	Terms of reference have been completed	289 Top Structures Completed	140 Top Structures Completed	0 Top Structures. 216 Beneficiaries have been registered at present		There have been delays in the approval of internal services designs.	Upon approval of designs the project will go out to tender for the purpose of appointing a contractor for both internal services and top structure. The problems regarding the 49 Beneficiary that do not have ID numbers are being addressed with the Department of Home Affairs.	289 Top Structures Completed	The tender has gone out and closed on 5 July 2011 for the purpose of appointing a contractor for the internal services and top structures		Because of the delay in approval of designs and the budget short fall the project could not go out on tender for the purpose of appointing a contractor for both internal services and top structure. The delays in approving the designs was due to roads designs that were very steep and also more than the allowable slope percentage by the Municipal roads standards. The problems regarding the 49 Beneficiary that do not have ID	Engineering department approved the designs by deviating from the roads design standards and approved the road designs. They have also committed to top up the short fall.
% Progress made towards development and adoption of DVRI Regeneration Strategy (TRS)	SOCA	Council Resolution	Quarterly	Terms of reference have been completed	100% (Adopted DVRI TRS)	75% (Draft DVRI TRS)	National Treasury has not commenced with the procurement process because all procurement from their dabatase of professional service providers has been put on hold.		The TRS project is under the implementation of NT and therefore BCM is not in control.	To comply with NDPG conditions.	100% (Adopted DVRI TRS)	0%		As the TRS project is under the implementation of National Treasury, the procurement process hasnt commenced at NT. It has been reported that the process is on halt until a meeting is convened with BCMM to discuss the matter.	Registrations is currently being undertaken by some of the permanent staff on short term basis .

	% Progress made towards development and adoption of MURP Regeneration Strategy (TRS)	SOCA	Council Resolution	Quarterly	Murp Strategic Plan	100% (Adopted MURP TRS)	75% (Draft MURP TRS)	National Treasury has not commenced with the procurement process because all procurement from their database of professional service providers has been put on hold.		The TRS project is under the implementation of NT and therefore BCM is not in control.	To comply with NDPG conditions.	100% (Adopted MURP TRS)	0%		As the TRS project is under the implementation of National Treasury, the procurement process has not commenced at NT. It has been reported that the process is on halt until a meeting is convened with BCMM to discuss the matter.	• Replacement computers on loan have been received from other internal BCMM departments.
	Number of formal Housing Units built with basic level of service	IDP	Handover certificate	Annually	2500 top structures	internal service = 4115 Top Structure = 4603	Internal Services = 2759 Top Structure = 3529	Internal Services = 2083 Top Structure = 1122: Potsdam Unit P Stage 2 = 2003 serviced sites and 210 top structures; Dimbaza Phase 2 = 152 Top structures; Tyutyu Phase 1 = 71 Top Structures; Tyutyu Phase 2 = 220 Top Structures; Ilitha South = 9 Top Structures; Z Soga = 142 Top Structures; Amalinda Simanyene = 93 Top Structures; Reeston Phase 1&2, Stage 1B = 225 Top Structures.		1986 sites are currently at Excavation level; 1880 = Wall plate level; 1805 = Roof level; 1775 sites are practically completed but not handed over as yet. This will be done in the 4th quarter.	Litigation challenges need to be resolved for the Reeston project, this will allow for more handovers from illegal occupants to legal beneficiaries. Outstanding agreements for the key projects need to be concluded with the PDoHS.	Internal Services = 4115 Top Structure = 4603	Internal Services = 1195 Top Structure = 1929: Potsdam Unit P Stage 2 = 1003 serviced sites and 500 top structures; Dimbaza Phase 2 = 273 Top structures; Tyutyu Phase 1 = 257 Top Structures; Tyutyu Phase 2 = 293 Top Structures; Ilitha South = 280 Top Structures; Z Soga = 166 Top Structures; Amalinda Simanyene = 93 Top Structures; Reeston Phase 1&2, Stage 1B = 225 Top Structures. Mekenil Street / Havens Hills South / Competition Site = 80 Serviced sites.		Some of the projects such as Reeston (Phase 3 Stage 2) for the 2010 / 2011 financial year was affected by litigation challenges and Mdantsane CC 18 was affected by EIA studies; Manyano Themelhe phase 2 because of procurement disputes between BCMM and PDoHS; Second Creek affected by engineering design. Thus the houses could not be constructed for these projects which affected the target from being achieved in the 2010 / 2011 financial year. Delays by the PDoHS to finalise agreements / funding was also	Litigation and procurement challenges have now been resolved. Bids have been invited which are now being adjudicated with the intention of making appointments.
	Number of Municipal buildings and facilities provided with appropriate access and toilet facilities for physically disabled communities and staff.	IDP	Progress reports to Standing Committee	Quarterly	16	8	7	0		Waiting for order for six ramps, contractor on site for one wheel chair ramp at Ward 10 Councillor office.	Funding released late, will engage SCM to speed up procurement processes.	8	8			
	Number of traffic signals designed for visually impaired communities	IDP	Progress reports to Standing Committee	Quarterly	1	16	12	0		Funding for project only released at the end of the second quarter.	Report to be submitted to BID committee shortly.	16	0		Traffic Signals for Visually Impaired Project could not be implemented due to the blocking of CRR Funding	
BCM has a safe, healthy and sustainable environment protected for the benefit of present & future generations through securing ecologically sustainable development & use of natural resources whilst promoting justifiable social and economic development	% of Pregnant Women tested for HIV	National	HIV statistics register	Quarterly	85%	85%	85%	88.70%				85%	88%			
	% Implementation of the Integrated Environmental Management Plan	IDP	IEMP reports	Quarterly	50%-(1) CZMP adopted (2) MOSS developed and to be tabled to council (3) Climate Change Strategy Developed (4) Environmental Education Strategy Developed	100%	75% - Environmental Education Strategy adopted by Council	50%		Pending Moss finalisation incorporation into GIS	Moss incorporation will be finalised in April 2011. The consultant was still gathering the information	100% - (1) Moss incorporated to GIS (2) MOSS training Conducted (3) Climate Change Strategy Implemented (4) Environmental Strategy implemented	50% (MOSS incorporated to BCMM GIS & Environmental Education Strategy adopted & implemented		MOSS Training is targeting councillors & Senior Management before training can be conducted for all relevant Staff. There was no funding for the Development of Climate Change Strategy	Due to the change in Council, training will be conducted in the 2011/12 financial year. Climate Change Strategy will be developed in the 2011/2012 financial year
Improve monitoring and correction of contaminated drinking water, polluted river streams and beaches	Number of treatment plants assessed for Blue Drop Status	National	Monthly water quality sample reports	Annually	2	2	0	0				2	2		N/A	More funding to operate treatment plant must be made
	% progress on processes to regain the Blue Flag Status	National	Monthly water quality sample reports	Monthly	0	100%	60%	50%		N/A	N/A	100%	50%		Awaiting funding for posts associated with Blue Flag and funding associated with application aspects	Report put through to Top Management for issues of funding

