

2011/12

**FINAL DRAFT**  
**ANNUAL**  
**REPORT**

**Volume I**



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# Chapter 1

## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR’S FOREWORD

#### MAYOR’S FOREWORD

The Annual Report of Metsimaholo Local Municipality draws a curtain on the financial year 2011/12, which is the second year of the term of office of the political leadership after the local government elections in May 2011.

It reflects the key milestones achieved by the municipality in its quest to improve the life of the community, through the delivery of accessible, affordable and good quality services. Most importantly, the report also reflects the municipality’s limitations and constraints encountered during the reporting period, which will have to be addressed going forward. It is of critical importance that we learn equally from our achievements, as well as from our oversights and limitations.

The Annual Report of Metsimaholo Local Municipality is a public document. In the process of drafting it, public participation is of paramount importance. The communities’ inputs are solicited and the Oversight Committee, which in part comprises of community representatives, sit and peruse the tabled report. We have chosen to be open and transparent in this matter.

The new Vision of Metsimaholo Local Municipality is very clear, to be the economic powerbase and municipality of excellence and is encapsulated in our Five Year Strategic Programme. Moreover, our programmes are aligned with the Provincial Growth and Development Strategy, and the IDP strategies included in the IDP especially with focus on impact and outcome achieved.

The trust that the community of Metsimaholo has placed in the municipality, after the local government elections cannot be betrayed. We will spare no effort in ensuring that the municipality continuously enhances the quality of the services it offers.

The municipality still continues to grapple with the following:

- Service delivery
- Limited resources
- Needs of Citizens
- High levels of poverty and unemployment

We believe that the 2011/12 Annual Report highlights a large number of the positives that exist in Metsimaholo, that viewed collectively, should give our people a sense of hope and optimism that we are serious about achieving our vision, sooner rather than later.

# Chapter 1

As we leap forward into the next financial years, we do so filled with a deep sense of appreciation of the challenges that lie ahead. These include overhauling a municipality that has at best produced mixed outcomes, and converting it to a well-oiled machinery that meets the service delivery needs and expectations of our community who depend on it.

(Signed by :) \_\_\_\_\_

Cllr. Brutus Tshepo Mahlaku  
Executive Mayor

*T 1.0.1*

# Chapter 1

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

#### MUNICIPAL MANAGER'S OVERVIEW

This overview will briefly reflect on Municipality's strategic planning process, internal and external changes, financial health, some important administrative considerations and service delivery achievements and challenges experienced during the financial year (2011/12) under review.

During 2011/12 Municipal Strategic Planning, the Municipality managed to review its vision and mission in order to align its strategic direction with current socio-economic landscape. As part of strategic planning, five-year IDP for the period 2012/13 to 2016/17 was also concluded/compiled with well refined IDP Priorities, Key Performance Areas (KPAs), Key Performance Indicators (KPIs).

Furthermore, Council managed to approve Institutional performance Management Framework which is believed it will make a significant impact towards an improved performance and as a two ways communication process between the Municipality and the Community that make use Municipal services. The performance of the Municipality is then measured against the specific standards and priorities which have been mutually developed and agreed upon during IDP process.

The cascading of the performance management to the lower levels of other employees has been set as one of municipal target and it is envisaged that this process will unfold immediately after a draft policy, which is now submitted to Senior Management, on Employee Performance Management and Development Policy (EPMDP) is approved by Council hopefully in the next financial Year (2012 /13).

It should be noted with pride that our financial health has improved significantly in the year under review. The Municipality managed to end a year with a strong financial position, as we managed to collect 93% of the budgeted revenue and actual operating expenditure was at 96%.

We should also applaud ourselves on an improvement made with regard to addressing audit issues raised by Auditor General, which led our Municipality to obtain a Disclaimer in 2010/11 Financial Year. We managed to address those issues aggressively so, as per Action Plan and finally the Municipality obtained a qualified report from Auditor General.

In order to strengthen the Municipal efficiency and capacity to deliver quality services to its community, filling of vacant posts was set as mayor strategic goal. During the financial year under review all critical posts in all Departments, specifically budgeted for, were identified from the organizational structure and prioritized to be filled. I should not be forgotten that we have experience lots of labour unrests during the 2011/12 Financial Year. However, Management kept working tirelessly to stabilize that unfortunate situation and further maintaining good labour relations between the Municipality and trade unions.

# Chapter 1

The major focus in the financial year under review was to deal aggressively with some of the key shortcomings that were highlighted in the previous Annual Report in respect of provision of basic services. **Chapter 3** of this Annual Report depicts the progress that was made by this Municipality to address or reduce service delivery backlogs on the provision of Electricity, Water, Housing and Sanitation. It should be noted with pride that we are the best amongst those Municipalities in terms of providing high quality of clean water (blue drop) and sewer (green drop).

Our records also reflect that we are reaching more beneficiaries and households that are receiving free basic services.

S.M Molala

Municipal Manager

*T 1.1.1*

# Chapter 1

## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

The Local Municipality of Metsimaholo is situated in the northernmost corner of the Free State Province, which forms part of the Vaal Triangle (Vanderbijlpark, Vereeniging and Sasolburg region(s)). The Local Municipality of Metsimaholo lies at an altitude of approximately 1500 meters above sea level. The average annual rainfall is 638 mm while the average maximum summer temperature is 26.9°C and the average minimum winter temperature is 16°C.

The Metsimaholo Local Municipality covers an area of 1 739 square kilometres and includes Deneysville, Metsimaholo, Oranjeville, Refengkgotso, Sasolburg, Vaalpark and Zamdela. It is inhabited by approximately 154 658 people with more than 90% living in the urban areas of the municipal region.

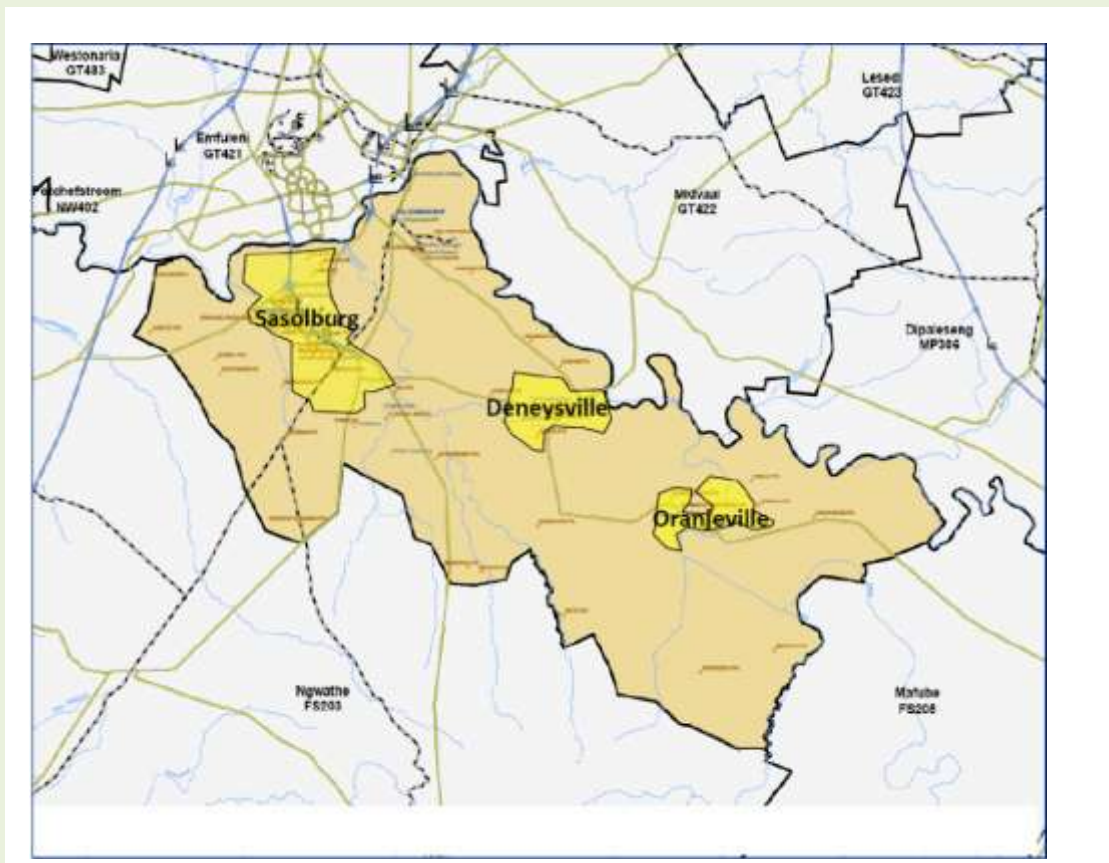


Figure 1: Map of Metsimaholo Local Municipality



# Chapter 1

A large percentage of houses in Deneysville are holiday homes, which implies that the actual permanent inhabitants of the community may be less than estimated. The majority of the rural population is active in the agricultural sector and a total of 1 753 farms are located within the Metsimaholo municipal area.

The new municipal boundaries and ward delimitation by the Municipal Demarcation Board for the 2011 Local Government Elections are reflected in the map below.<sup>1</sup>

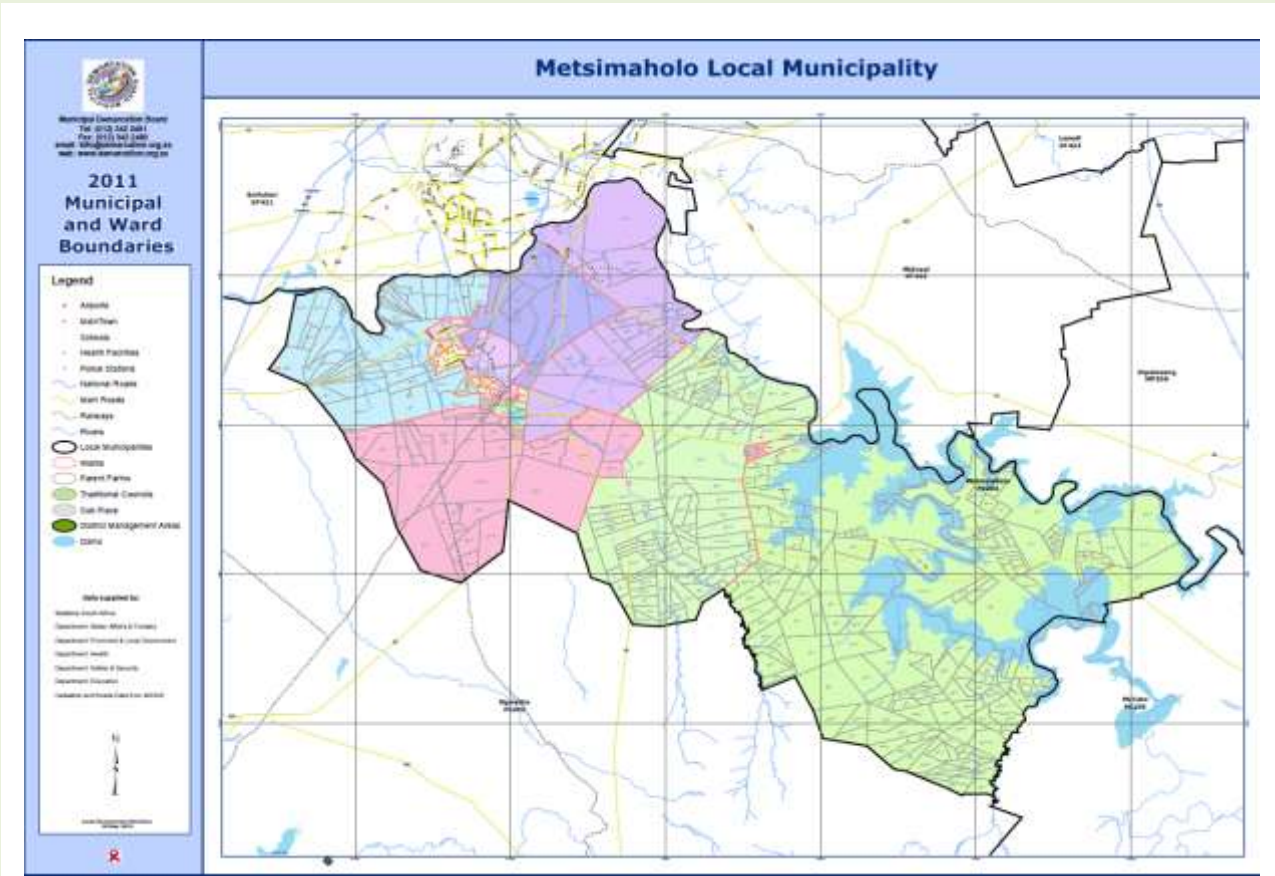


Figure 2: 2011 Municipal and ward boundaries

<sup>1</sup> The number of wards increased from 18 to 21 after the delimitation process

# Chapter 1

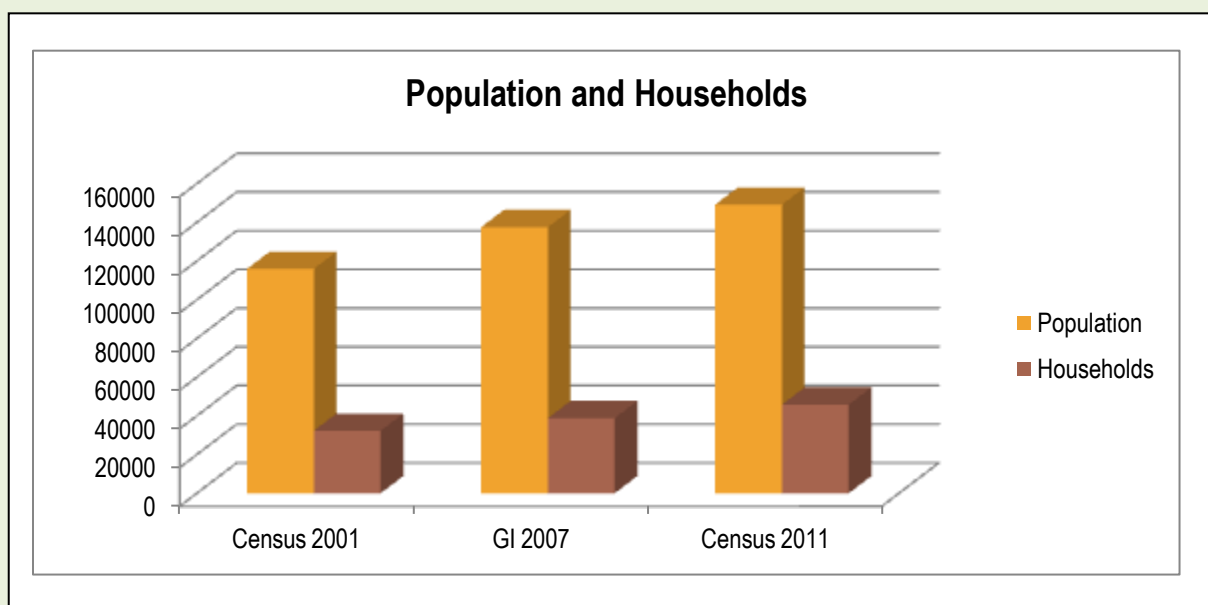
The total number of voters on the municipal segment of the national common voters roll on 12 February 2009 was 70 575.<sup>2</sup> The breakdown per ward of the number of registered voters is reflected in the table below.

**Table 1: Number of registered voters per ward**

Ward	1	2	3	4	5	6	7
No. of registered voters	3 698	3 155	3 773	3 152	2 859	3 189	3 257
Ward	8	9	10	11	12	13	14
No. of registered voters	3 676	2 881	2 956	3 564	3 160	3 813	3 741
Ward	15	16	17	18	19	20	21
No. of registered voters	3 722	3 532	3 694	3 583	3 230	2 945	2 995

## Demographic and Socio-Economic Profile of the Municipality

The official statistics according to *Statistics South Africa's Census 2001, Community Survey 2007 and Census 2011* were used and supplemented with data from the IHS Global Insight<sup>3</sup> Regional Explorer database<sup>4</sup>.



**Figure 3: Population and Households**

<sup>2</sup> Municipal Demarcation Board. Delimitation of municipal wards in terms of the Local Government: Municipal Structures Act, 1998. 2011 Local Government Elections. Province: Free State. Municipality: Metsimaholo Local Municipality (FS204)

<sup>3</sup> IHS Global Insight Southern Africa is the Sub-Saharan office of the largest global economics consultancy in the world. IHS Global Insight specialises in economic analysis and forecasting and provides in-depth coverage of over 200 countries and 170 industries, worldwide.

<sup>4</sup> Regional eXplorer (ReX) is a consolidated platform of integrated databases that provide accurate and up-to-date economic, socioeconomic, demographic, and development information on a spatial level for South Africa. Over the last few years, ReX has become the first port of call for consistent and reliable geographical data. The service offering is ideal for policy makers, private or academic researchers, and consultants who wish to utilise reliable and consistent spatial information across South Africa to assist in planning and decision-making processes.

# Chapter 1

Table 2: Population and household statistics

	Census 2001	Global Insight (GI) 2007	Census 2011
Population	115 955	137 481	149 109
Households	32 260	38 768	45 755
Average Household Size	3.6	3.5	3.3

Table 3: Gender distribution of population

	Census 2001	Global Insight (GI) 2007	Census 2011
Males	51.1%	53.1%	52.1%
Females	48.9%	46.9%	47.9%

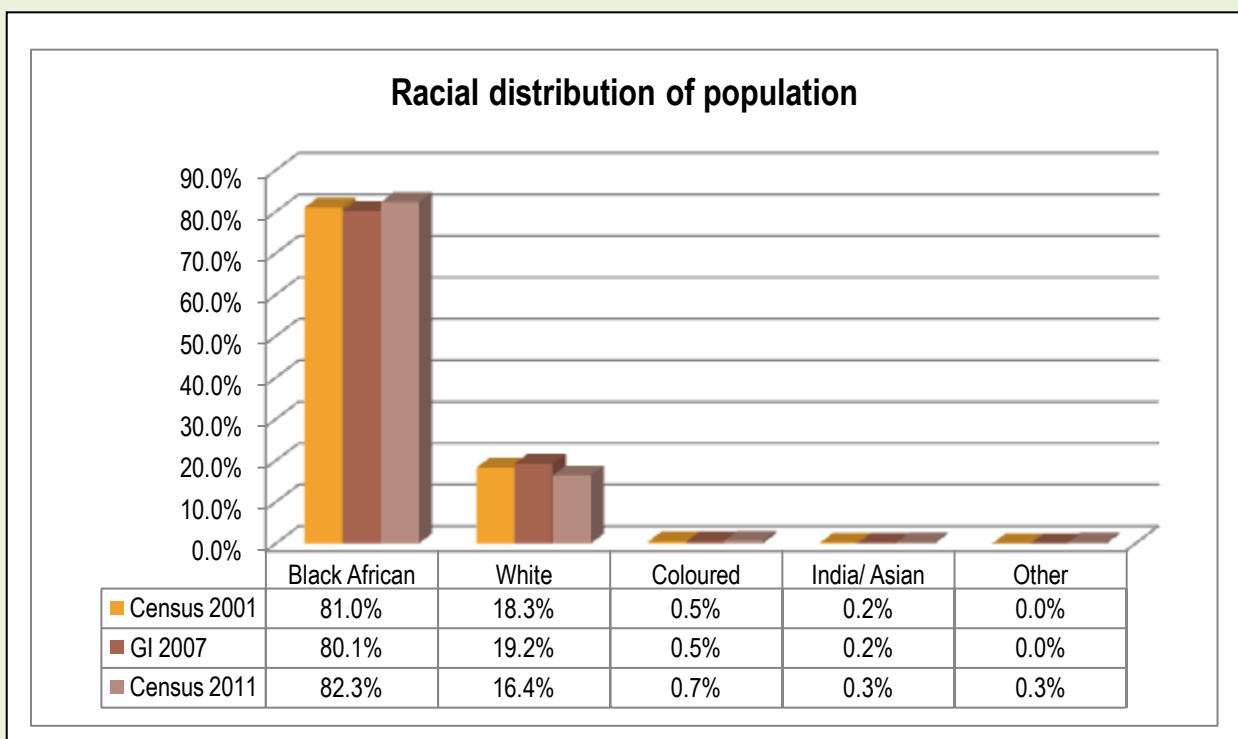


Figure 4: Racial Distribution of Population

Table 4: Age distribution of population

	Census 2001	Global Insight (GI) 2007	Census 2011
0 – 4 years	10 106 8.7%	11 742 8.5%	15 401 10.3%
5 – 14 years	22 020 18.9%	23 330 17.0%	23 836 16.0%
15 – 34 years	45 869 39.6%	53 039 38.6%	58 096 39.0%
35 -64 years	33 702 29.1%	43 964 32.0%	45 267 30.4%
65 years and older	4 281 3.7%	5 406 3.9%	6 509 4.4%

# Chapter 1

Table 5: HIV and AIDS prevalence

Global Insight (GI)	HIV+ estimates			AIDS estimates		
	National	Free State	Metsimaholo	National	Free State	Metsimaholo
2001	3 255 169	248 090	10 917	93 960	7 084	300
2007	4 588 779	318 769	15 612	198 772	14 015	663
2009	4 739 504	320 883	16 053	221 903	15 397	742
2010	4 799 024	321 179	16 201	241 151	16 606	807
2011	4 849 853	321 335	16 326	255 021	17 410	852
2012	4 886 985	320 659	16 391	266 644	18 041	887
2013	4 917 369	319 768	16 431	275 293	18 452	912
2014	4 941 798	318 680	16 450	281 408	18 684	923
2015	4 962 054	317 370	16 446	285 455	18 776	934

Table 6: Labour force

	Census 2001	Global Insight (GI) 2007	Global Insight (GI) 2009
Employed	31 486	42 189	43 528
Unemployment rate	24.5%	17.1%	16.9%
Economically Active Population	49 998	49 885	50 061
EAP as a % of the total population	43.1%	36.3%	35.7%

## Definitions:

**Employed:** Employed population *working* in the municipal area.

**Unemployed:** Unemployed people *living* in the municipal area.

**Economically Active Population:** Employed and unemployed people who are *living* in an area. It is the number of people who are able and willing to work, who are between the ages of 15 and 65. (Includes both employed and unemployed, but excludes discouraged work seekers who have not recently taken active steps to find employment, people who do not wish to work, students, early retirees, housewives, etc.)

## Poverty indicators

Table 7: Poverty indicators

Global Insight	% of people living in poverty					No. of people living with less than \$1 per day	No. of people living with less than \$2 per day
	African	White	Coloured	Indian	Total		
1996	37.3%	2.5%	22.5%	6.3%	27.0%	2 808	7 527
2001	47.0%	3.1%	31.1%	23.9%	36.7%	5 259	13 783
2006	40.9%	0.9%	36.3%	23.0%	32.9%	2 481	7 944
2009	38.0%	0.5%	38.6%	23.2%	31.1	936	5 794

# Chapter 1

## Functional literacy: population older than 20 years who completed grade 7 or higher

Table 8: Functional literacy

<i>Global Insight</i>	Literate	Illiterate
1996	47 763 (73.3%)	17 417 (26.7%)
2001	56 122 (73.0%)	20 810 (27.0%)
2006	68 308 (78.0%)	19 316 (22.0%)
2009	74 094 (80.1%)	18 409 (19.9%)

## Spatial statistics

Table 9: Spatial statistics

<i>Global Insight</i>	Population density <sup>5</sup>	Urban population	Urbanisation rate <sup>6</sup>
1996	63.68	91 057	83.1%
2001	72.23	114 940	92.5%
2006	78.95	132 003	97.2%
2009	81.55	138 692	98.9%

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<sup>5</sup> Number of people per km<sup>2</sup>

<sup>6</sup> % of people living in urban areas

# Chapter 1

Table 10: Overview of Neighbourhoods

<b>Overview of Neighbourhoods within the Municipality</b> (Council Preferred Population Data) *Township establishment in progress			
<b>Region</b>	<b>Towns</b>	<b>Total Population</b>	<b>Households</b>
<b>SASOLBURG</b>	Sasolburg	15 645	<b>7057</b>
	*Boschbank	0	0
	*Boschbank	0	0
	Vaalpark	7 620	<b>3 279</b>
	Zamdela	139 129	<b>23 581</b>
	*Mooibraai	0	0
			<b>162 394</b>
<b>DENEYSVILLE</b>	Deneysville	2 328	<b>748</b>
	Refenggotso	22 267	<b>3 506</b>
	*Themba Khubeka	15 207	<b>2 635</b>
			<b>39 802</b>
<b>ORANJEVILLE</b>	Oranjeville	829	<b>268</b>
	Metsimaholo	4 158	<b>1 439</b>
			<b>4 987</b>
<b>RURAL</b>	*Kragbron	0	0
		0	0
	Villages	3 897	<b>3 936</b>
	Holdings	2 406	<b>962</b>
		<b>6 303</b>	
<b>TOTAL</b>		<b>213 486</b>	<b>47 411</b>

#### COMMENT ON BACKGROUND DATA:

The results of Census 2011 reflects that the population of the municipality has grown by 11 628 (8.5%) from 2007 to 149 109 in 2011, whilst the number of households has increased by 6 987 (2.7%) to 45 755 over the same period. The average household size has dropped from 3.5 to 3.3 implying that households are becoming smaller. The age profile of the municipality shows a relatively younger population with 26.3% below 14 years, 69.4% between 15 and 64 years and only 4.4% of the population is older than 65 years.

The establishment of new townships in Mooibraai and Themba Khubeka will also place a greater demand for additional basic services such as water, sanitation, electricity, housing, roads, etc.

T 1.2.8

# Chapter 1

## 1.3. SERVICE DELIVERY OVERVIEW

### SERVICE DELIVERY INTRODUCTION

The municipality is doing relatively well in terms of access to water and electricity, whilst access to sanitation and refuse removal remains below the national targets set by government. Access to basic housing is also a challenge as this function is still performed by the Provincial Department of Human Settlements. Various service delivery targets have been set in the municipality's five-year IDP to ensure that access to basic services is realised in line with the national government's target dates.

Free basic services are provided to indigent households according to the municipality's indigent policy. This includes 10kl of water, 50kWh electricity, R50 subsidy on assessment rates, free sanitation and refuse removal per month. A total number of 10 553 households were recorded in the indigent register at the end of the 2011/12 financial year.