BCM is capacitated and structured to enable efficient, effective and Sustainable Service Delivery	Number of early warning weather stations installed	IDP	Completion Certificate	Quarterly	0	6	600%	Project Terminated		Due to operational cost not being allowed to be funded from DBSA funding, project terminated as costs are predominately operational, e.g. data lines, electrical power, service & maintenance contract	Funding returned to Finance Department.	completed	Project Terminated		Due to operational cost not being allowed to be funded from DBSA funding, project terminated as costs are predominately operational, e.g. data lines, electrical power, service & maintenance contract	Funding returned to Finance Department.
	Establish a learners licence testing station in Mdantsane	IDP	Completion Certificate	Quarterly	0	1	Completion of construction	0%		Finalisation of land.	Currently negotiating with Community Services for purchase of land	-	0		Finalisation of land.	Subdivision of land still in progress
	Establish a Fire Station in King Williams Town	SOCA	Certificate of Certification	Quarterly	1	Appointment of Professional Team and Contractor	Completion of Construction	To Bid Specification Committee on 1/4/2011		A delay in PMU submitting specifications was experienced.	N/A	-	Tender advertised 15/4/2011 and closed 13/5/2011. Being adjudicated at present		Delay in rezoning at start of project resulted in further compounded delays	
Reduction and prevention of crime incidents in BCM	Number of street lights installed	IDP	Completion certificate	Quarterly	61500	1500	100000%	63178 (69)				1500	1500			
	% progress made towards the installation and operation of a CCTV system at Highway Mdantsane	IDP	Completion Certificate	Quarterly	0	100%	75%-(Installation of cameras & preparation of control rooms)	70%		Raindays during contract period resulted in 2 week delay in installation of cameras	Contractors scheduled to install cameras during week commencing 4/4/2011	100%-(Cameras & control rooms operational & personel trained)	98%		Problems with radio link delaying final handover due to interference from another site	Contractor in process of rectifying problems

MUNICIPAL DEVELOPMENT PERSPECTIVE

KPA	IDP Objectives	Indicators	Indicator Origin	Measurement Source	Frequency	Baseline	Target 10/11	Quarter 3 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action	Quarter 4 Target	Actual Target Achieved	Rating Key	Reason for Deviation	Corrective Action
		Number of programmes implemented to grow BCM as a tourism and sport destination	IDP	Events Programme/ Completion certificate	Quarterly	3	6 (Capacity Building, Tourism Product Development Programme, Tourism Marketing and Events Programme, BCM Challenge Football Cup, Ironman & Golf.)	4 (Tourism Product Development Programme, Ironman & Golf)	0		The delay in transferring funding by the National Department of Tourism. After the money was transferred to the implementer, there were heavy rains that created problems in accessing the site.	The project is currently at 60% completion. It is hoped that it will be completed in the next 6 months provided the weather permits. The staff on site is currently working six days a week against five days a week.	6 (Tourism Product Development Programme & BCM Challenge Football Cup)	The construction in relation to tourism product development is currently at 80% completion. 2 Capacity building programme & 3 marketing programs to support tourism smme's have been implemented, i.e Indaba Tourism Trade Show and Adventure Outdoor show		The deviation is in relation to completion of Kiwane Campsite. The project is funded by both BCM and External Department. Buffalo City was to provide electricity to the project whilst the National Department of Tourism fund the construction of tourist chalets. The construction is currently at 80% this is due to the fact that there was a delay in transferring the money to the impementer by the Department. In relation to the	Additional people have been employed by the implementer in order to fast track the implementation of the project. The phase two of the project is estimated to be completed in approximately six months. The department has recently approved funding for phase three of the project.

LOCAL ECONOMIC DEVELOPMENT	BCM creates an enabling environment for an economy that is growing, diversifying, generating increased number of sustainable employment opportunities and contributing to increased incomes and equality.	Number of SMME and Cooperative programmes implemented	IDP	Completed application certificate/ SMME report	Quarterly	4	4 Capacity Building & Awareness, Training, Marketing of SMME, Business Development	3 (Training)	3			4 (Capacity Building and Awareness)	4 (Emerging Contractor Development Project, Duncan Village SMME Information Seminar, Duncan Village Customer Care capacity building training, Duncan Village Skills Audit and Database Development)			
		Number of Job opportunities facilitated by BCM through LED and EPWP	IDP	Attendance register from the service contractor.	Half-yearly	135 963	90 000	65 000	107 090		N/A	90 000	172,975 man-days			
		Number of identified suitable land parcels made available for economic development	SOCA	Deeds of Sale/Lease Agreements/Deeds of Donations	Quarterly	0	3	3	0		No land parcels have been identified as yet by Land Admin	N/A	0		There were no Economic Development Projects that required Land Parcels.	
		Number of urban and rural agriculture programmes implemented	IDP	Minutes of the PSC Meetings/ Delivery notes/ Completion certificate.	Quarterly	4	4 (Capacity Building and Training, Agricultural Infrastructure, Development of the Sector Plan and Hydroponics)	3 (Hydroponics)	0		request for bids advertised during January 2011 and not suitable bids were received	Request to re advertise submitted to SCM through the AMM's office	4 (Capacity Building and Training.)	0		Delays in the appointment of service providers.
		Number of 2010 FIFA World Cup legacy projects implemented	IDP	2010 Report	Quarterly	1 (Buffalocity Stadium)	16	completed		Information not available during time of reporting	completed	Information not available during time of reporting				

RATING KEYS

	meets or exceeds the target		currently does not meet the target		work on hold		Information not available
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ACTION PLAN ON THE OVERSIGHT COMMITTEE RECOMMENDATIONS ON THE 2009/2010 ANNUAL REPORT

ISSUES RAISED	PLAN OF ACTION	RESPONSIBLE AUTHORITY
1 Review of the BCM Organogram, and provide for both central and decentralisation of services in all urban and rural areas	Done, Decentralisation to be investigated	Accounting Officer
2 Immediate filling of the Municipal Manager's vacant position.	Interviews for the City Manager's position are scheduled for early February 2012.	Executive Mayor
3 The appointment of two deputy Municipal Managers (Chief Financial Officer and Chief Operating Officer) to assist the Municipal Manager with the implementation of IDP and Service Delivery Program for BCM	Revised structure addresses the matter	Accounting Officer
4 Relocation of the Performance Management System to the Acting Municipal Managers Office and implementation of realistic SDBIP	Organisational Performance and monitoring of the SDBIP has now been placed within the City Manager's Office	Accounting Officer
5 Relocation of Project Management Unit from Engineering service to the Municipal Managers Office	In Process, currently undertaking an assessment of the PMU.	Accounting Officer
6 Provision of Senior Managers with full staff compliment representing all departments to service communities closer municipal civic centres	In process	Accounting Officer
7 The development of Revenue Enhancement Strategy and program to ensure improvement on BCM cash-flow	The document has been developed it is to be tabled at the March 2012 Council Meeting.	Acting Chief financial Officer
8 That the Council, having fully considered the AR of the municipality and presentation thereon, adopts the Oversight Report with reservations as included in the comments of the AG, the audit committee and the Oversight recommendations	In Process	Council