T 1.3.1

### Access to municipal services

#### Percentage distribution of households by water source

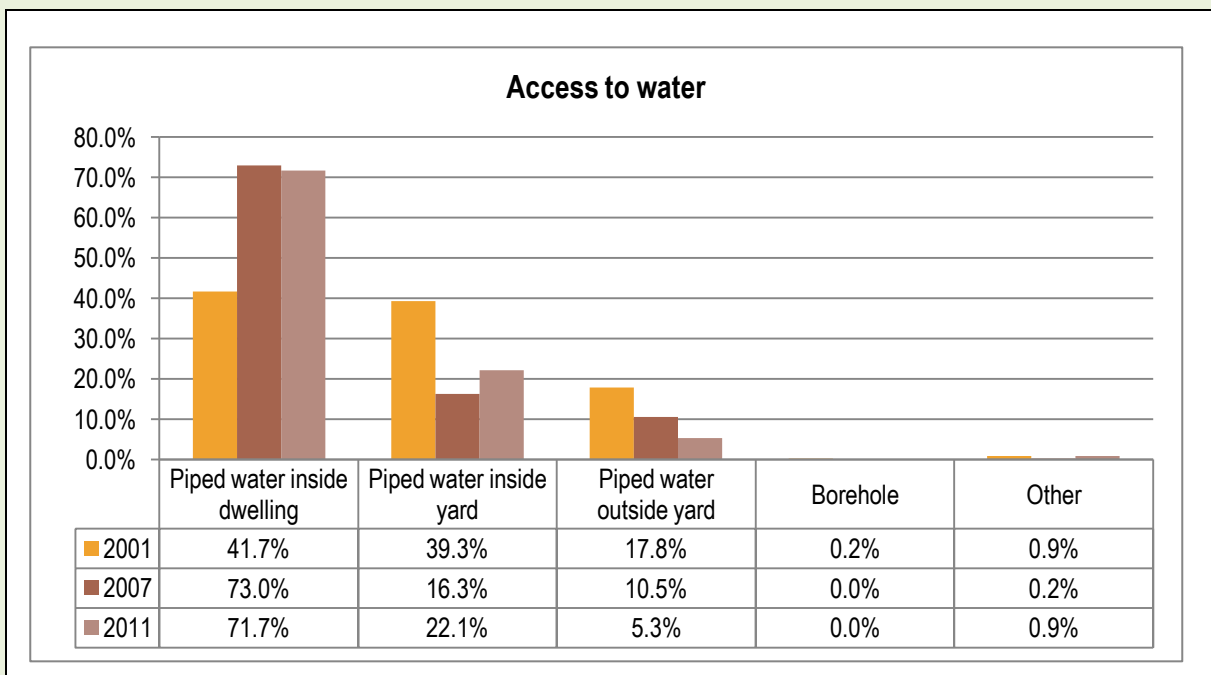


Figure 5: Access to Water

# Chapter 1

## Percentage distribution of households by type of toilet facilities (sanitation)

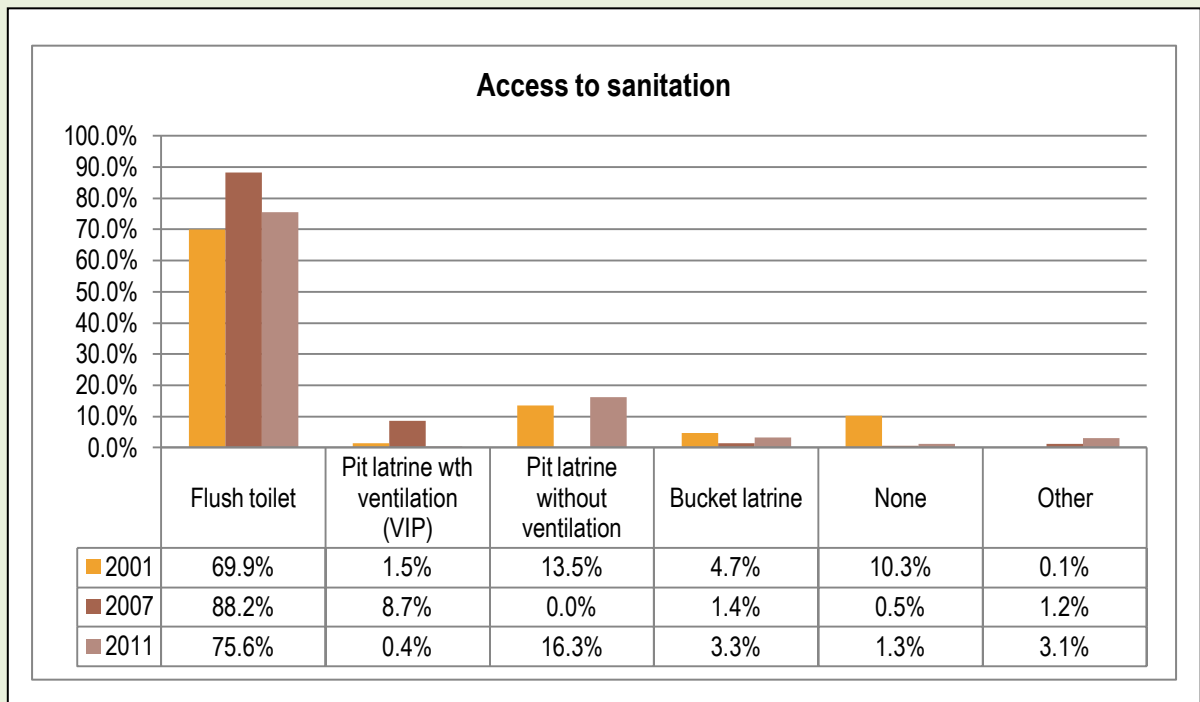


Figure 6: Access to Sanitation

## Percentage distribution of households by type of refuse removal

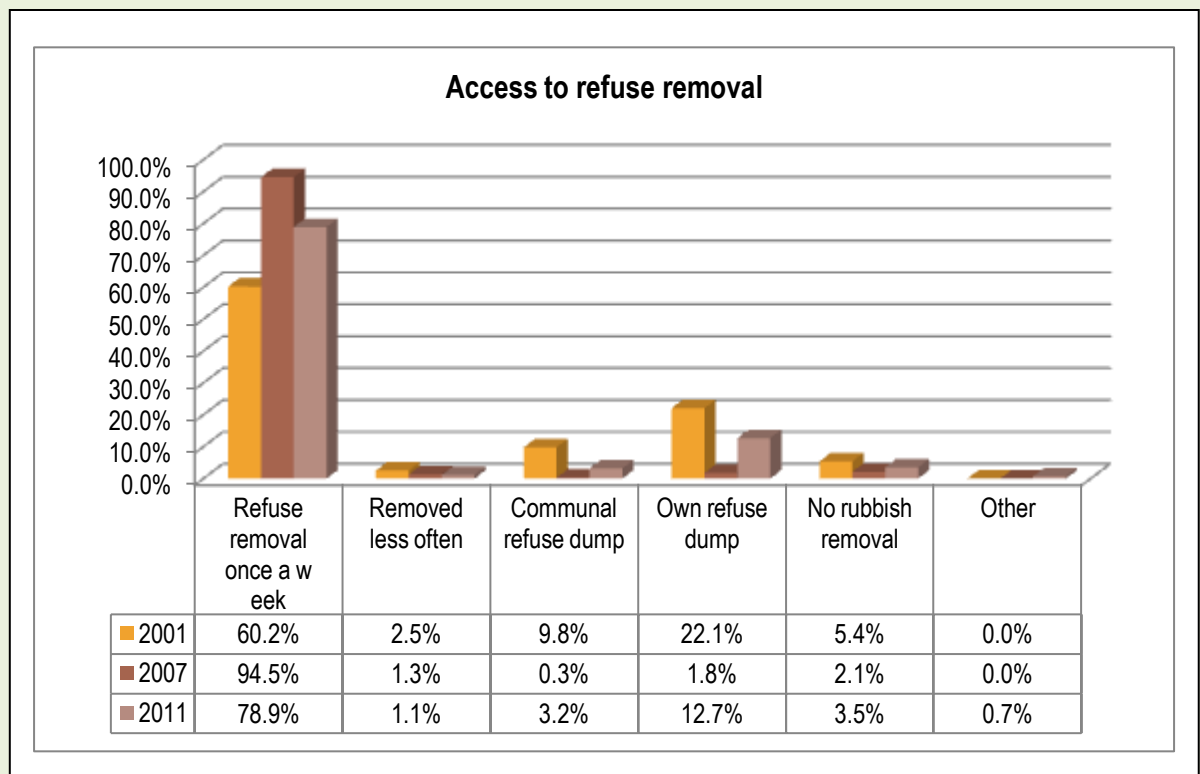


Figure 7: Access to Refuse Removal



# Chapter 1

## Percentage distribution of households by type of energy

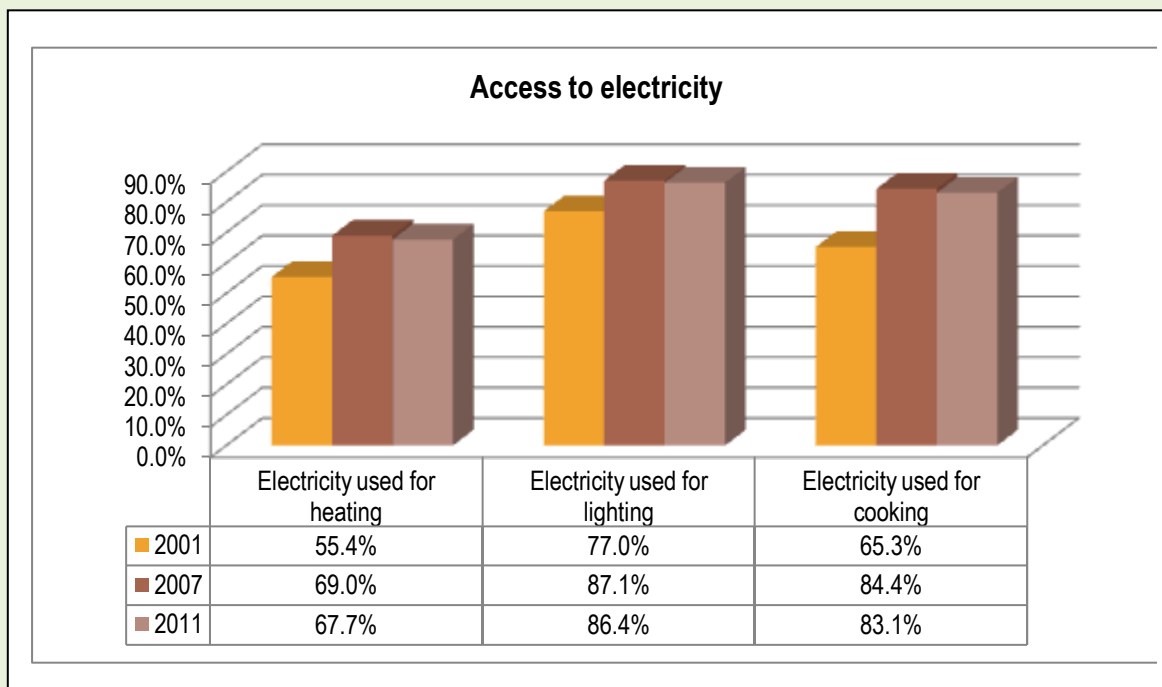


Figure 8: Access to Electricity

### COMMENT ON ACCESS TO BASIC SERVICES:

93.8% of the population had access to piped water inside the dwelling and yard in 2011 according to Census 2011. Challenges are experienced in regard to access to basic sanitation with 24% of households not having access to flush toilets and ventilated pit latrines (VIPs) and 78.9% of households receiving a weekly refuse removal service. More than 80% of households used electricity for lighting and cooking in 2011. The municipality has set targets for achieving the national outcomes for basic services in the 2012-2017 approved Integrated Development Plan (IDP).

The Municipality is currently restoring electricity in a form of cable replacement to those households. Due to the fact that migration into the municipality is largely from unemployed seeking work opportunities, access to basic services will be a continuous challenge due to the supply that needs to be in balance with the demand. There is decline in the access to electricity provision due to the fact that certain community members suffered from cable theft, as a result they have solicited to use other means for cooking and lighting. Zamdela Township and Extensions have detrimentally suffered with the electrical outages, however a sub-station is being built to reinforce the electrical supply in the township, which is anticipated to be completed by 2014

T 1.3.3

# Chapter 1

## 1.4. FINANCIAL HEALTH OVERVIEW

### FINANCIAL OVERVIEW

The municipality was able to improve its collection rate on taxes, levies and tariffs to 93% for the financial year under review. Employee cost remains relatively low at 24.1% compared to the National Treasury benchmark of 30%. The expenditure on the capital budget improved from 33.2% in 2010/11 to 84.7% in 2011/12. The municipality, however, still face challenges in regard to its cash flow management which has implications for spending patterns on repairs and maintenance, capital projects, etc.

T 1.4.1

Table 11: Financial Overview – 2011/12

Financial Overview: 2011/12			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	134 299	143 485	132 992
Taxes, Levies and tariffs	442 545	447 745	411 744
Other	98 958	82 119	41 619
Sub Total	675 802	673 349	586 355
Less: Expenditure	671 493	698 522	646 147
Net Total*	4 309	25 173	(59 792)
* Note: surplus/(deficit)			T 1.4.2

Table 12: Operating Ratios

Operating Ratios	
Detail	%
Employee Cost	24.1%
Repairs & Maintenance	3.72% (without salaries)
Finance Charges & Impairment	12.66%
T 1.4.3	

### COMMENT ON OPERATING RATIOS:

Employee Cost: The budgeted employee cost was 25.56% of total budgeted operating expenditure. Due to all vacancies not filled the actual expenditure was below budget.

# Chapter 1

Repairs and maintenance: Salaries of the maintenance staff is not included in calculation of 3.72%.  
Finance charges and Impairment: The provision for debt impairment increased in 2011/12 with more than anticipated.

*T 1.4.3*

# Chapter 1

Table 13: Total Capital Expenditure

Total Capital Expenditure: 2009/10 to 2011/12			
	R'000		
Detail	2009/10	2010/11	2011/12
Original Budget	175 658	344 317	278 227
Adjustment Budget	85 620	133 169	101 977
Actual	75 858	44 214	86 336
			<i>T 1.4.4</i>

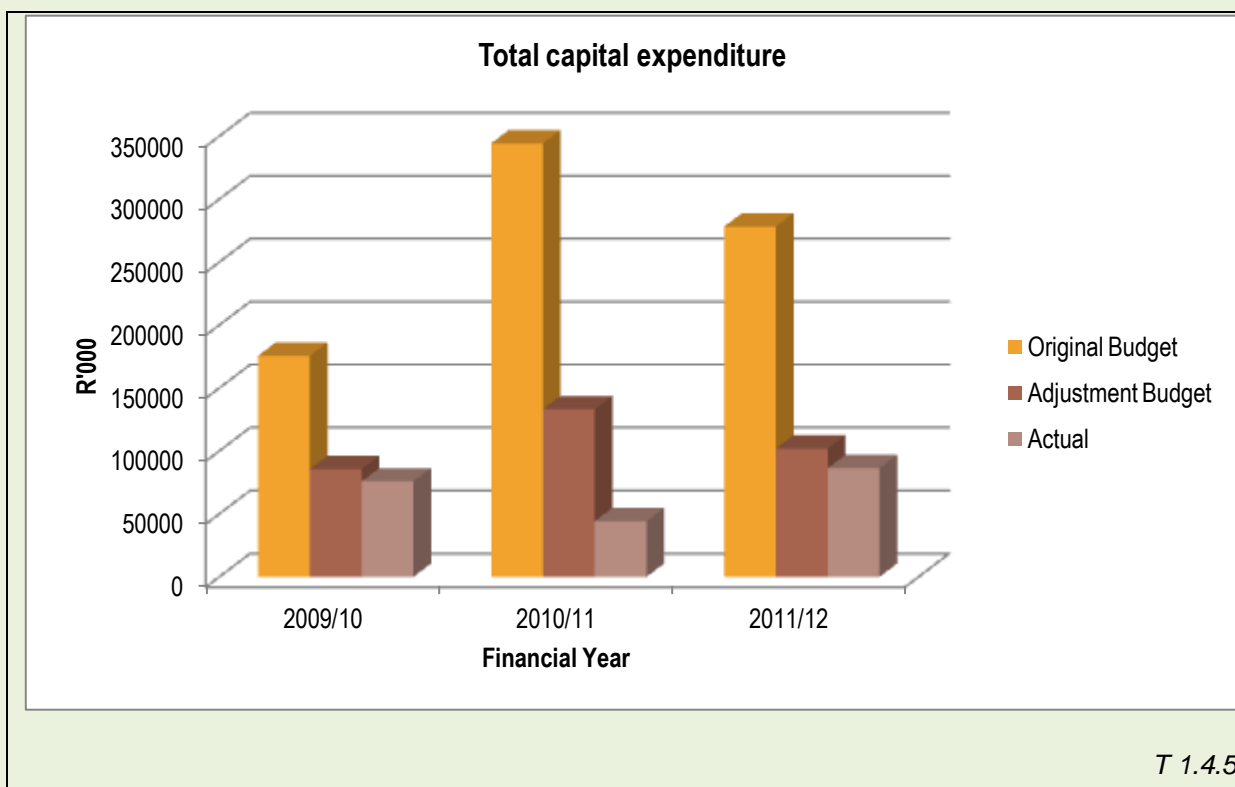


Figure 9: Total Capital Expenditure

## COMMENT ON CAPITAL EXPENDITURE:

The actual capital expenditure improved from 33.2% of the adjusted budget in 2010/11 to 84.7% in 2011/12. The major reasons for this improvement is more realistic budgeting for capital projects and better management of expenditure on MIG projects. The municipality however still experiences challenges in regard to capital projects funded from revenue due to cash flow constraints.

*T 1.4.5.1*

# Chapter 1

## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

The municipality had 1 022 approved posts on its organisational structure with 627 employees and a vacancy rate of 38% at the end of the 2011/12 financial year. The turnover rate stood at 5.5%.

The approval of outstanding workforce-related policies by Council remains a challenge and it is envisaged that all outstanding policies will be approved during the 2012/13 financial years.

The average injury leave per employee during 2011/12 was 12.3 days for 17 employees and the average sick leave per employee was 10.6 days. A total number of 7 040 sick leave days were taken by employees at an estimated cost of R3,4 million.

Skills development and capacitating the workforce is still a challenge due to planned training programmes not being effectively implemented. The municipality only spent 11.2% of its training budget during 2011/12.

The workforce expenditure has increased from R105,1m in 2008/09 to R158,4m in 2011/12. Although it shows an increase in rand terms, workforce expenditure as a percentage of total operating expenditure has steadily declined from 28.4% (2008/09) to 24.8% in 2011/12.

*T 1.5.1*

## 1.6. AUDITOR GENERAL REPORT

### AUDITOR GENERAL REPORT: 2011/12 (CURRENT YEAR)

The municipality's audit opinion has improved from a disclaimer in the 2010/11 financial year to a qualified opinion in the 2011/12 financial year. Only a few issues were qualified and will be cleared during the 2012/13 financial year to enable the municipality to obtain an unqualified opinion in 2012/13 and eventually a clean audit by 2013/14. Our asset register was for the second year in succession, given a thumbs-up by the Auditor General for the 2011/12 financial year. It is worth mentioning that we are one of the few municipality in the Free State with a GRAP compliant asset register to the satisfaction of the Auditor General

*T 1.6.1*

# Chapter 1

## 1.7. STATUTORY ANNUAL REPORT PROCESS

Table 14: Statutory Annual Report Process

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 2011/12 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	December
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

T 1.7.1

# Chapter 1

## COMMENT ON THE ANNUAL REPORT PROCESS:

The municipality was not able to meet the new deadlines as per MFMA Circular No. 63 due to the fact that the circular was only issued by the National Treasury in September 2012. However, substantial progress has been made to align the format and contents of the 2011/12 Annual Report with the guidelines issued by the National Treasury. A concerted effort will be made by the municipality to ensure full adherence to the above timelines with the compilation of the 2012/13 Annual Report.

The municipality appreciates the importance of alignment between the IDP, Budget and Performance Management System and the process to ensure proper alignment is continuously being reviewed and implemented.

*T 1.7.1.1*

# Chapter 2

## CHAPTER 2 – GOVERNANCE

### INTRODUCTION TO GOVERNANCE

Governance structures and processes in the municipality are aligned to the relevant legislative provisions in the Municipal Structures Act, Municipal Systems Act and Municipal Finance Management Act. The interface between political and administrative structures are managed by the Executive Mayor and Municipal Manager, the municipality participated effectively in the various inter-governmental structures, public accountability and participation are managed by the Speaker's Office and the Executive Mayor in terms of their respective responsibilities and a number of corporate governance arrangements have been institutionalised to ensure legislative compliance and best practices.

T 2.0.1

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

*Note: The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.*

The Council is vested with the responsibility to oversee the performance of the administration through council and committee meetings. The Executive Mayor provides the link between the Council and Administration and is responsible for regular monitoring and for tabling of reports before council. The administration, headed by the Municipal Manager, is responsible for the day-to-day operations of the municipality.

T 2.1.0



# Chapter 2

## 2.1 POLITICAL GOVERNANCE

### INTRODUCTION TO POLITICAL GOVERNANCE

*Note: MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality*

Section 151 of the Constitution, 1996 states that the executive and legislative authority of a municipality is vested in its municipal council. This is complemented by the Municipal Structures Act and Municipal Systems Act. In terms of section 160(2) of the Constitution, 1996, the following powers may not be delegated by a municipal council and must therefore be exercised by council: passing of by-laws, approval of budgets, imposition of rates and taxes, levies and duties and the raising of loans. The Speaker is appointed by Council and performs functions in terms of section 37 of the Municipal Structures Act, such as presiding at council meetings and overseeing the work of council committees.

The Council appointed an Audit and Performance Audit Committee which performs its functions in accordance with section 166(2) of the MFMA and the approved audit committee charter. This Committee reports directly to Council and make recommendations to Council in terms of its functions.

The Executive Mayor exercises his responsibilities in terms of the Municipal Structures Act, Municipal Systems Act, and Municipal Finance Management Act and in accordance with any powers and functions so delegated by the Council. The Executive Mayor is assisted by a Mayoral Committee who has been appointed in terms of section 60(1)(a) of the Municipal Structures Act. Members of the Mayoral Committee have been assigned specific areas of responsibility and chair the various portfolio committees (See **Appendix B** for committees and committee purposes). The portfolio committees consist of Councillors and reports directly to the Mayoral Committee.

The municipality has established an Oversight Committee, comprised of non-executive councillors, with the specific purpose of providing Council with comments and recommendations on the Annual Report. The Oversight Committee report on the 2011/12 Annual Report will be published separately in accordance with MFMA guidance.

T 2.1.1

# Chapter 2

<i>Photos</i>	<b>POLITICAL STRUCTURE</b>	<b>Function</b>
	<b>EXECUTIVE MAYOR</b> B T Mahlaku	<i>Overall political responsibility for sound governance and service delivery</i>
	<b>SPEAKER</b> S Z Matena	<i>Public participation, ward committees and managing Council and Committee meetings</i>
	<b>CHIEF WHIP</b> Ms T L Soetsang	<i>Ensures discipline among Councillors; Managing relations between political parties and representation on Committees</i>
<i>Photos (optional)</i>	<b>MAYORAL COMMITTEE</b> Ms S L Tshongwe Ms N J Kubheka Ms A N Radebe L S Lempe Ms S Moreki M W Khonto L S Semonyo K T Mabasa	<i>Corporate Services Technical Services Sports, Arts and Culture Cleansing, Parks and Cemeteries Urban Planning and Human Settlements Public Safety and Security Finance and IDP LED, Tourism and Agriculture</i>

T 2.1.1

## COUNCILLORS

The municipality has 42 Councillors of which 21 are Ward Councillors and 21 PR Councillors. A full list of Councilors can be found (including committee allocations and attendance at council meetings) in **Appendix A**. Further note that **Appendix B** sets out committees and committee purposes.

T 2.1.2

## POLITICAL DECISION-TAKING

Political decisions are taken through the Council meeting by way of voting and consensus, 100%.

T 2.1.3

# Chapter 2

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

*Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.*

The Municipal Manager is the accounting officer of the municipality and the head of the administration and reports directly to the Executive Mayor and Council. Directors (section 56 managers) report directly to the Municipal Manager and their performance is managed by the Municipal Managers in terms of the annually signed performance agreements and plans.

Directors are responsible for the management of their respective functions/departments, which include the management of service delivery programmes and targets, personnel and budgets.

The Municipal Manager ensures accountability by departments through weekly and monthly management meetings and quarterly performance reviews of Directors.

T 2.2.1

# Chapter 2

<i>Photo</i>	<b>TOP ADMINISTRATIVE STRUCTURE</b>	<b>Function</b>
	<b>TIER 1</b>	
	<b>MUNICIPAL MANAGER (Vacant)</b> (Acting) R Thekiso	<i>Accounting Officer and Head of the administration</i>
<i>Photo</i>		
<i>Executive</i>	<b>TIER 2</b>	
<i>Directors</i>	<b>CHIEF FINANCIAL OFFICER</b>	<i>Revenue, Expenditure, Asset and Liability Management; Budgeting and Reporting</i>
<i>Directors</i>	Ms M E Mokoena	
<i>Optional</i>		
	<b>DIRECTOR: Technical Services</b> R Thekiso	<i>Water, Sanitation, Electricity, Roads, Storm water and PMU</i>
	<b>DIRECTOR: Corporate Services</b> S Mtakati	<i>Human Resources, Auxiliary and Legal Services, Council Support</i>
	<b>DIRECTOR: Social Services (Vacant)</b> (Acting) L P Thile and M Penkin	<i>Waste management, Sport &amp; Recreation, Arts &amp; Culture, Public Safety and Parks</i>
	<b>DIRECTOR: Economic Development and Planning (Vacant)</b> (Acting) G Steenkamp	<i>Housing, Urban Planning and Local Economic Development</i>
		T2.2.2
Appendix 'C' indicates all the third tier posts under each Director as per the approved organisational structure		

# Chapter 2

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

*Note: MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41.*

In current financial year the municipality did not participate actively in the various structures.

T 2.3.0

## 2.3 INTERGOVERNMENTAL RELATIONS

### NATIONAL INTERGOVERNMENTAL STRUCTURES

In current financial year Municipality did not participate actively in the structure.

T 2.3.1

### PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The main structure is the Premier's Coordinating Forum (PCF) in which the Executive Mayor and Municipal Manager participate. The municipality did participate in these structure and this has promoted good inter relations, best practices and information sharing amongst stakeholders.

T 2.3.2

### RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipality does not have any active municipal entities. The dormant Mayoral Trust is in the process of being dissolved and this legal process is expected to be completed during the 2012/13 financial year.

T 2.3.3

### DISTRICT INTERGOVERNMENTAL STRUCTURES

The main structure is the District Coordinating Forum (DCF) in which the Executive Mayor and Municipal Manager participate. This has promoted good relations and best practices in leadership and governance between local municipalities and the district municipality.

T 2.3.4

# Chapter 2

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

*Note: MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.*

The municipality managed to establish functional ward committees which held monthly meetings convened by the Ward Councillor as Chairperson. These committees served as a link to represent the aspirations, concerns and needs of the community.

Service delivery challenges such as electricity outages, water, sanitation, IGGs and roads were major issues dealt with by the ward committees.

T 2.4.0

### 2.4 PUBLIC MEETINGS

#### COMMUNICATION, PARTICIPATION AND FORUMS

In most cases the purpose of the public meetings was the establishment of ward committees, IDP and Budget consultations and the review/updating of community needs. All community sectors and stakeholders such as Business and NGOs were engaged through meetings of the IDP Representative Forum.

T 2.4.1

# Chapter 2

## WARD COMMITTEES

The municipality managed to establish functional ward committees in all 21 wards. Monthly meetings convened by the Ward Councillor as Chairperson were held in the majority of the municipal wards. These committees serve as a link to between the municipality and communities and represent the aspirations, concerns and needs of the community.

Service delivery challenges such as electricity outages, water, sanitation, IGGs and roads were major issues dealt with by the ward committees.

T 2.4.2

Table 15: Public Meetings

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Public protector awareness programme	25/05/2012	2	6	102	Yes	
IDP and Budget	April-May 2012	21	12	3 005	Yes	Most projects are on-going
National diabetes day	26/11/2011	19	20	2000	Yes	
Electricity outages	01/06/2012	16	8	700	Yes	

T 2.4.3

## COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Through public meetings held the municipality managed to strengthen partnerships with communities by empowering them with information and involvement in decision making.

T 2.4.3.1

# Chapter 2

## 2.5 IDP PARTICIPATION AND ALIGNMENT

Table 16: IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	No
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	No
Does the budget align directly to the KPIs in the strategic plan?	No
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	No
* Section 26 Municipal Systems Act 2000	T 2.5.1



# Chapter 2

## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

The municipality endeavours to comply with the regulatory frameworks and best practices regarding corporate governance. This includes the establishment of a risk management function, internal audit unit and independent audit committee and the implementation of fraud and anti-corruption policies and measures.

T 2.6.0

## 2.6 RISK MANAGEMENT

### RISK MANAGEMENT

*Note: MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.*

Risk management provides a clear and structured approach to identifying risks. Having a clear understanding of all risks allows the municipality to measure and prioritize them and take the appropriate actions to reduce losses.

The Metsimaholo Local Municipality implements and maintains effective, efficient and transparent systems of risk management and internal control. The risk management will assist the municipality to achieve, among other things, the following outcomes needed to underpin and enhance performance:

- more sustainable and reliable delivery of services;
- informed decisions underpinned by appropriate rigorous and analysis;
- innovation;
- reduced waste;
- prevention of fraud and corruption;
- better value for money through more efficient use of resources; and
- better outputs and outcomes through improved project and programme management.

#### **Top Risks to the Municipality**

1. Absence of disaster recovery and business continuity plan.
2. Ageing vehicles and equipment used for service delivery (Non availability of vehicles; Lack of capacity for refuse removal).
3. Provision for the rehabilitation of landfill sites not raised (No provision raised for environmental rehabilitation).
4. Irregular expenditure (All irregular expenditure as defined by the MFMA is not disclosed in the Annual Financial Statements).
5. Payment of creditors within 30 days from receipt of invoice not performed.

# Chapter 2

6. Unauthorised expenditure
7. Non compliance with section 116 of the MFMA.
8. Unfunded budget (Inability to deliver services due to inadequate funding).
9. No LED Strategy and SMME Plan.
10. Bribery and corruption

T 2.6.1

## 2.7 ANTI-CORRUPTION AND FRAUD

### FRAUD AND ANTI-CORRUPTION STRATEGY

*Note: See Chapter 4 details of Disciplinary Action taken on cases of financial mismanagement (T 4.3.6). MSA 2000 s 83 (c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.*

There is draft fraud prevention in place which includes the policy on whistle blowing which is in the process of being approved by Council. The fraud hotline number is in the process of being approved by Council. Once the hotline number has been approved by Council, all cases reported will be investigated and reported. To date no significant cases of fraud and corruption has been reported for investigation.

There is also an Investigation Committee which investigates all irregular expenditures and report these to Council.

T 2.7.1

## 2.8 SUPPLY CHAIN MANAGEMENT

### OVERVIEW SUPPLY CHAIN MANAGEMENT

*Note: MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.*

The reviewed supply chain management policy of the municipality, in line with the MFMA and national treasury prescripts, was adopted by council in February 2012. All bid committees as required by the SCM regulations are in place and the bid adjudication is chaired by the chief financial officer and operates within delegated powers.

The issues raised by the Auditor-General concerning the quality of Supply Chain Management are dealt with in Chapter 3.

# Chapter 2

The number of SCM officials who have reached the prescribed levels required for their positions (See MFMA Competency Regulation Guidelines) and the number of prescribed officials that are yet to reach the necessary competency levels are captured in Chapter 4 (Capacitating of the workforce).

T 2.8.1

## 2.9 BY-LAWS

Table 17: By-laws introduced

By-laws Introduced during 2011/12					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
34 Draft by-laws	None	No	N/A	No	N/A

\*Note: See MSA section 13.

T 2.9.1

### COMMENT ON BY-LAWS:

*Note: MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.*

All outstanding public participation meetings on by-laws will be undertaken during the next financial year. A By-law enforcement unit has been established to ensure effective enforcement of all municipal by-laws.

T 2.9.1.1

# Chapter 2

## 2.10 WEBSITES

Table 18: Municipal Website

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	Date not recorded
All current budget-related policies	Yes	Date not recorded
The previous annual report (2010/11)	Yes	Date not recorded
The annual report (2011/12) published/to be published	Yes	February 2013
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2011/12) and resulting scorecards	Yes	February 2013
All service delivery agreements (2011/12)	No	
All long-term borrowing contracts (2011/12)	No	
All supply chain management contracts above a prescribed value (give value) for 2011/12	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2011/12	No	
Contracts agreed in 2011/12 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in 2011/12	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2011/12	No	
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		T 2.10.1

### COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The municipality appointed a dedicated webmaster who attended various training courses during the financial year to ensure that the municipality's website comply with all legislative requirements in general and section 75 of the MFMA in particular. It is expected that the webmaster, in conjunction with ICT, will ensure major improvement in the management of the municipality's website in the next financial years.

T 2.10.1.1

# Chapter 2

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

### PUBLIC SATISFCATION LEVELS

The municipality conducted a socio-economic ward profile study in 2010. This was done through face to face interviews with systematically selected respondents from the sampled households. A total of 1 960 households were systematically selected where interviews were to be held with one member of the household. However, only 1 785 interviews were realised

The main objectives of the study were as follows:

- To collect household data on the *demographic profile of all wards*: population estimates, number of households in each ward, age profile, gender and race profile, disabilities.
- To collect household data on the *socioeconomic profile of wards*: education profile, household income categories and sources, employment status (employed, unemployed, not economically active), and tenure status, etc
- To collect household data on *access to services of wards*: access to water, sanitation, electricity, refuse removal, roads, housing, community halls, libraries, health services e.g. clinics or hospitals, recreational facilities, sports facilities, ambulance and fire rescue services, etc.

T 2.11.1

Table 19: Satisfaction Surveys Undertaken

Satisfaction Surveys Undertaken during: 2010/11				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
<b>Overall satisfaction with:</b>	Face-to-face interviews	Nov-Dec. 2010	1 785	
(a) Municipality (municipal experiences)				85%
(b) Municipal Service Delivery				23.5%
(c) Mayor				N/a
<b>Satisfaction with:</b>				
(a) Refuse Collection				53%
(b) Road Maintenance				43%
(c) Electricity Supply				41%
(d) Water Supply				57%
(e) Information supplied by municipality to the public				N/a
(f) Opportunities for consultation on municipal affairs (participation in ward committees)	53%			
* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				T 2.11.2

# Chapter 2

## COMMENT ON SATISFACTION LEVELS:

The municipality plans to do a follow-up survey, depending on availability of funding, to determine whether there has been an improvement in community satisfaction levels.

*T 2.11.2.2*

# Chapter 3

## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

### INTRODUCTION

The municipality has undoubtedly made major progress in accelerating service delivery throughout the area of jurisdiction. This, however, happens in the context of the major impact that the global recession has even in our municipality. More than ever, we are conscious of the need to achieve more with not even the same, but less resources available to us.

Whilst our emphasis on service delivery is maintained, we were able to construct 25 high masts light in the municipal area, 5ML reservoir in Amelia completed for water supply in Amelia and the planned Mooidraai, 310 infills in Zamdela we connected with piped water in the yard. Moreover, 89,4% on Blue-drop was achieved placing the Municipality as the second best performing municipality in the province.

With our intention to maintain and expand our initiatives to promote nation building and create a socially cohesive society, only one community service delivery protest was encountered at Metsimaholo ext.6 and responding to that, the Municipality business plan was approved by CoGTA for bucket eradication project valued at R 5,5 million, which the project will be implemented in 2012/13 financial year. Construction of sewer services and networks in Amelia was started in March 2012 to benefit 2 500 stands and anticipated to be completed by April 2013. The Municipality continues with its investment in major capital projects by undertaking projects such as Augmentation of the Water Purification Works valued at R 37 million, resealing of roads R 9 million, Amelia 11/88KV line and Substation to be completed by 2014 as a multi year project. Upgrading of the intersection in Zamdela with interlocking paving blocks and pedestrian walks funded by the Fezile Dabi District was completed through the EPWP initiative.

Themba-Khubeka informal settlement was serviced with communal standpipes and removal of sewer buckets to approximately 2 468 stands on a weekly basis.

*T 3.0.1*

# Chapter 3

## COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

### INTRODUCTION TO BASIC SERVICES

Municipality has well serviced records for sanitation, water and electricity. Currently the predominant sanitation system used is waterborne as 75.6% are using flushing toilets. Approximately 7500 stands will be supplied with waterborne system in Amelia and Gortin by 2014.

Water is currently provided by the Municipality as piped-water with a water backlog (bulk) of 35 ML a day. Currently a 5ML and 9ML reservoir projects are on-going in order to achieve the millennium goals towards the 35ML required per day. About 95% of the residents have access to water in their yards. Communal standpipes have been provided to the remaining 5% of the community, i.e Themba-Khubeka section near Refenkgotso.

Electricity is provided by Eskom and the Municipality, and the energy sources used by people in the Municipality are 86,4% electricity, and 14% use (coal, wood, paraffin and gas). Cable theft has been a serious challenge faced by the Municipality and residents

In general the pressing need in our municipality is the poor road conditions that affects the socio-economic life negatively. The condition of our surfaced roads in towns deteriorates rapidly and lack of funding to upgrade gravel roads in our townships is more concerning to our approach to intensify and create self sustaining human settlements.

*T 3.1.0*



# Chapter 3

## 3.1. WATER PROVISION

### INTRODUCTION TO WATER PROVISION

*Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005*

The management of the Water Provision services to approximately 41 000 households are done in two categories the one being the bulk supply being done by RANDWATER Water Board (Sasolburg zone) and the other being water being extracted from VAALDAM and purified ( Deneysville and Oranjeville zones). There is no challenge as to the supply of water to the Municipality. The Municipality was rated at 89.3% on the Blue drop assessment. The purification works at Deneysville are being expanded to accommodate the increased consumption and growth within the area. The informal areas are being provided with communal water taps where needed and networks being installed within the allowable funds from MIG.

T 3.1.1

Table 20: Total use of Water by Sector

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2010/11	0	0	7 700 898	17 335 651	2 503 654
2011/12	0	0	6 903 700	10 691 800	1 231 685

T 3.1.2

#### COMMENT ON WATER USE BY SECTOR:

No official water supply as to agriculture and forestry are done. Industries also use raw water (direct from the Vaal River) during their chemical processes that ease the burden on the provision of potable water. Only minimal treatment of this water is done within the industrial processes.

T 3.1.2.2

# Chapter 3

Table 21: Water Service Delivery Levels

Water Service Delivery Levels				
Description	Households			
	2008/09	2009/10	2010/11	2011/12
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Water: (above min level)</b>				
Piped water inside dwelling	28 093	29 568	32 806	33 993
Piped water inside yard (but not in dwelling)	8 659	9 114	10 112	10 478
Using public tap (within 200m from dwelling )	2 429	2 556	2 425	2 513
Other water supply (within 200m)	0	0	412	427
<i>Minimum Service Level and Above sub-total</i>	<b>39 181</b>	<b>41 238</b>	<b>45 757</b>	<b>47 411</b>
<i>Minimum Service Level and Above Percentage</i>	100%	100%	100%	100%
<b>Water: (below min level)</b>				
Using public tap (more than 200m from dwelling)	0	0	0	0
Other water supply (more than 200m from dwelling)	0	0	0	0
No water supply	0	0	0	0
<i>Below Minimum Service Level sub-total</i>	0	0	0	0
<i>Below Minimum Service Level Percentage</i>	0%	0%	0%	0%
<b>Total number of households*</b>	<b>39 181</b>	<b>41 238</b>	<b>45 757</b>	<b>47 411</b>

\* - To include informal settlements

T 3.1.3

Table 22: Households – Water Service Delivery Levels below minimum

Households - Water Service Delivery Levels below the minimum						
Description	Households					
	2008/09	2009/10	2010/11	2011/12		Actual No.
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	
<b>Formal Settlements</b>						
Total households	30 170	32 990	38 435	40 773	40 773	40 773
HHs below minimum service level	0	0	0	0	0	0
Proportion of HHs below minimum service level	0%	0%	0%	0%	0%	0%
<b>Informal Settlements</b>						
Total households	9 011	8 248	7 322	6 638	6 638	6 638
HHs below minimum service level	0	0	0	0	0	0
Proportion of HHs below minimum service level	0%	0%	0%	0%	0%	0%

T 3.1.4

# Chapter 3

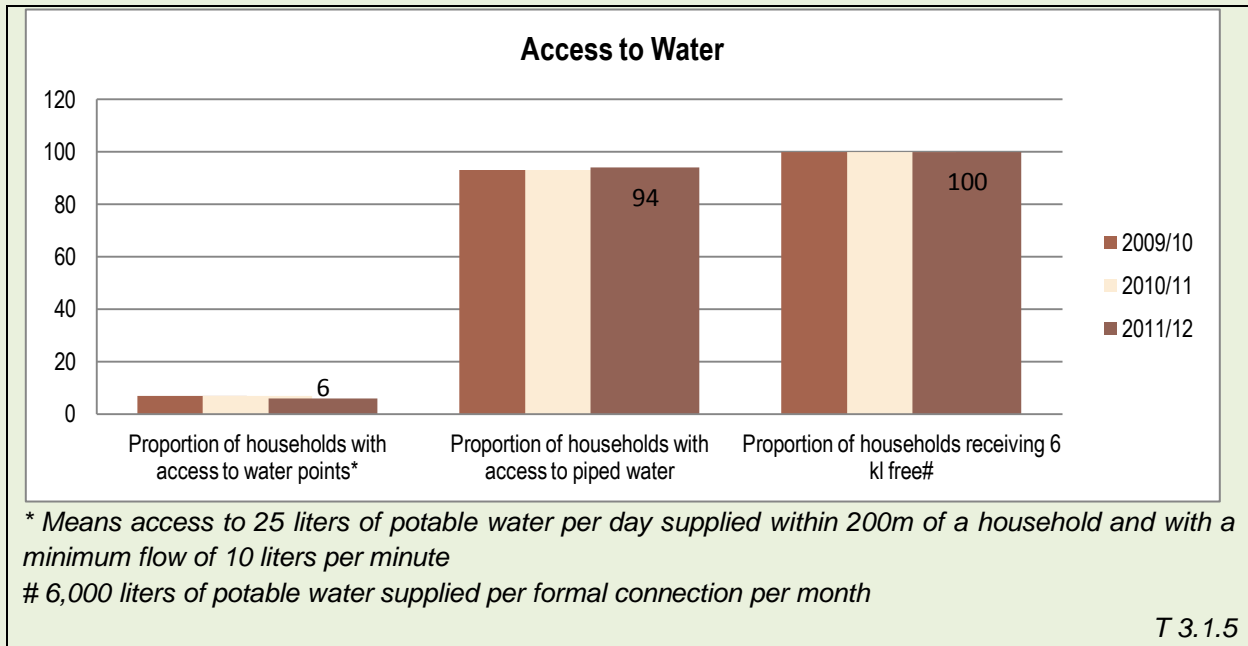


Figure 10: Access to Water

# Chapter 3

Table 23: Water Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% provision of bulk water supply to number of envisaged future erven that will address erven backlogs	90%	100% of Mooiplaats completed by end of June 2012	50% Bulk line & reservoir foundation completed; First platform of reservoir casted (Target not achieved)	Project only awarded in Feb. 2012	Project to be completed by end of March 2013
% completed Purification Works and Reservoir to assist in supplying 2500 households with water	90%	100% completed Purification Works and 50% Complete 9ML Reservoir by end of June 2012	50% Bulk line & reservoir foundation completed (Target not achieved)	Project only awarded in Feb. 2012	Project to be completed by end of March 2013
% provision of water network connections to all envisaged future erven that will address erven backlogs	Draft completed	Develop a business plan for bulk line in Mooidraai by end of Dec. 2011	0% Business Plan was developed in March 2012 (Target not Achieved)	Project Implementation Plan (PIP) fully committed	Project to be included in PIP for 2013/14 financial year
	0%	Water Connections to 300 infill stands in Zamdela and Metsimaholo	301 stands connected	Target exceeded	None
% of preserved water and water usage	25%	Replacement of (reported faulty) bulk water meters (other than household) by June 2012	9 out of 12 reported faulty bulk meters were replaced	Insufficient budget available in current financial year	DBSA loan approved and project to be budgeted in 2012/13
	8%	Reduction of water distribution losses from 8% to 6% by June 2012 ( <i>maintain annually thereafter at acceptable levels</i> )	6%	Target achieved	MoU with FDDM and Rand Water concluded

# Chapter 3

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
	93%	90% of reported water leaks repaired within 48 hours	95.2% of total reported leaks attended to within 48 hours (Total of 1 732 leaks reported)	Target exceeded	None
	10%	100% of WSDP developed and submitted for approval by end of Dec 2011	25% (Module 1 completed and approved by DWA) (Target not achieved)	DWA busy with Module 2,3 & 4	DWA to complete Module 2,3 & 4 by June 2013
	89%	90% compliance with blue drop water quality accreditation system by June 2012	90%	None	None
Number of Zonal Valves installed ( <i>not budgeted for</i> )	0	4 Zonal/Isolation valves installed by end of June 2012	0 (Target not achieved)	No budget available to implement project	To be submitted as input for 2012/13 capital budget

# Chapter 3

Table 24: Employees – Water Services

Employees: Water Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	3	3	3	0	0
7 - 9	6	7	6	1	14
10 - 12	8	10	8	2	20
13 - 15	5	16	5	11	68
16 - 18	14	16	14	2	12
19 - 20	0	0	0	0	0
<b>Total</b>	<b>36</b>	<b>52</b>	<b>36</b>	<b>16</b>	<b>31</b>

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Table 25: Financial Performance – Water Services

Financial Performance 2011/12: Water Services					
R'000					
Details	2010/11	2011/12			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	<b>152 826</b>	<b>199 458</b>	<b>201 958</b>	<b>187 217</b>	<b>4.86%</b>
Expenditure:					
Employees	7 450	9 371	9 191	7 446	25.85%
Repairs and Maintenance	845	6 106	5 106	3 631	68.16%
Other	95 835	145 883	149 092	154 800	(5.76%)
<b>Total Operational Expenditure</b>	<b>104 130</b>	<b>161 360</b>	<b>163 389</b>	<b>165 877</b>	<b>(2.72%)</b>
<b>Net Operational Expenditure</b>	<b>48 696</b>	<b>38 098</b>	<b>38 569</b>	<b>21 340</b>	

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

# Chapter 3

Table 26: Capital Expenditure – Water Services

Capital Expenditure 2011/12: Water Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	48 964	16 964	14 449	70.49%	
Project A: Augmentation of WPW in Deneysville	18 706	14 227			
Project B: Zamdela In fills 310	490	490			
Project C (name)					
Project D (name)					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

T 3.1.9

## COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The municipality is performing fairly well, and it is attested by the blue drop score of 89,3 % overall as the water is currently provided by the Municipality as piped-water with a water backlog (bulk) of 35 ML a day. Currently a 5ML and 9ML reservoir projects are on-going in order to achieve the millennium goals towards the 35ML required per day. About 95% of the residents have access to water in their yards. Communal standpipes have been provided to the remaining 5% of the community, i.e Themba-khubeka section near Refenkgotso).

T 3.1.10

# Chapter 3

## 3.2 WASTE WATER (SANITATION) PROVISION

### INTRODUCTION TO SANITATION PROVISION

The management of the Sanitation Provision services are done in two categories the one being the treatment being done under contract by Sasol Chemical Industries (Sasolburg zone) and the other being treated by two Municipal plants (Deneysville and Oranjeville zones). The challenge as to the treatment of sewer effluent lies in the needed enlargement of the treatment plants of the Municipality being assessed and to be included in the sanitation sector plan. PSPs for the compilation of the master and sector plan will be sought during the next financial year, dependant on funding. The Municipality was rated at 62% on the Green Drop assessment. The informal areas are being provided with a temporary bucket system where needed and permanent networks being installed within the allowable funds from MIG.

T 3.2.1

Table 27: Sanitation Service Delivery Levels

Sanitation Service Delivery Levels				
Description	2008/09	2009/10	2010/11	*Households 2011/12
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
<b>Sanitation/sewerage: (above minimum level)</b>				
Flush toilet (connected to sewerage)	25 634	27 500	31 855	33 423
Flush toilet (with septic tank)	5 100	5 208	5 288	5 288
Chemical toilet				
Pit toilet (ventilated)				
Other toilet provisions (above min. service level)				
<i>Minimum Service Level and Above sub-total</i>	30 734	32 708	37 143	38 711
<i>Minimum Service Level and Above Percentage</i>	78.4%	79.3%	81.2%	81.6%
<b>Sanitation/sewerage: (below minimum level)</b>				
Bucket toilet	5 447	5 530	5 614	5 700
Other toilet provisions (below min. service level)	3 000	3 000	3 000	3 000
No toilet provisions				
<i>Below Minimum Service Level sub-total</i>	8 447	8 530	8 614	8 700
<i>Below Minimum Service Level Percentage</i>	21.6%	20.7%	18.8%	18.4%
<b>Total households</b>	<b>39 181</b>	<b>41 238</b>	<b>45 757</b>	<b>47 411</b>
<b>*Total number of households including informal settlements</b>				T 3.2.3

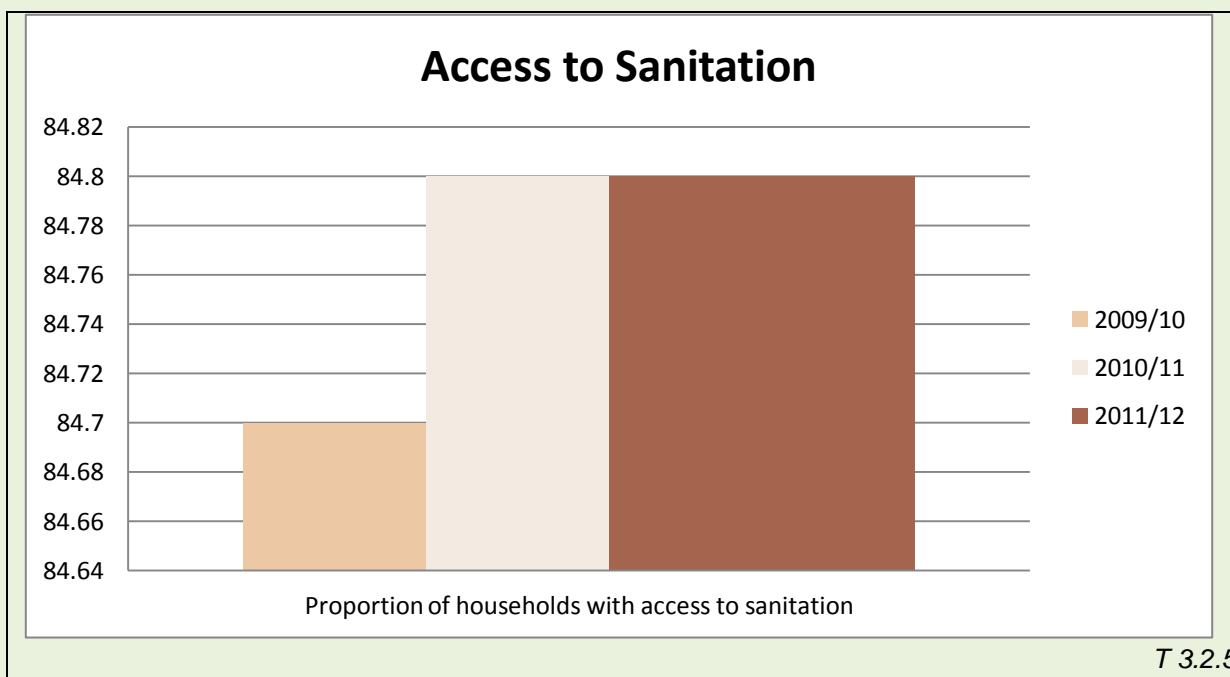


# Chapter 3

Table 28: Households – Sanitation Service Delivery Levels below the minimum

Households - Sanitation Service Delivery Levels below the minimum						
Description	2008/09	2009/10	2010/11	2011/12		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
Total households	30 170	32 990	38 435	40 773	40 773	40 773
Households below minimum service level	5 447	5 530	5 614	5 700	5 700	5 700
Proportion of households below minimum service level (%)	18.1%	16.8%	14.6%	13.9%	13.9%	13.9%
<b>Informal Settlements</b>						
Total households	9 011	8 248	7 322	6 638	6 638	6 638
Households below minimum service level	3 000	3 000	3 000	3 000	3 000	3 000
Proportion of households below minimum service level (%)	33.3%	36.4%	40.9%	45.2%	45.2%	45.2%