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|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------|
| 9 | That due to the disclaimer received from the AG, the Audit Committee comments as well as the Oversight Committee Findings, the Council therefore Rejects the AR for the AR 09/10 on the basis of the fact that BCM performance regressed. | Noted | N/A |
| 10 | That notwithstanding the rejection, the Council Approves the publication of the Oversight Report in terms of Section 129(3) of the MFMA | Done in April 2011 | Accounting Officer |
| 11 | That in view of the fact that BCM has regressed in performance and obtained a disclaimer report, the Council REAFFIRMS its previous resolution taken on the 31 August 2010 which in terms of Minute No. BCC 258/10 set out as items 2 to 14 attached hereto as Annexure F | Noted | N/A |
| 12 | That the Speaker takes DISCIPLINARY STEPS against Councillor involved, in terms of " the Code of Conduct, and the Acting Municipal Manager takes disciplinary steps against the official involved in the misappropriation of R27 000.00 (DWAF) and thereafter reports to the next Council Meeting | Acting City manager forwarded a report to Council with regards to this matter. | Speaker/ Accounting Officer |
| 18 | That the suspension of the three remaining Directors be uplifted with immediate effect | Done - 3 Directors have been reinstated | Accounting Officer |
| 19 | That the Municipal Manager takes Disciplinary Steps against former Acting Municipal Manager (VZ) for failure to implement the Oversight Committee Action Plan for the 2008/9 financial year and the report should be submitted to the next Council Meeting | Done, Senior Manager who was acting at the time has been suspended. | Accounting Officer |
| 20 | That furthermore actions required as a result of the under mentioned recommendations by the Oversight Committee be implemented and progress reports be submitted by 26 April 2011 to Council: | | |

21 **ISSUES RAISED**

PLAN OF ACTION

RESPONSIBLE AUTHORITY

22 That BCM improves the audit function through:

23	Ensuring that the Audit Committee reports quarterly on issues of compliance to Council;	The Audit Committee has been established and its first meeting set on the 20th Jan 2012	Internal Audit Unit
24	Strengthening the internal audit and reporting line (independency)	Being addressed as part of the revised structure	Accounting Officer
25	Filling of vacant positions on the Audit Committee	Done	Council
26	The Internal Audit reporting to the AMM office.	Done	Accounting Officer
26	That Attention is paid to Issues of human and organisational capital by:		
27	Filling of vacant senior posts, particularly the Municipal Manager and the Chief Financial Officer.	In progress, City Manager post advertised: CFO position awaiting Council approval of JOB PROFILES	Council
28	The absorption of temporary staff	Internal adverts underway to address the issue in terms of policy	Accounting Officer
29	Prioritising the monitoring and evaluation of employees' work performance to avoid overtime.	Shift arrangements done & new control measures implemented	All Interim Executive Directors
30	Strengthening supervision and capacitating of staff through developing and implementing a clear programme of action for monitoring staff performance	Employee PM being developed, Framework underway	ID: Human Resources
31	Training managers and Councillors on project and financial management	In Process	ID: Human Resources
32	Considering both experience and qualifications when staff are appointed	Done	All Interim Executive Directors
33	Creating positions on the BCM organogram according to the needs of the BCM community, to be filled with suitable staff.	In process. Macro Structure approved, Micro structure development in process	All Interim Executive Directors
34	That Disciplinary measures, tools and mechanisms are developed, enforced and applied in a consistent, effective and timeous manner, ensuring that:		