T 3.2.4



T 3.2.5

Figure 11: Access to Sanitation

# Chapter 3

Table 29: Sanitation Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
Number of stands provided with sewer network in identified backlogs areas	0%	100% of business plan completed for Metsimaholo Ext. (366) and Harry Gwala x9 (500) by Dec. 2011	Partially completed (only plan for Metsimaholo Ext. completed) (Target not achieved)	Harry Gwala area not yet formalised	Business plan to be developed in 2012/13
Number of new sewer network connections provided	60%	Sewer network provided to the following areas by June 2012: 925 in Gortin 3 500 in Amelia	65% completed in Gortin (669 stands outstanding); Amelia project tender awarded in Feb. (Target not achieved)	Project in Amelia started with construction	Contractors to complete the work in the 2012/13;
Well managed sanitation system and waste water treatment networks	10%	100% of sanitation master plan (WSDP) developed and submitted for approval by Dec. 2011	25% (Module 1 completed and approved by DWA) (Target not achieved)	DWA busy with Module 2,3 & 4	DWA to complete Module 2, 3 & 4 by June 2013.
	70%	100% of business plan completed for extension of water purification plant in Metsimaholo	100% completed and submitted in July 2011	Target exceeded	None
	65.5%	90% compliance with green drop water quality accreditation system by June 2012	63.83% compliance (Target not achieved)	Scores by DWA to be issued in the next financial year and work in progress	Reporting by MLM to DWA to be done on a monthly basis
% blockages attended to within 24 hours	80%	90% of blockages attended to within 24 hours	97.1% of total reported blockages attended to within 24 hours (Total of 1 064 reported blockages)	Target exceeded	None
Length of main gravitational outfall sewer replaced	1km	3 km collapsing outfall sewer line replaced by end of June 2012	0,6km completed (Target not achieved)	Cash flow constraints	To be submitted as input for 2012/13 capital budget

# Chapter 3

Table 30: Employees – Sanitation Services

Employees: Sanitation Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	4	4	3	1	25
7 - 9	3	3	3	0	0
10 - 12	5	6	5	1	16
13 - 15	8	13	8	5	38
16 - 18	19	35	19	16	45
19 - 20	0	0	0	0	0
Total	39	61	38	23	38

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 31: Financial Performance – Sanitation Services

Financial Performance 2011/12: Sanitation Services					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>28 992</b>	<b>28 448</b>	<b>28 515</b>	<b>24 652</b>	<b>-15.4</b>
Expenditure:					
Employees	6 020	8 183	8 228	6 163	-32.78
Repairs and Maintenance	2 194	4 077	2 567	1 393	-192.68
Other	22 028	29 140	28 039	28 480	-2.32
<b>Total Operational Expenditure</b>	<b>30 242</b>	<b>41 400</b>	<b>38 833</b>	<b>36 036</b>	<b>-14.89</b>
<b>Net Operational Expenditure</b>	<b>-1 250</b>	<b>-12 952</b>	<b>-10 318</b>	<b>-11 384</b>	<b>-13.77</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 32: Capital Expenditure – Sanitation Services

Capital Expenditure 2011/12: Sanitation Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	14 673	14 672	8 848	39.69%	
Project A: Gortin Sanitation	2 000	11 810	8 524	38.5%	
Project B: Amelia sewer network	2 810				
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

T 3.2.9

## COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The municipality has well serviced records for sanitation. Currently the predominant sanitation system used is waterborne as 75.6% are using flushing toilets. Approximately 7500 stands will be supplied with a waterborne system in Amelia and Gortin over the next two years as capital projects funded by MIG. The same could be said that the Municipality is doing fairly well with room for improvement as we achieved 63% Green Drop status as our first participation on the programme.

T 3.2.10

# Chapter 3

## 3.3 ELECTRICITY

### INTRODUCTION TO ELECTRICITY

*Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.*

The municipality is compelled and mandated in terms of legislation to provide electricity to all consumers in the demarcated municipal area in a reliable and cost effective manner. The entire electrical system must be installed and maintained according to the requirements of the Occupational Health and Safety Act. With the development of new areas the municipality applies and receive grants from the Department of Energy for the construction of new electrical networks in order to provide consumers with new electrical connections. The network must be maintained by competent officials and must be supervised by a qualified Responsible Person. During the 2011/12 financial year an electrification project to the amount of R3m was completed by electrifying 454 houses.

T 3.3.1

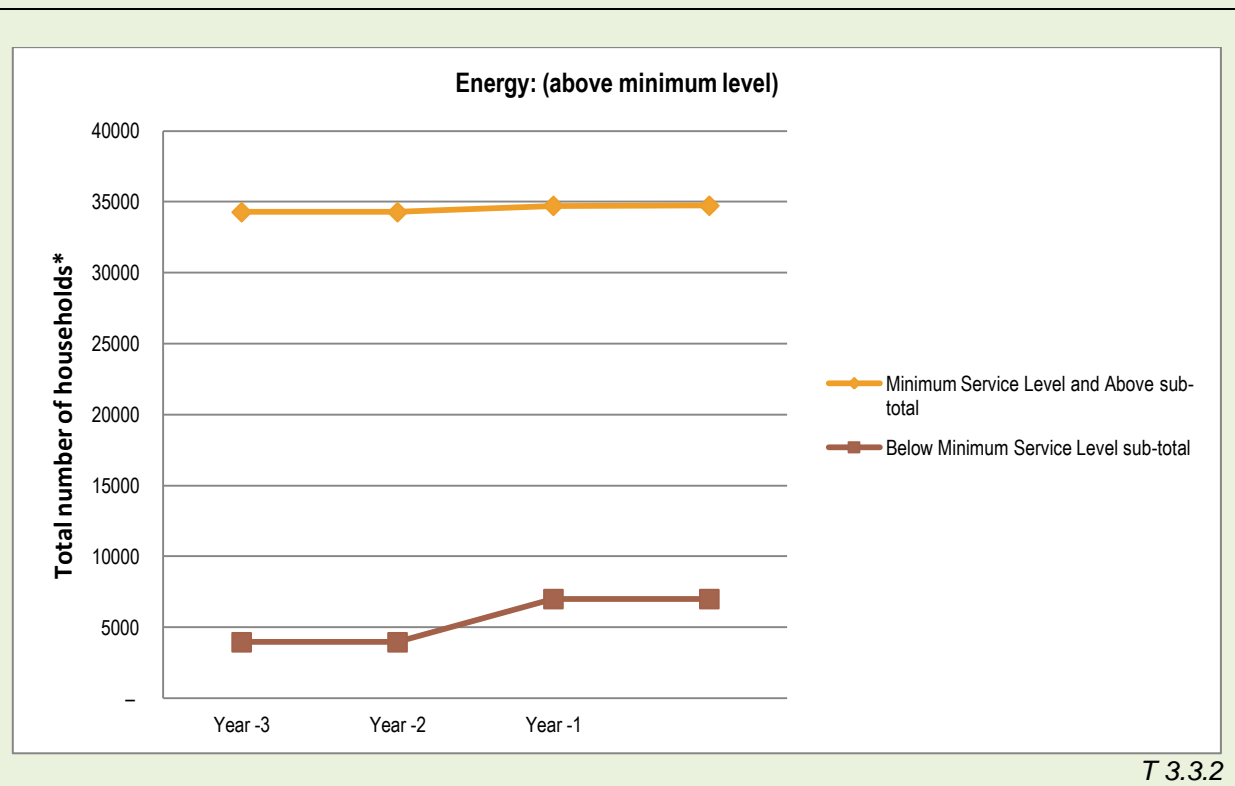


Figure 12: Energy above Minimum Level

# Chapter 3

Table 33: Electricity Service Delivery Levels

Electricity Service Delivery Levels				
Description	2008/09	2009/10	2010/11	Households 2011/12
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Energy: (above minimum level)</b>				
Electricity (at least min.service level)				
Electricity - prepaid (min.service level)				
<i>Minimum Service Level and Above sub-total</i>	35 227	37 284	38 757	40 217
<i>Minimum Service Level and Above Percentage</i>	89.9%	90.4%	84.7%	84.8%
<b>Energy: (below minimum level)</b>				
Electricity (< min.service level)	N/A	N/N	N/A	N/A
Electricity - prepaid (< min. service level)				
Other energy sources				
<i>Below Minimum Service Level sub-total</i>	3 954	3 954	7 000	7 194
<i>Below Minimum Service Level Percentage</i>	10.1%	9.6%	15.3%	15.2%
<b>Total number of households</b>	<b>39 181</b>	<b>41 238</b>	<b>45 757</b>	<b>47 411</b>

T 3.3.3

Table 34: Households – Electricity Service Levels below the Minimum

Households - Electricity Service Delivery Levels below the minimum						
Description	2008/09	2009/10	2010/11	Households 2011/12		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	30 170	32 990	38 435	40 773	40 773	40 773
Households below minimum service level	0	0	3 046	3 046	3 046	3 046
Proportion of households below minimum service level	0%	0%	7.9%	7.5%	7.5%	7.5%
<b>Informal Settlements</b>						
Total households	9 011	8 248	7 322	6 638	6 638	6 638
Households below minimum service level	3 954	3 954	3 954	3 954	3 954	3 954
Proportion of households below minimum service level	43.9%	47.9%	54.0%	59.6%	59.6%	59.6%

T 3.3.4

# Chapter 3

Table 35: Electricity Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of electrified household's receiving free basic electricity.	90%	100% of households in formalised areas receive free basic electricity including ESKOM & farms areas by June 2012	100% Target Achieved	Target Achieved	None
Reduced number of outages reported within the municipality	50%	Minimise outages by 10% by end of June 2012	10%	Target Achieved	None
Reduced response time to reported outages from three days to 24 hours	HHS-24hrs Others-48hrs	Reduced response time for HHS to 2hrs and Others to 24hrs	100%	Target Achieved	None
Electricity master plan developed and approved	10%	100% of electricity master plan developed and submitted for approval by Dec. 2011	0% (Target not achieved)	Delays in the awarding of the tender	Award of tender to be fast-tracked in terms of procurement plan
% completed investigation into security measures for transformers and mini-substations	50%	100% completed investigation report and implementation of measures by Dec 2011	10% (Target not achieved)	Report not completed but Investigations done	Service provider to be requested to assist
% of street and high mast lights maintained	80%	80% of street and high mast lights maintained by Dec 2011	80%	Target Achieved	None
% of substation and bulk supply line completed (Leitrim, Amelia & Moodraai)	15%	60% completed by June 2012 ( <i>breakdown per bulk line</i> )	50% All Civil works completed & only instrumentation outstanding (Target not achieved)	Funding challenges	Expected to be completed in Oct. 2012
Quantified electricity losses	25%	Electricity meter investigation report completed by March 2012 ( <i>pilot project</i> )	0% ( Target not achieved)	Funding not available in current financial year	Budget to be allocated in the next financial year
% Reduction in electricity distribution losses	10%	Reduced electricity losses from 10% to 8% by end June 2012 ( <i>maintain annually thereafter at agreed levels</i> )	8%	Target Achieved	None

# Chapter 3

Table 36: Employees – Electricity Services

Employees: Electricity Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4 - 6	5	10	5	5	50
7 - 9	9	12	8	4	25
10 - 12	3	7	2	5	70
13 - 15	8	12	8	4	25
16 - 18	14	18	14	4	88
19 - 20	0	0	0	0	0
Total	41	61	39	22	36

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 37: Financial Performance – Electricity Services

Financial Performance 2011/12: Electricity Services					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>156 803</b>	<b>200 044</b>	<b>204 230</b>	<b>160 965</b>	<b>-24.28</b>
Expenditure:					
Employees	9 999	9 191	10 636	10 385	11.5
Repairs and Maintenance	2 677	5 454	6 040	3 893	-40.1
Other	126 604	166 085	164 943	163 334	-1.68
<b>Total Operational Expenditure</b>	<b>139 280</b>	<b>180 730</b>	<b>181 619</b>	<b>177 612</b>	<b>-1.76</b>
<b>Net Operational Expenditure</b>	<b>17 523</b>	<b>19 314</b>	<b>22 611</b>	<b>-16 647</b>	<b>216.02</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8



# Chapter 3

Table 38: Capital Expenditure – Electricity Services

Capital Expenditure 2011/12: Electricity Services						R' 000
Capital Projects	2011/12					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	20 609	16 432	13 632	51.18		
Project A: Connection of 454 stands in Metsimaholo Ext 6	2 000	3 000			3 000	
Project B: Amelia Substation		9 933	12 297		52 000	
Project C						
Project D						
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T 3.2.9

## COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The service delivery of the Department Electrical and Mechanical Engineering is hampered by the shortage of staff, vehicles and equipment and the time delay in procuring material. Limited stock to none is carried in the Division Stores and during emergencies and breakdowns material must be sourced from willing suppliers to assist the Department. In general the Department is continuing to provide an effective service to the community despite problems and will try and continue to strive to improve the service delivery.

T 3.3.9

# Chapter 3

## 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

### INTRODUCTION TO WASTE MANAGEMENT

The Division Waste Management implements its strategic plan, service delivery and integrated waste management plan to adhere and align with the National Standard for weekly refuse collection.

The actions taken include inter-alia:

- Once a week refuse removal for ±50 000 households
- Six [6] day business refuse removal to ±1000 businesses
- Five [5] day refuse removal from both Industries and Hostels.

Some of the challenges faced during 2011/12 include the shortage of trucks, trailers, tractors and equipment, shortage of personnel, the mushrooming of informal settlements, illegal dumping, non-payment for services rendered and excessive overtime payments.

The major successes achieved during the financial year under review include the rendering of constant refuse removal services, receiving two new compactor refuse removal trucks and receiving of personal protective equipment in time.

Progress made with waste disposal steps initiated for the rehabilitation of the existing landfill site (which is full to capacity) and the establishment of a new landfill site (funding for this remains insufficient). An office for gate controllers was erected, however, pickers remained a threat. In regard to street cleaning, the shortage of staff impacts negatively on the municipality to render an effective street cleaning service including public ablution facilities. Lastly, the municipality does not engage in any recycling activities, which is currently done on an informal basis by private companies.

The municipality's top service delivery priorities include: Providing access to refuse removal services to all households in formal and informal areas, the eradication of illegal dumping' effective management of landfill sites and ensuring sufficient capacity (personnel, vehicles and equipment) to render an effective and efficient waste management service.

Measures taken to improve performance include sourcing personnel through the EPWP and engaging private contractors to augment internal capacity. Clean-up campaigns in conjunction with wards are done on a sporadic basis to remove illegal dumps.

The Municipality has an indigent policy to assist the poverty stricken. Where the Municipality cannot gain entry access, the affected communities are urged and requested to dump in one central point. The municipality then remove that heap of refuse on quarterly basis.

T 3.4.1

# Chapter 3

Table 39: Waste Management Service Delivery Levels

Waste Management Service Delivery Levels				
Description	2008/09	2009/10	2010/11	Households 2011/12
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Solid Waste Removal: (Minimum level)</b>				
Removed at least once a week	36 500	37 200	38 800	40 000
<i>Minimum Service Level and Above sub-total</i>	<b>36 500</b>	<b>37 200</b>	<b>38 800</b>	<b>40 000</b>
<i>Minimum Service Level and Above percentage</i>	93.2%	90.2%	84.5%	84.4%
<b>Solid Waste Removal: (Below minimum level)</b>				
Removed less frequently than once a week				
Using communal refuse dump				
Using own refuse dump				
Other rubbish disposal				
No rubbish disposal				
<i>Below Minimum Service Level sub-total</i>	2 681	4 038	6 957	7 411
<i>Below Minimum Service Level percentage</i>	6.8%	9.8%	15.5%	15.6%
<b>Total number of households</b>	<b>39 181</b>	<b>41 238</b>	<b>45 757</b>	<b>47 411</b>
				T 3.4.2

Table 40: Households –Waste Management Service Delivery Levels below the Minimum

Households - Waste Management Service Delivery Levels below the minimum						
Description	2008/09	2009/10	2010/11	Households 2011/12		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	30 170	32 990	38 435	40 773	40 773	40 773
Households below minimum service level	2 681	4 038	6 957	7 411	7 411	7 411
Proportion of households below minimum service level	8.9%	12.2%	18.1%	18.1%	18.1%	18.1%
<b>Informal Settlements</b>						
Total households	9 011	8 248	7 322	6 638	6 638	6 638
Households below minimum service level						
Proportion of households below minimum service level						
						T 3.4.3

# Chapter 3

Table 41: Waste Management Service Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% development and implementation of Integrated Waste Management Plan (IWMP)	60%	100% developed and approved IWMP by end of Sept.2011 (consolidate district & provincial IWMPs – July 2011 & convene council workshop – Aug 2011)	90% Draft IWMP completed (Target not Achieved)	Draft awaiting council approval	Draft IWMP to be submitted to Council
	0%	100% implemented IWMP by end of June 2012 (implementation plan to be approved with IWMP)	0% progress (Target not achieved)	Implementation of IWMP can only commence after Council approval	Draft IWMP to be submitted to Council
Number of additional premises per month serviced with refuse removal within the municipal areas. (3 new trucks @ 1 trip/ round=between 800-1000 premises per day x 5 days= 12000 per week)	New trucks were not delivered	Between 12 000 and 15 000 additional points per week. (Procurement of 3 new additional compactor trucks (Amelia, Gortin, Mooiplaats and Mooidraai) by June 2012	0% progress (Target not achieved)	New trucks not yet delivered by Government Garage (GG)	Request to GG to expedite delivery of trucks
		Increase the number of refuse service points by 15 000 from 40 120 to 55 120 by end of June 2012	0% progress (Target not achieved)	New trucks not yet delivered by Government Garage (GG)	Request to GG to expedite delivery of trucks
% of new landfill site established	10%	100% finalised establishment of new landfill sites by end of June 2012.	0% progress (Target not achieved)	SCM delays in finalising evaluation and adjudication of submitted bids for EIA	Tender to be re-advertised. Validity period of previous bids expired
% effective management of existing landfill sites	20%	100% effective management of existing landfill sites by end of June 2012	40% New gate controllers appointed (Target not achieved)	SCM delays in finalising evaluation and adjudication of submitted bids	Weigh bridge to be installed. <b>Offices are being erected</b>
Number of awareness programmes on illegal dumping	14	One programme per ward by end of June 2012 (at least 4 per quarter)	0 (Target not achieved)	Lack of vehicles and equipment	Vehicles to be procured and programme of action finalised

# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of clean ward competition	50%	100% of clean ward competition completed and finalised by end of Dec. 2011	50% (Target not achieved)	All illegal dumps to be removed before competition can commence	Procure additional vehicles; All wards to be cleaned by March 2013
Number of illegal dumpings removed	15	12 illegal dumpings removed by end of June 2012	80 illegal dumps removed	Target exceeded	All Zamdela Wards 2 illegal dumping were
% enforcement of By-law on illegal dumping	10%	100% enforcement of by-law in all wards by June 2012 (fines & penalties to be implemented)	50% Unit operational and functioning (Target not achieved)	Delays were experienced in the approval of the By-Law	Fast-track approval of By-Law

# Chapter 3

Table 42: Employees – Waste Management Services

Employees: Waste Management Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4 - 6	0	2	0	2	100
7 - 9	4	4	4	0	0
10 - 12	0	1	0	1	100
13 - 15	9	21	14	7	33
16 - 18	100	150	95	55	37
19 - 20	0	0	0	0	0
Total	115	180	115	65	36

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 43: Financial Performance – Waste Management Services

Financial Performance 2011/12: : Waste Management Services					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	30 611	36 406	35 502	34 735	95.4%
Expenditure:					
Employees	12 529	16 312	15 318	13 933	85.4%
Repairs and Maintenance	1 360	2 854	891	1 784	62.5%
Other	11 617	15 338	16 520	20 497	133.6%
<b>Total Operational Expenditure</b>	25 506	34 504	32 729	36 214	104.9%
<b>Net Operational Expenditure</b>	5 105	1 902	2 773	-1 479	

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 44: Capital Expenditure – Waste Management Services

Capital Expenditure 2011/12: Waste Management Services					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3 433	2 235	0	100%	
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

**COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:**

Limited funding has been made available for capital projects in the 2010/11 financial year.

T 3.4.10

# Chapter 3

## 3.5 HOUSING

### INTRODUCTION TO HOUSING

The Housing Development Agency has been mandated by the Minister to assist Metsimaholo as one of the three target municipalities in the Free State Province to accelerate sustainable communities through land assembly, building and property acquisitions.

Planning Objectives to eradicate the backlogs are:

- In cooperation with the Housing Development Agency to *acquire suitable land* in Refengkgotso (Deneysville) for accommodation of the general public and human-settlement purposes and to provide for further community needs and development opportunities.
- To secure *development nodal points* in the SDF for High Density Housing
- To provide *planned erven* by July 2013 in the following areas to accommodate informal settlements and provide for future needs and to accommodate further community needs:
  - (1) Mooi Plaats Refengkgotso – expansion to the west with 2 000 erven
  - (2) Moodraai Zamdela – mixed development expansion to the south west with 3 000 erven
- To ensure *basic services installations* on erven newly created
- To ensure *human re-settlement (residents earning less than R3 500 pm)* as soon as basic services (water) has been installed
- To *replace temporary structures* with permanent housing structures. (3 950 subsidies were allocated by the Province)
- To *complete the townhouse concept houses at Hostel 2* with 60 – 70 RDP houses
- To *replace existing Hostel 3, and 4* rental units with Town House Concept Houses / Community Residential Units (CRU's). Bids has been invited by Provincial Government for suitably Qualified contractors to be appointed by January 2013 to construct the first 102 (phase 1) units at Erf 4870, Zamdela during 2013. The phase 1 units are to be completed within 18 months (Aug 2014).

T 3.5.1

Table 45: Percentage of Households with Access to Basic Housing

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2008/09	39 181	30 170	77%
2009/10	41 238	32 990	80%
2010/11	45 757	38 435	84%
2011/12	47 411	40 773	86%
T 3.5.2			



# Chapter 3

Table 46: Housing Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% completed feasibility report on the establishment of social housing	35%	100% feasibility study completed and submitted for approval by end of Dec. 2011	95% progress – Draft report completed (Target not achieved)	New areas and challenges to be incorporated into revised report	Updated report will be re-submitted to Management , Portfolio Committee and Council by Oct. 2012
% of Housing Sector Plan updated and approved	80%	100% of Housing Sector Plan updated and submitted for approval by end of Dec 2011	50% progress – Draft plan & executive summary completed (Target not achieved)	Draft still to be workshopped and thereafter submitted to Council for final approval	Updated plan to be submitted to Council in Nov. 2012
% of beneficiaries identified as per approved RDP housing allocation	100%	100% of beneficiaries identified as per approved allocation (2011/12 allocation-number of units not yet finalised by Province)	100% progress. 2 258 beneficiaries identified as per MEC announcement	Target achieved	None
% of subsidy applications for RDP houses processed	100%	100% of subsidy applications processed (and submitted to Province)	100% progress. 2 258 subsidy applications processed within 60 days of MEC announcement	Target achieved	None
% data confirmed and verified for Hostels 1-4 (linked to CRUs)	0%	100% of data confirmed and verified for Hostels 1-4 by end of June 2012	73% data has been confirmed for Hostel 1 to 4. (978 out of 1 343 verifications completed) (Target not achieved)	The division is under capacitated	Council has appointed EPWP workers to assist in conducting a survey in all the hostels.

# Chapter 3

Table 47: Employees – Housing Services

Employees: Housing Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	1	1	50
4 - 6	2	3	2	1	33
7 - 9	13	20	14	6	30
10 - 12	0	2	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	17	27	17	8	30

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 48: Financial Performance – Housing Services

Financial Performance 2011/12: : Housing Services					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	6 555	25 000	14 000	3 849	84.6%
Expenditure:					
Employees	2 364	2 405	2 381	1 986	17.4%
Repairs and Maintenance	10	16	16	11	31.3%
Other	825	1 071	1 118	1 078	0.65%
<b>Total Operational Expenditure</b>	3 199	3 492	3 515	3 075	11.9%
<b>Net Operational Expenditure</b>	3 356	21 508	10 485	774	96.0%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 49: Capital Expenditure – Housing Services

Capital Expenditure 2011/12: : Housing Services					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
<b><i>N/B Competence of the National/Provincial Housing Departments</i></b>					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

## COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

There was a significant improvement regarding the progress made in concluding the lease agreements on the properties managed by the department as opposed to the previous years. 3950 subsidies were allocated however 1899 are still outstanding.

The Directorate Economic Development and Planning experienced serious and increasing challenges on its capacity since its establishment in 2003 and during the financial year under review. The existing lack in managerial staff (Managers in all Divisions) and key positions that became vacant created a huge vacuum and challenges for remaining staff. Capacitating the Division Housing and Property Management is critical to an application to Provincial Government for accreditation of the Division to level 2 in 2013 and level 3 in 2015.

T 3.5.7

# Chapter 3

## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Free basic services are provided to indigent households according to the municipality's indigent policy. This includes 10kl of water, 50kWh electricity, R50 subsidy on assessment rates, free sanitation and refuse removal per household per month. A total number of 10 553 households were recorded in the indigent register at the end of the 2011/12 financial year.

T 3.6.1

Table 50: Free Basic Services

	2009/10	2010/11	2011/12
<b>Free water:</b>			
- all residents	6kl	6kl	6kl
- indigent residents	10kl	10kl	10kl
Basic water - indigents	Free	Free	Free
<b>Free Electricity:</b>			
- all residents	50kWh	50kWh	50kWh
- non Municipal supply	Agreement with Eskom	Agreement with Eskom	Agreement with Eskom
Basic Electricity - indigents	Free	Free	Free
<b>Sewerage Basic - indigents</b>	Free	Free	Free
<b>Free Refuse removal - indigents</b>	Free	Free	Free
<b>Indigent subsidy (property rates)</b>	R50.00	R50.00	R50.00
<b>Income level for registration of indigents</b>	R2 300.00 per month	R2 400.00 per month	R 2500.00 per month
<b>Number of registered indigents</b>	7 657	8 371	10 553 <sup>#</sup>

# There were 1 918 pending indigent applications as at 30 June 2012.

The number of registered indigents increased by 2 182 or 26.1%

# Chapter 3

Table 51: Cost to Municipality of FBS Delivered

Financial Performance 2011/12: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2010/11	2011/12			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	17 153	25 115	25 115	22 324	-12.5%
Waste Water (Sanitation)	4 415	5 865	5 865	4 805	-22.06%
Electricity	11 757	11 470	13 970	13 429	14.59%
Waste Management (Solid Waste)	5 634	6 640	6 640	6 794	2.27%
Total	38 959	49 090	51 590	47 352	
					T 3.6.4

#### COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Free basic services are provided to indigent households according to the municipality's indigent policy. This includes 10kl of water, 50kWh electricity, R50 subsidy on assessment rates, free sanitation and refuse removal per household per month. A total number of 10 553 households were recorded in the indigent register at the end of the 2011/12 financial year. The total cost to the municipality of FBS delivered amounted to R47,3 million in 2011/12 compared to R38,9 million in 2010/11.

T 3.6.6

# Chapter 3

## COMPONENT B: ROAD TRANSPORT

### INTRODUCTION TO ROAD TRANSPORT

This component includes: roads; transport; and waste water (storm water drainage).

*T 3.7*

## 3.7 ROADS

### INTRODUCTION TO ROADS

The road network, as is the norm, is the mostly neglected for it being very expensive in maintenance. Potholes are fixed but the road infrastructure needs overall bitumen enrichment. Master and sector plans as well as a pavement management system needs to be done. Funds allowing, the plans and system would be developed within the next financial year.

*T 3.7.1*

**Table 52: Gravel Road Infrastructure**

Gravel Road Infrastructure				Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2009/10	255	0	0	80
2010/11	255	4	0	120
2011/12	322	0	0	135

*T 3.7.2*

# Chapter 3

Table 53: Tarred Road Infrastructure

Tarred Road Infrastructure					
					Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2009/10	364	0	0	0	0
2010/11	364	0	2	8	20 km (potholes)
2011/12	364	0	3	10	30km (potholes)
<i>T 3.7.3</i>					

Table 54: Cost of Construction/Maintenance

Cost of Construction/Maintenance						
						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2009/10	0	0	3 600	0	3 000	2 900
2010/11	1 900	0	6 000	0	6 200	4 800
2011/12	0	0	9 000	0	0	4 800
<i>T 3.7.4</i>						

<i>T 3.7.5</i>
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# Chapter 3

Table 55: Roads Services Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% roads master plan developed	10%	100% of roads and storm water master plan developed and submitted for approval by end Dec. 2011	0% (Target not achieved)	Tender not awarded	Awarding of tender to be fast-tracked
Number of km's of roads upgraded and maintained in identified areas	0	6 km's of roads and storm water upgraded in Gortin (June 2012)	7 km upgraded	Target exceeded	None
	0	5km of roads upgraded to benefit critical roads (3km Deneysville and 2km Oraniville) by end of June 2012	2 km upgraded (Target not achieved)	Budget was cut due to cash flow constraints	Roads prioritized for the next financial year budget
	0	7km roads sealed (2km in Zamdela; 3km in Vaalpark & 2km in Sasolburg) by end of June 2012	3 km sealed (Sasolburg) (Target not achieved)	Target exceeded	None
	0	50km gravel roads maintained in priority areas by end of June 2012	45 km maintained (Vaal Park, Zamdela, Refenggotso & Metsimaholo Ext. 6) (Target not achieved)	Budget was cut due to cash flow constraints	Roads prioritized for the next financial year budget



# Chapter 3

Table 56: Employees – Roads Services

Employees: Roads Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	1	2	1	1	50
7 - 9	3	3	3	0	0
10 - 12	3	3	3	0	0
13 - 15	18	22	18	5	22
16 - 18	12	18	15	3	16
19 - 20	0	0	0	0	0
<b>Total</b>	<b>37</b>	<b>48</b>	<b>40</b>	<b>9</b>	<b>19</b>

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 57: Financial Performance – Roads Services

Financial Performance 2011/12: : Roads Services (incl. Storm water)					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	21 432	12 020	12 020	19 450	38.2%
Expenditure:					
Employees	7 271	9 562	9 579	8 174	-16.98%
Repairs and Maintenance	15 943	9 187	11 692	11 207	18.02%
Other	23 238	8 487	24 028	22 922	62.97%
<b>Total Operational Expenditure</b>	<b>46 452</b>	<b>27 236</b>	<b>45 299</b>	<b>42 303</b>	<b>35.62%</b>
<b>Net Operational Expenditure</b>	<b>25 020</b>	<b>15 216</b>	<b>33 279</b>	<b>22 853</b>	<b>33.41%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 58: Capital Expenditure – Roads Services

Capital Expenditure 2011/12 : Roads Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	27 950	16 699	9 827	-184.42%	
Project A: Gortin roads 7km	12 020	9 020	9 823	-8.2%	
Project B: Resealing of roads	11 000				
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.2.9</i>

## COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The roads and storm water is the highest priority in the municipality, with a serious backlog on all conditions that is surfaced, gravel, dirt roads and paved roads. Lack of funding is a serious challenge and potholes are developing universally on all surfaced roads. Generally the road conditions of internal streets are poor and main roads are reasonably maintained but not adequately.

*T 3.7.10*

# Chapter 3

## 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

**This function is not performed by the Municipality.**

# Chapter 3

## 3.9 WASTE WATER (STORMWATER DRAINAGE)

### INTRODUCTION TO STORMWATER DRAINAGE

The storm water drainage network consists of open soil channels fed with runoff from open concrete channels which are part of the roads, where possible, with underground pipes only being installed if it is impossible to do surface draining. The open channels are cleared before rainy seasons and the underground network where stoppages occur. The service is run within the roads section. In informal areas the dirt roads are graded to ensure that runoff of storm water is addressed. A storm water master and sector plan will be compiled as part of the road master and sector plans.

T 3.9.1

Table 59: Storm water Infrastructure

Storm water Infrastructure				Kilometers
	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2009/10	219	0	0	2
2010/11	219	0	0	4
2011/12	219	0	0	7

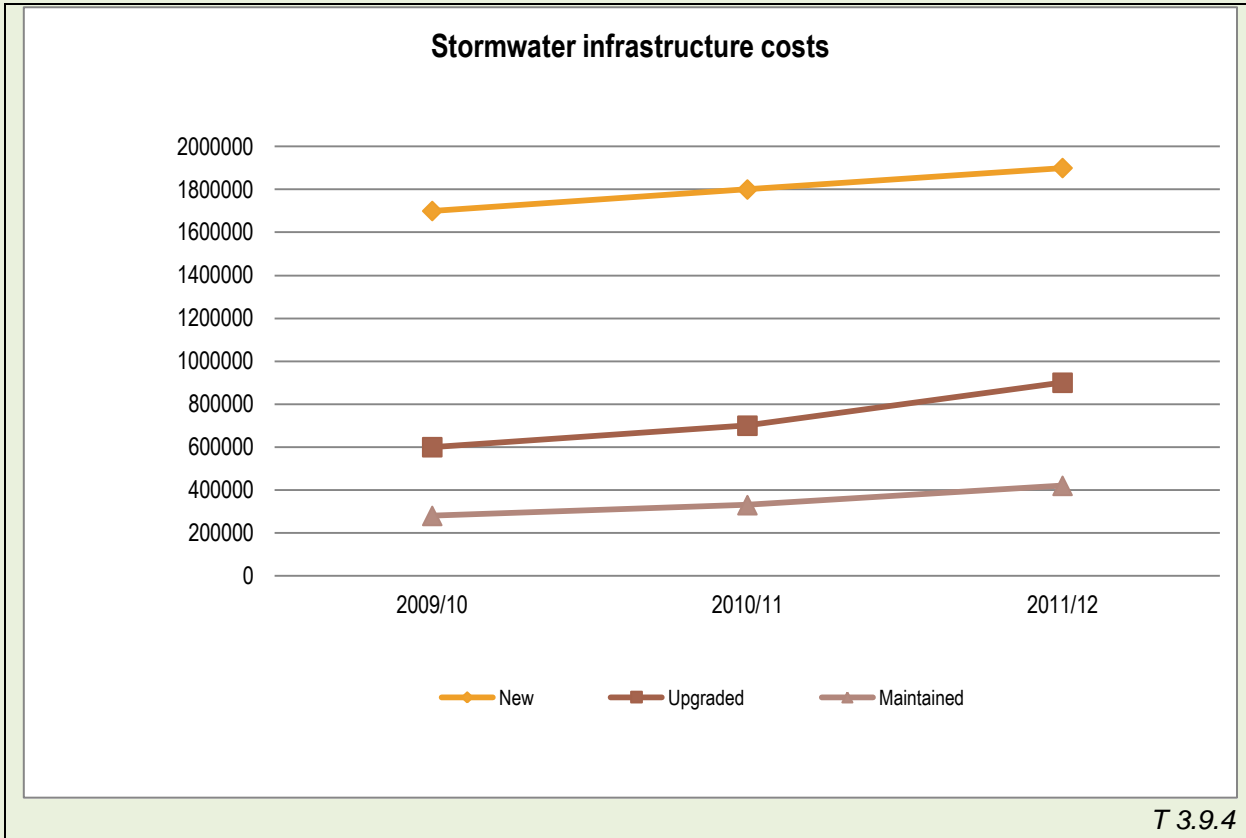
T 3.9.2

Table 60: Cost of Construction/Maintenance

Cost of Construction/Maintenance				R' 000
	Storm water Measures			
	New	Upgraded	Maintained	
2009/10	1 700	600	280	
2010/11	1 800	700	330	
2011/12	1 900	900	420	

T 3.9.3

# Chapter 3



# Chapter 3

Table 61: Storm water Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% roads master plan developed	10%	100% of roads and storm water master plan developed and submitted for approval by end Dec. 2011	0% (Target not achieved)	Tender not awarded	Awarding of tender to be fast-tracked
Number of km's of roads upgraded and maintained in identified areas	0	6 km's of roads and storm water upgraded in Gortin (June 2012)	7 km upgraded	Target exceeded	None
Kilometres of storm water networks erected in identified areas	0	5km in Zamdela Stormwater channel and pedestrian bridges across ward 7,8,9 and by June 2012	12.8km completed	Target exceeded	None
	0	1km in Amelia , Refenggotso/Deneysville, small holdings and farms by June 2012	1.6 km completed (Veekraal)	Target exceeded	None

# Chapter 3

Table 62: Employees – Storm water Services

Employees: Storm water Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	2	2	2	0	0
13 - 15	4	6	6	0	0
16 - 18	4	10	7	3	30
19 - 20	0	0	0	0	0
Total	10	18	15	3	17

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 63: Financial Performance – Storm water Services

Financial Performance 2011/12: Storm water Services <i>(incl. Under Roads)</i>					
					R'000
Details	2010/11	2011/12			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>					
Expenditure:					
Employees					
Repairs and Maintenance					
Other					
<b>Total Operational Expenditure</b>					
<b>Net Operational Expenditure</b>					

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 64: Capital Expenditure – Storm water Services

Capital Expenditure 2011/12: Storm water Services (Incl. Under Roads)					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

**COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:**

Storm water is normally attended to by the maintenance team, which is part of road maintenance.

T3.9.9



# Chapter 3

## COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

### INTRODUCTION TO PLANNING AND DEVELOPMENT

The opportunities in terms of economic development and physical planning is with the existence of the Vaal River close proximity to Gauteng especially the East Rand being the economic hub all represent opportunities that can be explored. Settlements can be planned around such possibilities for long term benefits. The main challenge facing the Municipality is privately owned portions of land, which in most cases owners are not willing to sell and undermined land which limits land available for development.

T 3.10

### 3.10 PLANNING

#### INTRODUCTION TO PLANNING

##### **Main elements of the planning strategies**

- *To renew the ageing CBD (Urban Renewal)*

The aim of this plan is to propose interventions that can be undertaken in order to keep the Sasolburg CBD active and functional. It has been a trend that some businesses in town have closed shops because they were not sustainable. This was not achieved in the past financial year due to budgetary constraints. The plan going forward is to ensure the implementation of the spatial proposals outlined in the SDF

- *To identify and stimulate development opportunities through spatial planning*

The spatial development framework gives a desirable and sustainable spatial pattern taking into consideration infrastructure availability, which in turn informs longer term planning and capital investment. The 2012/2013 SDF has been completed and is awaiting Council adoption. Lack of staff capacity presented a risk as there was no continuity in taking ownership of the document to ensure it is adopted officially.

- *To monitor and regulate land uses and land development*

The aim of the town planning scheme and the proposed land use management scheme is to ensure orderly planning and development, that happens within the legislative parameters. This, with the aim of maintaining the prescribed zonings and form ascribed to a specified area. The draft land use management scheme is available and will be presented to Council for adoption before the end of the financial year. After which a recommendation will be sent to province for endorsement. A total of 48 development applications were evaluated in the past financial year.

# Chapter 3

## Top 3 service delivery priorities:

- Evaluate development applications and make submissions to province within 60 days: the financial year target has been met and a further proposal is to keep a register in order to track the turnaround time.
- Increase turnaround time in approval of building plans and inspections conducted. 24hr turnaround time has been adopted and has been maintained.
- Enforce the National Building Regulations and the Town Planning Schemes to ensure compliance: notices are served for contraventions of either the town planning scheme or the national building regulations. A law enforcement unit has been established and such contraventions are reported timeously and due penalties instituted.

T 3.10.1

Table 65: Applications for Land Use Development

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
Planning application received	5	3	39	53	481	421
Determination made in year of receipt	2	2	39	52	336	353
Determination made in following year	3	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	3	1	0	1	145	68

# Chapter 3

Table 66: Planning Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% Urban Revitalization Strategy completed	0%	100% completed strategy by end of Dec 2011	0% progress (Target not achieved)	The advert for the appointment of a service provider was not approved	Acting Director made follow ups with the Office of the Municipal Manager and the SCM Unit
% infill planning in Zamdela	0%	40% of serviced erven closer to services created for residential purposes in Zamdela by June 2012	10% progress. Approval was granted in terms of section 18 of Townships Ordinance 9 of 1969 for amendment of the General Plan of Zamdela Ext.13. (Target not achieved)	Surveying and approval of general plan by Surveyor-General is outstanding	The process is outside the control of the municipality.  Acting Director will continue making follow ups with Province.
% of Spatial Development Framework reviewed/updated	100%	100% SDF reviewed/ updated and submitted for approval by June 2012	80% progress. Draft SDF was submitted to MAYCO and published on website for comments (Target not achieved)	Process for the 2011/12 review only started in Jan. 2012	Draft SDF to be incorporated into 2012/13 review process
% of Integrated Land Use Management Scheme finalised	100%	100% finalised by end Sept 2011	80% progress. (Target not achieved)	Town Planner from Province could not evaluate maps on A3 size so requested another book-map on a bigger scale.	A meeting was held on 29 September 2011 to identify and solve problems that contribute to delays in approval of all applications.
% of re-zonings, subdivisions, and consolidation applications evaluated	80%	100% of submitted applications evaluated and comments sent to Province within 60 days of receipt	100% Removal of restrictions (1) Consistency of Vaal River Guide Plan (1) Consolidations (1) Subdivisions (2)	Target achieved. (All applications were submitted within 60 days to Province for approval)	None

# Chapter 3

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of building plans approved within 30 days of receipt of completed applications	80%	100% of building plans approved by June 2012	86% approval rate. (112 building plans were received and 96 approved within 30 days) (Target not achieved)	Building plans not approved because corrections had to be made on them by applicants	Continuous advice to applicants on requirements.
% of approved building plans inspected	95%	100% of inspections conducted by June 2012	100% 202 inspections conducted of which 29 were RDP inspections	Target achieved	None
% complaints of violations responded to within 48 hours	80%	90% of complaints handled within 48 hours	90% achieved. 29 Complaints received and 26 responded to within 48 hrs	Target achieved	None

# Chapter 3

Table 67: Employees – Planning Services

Employees: Planning Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	2	1	1	50
4 - 6	6	8	4	4	50
7 - 9	1	2	0	2	100
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	7	12	5	5	42

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 68: Financial Performance – Planning Services

Financial Performance 2011/12: : Planning Services						R'000
Details	2010/11	2011/12				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	<b>1 186</b>	<b>916</b>	<b>541</b>	<b>498</b>	<b>83.9%</b>	
Expenditure:						
Employees	3 227	3 866	3 948	4 302	-10.13%	
Repairs and Maintenance	4	42	29	14	200%	
Other	1 077	2 730	1 645	-253	1 179%	
<b>Total Operational Expenditure</b>	<b>4 308</b>	<b>6 638</b>	<b>5 622</b>	<b>4 063</b>	<b>63.38%</b>	
<b>Net Operational Expenditure</b>	<b>3 122</b>	<b>5 722</b>	<b>5 081</b>	<b>3 565</b>		

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 69: Capital Expenditure – Planning Services

Capital Expenditure 2011/12: : Planning Services					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 500	0	0		
<i>N/B Budget is from the Provincial government</i>					
Project A: A Survey for 2'000 stands –Zamdela expansion over Moodraai. Planning & survey 1000 erven of Moodraai)	1 500				
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

T 3.2.9

## COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The priority of the two identified projects arising from the 2011/12 IDP was to address the existing informal settlements through the provision of properly planned and surveyed erven. Both these projects were not concluded as funding was not secured from the Provincial Department as was planned.

T 3.10.7

# Chapter 3

## 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

### INTRODUCTION TO ECONOMIC DEVELOPMENT

Local Economic Development aims at developing and implanting strategic frameworks for growth and development of the municipality's economy. Economic Development is critical towards the municipality's objective of broadening its economic base and revenue.

Strategic Objectives of the division

- Promote the development of entrepreneurship and capacity building of SMME's and Cooperatives
- To enhance tourism and investment by actively promoting tourism development through comprehensive marketing strategies; marketing existing resorts and ensuring their maximum utility
- Stimulate local economy through policies / by laws that are building towards development within municipality
- Create a platform to communicate with business people; local submit was arranged during the year under review
- To collectively fast track economic development and investment in the area
- Encourage and support creation of new businesses; four cooperatives were registered during the year under review

T 3.11.1

Table 70: Economic Employment by Sector

Economic Employment by Sector			
Sector	Jobs		
	2008 No.	2009 No.	2010 No.
Agric, forestry and fishing	1 542	1 361	1 305
Mining and quarrying	149	143	141
Manufacturing and transport	12 510	11 718	11 035
Wholesale and retail trade	9 813	9 602	9 592
Finance, property, etc.	3 765	4 121	3 929
Govt, community and social services	12 071	12 034	12 037
Infrastructure services	4 531	4 548	4 496
<b>Total</b>	<b>44 381</b>	<b>43 527</b>	<b>42 535</b>

Source: Global Insight T 3.11.3

# Chapter 3

## COMMENT ON LOCAL JOB OPPORTUNITIES:

This will be achieved through:

- The promotion and the development of SMMEs and Cooperatives locally
- Enhancing industrial and commercial development;
- Creating an enabling environment through spatial development and improved safety and security thereby attracting more investors

T 3.11.4

Table 71: Jobs Created through LED Initiatives

Jobs Created during 2011/12 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)				
2009/10				
2010/11				
2011/12	38	2	36	Register
Initiative A (2011/12) SMMES	16	0	16	Register
Initiative B (2011/12) SLP	12	2	10	Register
Initiative C (2011/12) Co-ops	10	0	10	Register

T 3.11.5

Table 72: Jobs Created through EPWP Projects

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2009/10	0	0
2010/11	0	0
2011/12	12	318

\* - Extended Public Works Programme

T 3.11.6



# Chapter 3

Table 73: LED Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of Commonage Policy approved to stimulate agricultural activities	10%	100% of Commonage Policy submitted for approval by Dec. 2011.	25% progress. (Target not achieved)	Draft policy was not favourably considered by Province	Legal department to finalize this matter
% of SMME Development plan finalised	0%	100% of SMME Development plan submitted for approval by March 2012	80% progress. (Target not achieved)	Awaiting Council's approval and adoption of the LED Strategy	Council should approve the strategy
Number of self sufficient and sustainable SMME appointed	3	4 SMMEs appointed by June 2011 (MTAS)	4 contractors were appointed by Technical Department	Target achieved	None
Number of cooperatives identified and registered	2	4 Cooperatives identified and registered by end of Dec. 2011 (2 Sasolburg; 1 D/Ville & 1 O/Ville)	0 (Target not achieved)	6 Cooperatives are currently being registered	Registration process should be finalised in Aug. 2012
Number of jobs created	181	500 jobs (temporary) created by June 2012 (all depts)	181 EPWP jobs created (Target not achieved)	Insufficient funding and projects	Apply for additional funding and setting of more realistic targets
Completed Social Labour Projects	40%	Implemented Bricks and Paving Project by June 2012 (Sasol Mining)	20% progress (Target not achieved)	Sasol Mining is not forthcoming on the financial status of the project	MM and Mayor should address matter with the Management of Sasol Mining
	10%	Implemented Poultry and Piggery Project by June 2012 – no progress (Sasol Mining) anticipated	0% progress (Target not achieved)	Sasol Mining has verbally withdrawn the project.	MM and Mayor should address matter with the Management of Sasol Mining
	0%	100% of crèche (phase 1) completed in Harry Gwala-ward 13 by end of Dec. 2011 (Copper Sunset)	50% progress (Target not achieved)	Delays were experienced with the approval of the building plans	Building plan was re-submitted and approved. Project started

# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
	0%	100% of approved DMR projects implemented – Creche in Gortin ( <i>Bothma &amp; Sons</i> )	10% (Target not achieved)	Drawing up building plans for the existing farm house	Requested DMR to expedite approval process
% of Marketing and Tourism Plan compiled and approved	0%	100% of Marketing and Tourism Strategy/ Plan submitted for approval by March 2012	0% (Target not achieved)	No internal funding available in current year's budget	External funding to be sourced

# Chapter 3

Table 74: Employees – LED Services

Employees: LED Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	5	1	4	80
4 - 6	0	1	1	0	0
7 - 9	0	9	0	9	100
10 - 12	0	3	0	3	100
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>18</b>	<b>2</b>	<b>16</b>	<b>89</b>

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 75: Financial Performance – LED Services

Financial Performance 2011/12: : LED Services					
					R'000
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	0		0	0	
Expenditure:					
Employees	462	444	444	625	28.96%
Repairs and Maintenance	0	8	8	0	0
Other	235	953	954	216	-341.20%
<b>Total Operational Expenditure</b>	<b>697</b>	<b>1 405</b>	<b>1 406</b>	<b>841</b>	<b>-67.06%</b>
<b>Net Operational Expenditure</b>	<b>697</b>	<b>1 405</b>	<b>1 406</b>	<b>841</b>	

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 76: Capital Expenditure – LED Services

Capital Expenditure 2011/12: : LED Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3	0	0		
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.2.9</i>

## COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

There were no capital projects in the year under review. However there were number of jobs created through both LED and EPWP initiatives. The non-availability of the LED strategy, the divisional incapacity made the unit basically dysfunctional.

*T 3.11.11*

# Chapter 3

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The library provides reading material, mainly books, but also reference books, newspapers magazine and other types of information media for free to the public. Theater provides stage of the local performing arts concerned with acting out stories in front of an audience using combinations of speech, gesture, music, dance sound and spectacle.

*T 3.52*

### 3.12 LIBRARIES AND THEATRE

#### INTRODUCTION TO LIBRARIES AND THEATRE

Three top priorities are collaborative programmes with arts and culture organisations, collaborative programmes with the local artists in theater programmes, collaborative and support programmes with the department of education on issues of library. Presentation of original works benefiting the community and providing fresh insights into our world. Theater also provides entertainment to the community.

*T3.12.1*

#### SERVICE STATISTICS FOR LIBRARIES AND THEATRE

Number of library branches, including main library: 3

Total weekly hours of operation of the library: 43

Number of active library card holders: 18,540

Number of theatres: 1

Total weekly hours of operation of theatre: 43 (Excluding after hours bookings)

*T 3.12.2*

# Chapter 3

Table 77: Libraries and Theatre Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
Number of collaborative and support programmes with the DoE	100%	Number of programmes with pre-primary and primary schools (reading, story-telling, toy libraries, exhibitions) <ul style="list-style-type: none"> <li>• Library Week (March )</li> <li>• Literacy Day (April)</li> <li>• Mandela Day (18 July)</li> <li>• Environmental Week (Sept)</li> <li>• Grade 7 training programme (throughout the year)</li> </ul>	100% achieved all programmes and days successfully -held	Target achieved	None
Number of collaborative programmes with relevant stakeholders (consultations with arts & culture organisations)	55 shows	60 shows organised by end of June 2012	0 (Target not achieved)	Lack of involvement of arts and culture organisations	Municipal Arts and Culture Forums will be established
% action plan implemented to involve the local artists in theatre programmes	0%	100% of Action plan developed and implemented by end of March 2012 ( <i>use arts and culture week to promote local artists; invite more schools, etc.</i> )	30 % Draft plan developed (Target not achieved)	Lack of funding	SASOL and District have been approached for financial assistance
100% annual arts and culture festival hosted	100%	100% festival hosted by end of Sept 2011	0% (Target not achieved)	Lack of funding	SASOL and District have been approached for

# Chapter 3

Table 78: Employees – Libraries and Theatre

Employees: Libraries and Theatre					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	1	1	50
4 - 6	1	1	1	0	0
7 - 9	7	7	7	0	10
10 - 12	14	17	14	3	18
13 - 15	2	3	3	0	0
16 - 18	0	1	0	1	100
19 - 20	0	0	0	0	0
Total	25	31	26	5	16

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 79: Financial Performance – Libraries and Theatre

Financial Performance 2011/12: : Libraries and Theatre					
					R'000
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	233	2 258	1 740	228	-890.35%
Expenditure:					
Employees	5 087	5 766	5 979	5 123	-12.55%
Repairs and Maintenance	73	240	236	54	-344.44%
Other	914	1 653	1 594	857	-92.88%
<b>Total Operational Expenditure</b>	<b>6 074</b>	<b>7 659</b>	<b>7 809</b>	<b>6 034</b>	<b>-26.93%</b>
<b>Net Operational Expenditure</b>	<b>5 841</b>	<b>5 401</b>	<b>6 069</b>	<b>5 806</b>	<b>6.97%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 80: Capital Expenditure – Libraries and Theatre

Capital Expenditure 2011/12: : Libraries and Theatre					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	317	317	0		
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF LIBRARIES AND THEATRE OVERALL:

No capital project was internally budgeted for libraries and Theatre.