- 35 The cases of suspension of section 57 employees are finalised, with the AMM submitting a full report on the suspension and financial implications of these Employees to Council Done Accounting Officer
- 36 Drastic steps are taken against those who are involved in fraud and corruption including those identified in the Ernest & Young Forensic Report. In Process Accounting Officer/ Speaker
- 37 Report to South African Police Services and Hawks all fraud & corruption cases Done Accounting Officer
- 38 A culture of discipline is entrenched amongst both officials and Councillors In Process Accounting Officer/ Speaker
- 39 Staff are screened and vetted in relation to their business interests In process, Acting City Manager has initiated extensive vetting of Strategic Officials and Top Management through State Intelligence Agency Accounting Officer
- 40 Staff and Councillors are trained on the BCM code of conduct, as well as the ethics, and Whistle blowing policy, and that the appropriate measures are duly implemented. In Progress Accounting Officer
- 41 Disciplinary action is taken against those who paid overtime, and those who paid service providers for incomplete work and without following the proper BCM procedures. In Progress Accounting Officer
- 42 The legal department develops procedures and processes that will enable the swift resolution on disputes and litigations In Progress ID: Legal Services
- 43 That an efficient and effective **Monitoring and Evaluation (M&E) System** be developed and implemented under the office of the AMM, tasked with continual monitoring, inspections and evaluations of BCM projects, programmes and proposes. There is also a need to develop and implement a PMS program that will allow for monitoring and evaluation process The current organisational structure is addressing the issue Accounting Officer
- That Concerns surrounding BCM's role in **Economic Development** be prioritised, through:

- 44 Buffalo City Tourism function be integrated to LED
The process underway of developing a new organogram also address the issues that relate agencies involved in Economic. This is work in progress.
Accounting Officer
- 45 A review of the BCDA and a report be submitted
Done
Accounting Officer
At a strategy level the department is going to be reviewing the LED Strategy to be inline with the New Growth Path.
- 45 The inclusion in the annual report of a programme on how BCMM Challenge was still funding. Other sector will implement the national growth path as aligned through job creation
IED: Development Facilitation & Partnerships
plans Tourism masterplan and Agricultural strategy are being reviewed to take into account the New Growth Path. The department has also submitted funding for projects that are
- 46 Advising readers of BCM Active role as an investment destination for trade and investment
IED: Development Facilitation & Partnerships
As part of advertising subscriptions the department continues to advertise in various magazines and publications that promote investment. Furthermore attendance of trade and investment show in parntership with ECDC and ELIDZ is on going.
- That Issues of **Fraud and Corruption** be highlighted through:
- 47 The conducting of a Investigation in the two support services directorates i.e Corporate Services & Finance e.g. billing and Debt collections, General Valuation, Meter Reading.
Remedial Action in place to deal with some of these issues
Acting Chief financial Officer
- 48 Presenting the difference between the concepts of corruption and non compliance to MFMA requirements and PFMA requirements that resulted in irregular expenditure and expenditure.
MFMA refresher course to be organised for both Councillors and officials. In terms of MFMA we are trying to be compliant.
Acting Chief financial Officer

That **Financial Systems and Control** be strengthened through:

49	Restructuring SCM Department and redeploying all the staff members	In Process	Acting Chief financial Officer
50	Reporting all litigation cases including financial implications	In Process	All Interim Executive Directors
51	The development and monitoring and implementation of the risk & fraud policy.	Risk Committee established, risks identified	Accounting Officer
52	The development and implementation of a Zero base budget which is based on activity costs analysis	“Council has started a systematic review process of the Activity Based Costing system. For the 2011/12 financial year, the ABC for Solid Waste was reviewed. This process will continue with a review of Water & Sanitation for the 2012/13 financial year and a review of Electricity for the 2013/14 financial year. In addition to one major sector per financial year the minor tariffs have also been divided over the 3-year period in order to ensure a comprehensive review of the entire ABC system.”	Acting Chief financial Officer
53	Development of Internal Financial Management System	in Progress - Learning from Best Practises	Acting Chief financial Officer
54	Submitting a Quarterly report on SCM to Council on SCM.	In Progress	Acting Chief financial Officer
55	That BCM strengthens the current Intergovernmental Relations system with other Provincial and National Departments.	In Progress	IED: Statagic Management
56	That the report must give more detail on BCM metro readiness status and the implications of such as it benefits the community.	Done	Workstreams

That **Service delivery** be improved through:

- | | | | |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------|
| 58 | The Community Services Dept conducting a needs assessment and procurement of refuse removal vehicles accordingly | 5 x Refuse Removal Compactor trucks have been procured. Out of 5 trucks five (5) trucks have been delivered. | IED: Municipal Services |
| 59 | The reinstatement by the Community Services Dept of the Brown Paper Performance Centres to enable the assessment of achievements on Departmental set targets | To be revived in 2012/2013 financial year | IED: Municipal Services |
| 60 | Electrification of all shacks | Allocation for the Electrification of shacks has been made in the adjustments budget. | IED: Municipal Services |
| 61 | The development and implementation of a clear refuse removal program be developed. | Programme developed | IED: Municipal Services |