T 3.12.7



# Chapter 3

## 3.13 CEMETERIES

### INTRODUCTION TO CEMETERIES

There are four main public cemeteries that are open for burials in Metsimaholo Local municipality, that is, Zamdela, Sasolburg, Refenggotso, Orangeville and Metsimaholo. Department of Social Services is responsible for the administration, operation and maintenance of the cemeteries.

T 3.13.1

### SERVICE STATISTICS FOR CEMETERIES

Number of employees working at the cemeteries: 16  
Total weekly hours of operation of the cemeteries: 45

T 3.13.2

# Chapter 3

Table 81: Cemeteries Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
Number of cemeteries established and upgraded	0%	100% of Refengkgotso cemetery commissioned and handed over by end of Sept 2011	80 % (Target not achieved)	Contractor unable to fulfill obligations	Penalties have been imposed on contractor.
% of cemeteries maintained and cleaned	80%	100% of cemeteries maintained and cleaned	100%	Target achieved	None
% of cemetery management By-Law finalised	50%	100% of cemetery management By-Law finalised by Dec. 2011 <i>(in conjunction with Corporate Services)</i>	75% (Draft By-Law finalised) Target not achieved	Corporate services to finalise process.	Memo sent to Director: Corporate Services

# Chapter 3

Table 82: Employees – Cemeteries

Employees: Cemeteries					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	1	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	5	10	5	5	50
19 - 20	0	0	0	0	0
Total	6	11	6	5	45

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 83: Financial Performance – Cemeteries

Financial Performance 2011/12: : Cemeteries					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	194	883	863	190	-364.73%
Expenditure:					
Employees	648	1 365	1 365	634	-115.3%
Repairs and Maintenance	0	56	56	0	
Other	65	317	279	46	-589.13%
<b>Total Operational Expenditure</b>	713	1 738	1 700	680	-155.28%
<b>Net Operational Expenditure</b>	519	855	837	490	-74.48%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 84: Capital Expenditure – Cemeteries

Capital Expenditure 2011/12: : Cemeteries					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	675	1 154	1 102	38.75%	
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF CEMETERIES OVERALL:

No major capital projects were budgeted for cemeteries.

T 3.13.7

# Chapter 3

## 3.14 SPECIAL PROGRAMMES

### INTRODUCTION TO SPECIAL PROGRAMMES

Special programmes are located in the Office of the Executive Mayor and include the youth, women, disabled, aged, children and HIV/AIDS. The majority of the programmes and projects are implemented in partnership with other government departments, NGOs, CBO's and external stakeholders.

*T 3.14.1*

# Chapter 3

Table 85: Special Programmes Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of implementation plan finalised on youth development programmes <i>(Office of Executive Mayor)</i>	0%	100% of implementation plan finalised by Dec. 2011	100%	Target achieved	Youth Programmes have been planned until June 2012.
	0%	100% of youth summit convened by end of March 2012	Youth summit was held on the 18-19 June 2012 (Target not achieved)	Delays in finalisation of logistics for summit	Setting of more realistic target dates when external stakeholders are involved
% implementation of Provincial Women's Summit resolutions (action plan) <i>(Office of Executive Mayor)</i>	0%	100% of action plan developed and implemented by end of Dec. 2012	0% Municipality hosted a Women's Day event in August 2011 and Dept. of Labour organised an exhibition and workshop for young women (Target not achieved)	No coordinating structure in place	Relevant Provincial Department to be engaged by end of July 2012 to establish exactly what the plan is this year in this regard.
% of plan developed for support to children, the elderly and people with disabilities <i>(Office of Executive Mayor)</i>	0%	100% of plan developed and implemented by end of Dec. 2012	100% progress. Plan was developed Programmes planned until March 2012	Target achieved	None
% of a facility established for the mentally challenged persons <i>(Office of Executive Mayor)</i>	0%	100% of facility established by March 2012	0% progress (Target not achieved)	Budgetary constraints, and no structure and suitable location for this purpose have been identified yet.	To be pursued in the 2012/13 financial year, while continuing to look for an appropriate structure and suitable location for this purpose.
% of Mayoral Community Awards finalised <i>(Office of Executive Mayor)</i>	0%	100% of Mayoral Community Awards finalised by end of June 2012	50% (Target not achieved)	Awards categories not yet agreed upon, though consultations are still taking place.	To be hosted in September 2012.

# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of Heroes Acre planned and finalised <i>(Office of Executive Mayor)</i>	0%	100% of Heroes Acre planned and developed by end of June 2012	0% progress (Target not achieved)	Thorough research, as well as broad community consultation still needs to be done as to the purpose, need, and who will/has to be buried there. A piece of land for this purpose still needs to be identified.	Start with community consultation; identify a piece of land for this purpose; obtain budget for its establishment, maintenance and complete research around this plan by September 2012.

# Chapter 3

Table 86: Employees – Special Programmes

Employees: Special Programmes					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	100
4 - 6	3	6	3	3	50
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	3	7	3	4	57

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 87: Financial Performance – Special Programmes

Financial Performance 2011/12: Special Programmes (incl. Under Executive & Council)					
					R'000
Details	2010/11	2011/12			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>					
Expenditure:					
Employees					
Repairs and Maintenance					
Other					
<b>Total Operational Expenditure</b>					
<b>Net Operational Expenditure</b>					

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8



# Chapter 3

Table 88: Capital Expenditure – Special Programmes

Capital Expenditure 2011/12: Special Programmes (incl. Under Executive & Council)					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

## COMMENT ON THE PERFORMANCE OF SPECIAL PROGRAMMES OVERALL:

The majority of the programmes and projects are implemented in partnership with other government departments, NGOs, CBO's and other external stakeholders.

T 3.14.7

# Chapter 3

## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

### INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental protection means policies and procedures aimed at conserving the natural resources, preserving the current state of natural environment and where possible, reversing its degradation.

*T 3.14*

## 3.15 ENVIRONMENTAL PROTECTION

### INTRODUCTION TO ENVIRONMENTAL PROTECTION

Top priority of the municipality is to formulate policies and procedures aimed at conserving the natural resources, preserving the current state of natural environment and where possible, reversing its degradation.

*T 3.15.1*

### SERVICE STATISTICS FOR ENVIRONMENTAL PROTECTION

Environmental master plan to be submitted to council before the implementation takes place

*T 3.15.2*

# Chapter 3

Table 89: Environmental Protection Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of the Environmental Master Plan implemented.	20%	100% implementation of the Environmental Master Plan by June 2012 <i>(including air quality audit in conjunction with the District)</i>	0% progress (Target not achieved)	Lack of funding	COGTA to assist with pilot project
% of compliance with environment legislations and regulations.	50%	100% compliance by June 2012	80% compliant (Target not achieved)	Lack of funding	DEA requested to assist the municipality

# Chapter 3

Table 90: Employees – Environmental Protection

*The municipality does not have dedicated personnel and budget for this function.*

Employees: Environmental Protection					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	0	0	0	0	0

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T 3.2.7

Table 91: Financial Performance – Environmental Protection

Financial Performance 2011/12: : Environmental Protection					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	0	0	0	0	0
Expenditure:	0	0	0	0	0
Employees	0	0	0	0	0
Repairs and Maintenance	0	0	0	0	0
Other	0	0	0	0	0
<b>Total Operational Expenditure</b>	0	0	0	0	0
<b>Net Operational Expenditure</b>	0	0	0	0	0

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

T 3.2.8

# Chapter 3

Table 92: Capital Expenditure – Environmental Protection

Capital Expenditure 2011/12: : Environmental Protection					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	0
Project A	0	0	0	0	0
Project B	0	0	0	0	0
Project C	0	0	0	0	0
Project D	0	0	0	0	0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

**COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL OVERALL:**

No capital project was budgeted for environmental protection because environmental master plan to be adopted by council.

T 3.15.7

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

**The Municipality does not perform the above functions.**

# Chapter 3

## COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

### INTRODUCTION TO HEALTH

*Note: Recent legislation includes the National Health Act 2004.*

The municipality does not perform any of the health-related functions. These functions are either performed by the District or the Province.

T 3.17

#### 3.17 CLINICS

**The Municipality does not perform the above function.**

#### 3.18 AMBULANCE SERVICES

**The Municipality does not perform the above function.**

#### 3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

**The Municipality does not perform the above functions.**

# Chapter 3

## COMPONENT G: SECURITY AND SAFETY

### INTRODUCTION TO SECURITY & SAFETY

Security and safety include the traffic police, by-law enforcement and fire services.

T 3.20

### 3.20 TRAFFIC POLICE

#### INTRODUCTION TO TRAFFIC POLICE

Traffic police are responsible for traffic policing and enforcing local by laws within the municipality, and working in cooperation with the south african police service to prevent crime and maintain public order. Top priorities, traffic policing, enforcement of municipal bylaws and regulations preventing crime.

T 3.20.1

Table 93: Traffic Police Service Data

Traffic Police Service Data				
Details	2009/10	2010/11		2011/12
	Actual No.	Estimate No.	Actual No.	Actual No.
1 Number of road traffic accidents during the year	1 107	-	1 108	1 185
2 Number of by-law infringements attended	25	-	55	43
3 Number of police officers in the field on an average day	16	-	16	16
4 Number of police officers on duty on an average day	15	-	15	15

T 3.20.2

#### Concerning T 3.20.2

The number of officers available is determined by sampling the number of officers in the field and in offices and stations on the same day, sampling different times of day and different days of the week throughout the year.

T 3.20.2.1

# Chapter 3

Table 94: Police Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% availability of municipal land and services to establish policing facilities/stations.	No requests received	100% availability of municipal land and services as and when requested	100%. No requests received	None	None
Level of participation and support for crime awareness/prevention campaigns and forums	100%	100% participation and support for crime prevention initiatives such as "Arrive Alive", etc.	100%	Target achieved. Participated in all activities with Province & SAPS	None
No. of Community Safety Forums(CSFs) established in partnership with SAPS and District	2	1 CSF established by Nov. 2011	0 (Target not achieved)	CSF approach no longer to be followed	MLM to participate in all existing CPFs
% of terms of reference developed for CSF and street committees	0%	100% of terms of reference for CSFs and street committees developed by end of Sept. 2011	0 % (Target not achieved)	CSF approach no longer to be followed	MLM to participate in all existing CPFs
No. of routine road blocks at strategic points in partnership with SAPS	20	30 road blocks per annum in identified priority areas	30 road blocks held	Target achieved	None
% of application for heavy duty drivers' license testing centre finalised	80%	100% of application finalised and implemented by end of June 2012	75 % progress application finalised and submitted (Target not achieved)	Delays were experienced in the approval of the application by Province	Constant follow ups have been made with Province to track the approval process
% of By-Law enforcement unit established	0%	100% unit established by 31 Dec. 2011 (recruitment, training, resources, etc.)	50 % Progress unit established Target not achieved	Delays in the recruitment of additional staff	Posts were advertised
% of investigation into the alternative usage and/or demolition of unused buildings for criminal activities completed (LED/Building Control)	0%	100% of investigation completed by 31 Dec. 2011	100% No buildings identified	Target achieved	None



# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
No. of scholar patrol and road safety training programmes conducted with SGB's	10	15 operational scholar patrols supported by June 2012	15 Scholar patrols established	Target achieved	None
Number of traffic signs erected and maintained	84	100 traffic signs maintained and erected by Dec 2011	68 signs maintained and erected (Target not achieved)	No additional requests were received	The achievement of the target is dependent on requests received
Number of tourism information boards erected	4	10 information boards erected by June 2012	5 information boards erected (Target not achieved)	No further request for boards were received	The achievement of the target is dependent on requests received

# Chapter 3

Table 95: Employees – Traffic Police

Employees: Traffic Police					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	1	5	1	4	80
7 - 9	15	32	15	17	53
10 - 12	4	15	4	11	73
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	20	52	20	32	62

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 96: Financial Performance – Traffic Police

Financial Performance 2011/12: : Traffic Police					
					R'000
Details	2010/11	2011/12			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	<b>4 509</b>	<b>12 870</b>	<b>4 895</b>	<b>6 437</b>	<b>-99.93%</b>
Expenditure:					
Employees	5 836	5 297	6 737	7 258	27.01%
Repairs and Maintenance	306	409	409	283	-44.52%
Other	2 521	7 063	3 315	3 009	-134.72%
<b>Total Operational Expenditure</b>	<b>8 663</b>	<b>12 769</b>	<b>10 461</b>	<b>10 550</b>	<b>-21.03%</b>
<b>Net Operational Expenditure</b>	<b>4 154</b>	<b>-101</b>	<b>5 566</b>	<b>4113</b>	<b>102.45%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 97: Capital Expenditure – Traffic Police

Capital Expenditure 2011/12: : Traffic Police					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 498	348	0		
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF TRAFFIC POLICE OVERALL:

No major capital projects were budgeted for traffic police.

T 3.20.7

# Chapter 3

## 3.21 FIRE

### INTRODUCTION TO FIRE SERVICES

Fire department provides predominantly emergency firefighting and rescue services for municipality. Top priority of fire department is to provide fire prevention services and fire precautions to ensure that in the event of fire, people can safely evacuate the premises unharmed.

T 3.21.1

Table 98: Fire Service Data

Fire Service Data				
Details	2009/10	2010/11		2011/12
	Actual No.	Estimate No.	Actual No.	Actual No.
1 Total fires attended in the year	723	-	568	348
2 Total of other incidents attended in the year	833	-	593	747
3 Average turnout time - urban areas	4 min	-	4min	4min
4 Average turnout time - rural areas	4min	-	4min	4min
5 Fire fighters in post at year end	22	-	24	25
6 Total fire appliances at year end	5	-	5	5
7 Average number of appliance off the road during the year	1	-	2	1

T 3.21.2

### Concerning T3.21.2

Average turnout times are determined by logging the times taken to reach an emergency incident from receipt of call and analysing the record.

T 3.21.2.1

# Chapter 3

Table 99: Employees – Fire Services

Employees: Fire Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	5	5	5	0	0
7 - 9	13	36	13	23	64
10 - 12	4	6	4	2	33
13 - 15	0	0	0	0	0
16 - 18	2	3	1	2	67
19 - 20	0	0	0	0	0
Total	24	50	23	27	54

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 100: Financial Performance – Fire Services

Financial Performance 2011/12: : Fire Services					
					R'000
Details	2010/11	2011/12			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	<b>160</b>	<b>210</b>	<b>100</b>	<b>104</b>	<b>-101.92%</b>
Expenditure:					
Employees	7 457	8 741	8 741	8 386	-4.23%
Repairs and Maintenance	143	604	480	290	-108.27%
Other	1 042	1 449	1 662	1 475	1.76
<b>Total Operational Expenditure</b>	<b>8 642</b>	<b>10 794</b>	<b>10 883</b>	<b>10 151</b>	<b>-6.33%</b>
<b>Net Operational Expenditure</b>	<b>8 482</b>	<b>10 584</b>	<b>10 783</b>	<b>10 047</b>	<b>-5.34%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 101: Capital Expenditure – Fire Services

Capital Expenditure 2011/12: : Fire Services					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 695	1 170	2	-134 650%	
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

No major capital projects budgeted for fire services.

T 3.21.7

# Chapter 3

## 3.22 DISASTER MANAGEMENT

The Municipality only performs the disaster management and control of public nuisances functions

### INTRODUCTION TO DISASTER MANAGEMENT

**Disaster management function is performed by District Municipality.**

*T 3.22.1*

### SERVICE STATISTICS FOR DISASTER MANAGEMENT

**Disaster management function is performed by District Municipality.**

*T 3.22.2*

# Chapter 3

Table 102: Disaster Management Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% support and resources provided for the establishment of a functional District Disaster Management Centre	50%	100% support and resources provided by June 2012	100%	Target achieved	None
Number of trial disaster management exercises completed	0	4 trial exercises completed by June 2012 ( <i>1 per quarter</i> )	4	Target achieved	None
Number of disaster management awareness campaigns completed	4	4 awareness campaign completed by June 2012 ( <i>1 per quarter</i> )	0 (Target not achieved)	Awaiting confirmation of dates from District Municipality	MLM to arrange its own campaigns
Number of volunteers recruited and trained	0	50 Volunteers recruited and trained by June 2012	0 (Target not achieved)	Guidelines from District/Province still outstanding	Follow-up will be made with District/Province



# Chapter 3

Table 103: Employees – Disaster Management

Employees: Disaster Management					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	1	0	1	100
7 - 9	0	5	0	5	100
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	5	0	5	100
19 - 20	0	0	0	0	0
Total	0	11	0	11	100

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 104: Financial Performance – Disaster Management

Financial Performance 2011/12: : Disaster Management					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>					
Expenditure:					
Employees					
Repairs and Maintenance		9			
Other	27	171	67	12	-1 325%
<b>Total Operational Expenditure</b>	<b>36</b>	<b>171</b>	<b>67</b>	<b>12</b>	<b>-1 325%</b>
<b>Net Operational Expenditure</b>	<b>36</b>	<b>171</b>	<b>67</b>	<b>12</b>	<b>-1 325%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 105: Capital Expenditure – Disaster Management

Capital Expenditure 2011/12: : Disaster Management					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	500	250	0		
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT OVERALL:

**Disaster management function is performed by District Municipality.**

T 3.22.7

# Chapter 3

## COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

### INTRODUCTION TO SPORT AND RECREATION

The aim of sport and recreation is to improve the quality of life of all Metsimaholo residents by promoting participation in sport and recreation. Department of Parks works with outside groups like Rejuvenation to keep all open spaces and parks in Metsimaholo clean and green, and well maintained.

*T 3.23*

### 3.23 SPORT AND RECREATION

#### SERVICE STATISTICS FOR SPORT AND RECREATION

Number of stadiums: 2  
Number of swimming pools: 2  
Number of Sports halls: 3  
Number of community parks: 11

*T 3.23.1*

# Chapter 3

Table 106: Sport and Recreation Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
Number of revitalized open spaces improved (planting of grass-soccer playgrounds)	10	16 soccer playgrounds completed by June 2012	A soccer field scraped, no grass planted yet (Target not achieved)	Shortage of resources	Dedicated officials to be appointed
% completed multi-purpose centre (MPC)	15%	100% completed MPC in Harry Gwala township by June 2012 ( <i>SLP project of Anglo Coal</i> )	10% (Target not achieved)	Late appointment of contractor	Regular meetings to be held with Anglo Coal
Number of community halls upgraded	2	Refengkgotso/Deneysville Hall (storm water drainage upgraded by June 2012)	0% (Target not achieved)	Work must be completed by Technical Dept.	Memo sent to Director: Technical Services
Number of upgraded sport facilities	1	Moses Kotane swimming pool by June 2012	20% progress (Target not achieved)	Sasol to approve quotes	Fast-track appointment
Number of developed family parks	2	4 family parks by June 2012 ( <i>Zamdela – w10&amp;11; Harry Gwala-w6; Taylor Park-w10</i> )	4 Parks established	Target achieved	None
% assessment completed of all community facilities	0%	100% of conditional assessment completed for all community facilities by end of Feb. 2012	0% progress (Target not achieved)	Lack of internal capacity to do assessment	Target to be reviewed

# Chapter 3

Table 107: Employees – Sport and Recreation

Employees: Sport and Recreation					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	3	2	1	33
4 - 6	2	7	1	6	86
7 - 9	1	1	1	0	0
10 - 12	4	8	4	4	50
13 - 15	32	42	32	10	24
16 - 18	96	124	90	34	27
19 - 20	0	0	0	0	0
Total	137	185	130	55	30

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 108: Financial Performance – Sport and Recreation

Financial Performance 2011/12: : Sport and Recreation					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>1 940</b>	<b>2 520</b>	<b>1 728</b>	<b>1 428</b>	<b>-76.47%</b>
Expenditure:					
Employees	3 921	5 265	5 415	4 266	-23.41%
Repairs and Maintenance	91	690	619	57	-1 110.53%
Other	1 065	3 249	3 027	2 079	-56.27%
<b>Total Operational Expenditure</b>	<b>5 077</b>	<b>9 204</b>	<b>9 061</b>	<b>6 402</b>	<b>-43.76%</b>
<b>Net Operational Expenditure</b>	<b>3 137</b>	<b>6 684</b>	<b>7 333</b>	<b>4 974</b>	<b>-34.37%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 109: Capital Expenditure – Sport and Recreation

Capital Expenditure 2011/12: : Sport and Recreation					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	721	695	88	-719.32%	
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

No major capital projects were budgeted for sport and recreation.

T 3.23.6

# Chapter 3

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, and legal and property services.

### INTRODUCTION TO CORPORATE POLICY OFFICES, Etc

This component includes the Executive Office, financial services, human resource services, ICT and legal and property services.

*T 3.24*

## 3.24 EXECUTIVE AND COUNCIL

This component includes: the Executive Offices (Office of the Executive Mayor; Office of the Speaker, Councilors; and the Office of the Municipal Manager).

### INTRODUCTION TO EXECUTIVE AND COUNCIL

The Executive Mayor exercises overall political responsibility for sound governance and service delivery, whilst the Office of the Speaker is mainly responsible for public participation, ward committees and managing Council and Committee meetings.

The Municipal Manager is the accounting officer of the municipality and reports to the Executive Mayor and Council. Top service delivery priorities included:

- establishment of sound corporate governance system of internal audit and risk management
- developing improved systems to ensure optimal institutional efficiency
- ensuring the financial health of the municipality

*T 3.24.1*

# Chapter 3

Table 110: Executive and Council Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% effective and sound systems and internal controls	75%	100% of delegations submitted for approval by end of Sept. 2011	50% Not achieved	MM sub-delegations to Directors were finalized	Revised corporate delegations to be submitted to Council by Dec. 2012
	80%	100% of PROPAC resolutions implemented by June 2012	100%	Target achieved	None
% of internal audit and risk management functions established and functional	100%	100% of internal audit charter reviewed by end of June 2012	100%	Target achieved	None
	100%	100% of audit committee meetings (AC) as per approved schedule ( <i>in consultation with Chairperson at 1 per quarter</i> )	100%	Target achieved	None
	100%	100% of approved internal audit coverage plan implemented ( <i>including the financial systems review</i> )	100%	Target achieved	None
	50%	100% of risk treatment plan and register updated by end of Dec. 2011 ( <i>quarterly reports submitted to Risk Committee</i> )	0% (Target not achieved)	Delays caused by respective departments in the updating the plan and register	Request for Directors to provide suitable dates for updating the register to include issues raised by AG
			100% of risk committee meetings convened as per approved schedule ( <i>in consultation with Chairperson at 1 per quarter</i> )	2 meetings held	Target achieved – though quarterly reports are still outstanding
% of improved systems developed for optimal institutional efficiency	0%	100% of approved fraud prevention strategy by implemented by end of June 2012	0% (Target not achieved)	Discussions are still being held with Public Service Commission (PSC) on the hotline	Finalise PSC discussions and introduce hotline
	50%	100% of system for declaration of interests and gifts implemented by end of July 2011	80% (Target not achieved)	Register in place, but not maintained	Procedures to be aligned to MSA requirements



# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
	75%	100% of 2010/11 Annual Report compiled and submitted for approval by end of January 2012	Annual Report submitted to MAYCO and Council before end of January 2012	Annual report was only approved by Council on 30 <sup>th</sup> March 2012	MFMA calendar of dates was submitted to Council to ensure compliance
	100%	100% of 2012/13 IDP compiled and submitted for approval by end of June 2012	100%	Target achieved	None
% of MLM communication policy and strategy developed in line with National and Provincial frameworks % developed and implemented communications and marketing campaign	20%	100% of MLM communication policy developed and submitted for approval by end of Sept. 2011	90% (Target not achieved)	Draft policy was submitted to Senior Management	Draft policy to be re-submitted to Senior Management
	0%	Introduction of bi-monthly MLM newsletter by Sept 2011	0% (Target not achieved)	Appointed service provider failed to honour contractual obligations	SLA to be terminated and tender re-advertised
	50%	100% secured radio and media editorial and advertorial slots (monthly/weekly)	100%	Target achieved	None
	95%	100% functional municipal website	100%	Target achieved	None
% of public participation strategy implemented	18	Functional and effective committees in all 21 wards by end of June 2012 ( <i>Speaker's Office</i> )	100% All 21 ward committee established	Target achieved	None
	100%	100% public participation on IDP, Budget, By- Laws, etc.	100% IDP public participation meetings were held in all wards	Target achieved	None
% monitoring of the effectiveness/ impact of the campaign to promote responsible citizenship	0%	100% of report on responsible citizenship completed by end of Dec. 2011 ( <i>in consultation with the Speaker's Office</i> )	0% (Target not achieved)	Lack of capacity	Capacity to be addressed when structure is finalised
% of security management plan developed to safeguard municipal assets and properties	0%	100% of security management plan developed and submitted for approval by end of Oct. 2011	20% Interim measures were taken to secure municipal assets. New company appointed and biometric fingerprint scanners were installed	Lack of in-house capacity to develop comprehensive plan	Explore possibilities with new security company or appoint service provider

# Chapter 3

Table 111: Employees – Executive and Council

Employees: Executive and Council					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	9	5	4	44
4 - 6	8	16	8	8	50
7 - 9	3	9	4	5	56
10 - 12	0	0	0	0	0
13 - 15	0	1	0	1	100
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	14	35	17	18	51

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 112: Financial Performance – Executive and Council

Financial Performance 2011/12: : Executive and Council					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	5	500	500	0	
Expenditure:					
Employees	13 628	16 840	17 160	19 239	12.46%
Repairs and Maintenance	63	43	43	4	-975%
Other	6 667	6 759	6 817	5 834	-15.85%
<b>Total Operational Expenditure</b>	<b>20 358</b>	<b>23 642</b>	<b>24 020</b>	<b>25 077</b>	<b>5.72%</b>
<b>Net Operational Expenditure</b>	<b>20 353</b>	<b>23 142</b>	<b>23 520</b>	<b>25 077</b>	<b>7.71%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 113: Capital Expenditure – Executive and Council

Capital Expenditure 2011/12: : Executive and Council					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0		
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

No major capital projects were budgeted for during the 2011/12 financial year.

T 3.24.7

# Chapter 3

## 3.25 FINANCIAL SERVICES

### INTRODUCTION FINANCIAL SERVICES

The main objective of the finance department is to provide a comprehensive and sound financial management service to the municipality. The strategic objectives of the department are the following  
Budget preparation, implementation and monitoring;

Asset management;

Credit control and debt collection;

Indigent management;

Supply Chain Management;

Revenue and Expenditure management.

T 3.25.1

Table 114: Debt Recovery

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	2010/11		2011/12			2012/13	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	77 042		86 652	86 652		91 218	
Electricity - B							
Electricity - C	131 977		139 120	139 120		162 870	
Water - B		93.7%			90.2%		88%
Water - C	122 372		141 717	141 717		153 558	
Sanitation	17 759		18 996	18 996		14 910	
Refuse	23 112		25 259	25 259		16 344	
Other							

B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.

T 3.25.2

# Chapter 3

The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues.

*T 3.25.2.1*

# Chapter 3

Table 115: Financial Service Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
Reduced number of internal and external audit queries on supply chain management processes	20%	100% reduction in audit queries by end of June 2012 ( <i>all departments</i> )	25% (Target not achieved)	Non compliance with the SCM Policy by user Departments	Capacitating and training for the SCM Unit. Admin. support for user depts. to be improved as well as contract and document management
% Annual review of the SCM policy (MTAS)	80%	100% of annual review completed by end of Sept. 2011	Revised SCM policy was approved by Council in Feb. 2012	Revised Preferential Procurement Regulations had to be incorporated into Policy	None
% Filling of critical vacancies	50%	100% of critical vacancies filled by Dec. 2011	0% (Target not achieved)	Delays were experienced in approval of posts to be filled	Recruitment process has since started
% of SCM procurement plan developed for the approved projects	100%	100% annual procurement plan finalised by end of Sept. 2011	50% (Target not achieved)	Draft plan was submitted to Senior Management for inputs	Plan was approved by management in March 2012
% GRAP Compliant Financial Statements produced year on year	100%	100% complaint AFS submitted by 31 Aug 2011	100%	Target achieved	None
% of legacy issues addressed by 30 June 2012: <ul style="list-style-type: none"> <li>• Trade and other receivables</li> </ul>	50%	100% of legacy issues addressed by 30 June 2012: <ul style="list-style-type: none"> <li>• Trade and other receivables</li> </ul>	40%	Some of the transactions date back a long way and takes longer to resolve.	Ongoing engagements with the Bank.
<ul style="list-style-type: none"> <li>• Assets</li> </ul>		<ul style="list-style-type: none"> <li>• Assets</li> </ul>	100%	Target achieved	None
% GRAP compliant fixed asset register (FAR)	75%	100% of GRAP compliant FAR compiled by end of Sept. 2011	100%	Target achieved	None
% provision for impairment in AFS	50%	100% provision for impairments by June 2012 ( <i>dependant on financial results and tariffs</i> )	0% (Target not achieved)	The provision can only be made when the financial statements are prepared.	Provision to be made when 2011/12 Annual Financial Statements are to be prepared

# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% Clearance of suspense account	80%	100% of unidentified deposits cleared from suspense account (Balance as at 1 July 2011 was R600 000)	0% (Target not achieved)	The balance increased to R2,5m	A dedicated person has been assigned to deal with these transactions on a daily basis.
% of clean audit achieved	50%	100% of action plan on AG's audit findings implemented by June 2012 ( <i>all departments</i> )	50% (Target not achieved)	Number of departmental issues were not resolved	All Directors to provide progress reports in senior management meetings
% of VAT review completed	30%	80% completion of VAT review by end of June 2012 ( <i>Current contract to be cancelled and re- advertised</i> )	80% (New service provider was appointed in April 2012)	Target achieved	None
% of data cleansing project completed (MTAS)	30%	80% of data cleansing completed by end of June 2012	0% completed (Target not achieved)	The recruitment of graduates to assist on the project has been placed on hold	Discussions are underway with MMC to re-start the process
	10%	100% of all returned customer accounts monitored and followed-up monthly by end of June 2012	50% (Target not achieved)	The number of returned accounts fluctuate monthly	Linked to data cleansing process
	20%	80% of properties billed for all municipal services rendered by June 2012	20% (Target not achieved)	Linked to data cleansing process (recruitment of graduates)	Discussions are underway with MMC to re-start the process
% of e-venus system optimised	25%	100% of the e-venus system optimised by June 2012	40% (Target not achieved)	Delays in availability of a BCX resource person	BCX consultant will be assigned in April 2012
% review credit control and debt collection policy and programme (MTAS)	60%	100% Credit control By-Law finalised by end of Dec 2011	50% (Target not achieved)	The draft by-law was approved by Council for Public Participation	Public participation programme will be implemented
	0%	50% of outstanding debt of section 21 schools collected by end of Sep 2011	20% (Target not achieved)	Lack of implementation of credit control policy	Meeting was held with Principals and a working committee was established
	80%	85% of consumer services levied is collected on average monthly by end of June 2012	87.5% average collection rate for the financial year	Target exceeded	None
	0%	10% reduction in consumer debt older than 90 days by end of June 2012	-0.9% (Target not achieved)	Draft Credit Control By-Law must still be finalised	Public participation on By-Law to start as soon as the programme is approved

# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of budgeted revenue (including sundry) realised	95%	95% of budgeted revenue billed and collected annually ( <i>all departments</i> )	87.5% (Target not achieved)	Under-collection in hostel rentals, fines, swimming pool fees, refuse dump sites, theatre, profit on sale of assets and departmental charges	Accounts to be sent out on time. Departmental charges to be allocated correctly
Developed and signed SLA's with relevant departments (Technical, IT, HR, Communication)	80%	100% of SLA's developed and signed by end of Dec. 2011	80% (Target not achieved)	Draft SLA's have been developed	SLA's will be finalised by the end of June 2012.



# Chapter 3

Table 116: Employees – Financial Services

Employees: Financial Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	5	6	5	1	17
4 - 6	5	10	5	5	50
7 - 9	24	51	21	30	59
10 - 12	20	33	20	13	39
13 - 15	30	29	29	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	84	129	80	49	38

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 117: Financial Performance – Financial Services

Financial Performance 2011/12: : Financial Services					
					R'000
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>131 882</b>	<b>129 883</b>	<b>133 707</b>	<b>143 236</b>	<b>(9.32%)</b>
Expenditure:					
Employees	16 513	20 945	20 947	17 204	(21.74%)
Repairs and Maintenance	22	41	61	51	19.61%
Other	8 071	13 654	12 845	18 755	27.2%
<b>Total Operational Expenditure</b>	<b>24 606</b>	<b>34 640</b>	<b>33 853</b>	<b>36 010</b>	<b>3.8%</b>
<b>Net Operational Expenditure</b>	<b>107 276</b>	<b>93 243</b>	<b>99 854</b>	<b>107 226</b>	<b>(13%)</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 118: Capital Expenditure – Financial Services

Capital Expenditure 2011/12: : Financial Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	528	523	335	57.61%	
Project A: Upgrading pay points	500	500	324	54.32%	
Project B: Equipment	28	23	11	154.55%	
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

**COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:**

The major capital projects were the upgrading of pay points and the purchasing of equipment.

T 3.25.7

# Chapter 3

## 3.26 HUMAN RESOURCE SERVICES

### INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resource Services mainly include recruitment, selection, training, employment equity, personnel administration, labour relation, employee wellness and occupational health and safety.

*T 3.26.1*

### SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

The main service statistics are included in Chapter 3 of the Annual Report.

*T 3.26.2*

# Chapter 3

Table 119: Human Resource Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
Recruitment of targeted and qualified individuals in line with the critical posts identified (MTAS)	50%	98 posts (50% of 196) filled by end of June 2012	25% (Target not achieved)	Delays were experienced in approval of posts to be filled	Recruitment process has since started
% of organisational structure reviewed and approved	75%	100% of organisational structure submitted for approval by end of Sept. 2011	80% of project completed (Target not achieved)	Draft structure submitted to MAYCO and referred back on numerous occasions for inclusion of additional posts	Draft structure was finally reviewed by Council in March 2012
% grading of the municipality and job evaluation completed	0%	100% grading and job evaluation completed by end of June 2012 <i>(Dependent on Provincial JEC)</i>	0% (Target not achieved)	No feedback from Provincial JEC. The process was spearheaded by the Provincial JEC	Enquiries were forwarded to the Provincial JEC
% of trained categories of staff members as per the annual Workplace Skills Plan (WSP)	55%	100% of trained categories of staff as per WSP on an annual basis	100%	Target achieved	None
% of comprehensive capacity building program for Councillors developed and approved by Council (MTAS)	0%	Skills audit conducted for new Councillors by end Sept 2011	30% of project completed (Target not achieved)	Response rate by councillors was extremely poor	Another exercise (skills audit) will be embarked upon
		Training programs for councillors be completed by March 2012	2% of the program has been completed	The program can only be finalized on completion of the skills audit	Program to be finalized based on outcomes of skills audit
% compliance with Employment Equity (EE) regulatory framework	1%	100% of EE Plan and Report submitted to the Dept of Labour (DoL) by end of Oct 2011	100% achieved Report was submitted to DoL by end of Oct. 2011	Target achieved	None
		2% of vacancies to comprise of people of with disabilities	0% progress (Target not achieved)	Delays were experienced in approval of posts to be filled	Recruitment process has since started
Number of organisational development intervention strategies deployed	1	3 OD interventions deployed by end of June 2012	0 interventions deployed (Target not achieved)	Specifications have been submitted to SCM for soliciting the services of the OD company	SCM to finalise appointment

# Chapter 3

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% implementation of institutional PMS (MTAS)	60%	100% of service excellence awards finalised by end of Sept. 2011 (annually)	90% progress (Target not achieved)	Project was completed but could not be implemented due to the MAYCO decision that awards should be based on PMS	Council adopted the Performance Management Framework in April 2012
	75%	100% of revised Institutional PM Framework submitted for approval by end of Sept. 2011	PMF was only adopted by Council in April 2012	Delays were experienced in the approval of the framework by Council	Improvement in communication between departments and committee services
	0%	100% of PMS cascaded to divisional managers and assistant managers by March 2012	0% progress (Target not achieved)	PMS only approved during April 2012.	PMS policy to be cascaded to levels 1 to 4 of management by 2013.
	0%	Signed delivery agreements for identified political office bearers by end of Dec 2011	0% progress (Target not achieved)	The Office of the Premier manages the process for Mayors	Enquiries were made with the Premier's office and the direction or guidance is still awaited.
% functional customer care system implemented (MTAS)	50%	100% of customer care policy and implementation plan submitted for approval by end of Nov. 2011	60% progress (Target not achieved)	The draft policy is receiving the attention of management	The policy will be re-submitted to senior management and Council by Dec. 2012
Sound and conducive labour relations environment (MTAS)	20%	100% organisational rights procedure developed by end of Dec. 2011 (MTAS)	0% progress	Bargaining council competence	Matter to be referred to the LLF
Effective management of labour disputes and grievances	95%	100% of disputes and grievances handled in terms of collective agreements	100% of disputes and grievances handled within 90 days	Target achieved	None
	98%	100% of LLF meetings convened as planned (MTAS)	90% of LLF meetings are convened as planned (Target not achieved)	Postponements of some LLF meetings are as a result of requests by unions due to the unavailability of MM and councilors	Labour is being engaged to allow LLF meetings to take place in the absence of the MM (as a result of unforeseen circumstances)

# Chapter 3

Table 120: Employees – Human Resource Services

Employees: Human Resource Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	1	1	50
4 - 6	6	12	6	6	50
7 - 9	1	1	0	1	100
10 - 12	1	3	1	2	67
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	9	18	8	10	56

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 121: Financial Performance – Human Resource Services

Financial Performance 2011/12: Human Resource Services						R'000
Details	2010/11	2011/12				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	<b>344</b>	<b>231</b>	<b>613</b>	<b>98</b>	<b>-135.71%</b>	
Expenditure:						
Employees	2 728	3 844	3 844	3 088	-24.48	
Repairs and Maintenance	0	11	11	0	0	
Other	-1 363	2 070	2 034	-1 672	-223.80%	
<b>Total Operational Expenditure</b>	<b>1 365</b>	<b>5 925</b>	<b>5 889</b>	<b>1 416</b>	<b>-318.43%</b>	
<b>Net Operational Expenditure</b>	<b>1 021</b>	<b>5 694</b>	<b>5 276</b>	<b>1 318</b>	<b>-332.01%</b>	

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 122: Capital Expenditure – Human Resource Services

Capital Expenditure 2011/12: Human Resource Services					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

**COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:**

No capital projects were budgeted for in the 2011/12 financial year.

T 3.26.7

# Chapter 3

## 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

### INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT division is responsible for providing effective and efficient ICT services with Metsimaholo Local Municipality. Our main priority is to ensure that ICT services reach all officials and residents within the Municipality.

Facilitated the improvements of electricity vending through third party vending and improved network monitoring systems measures for early detection of computer network failures.

*T 3.27.1*



# Chapter 3

Table 123: ICT Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of ICT policy developed and approved (Office of the Municipal Manager)	50 %	100% of ICT policy developed and approved by Sept. 2011	75%	Delays in respective committees sittings	Fast track respective committee sittings
% of pre-paid vending systems linked with main server by Sept. 2011	90%	100% of pre-paid vending systems linked with main server by Sept. 2011	100% (Target achieved)	Not applicable	Not applicable
% of network and cabling installed by end of Dec. 2011	20%	50% of network and cabling installed by end of Dec. 2011	100%	Not applicable	Not applicable
Downtime of critical systems reduced to 5% of total time	10%	Downtime of critical systems reduced to 9% of total time	8% (Target exceeded)	Not applicable	Not applicable
90% of workstations functional and on-line	80%	90% of workstations functional and on-line	95% (Target exceeded)	Not applicable	Not applicable
90% of service (user) complaints attended to within 24 hours of receipt	85%	86% of service (user) complaints attended to within 24 hours of receipt	80%	Lack of proper Help desk System	Budgeted for the Systematic & Technologically advanced Help Desk System for 2012/13

# Chapter 3

Table 124: Employees – ICT Services

Employees: ICT Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	4	2	2	50
4 - 6	3	6	3	3	50
7 - 9	0	1	0	1	100
10 - 12	1	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	6	12	6	6	50

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 125: Financial Performance – ICT Services

Financial Performance 2011/12: ICT Services					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>					
Expenditure:					
Employees	8 703	2 676	2 676	2 406	--11.22%
Repairs and Maintenance	1 650	900	900	413	-117.91%
Other	5 849	10 345	14 055	12 246	15.52%
<b>Total Operational Expenditure</b>	<b>16 202</b>	<b>13 921</b>	<b>17 631</b>	<b>15 065</b>	<b>7.59%</b>
<b>Net Operational Expenditure</b>	<b>16 202</b>	<b>13 921</b>	<b>17 631</b>	<b>15 065</b>	<b>7.59%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 126: Capital Expenditure – ICT Services

Capital Expenditure 2011/12: ICT Services					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	605	485	322	-87.89%	
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

No major capital projects were budgeted for in the 2011/12 financial year.

T3.27.7

# Chapter 3

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## 3.28 LEGAL SERVICES

### INTRODUCTION TO LEGAL SERVICES

This function includes legal administration and contract management.

*T3.28.1*

### SERVICE STATISTICS FOR PROPERTY AND LEGAL SERVICES

*T 3.28.2*

# Chapter 3

Table 127: Legal Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
Effective management of all municipal data and information	10%	100% tracking and manual filing of all council resolutions by end of June 2012	100%	Target achieved	None
Effective management of labour disputes and grievances	95%	100% of disputes and grievances handled in terms of collective agreements	100% of disputes and grievances handled within 90 days	Target achieved	None
	98%	100% of LLF meetings convened as planned (MTAS)	90% of LLF meetings are convened as planned (Target not achieved)	Postponements of some LLF meetings are as a result of requests by unions due to the unavailability of MM and councilors	Labour is being engaged to allow LLF meetings to take place in the absence of the MM (as a result of unforeseen circumstances)
% audit of all existing service contracts and improved contract management	50%	100% of Pro forma contract and SLA developed by end of Sept. 2011	100% of the project was completed	Target achieved	None
Effective management of municipal fleet (MTAS)	20%	100% of centralised fleet management policy and function submitted for approval by end of Dec. 2011	10% progress (Target not achieved)	The policy is still being drafted and the function will be performed once the review of the structure is finalized	The process of the review of the structure is at the advanced stage and the policy is being drafted
	0%	100% procured and deployed fleet management system by June 2012	70% of fleet was procured from the Government Garage and deployed (Target not achieved)	Delays experienced with delivery of remaining fleet by the Government Garage and development of policy	The municipality does not have direct control over the delivery of vehicles and policy will be finalised by end of Dec. 2012

# Chapter 3

Table 128: Employees – Legal Services

Employees: Property and Legal Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	0	2	0	2	100
7 - 9	0	1	0	1	100
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	1	4	1	3	75

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.2.7

Table 129: Financial Performance – Legal Services

Financial Performance 2011/12: Legal Services					
					R'000
Details	2010/11	2011/12			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>					
Expenditure:					
Employees	640	460	460	609	24.47%
Repairs and Maintenance		30	30	0	-100%
Other	1 657	2 638	2 148	1 721	-53.28%
<b>Total Operational Expenditure</b>	<b>2 297</b>	<b>3 128</b>	<b>2 638</b>	<b>2 330</b>	<b>-34.25%</b>
<b>Net Operational Expenditure</b>	<b>2 297</b>	<b>3 128</b>	<b>2 638</b>	<b>2 330</b>	<b>-34.25%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.2.8

# Chapter 3

Table 130: Capital Expenditure –Legal Services

Capital Expenditure 2011/12: Legal Services						R' 000
Capital Projects	2011/12				Total Project Value	
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget		
Total All	0	0	0	0	0	
Project A	0	0	0	0	0	
Project B	0	0	0	0	0	
Project C	0	0	0	0	0	
Project D	0	0	0	0	0	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9	

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL:

No capital projects were budgeted for the 2011/12 financial year.

T 3.28.7

# Chapter 3

## COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

**The Municipality does not perform any of the above functions.**



# Chapter 3

## COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

ECONOMIC AND INFRASTRUCTURE DEVELOPMENT CLUSTER				
Municipal KPA: Basic Service Delivery and Infrastructure Investment				
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12	
Water Provision	Provision of bulk water supply to number of envisaged future erven that will address erven backlogs	90%	100% of Mooiplaats completed by end of June 2012	
	% completed Purification Works and Reservoir to assist in supplying 2500 households with	90%	100% completed Purification Works and 50% Complete 9ML Reservoir by end of June 2012	
	Provision of water network connections to all envisaged future erven that will address erven backlogs	Draft completed		Develop a business plan for bulk line in Mooidraai by end of Dec. 2011
		0%		Water Connections to 300 infill stands in Zamdela and Metsimaholo
	% of preserved water and water usage	25%		Replacement of bulk water meters (other than household) by June 2012
		8%		Reduction of water distribution losses from 8% to 6% by June 2012 ( <i>maintain annually thereafter at acceptable levels</i> )
		93%		90% of reported water leaks repaired within 48 hours
		10%		100% of WSDP developed and submitted for approval by end of Dec 2011
		89%		90% compliance with blue drop water quality accreditation system by June 2012
	Number of Zonal Valves installed ( <i>not budgeted</i> )	0		4 Zonal/Isolation valves installed by end of June 2012
Sanitation Provision	Number of stands provided with sewer network in identified backlogs areas	0%	100% of business plan completed for Metsimaholo Ext. (366) and Harry Gwala x9 (500) by Dec. 2011	
	Number of new sewer network connections provided	60%	Sewer network provided to the following areas by June 2012: 925 in Gortin; 3 500 in Amelia	
	Well managed sanitation system and waste water treatment networks	10%		100% of sanitation master plan (WSDP) developed and submitted for approval by Dec. 2011
		70%		100% of business plan completed for extension of water purification plant in Metsimaholo
		65.5%		90% compliance with green drop water quality accreditation system by June 2012
	% blockages attended to within 24 hours	80%		90% of blockages attended to within 48 hours
	Length of main gravitational outfall sewer replaced	1km		3 km collapsing outfall sewer line replaced by end of June 2012
Roads and storm water	% roads master plan developed	10%	100% of roads and storm water master plan developed and submitted for approval by end Dec.	
	Number of km's of roads upgraded and maintained in identified areas	0		6 km's of roads and storm water upgraded in Gortin (June 2012)
		0		5km of roads upgraded to benefit critical roads ( <i>3km Deneysville and 2km Oranjeville</i> ) by end of

# Chapter 3

ECONOMIC AND INFRASTRUCTURE DEVELOPMENT CLUSTER			
Municipal KPA: Basic Service Delivery and Infrastructure Investment			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
		0	7km roads sealed (2km in Zamdela; 3km in Vaalpark & 2km in Sasolburg) by end of June 2012
		0	50km gravel roads maintained in priority areas by end of June 2012
	Kilometres of storm water networks erected in identified areas	0	5km in Zamdela Stormwater channel and pedestrian bridges across ward 7,8,9 and by June
		0	1km in Amelia , Refenggotso/Deneysville, small holdings and farms by June 2012
Electricity Provision	% of electrified household's receiving free basic electricity.	90%	100% of households in formalised areas receive free basic electricity including ESKOM & farms
	Reduced number of outages reported within the municipality	50%	Minimise outages by 10% by end of June 2012
	Reduced response time to reported outages from three days to 24 hours	HHs-24hrs Others-48hrs	Reduced response time for HHs to 2hrs and Others to 24hrs
	Electricity master plan developed and approved	10%	100% of electricity master plan developed and submitted for approval by Dec. 2011
	% completed investigation into security measures for transformers and mini-substations	50%	100% completed investigation report and implementation of measures by Dec 2011
	% of street and high mast lights maintained	80%	80% of street and high mast lights maintained by Dec 2011
	% of substation and bulk supply line completed (Leitrim, Amelia & Mooidraai)	15%	60% completed by June 2012 ( <i>breakdown per bulk line</i> )
	Quantified electricity losses	25%	Electricity meter investigation report completed by March 2012 ( <i>pilot project</i> )
	% Reduction in electricity distribution losses	10%	Reduced electricity losses from 10% to 8% by end June 2012 ( <i>maintain annually thereafter at agreed</i> )
Housing	% completed feasibility report on the establishment of social housing	35%	100% feasibility study completed and submitted for approval by end of Dec. 2011
	% of Housing Sector Plan updated and approved	80%	100% of Housing Sector Plan updated and submitted for approval by end of Dec 2011
	% of beneficiaries identified as per approved RDP housing allocation	100%	100% of beneficiaries identified as per approved allocation ( <i>2011/12 allocation- number of units not</i> )
	% of subsidy applications for RDP houses processed	100%	100% of subsidy applications processed
	% data confirmed and verified for Hostels 1-4 ( <i>linked to CRUs</i> )	0%	100% of data confirmed and verified for Hostels 1-4 by end of June 2012
Land Availability	Land secured as per Spatial Development Framework	25%	36 plots secured in Refenggotso by June 2012 (MTAS)
Urban and Regional Planning	% Urban Revitalization Strategy completed	0%	100% completed strategy by end of Dec 2011
	% infill planning in Zamdela	0%	40% of serviced erven closer to services created for residential purposes in Zamdela by June 2012
	% of Spatial Development Framework reviewed/updated	100%	100% SDF reviewed/ updated and submitted for approval by June 2012

# Chapter 3

ECONOMIC AND INFRASTRUCTURE DEVELOPMENT CLUSTER			
Municipal KPA: Basic Service Delivery and Infrastructure Investment			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
	% of Integrated Land Use Management Scheme finalised	100%	100% finalised by end Sept 2011
	% of re-zonings, subdivisions, and consolidation applications evaluated	80%	100% of submitted applications evaluated and comments sent to Province within 60 days of receipt
	% of building plans approved within 30 days of receipt of completed applications	80%	100% of building plans approved by June 2012
	% of approved building plans inspected	95%	100% of inspections conducted by June 2012
	% complaints of violations responded to within 48 hours	80%	90% of complaints handled within 48 hours

ECONOMIC AND INFRASTRUCTURE DEVELOPMENT CLUSTER				
Municipal KPA: Local Economic Development				
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12	
LED and Poverty Alleviation	% of Commonage Policy approved to stimulate agricultural activities	10%	100% of Commonage Policy submitted for approval by Dec. 2011.	
	% of SMME Development plan finalised	0%	100% of SMME Development plan submitted for approval by March 2012	
	Number of self sufficient and sustainable SMME appointed	3	4 SMMEs appointed by June 2011 (MTAS)	
	Number of cooperatives identified and registered	2	4 Cooperatives identified and registered by end of Dec. 2011 (2 Sasolburg; 1 D/Ville & 1 O/Ville)	
	Number of jobs created	181	500 jobs created by June 2012 ( <i>all depts</i> )	
	Completed Social Labour Projects		40%	Implemented Bricks and Paving Project by June 2012 ( <i>Sasol Mining</i> )
			10%	Implemented Poultry and Piggery Project by June 2012 – no progress ( <i>Sasol Mining</i> ) anticipated
			0%	100% of crèche (phase 1) completed in Harry Gwalaward 13 by end of Dec. 2011 ( <i>Copper Sunset</i> )
0%			100% of approved DMR projects implemented ( <i>Bothma &amp; Sons</i> )	
% of Marketing and Tourism Plan compiled and approved	0%	100% of Marketing and Tourism Strategy/ Plan submitted for approval by March 2012		

# Chapter 3

SOCIAL PROTECTION AND COMMUNITY DEVELOPMENT CLUSTER				
Municipal KPA: Basic Service Delivery and Infrastructure Investment				
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12	
Refuse removal	% development and implementation of Integrated Waste Management Plan (IWMP)	60%	100% developed and approved IWMP by end of Sept.2011 (consolidate district & provincial IWMPs –	
		0%	100% implemented IWMP by end of June 2012 (implementation plan to be approved with IWMP)	
	Number of additional premises per month serviced with refuse removal within the municipal areas. (3 new trucks @ 1 trip/ round=between 800-1000 premises per day x 5 days= 12000 per	New trucks were not delivered	Between 12 000 and 15 000 additional points per week. (Procurement of 3 new additional compactor	
			Increase the number of refuse service points by 15 000 from 40 120 to 55 120 by end of June 2012	
	% of new landfill site established	10%	100% finalised establishment of new landfill sites by end of June 2012.	
	% effective management of existing landfill sites	20%	100% effective management of existing landfill sites by end of June 2012	
	Number of awareness programmes on illegal dumping	14	One programme per ward by end of June 2012 (at least 4 per quarter)	
	% of clean ward competition	50%	100% of clean ward competition completed and finalised by end of Dec. 2011	
	Number of illegal dumpings removed	15	12 illegal dumpings removed by end of June	
% enforcement of By-law on illegal dumping	10%	100% enforcement of by-law in all wards by June 2012 (fines & penalties to be implemented)		

SOCIAL PROTECTION AND COMMUNITY DEVELOPMENT CLUSTER				
Municipal KPA: Community Development and Social Cohesion				
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12	
Sport & Recreation and Community facilities	Number of revitalized open spaces improved (planting of grass-soccer playgrounds)	10	16 soccer playgrounds completed by June 2012	
	% completed multi-purpose centre (MPC)	15%	100% completed MPC in Harry Gwala township by June 2012 (SLP project of Anglo Coal)	
	Number of community halls upgraded	2	Refengkgotso/Deneysville Hall (storm water drainage upgraded by June 2012	
	Number of upgraded sport facilities	1	Moses Kotane swimming pool by June2012	
	Number of developed family parks	2	4 family parks by June 2012 (Zamdela – w10&11; Harry Gwala-w6; Taylor Park- w10)	
	% assessment completed of all community facilities	0%	100% of conditional assessment completed for all community facilities by end of Feb. 2012	
	Number of collaborative and support programmes with the DoE	100%	Number of programmes with pre-primary and primary schools (reading, story-telling, toy libraries, exhibitions) <ul style="list-style-type: none"> <li>• Library Week (March )</li> <li>• Literacy Day (April)</li> <li>• Mandela Day (18 July)</li> <li>• Environmental Week (Sept)</li> <li>• Grade 7 training programme (throughout the year)</li> </ul>	

# Chapter 3

SOCIAL PROTECTION AND COMMUNITY DEVELOPMENT CLUSTER			
Municipal KPA: Community Development and Social Cohesion			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
Special programmes	% of implementation plan finalised on youth development programmes <i>(Office of Executive Mayor)</i>	0%	100% of implementation plan finalised by Dec. 2011
	% implementation of Provincial Women's Summit resolutions (action plan)	0%	100% of youth summit convened by end of March
	% of plan developed for support to children, the elderly and people with disabilities	0%	100% of action plan developed and implemented by end of Dec. 2012
	% of a facility established for the mentally challenged persons	0%	100% of plan developed and implemented by end of Dec. 2012
	% of Mayoral Community Awards finalised <i>(Office of Executive Mayor)</i>	0%	100% of facility established by March 2012
	% of Heroes Acre planned and finalised <i>(Office of Executive Mayor)</i>	0%	100% of Mayoral Community Awards finalised by end of June 2012
	% of Heroes Acre planned and developed by end of June 2012	0%	100% of Heroes Acre planned and developed by end of June 2012
Safety and security	% availability of municipal land and services to establish policing facilities/stations.	No requests received	100% availability of municipal land and services as and when requested
	Level of participation and support for crime awareness/prevention	100%	100% participation and support for crime prevention initiatives such as "Arrive Alive", etc.
	No. of Community Safety Forums(CSFs) established in partnership with SAPS and District	2	1 CSF established by Nov. 2011
	% of terms of reference developed for CSF and street committees	0%	100% of terms of reference for CSFs and street committees developed by end of Sept. 2011
	No. of routine road blocks at strategic points in partnership with SAPS	20	30 road blocks per annum in identified priority areas
	% of application for heavy duty drivers' license testing centre finalised	80%	100% of application finalised and implemented by end of June 2012
	% of By-Law enforcement unit established	0%	100% unit established by 31 Dec. 2011 ( <i>recruitment, training, resources, etc.</i> )
	% of investigation into the alternative usage and/or demolition of unused buildings for	0%	100% of investigation completed by 31 Dec. 2011
	No. of scholar patrol and road safety training programmes conducted with SGB's	10	15 operational scholar patrols supported by June 2012
	Number of traffic signs erected and	84	100 traffic signs maintained and erected by Dec 2011
	Number of tourism information boards erected	4	10 information boards erected by June 2012
Public transport	% cleaning and management of public toilets on a daily basis	80%	100% daily cleaning and management
	% of Integrated Transport Plan (ITP) developed and submitted for approval ( <i>Technical Services</i> )	0%	100% of ITP developed by end of June 2012
Cemeteries	Number of cemeteries established and upgraded	0%	100% of Refengkgotso cemetery commissioned and handed over by end of Sept 2011
	% of cemeteries maintained and	80%	100% of cemeteries maintained and cleaned
	% of cemetery management By-Law finalised	50%	100% of cemetery management By-Law finalised by Dec. 2011 ( <i>in conjunction with Corporate Services</i> )
Disaster	% support and resources provided for the establishment of a functional District Disaster	50%	100% support and resources provided by June 2012

# Chapter 3

SOCIAL PROTECTION AND COMMUNITY DEVELOPMENT CLUSTER			
Municipal KPA: Community Development and Social Cohesion			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
management	Number of trial disaster management exercises completed	0	4 trial exercises completed by June 2012 ( <i>1 per quarter</i> )
	Number of disaster management awareness campaigns completed	4	4 awareness campaign completed by June 2012 ( <i>1 per quarter</i> )
	Number of volunteers recruited and trained	0	50 Volunteers recruited and trained by June 2012
Environment	% of the Environmental Master Plan implemented.	20%	100% implementation of the Environmental Master Plan by June 2012 ( <i>including air quality audit in conjunction with the District</i> )
	% of compliance with environment legislations and regulations.	50%	100% compliance by June 2012
HIV/AIDS	% action plan on HIV/AIDS developed ( <i>Office of Executive Mayor</i> )	50%	100% action plan developed by end of March 2012
	% of support and resources available for the Local Aids Council (LAC)	10%	100% of support and resources made available to the LAC
	Number HIV/Aids awareness programmes conducted	6	12 programmes conducted by end of June 2012
	% increase of charitable organisations supported through proceeds of District HIV/AIDS Festival	4	4 received in 2010/11; Increase to 100% of eligible organisation
	% of employee HIV/AIDS Policy developed ( <i>Corporate Services</i> )	0%	100% policy developed by Dec. 2011
Arts and Culture	Number of collaborative programmes with relevant stakeholders (consultations with arts & culture)	55 shows	60 shows organised by end of June 2012
	% action plan implemented to involve the local artists in theatre programmes	0%	100% of Action plan developed and implemented by end of March 2012 ( <i>use arts and culture week to</i>
	100% annual arts and culture festival hosted	100%	100% festival hosted by end of Sept 2011

# Chapter 3

GOVERNANCE AND ADMINISTRATION CLUSTER			
Municipal KPA: Transformation and Institutional Development			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
Institutional capacity and development	Recruitment of targeted and qualified individuals in line with the critical posts	50%	98 posts (50% of 196) filled by end of June 2012
	% of organisational structure reviewed and approved	75%	100% of organisational structure submitted for approval by end of Sept. 2011
	% grading of the municipality and job evaluation completed	0%	100% grading and job evaluation completed by end of June 2012
	% of trained categories of staff members as per the annual Workplace Skills Plan (WSP)	55%	100% of trained categories of staff as per WSP on an annual basis
	% of comprehensive capacity building program for Councillors developed and approved by Council (MTAS)	0%	Skills audit conducted for new Councillors by end Sept 2011
			Training programs for councillors be completed by March 2012
	% compliance with Employment Equity (EE) regulatory framework	1%	100% of EE Plan and Report submitted to the Dept of Labour (DoL) by end of Oct 2011
			2% of vacancies to comprise of people of with disabilities
	Effective management of all municipal data and information	10%	100% tracking and manual filing of all council resolutions by end of June 2012
	Number of organisational development intervention strategies deployed	1	3 OD interventions deployed by end of June 2012
	% implementation of institutional PMS (MTAS)	60%	100% of service excellence awards finalised by end of Sept. 2011 (annually)
		75%	100% of revised Institutional PM Framework submitted for approval by end of Sept. 2011
		0%	100% of PMS cascaded to divisional managers and assistant managers by March 2012
		0%	Signed delivery agreements for identified political office bearers by end of Dec 2011
	% functional customer care system implemented (MTAS)	50%	100% of customer care policy and implementation plan submitted for approval by end of Nov. 2011
	Sound and conducive labour relations environment (MTAS)	20%	100% organisational rights procedure developed by end of Dec. 2011 (MTAS)
	Effective management of labour disputes and grievances	95%	100% of disputes and grievances handled in terms of collective agreements
		98%	100% of LLF meetings convened as planned (MTAS)
	% audit of all existing service contracts and improved contract management	50%	100% of Pro forma contract and SLA developed by end of Sept. 2011
	Effective management of municipal fleet (MTAS)	20%	100% of centralised fleet management policy and function submitted for approval by end of Dec. 2011
0%		100% procured and deployed fleet management system by June 2012	
ICT	% ICT policy developed and approved (Office of the Municipal Manager)	50%	100% of ICT policy submitted for approval by end of Sept. 2011

# Chapter 3

GOVERNANCE AND ADMINISTRATION CLUSTER			
Municipal KPA: Transformation and Institutional Development			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
	% of network and systems upgraded (Office of the Municipal Manager)	90%	100% of pre-paid vending systems linked with main server by Sept. 2011
		20%	100% of network and cabling installed by end of Dec. 2011
	% downtime of critical systems reduced as a percentage of total time	10%	Downtime of critical systems reduced to 5% of total time
	% of workstations on line (Office of the Municipal Manager)	80%	90% of workstations functional and on-line
	% of services complaints resolved within 24 hours	85%	90% of service (user) complaints attended to within 24 hours of receipt

GOVERNANCE AND ADMINISTRATION CLUSTER			
Municipal KPA: Financial Viability and Financial Management			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
Financial accountability and compliance	Reduced number of internal and external audit queries on supply chain management	20%	100% reduction in audit queries by end of June 2012 (all departments)
	% Annual review of the SCM policy (MTAS)	80%	100% of annual review completed by end of Sept. 2011
	% Filling of critical vacancies	50%	100% of critical vacancies filled by Dec. 2011
	% of SCM procurement plan developed for the approved projects	100%	100% annual procurement plan finalised by end of Sept. 2011
	% GRAP Compliant Financial Statements produced year on year	100%	100% complaint AFS submitted by 31 Aug 2011
	% of legacy issues addressed by 30 June 2012: <ul style="list-style-type: none"> <li>Trade and other receivables</li> <li>Assets</li> </ul>	50%	100% of legacy issues addressed by 30 June 2012: <ul style="list-style-type: none"> <li>Trade and other receivables</li> <li>Assets</li> </ul>
	% GRAP compliant fixed asset register (FAR)	75%	100% of GRAP compliant FAR compiled by end of Sept. 2011
	% provision for impairment in AFS	50%	100% provision for impairments by June 2012 (dependant on financial results and tariffs)
	% Clearance of suspense account	80%	100% of unidentified deposits cleared from suspense account
	% of clean audit achieved	50%	100% of action plan on AG's audit findings implemented by June 2012 (all departments)
Financial liquidity and viability	% of VAT review completed	30%	80% completion of VAT review by end of June 2012 (Current contract to be cancelled and re- advertised)
	% of data cleansing project completed (MTAS)	30%	80% of data cleansing completed by end of June 2012
		10%	100% of all returned customer accounts monitored and followed-up monthly by end of June 2012
		20%	80% of properties billed for all municipal services rendered by June 2012
	% of e-venus system optimised	25%	100% of the e-venus system optimised by June 2012
% review credit control and debt	60%	100% Credit control By-Law finalised by end of Dec 2011	



# Chapter 3

GOVERNANCE AND ADMINISTRATION CLUSTER			
Municipal KPA: Financial Viability and Financial Management			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
	collection policy and programme (MTAS)	0%	50% of outstanding debt of section 21 schools collected by end of Sep 2011
		80%	85% of consumer services levied is collected on average monthly by end of June 2012
		0%	10% reduction in consumer debt older than 90 days by end of June 2012
	% of budgeted revenue (including sundry) realised	95%	95% of budgeted revenue billed and collected annually ( <i>all departments</i> )
	Developed and signed SLA's with relevant departments (Technical, IT, HR,	80%	100% of SLA's developed and signed by end of Dec. 2011

GOVERNANCE AND ADMINISTRATION CLUSTER			
Municipal KPA: Good Governance and Community Participation			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
Corporate and democratic governance	% effective and sound systems and internal controls	75%	100% of delegations submitted for approval by end of Sept. 2011
		80%	100% of PROPAC resolutions implemented by June 2012
	% of internal audit and risk management functions established and functional	100%	100% of internal audit charter reviewed by end of June 2012
		100%	100% of audit committee meetings (AC) as per approved schedule ( <i>in consultation with Chairperson at 1 per quarter</i> )
		100%	100% of approved internal audit coverage plan implemented ( <i>including the financial systems</i> )
		50%	100% of risk treatment plan and register updated by end of Dec. 2011 ( <i>quarterly reports submitted to</i>
			100% of risk committee meetings convened as per approved schedule ( <i>in consultation with Chairperson at 1 per quarter</i> )
	% of improved systems developed for optimal institutional efficiency	0%	100% of approved fraud prevention strategy by implemented by end of June 2012
		50%	100% of system for declaration of interests and gifts implemented by end of July 2011
		75%	100% of 2010/11 Annual Report compiled and submitted for approval by end of January 2012
		100%	100% of 2012/13 IDP compiled and submitted for approval by end of June 2012
	% of MLM communication policy and strategy developed in line with National and Provincial frameworks	20%	100% of MLM communication policy developed and submitted for approval by end of Sept. 2011
	% developed and implemented communications and marketing campaign	95%	100% functional municipal website
		0%	Introduction of bi-monthly MLM newsletter by Sept

# Chapter 3

GOVERNANCE AND ADMINISTRATION CLUSTER			
Municipal KPA: Good Governance and Community Participation			
IDP Priority	Key Performance indicators	Baseline	Annual target: 2011/12
		50%	100% secured radio and media editorial and advertorial slots (monthly/weekly)
	% of public participation strategy implemented	18	Functional and effective committees in all 21 wards by end of June 2012 ( <i>Speaker's Office</i> )
		100%	100% public participation on IDP, Budget, By- Laws, etc.
	% monitoring of the effectiveness/ impact of the campaign to promote responsible citizenship	0%	100% of report on responsible citizenship completed by end of Dec. 2011 ( <i>in consultation with the Speaker's Office</i> )
	% of security management plan developed to safeguard municipal assets and properties	0%	100% of security management plan developed and submitted for approval by end of Oct. 2011

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

### INTRODUCTION

The municipality is aiming at maximising the potential of staff and their contribution to service delivery and organisational performance. Human resources are the primary investment for the municipality and the municipality endeavours to maintain its investment in its staff.

*T 4.0.1*

# Chapter 4

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 131: Employee Totals

Description	Employees				
	2010/11	2011/12			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	36	52	36	16	30
Waste Water (Sanitation)	39	61	38	23	37
Electricity	41	61	39	22	36
Waste Management	115	180	115	65	36
Housing	17	27	17	10	37
Storm water Drainage	10	18	15	3	16
Roads	37	48	40	8	16
Transport	-	-	-	-	-
Planning	7	12	5	7	58
Local Economic Development	1	18	2	16	88
Community & Social Services	31	42	32	10	23
Environmental Protection	-	-	-	-	-
Health	-	-	-	-	-
Security and Safety	44	113	43	70	61
Sport and Recreation	137	185	130	55	29
Corporate Policy Offices and Other	117	205	115	90	43
<b>Totals</b>	<b>632</b>	<b>1022</b>	<b>627</b>	<b>395</b>	<b>38</b>

Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.

T 4.1.1

# Chapter 4

Table 132: Vacancy Rate

Vacancy Rate: 2011/12			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	1	100
CFO	1	0	0
Other S57 Managers (excluding Finance Posts)	4	2	50
Other S57 Managers (Finance posts)	0	0	0
Police officers	52	32	62
Fire fighters	47	25	53
Senior management: Levels 13-15 (excluding Finance Posts)	33	6	18
Senior management: Levels 13-15 (Finance posts)	6	1	17
Highly skilled supervision: levels 9-12 (excluding Finance posts)	103	43	42
Highly skilled supervision: levels 9-12 (Finance posts)	10	5	50
<b>Total</b>	<b>257</b>	<b>115</b>	<b>45</b>

*Note: \*For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T 4.1.2

Table 133: Turnover Rate

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2009/10	17	25	-
2010/11	93	11	1%
2011/12	31	35	5.5%

*\* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year*

T 4.1.3

# Chapter 4

## COMMENT ON VACANCIES AND TURNOVER:

Council approved the amendment of the Organogram and identified critical positions that needed to be filled in April 2012. During May 2012 86 positions were advertised and the process of appointments is being done in the financial year 2012/13. In the financial year 2012/13 all the section 57 vacancies were filled. Turnover is mainly as a result of deaths and retirements.

T 4.1.4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

*Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.*

Council approved the amendment of the Organogram and identified critical positions that needed to be filled in April 2012. During May 2012 86 positions were advertised and the process of appointments is being done in the financial year 2012/13. In the financial year 2012/13 all the section 57 vacancies were filled. Turnover is mainly as a result of deaths and retirements.

T 4.2.0

# Chapter 4

## 4.2 POLICIES

Table 134: HR Policies and Plans

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action			
2	Attraction and Retention	100	n/a	In progress
3	Code of Conduct for employees			SALGBC/MSA
4	Delegations, Authorisation & Responsibility			
5	Disciplinary Code and Procedures	100	n/a	SALGBC
6	Essential Services	100	n/a	SALGBC
7	Employee Assistance / Wellness	100	n/a	In progress
8	Employment Equity	100	n/a	In progress
9	Exit Management	100	n/a	In progress
10	Grievance Procedures			SALGBC
11	HIV/Aids	100	n/a	In progress
12	Human Resource and Development	100	0	02/04/2007
13	Information Technology			
14	Job Evaluation			
15	Leave			SALGBC
16	Occupational Health and Safety	100	n/a	SALGBC
17	Official Housing			
18	Travel and expenditure	100	0	01/10/2008
19	Bereavement	100	n/a	In progress
20	Official Working Hours and Overtime			SALGBC
21	Organisational Rights			SALGBC
22	Payroll Deductions			
23	Performance Management and Development	100	100	29/11/2006 & review in progress
24	Recruitment, Selection and Appointments	100	100	28/01/2004 & review in progress
25	Remuneration Scales and Allowances			SALGBC
26	Resettlement	50	n/a	To follow necessary procedures for adoption
27	Sexual Harassment	100	n/a	In progress
28	Skills Development	100	0	02/04/2007
29	Smoking			
30	Special Skills (same as retention)			
31	Work Organisation			
32	Uniforms and Protective Clothing			
33	Other:			
	Dress code	100	n/a	In progress
	Bursary	100	100	02/04/2007 & review in progress
	Career path	100	n/a	In progress
	Career succession	100	n/a	In progress

# Chapter 4

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
	Conflict of interest	100	n/a	In progress
	Gifts	100	n/a	In progress
	HR Strategy	100	n/a	In progress
	Medical examination	100	n/a	In progress
	Membership to professional societies	100	n/a	In progress
	Moonlight	100	n/a	In progress
	Protected disclosure	100	n/a	In progress
	Promotion	100	100	02/04/2007 & review in progress
	Racism	100	n/a	In progress
	Transport/Car allowance	100	n/a	In progress
	Induction & orientation	100	0	30/07/2003
	Employees transfer	100	0	28/04/2004

*Use name of local policies if different from above and at any other HR policies not listed.*

T 4.2.1

## COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Twenty (21) HR Policies have been developed and awaiting Council approval in the financial year 2012/13. Workshop for these policies was held for Councillors during October 2011.

T 4.2.1.1



# Chapter 4

## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 135: Number and Cost of Injuries on Duty

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	209.50	17	2.57	12.3	67 162.76
Temporary total disablement					
Permanent disablement					
Fatal					
<b>Total</b>	<b>209.50</b>	<b>17</b>	<b>2.57</b>	<b>12.3</b>	<b>67 162.76</b>

T 4.3.1

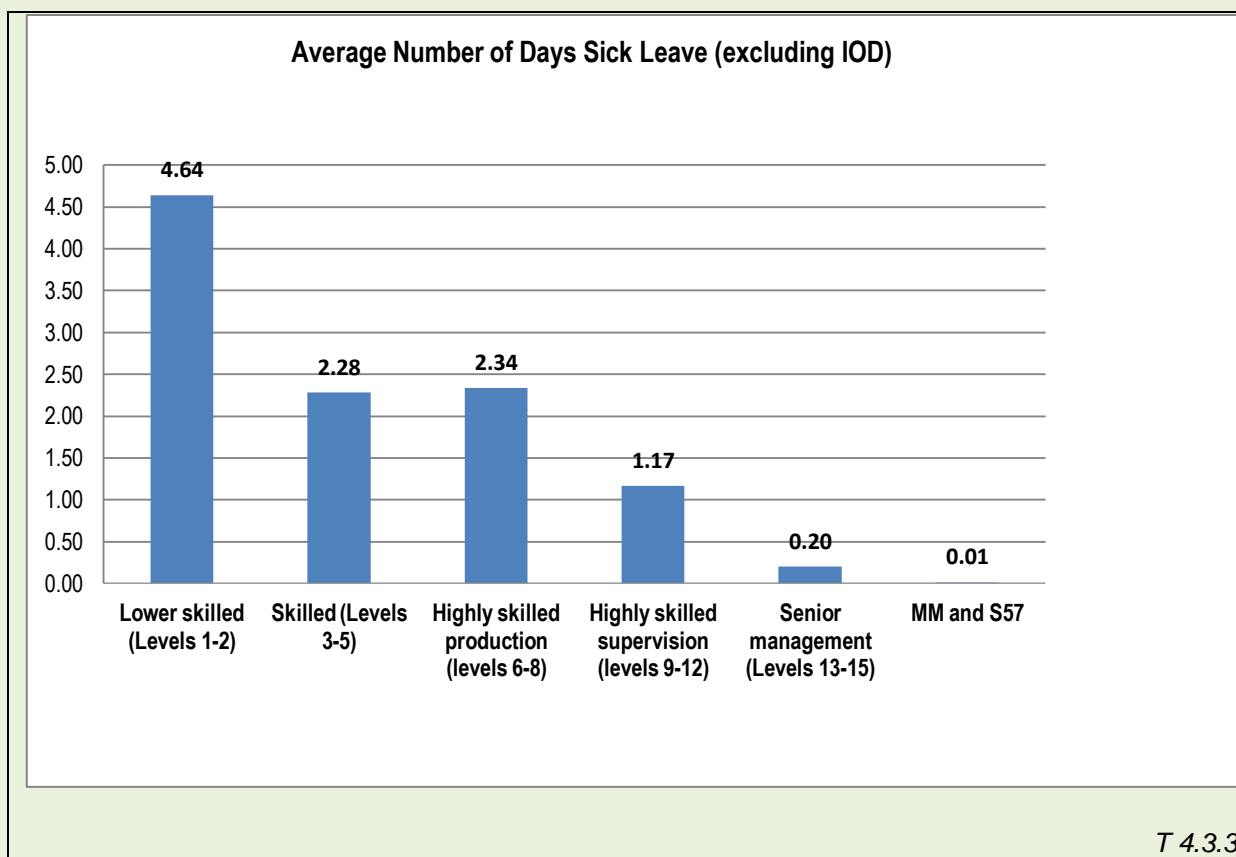
Table 136: Number of Days and Cost of Sick Leave

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	3 071	4.9%	342	342	8.9	806 159
Skilled (Levels 3-5)	1 509	8.7%	205	205	7.4	720 213
Highly skilled production (levels 6-8)	1 546	4.2%	56	56	27.6	1 052 838
Highly skilled supervision (levels 9-12)	773	11.8%	27	27	28.6	658 108
Senior management (Levels 13-15)	132	24.2%	29	29	4.6	162 969
MM and S57	9	11.1%	3	3	3.0	16 200
<b>Total</b>	<b>7 040</b>	<b>6.7%</b>	<b>662</b>	<b>662</b>	<b>10.6</b>	<b>3 416 487</b>

\* - Number of employees in post at the beginning of the year  
 \*Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2

# Chapter 4



**COMMENT ON INJURY AND SICK LEAVE:**

The most prevalent injuries and sick leave is at the Division Cleansing, Technical and Parks. The occurrence of TB at these departments is high. The municipality have contracted the services of Occupational Health Medical Practitioner. All incidents of injuries reported are properly recorded.

*T 4.3.4*

# Chapter 4

Table 137: Number and Period of Suspensions

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Heavy Machine Operator	Assault	29/03/12	Final written warning	17/07/12
Building Inspector	Dishonesty	11/08/11	Official was charged. Union raised in limine points.	The matter was postponed indefinitely.
Supply Chain Manager	Improper conduct	03/11/11	No disciplinary action taken	The suspension was lifted by SALGBC on 02/05/11
				<i>T 4.3.5</i>

Table 138: Disciplinary Action Taken

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
Financial intern	Dishonesty (there was no loss to the Municipality)	The official was charged and the matter was referred to SALGBC for condonation	pending
			<i>T 4.3.6</i>

**COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:**

The disciplinary processes take long because of the requests for postponement of hearings.

*T 4.3.7*

# Chapter 4

## 4.4 PERFORMANCE REWARDS

**No performance rewards were paid to any employee during the 2011/12 financial year.**

### COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

#### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

*Note: MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.*

There were 47 Training Programme identified in the financial year 2012/2013 and 17 were implemented. The following learnership/internship were undertaken: Certificate in Local Government Accounting, Advance Certificate in Local Government, Occupationally Directed Education and Training Development Practitioner Learnership, Treatment Plant Operator, Plumbing, ICT, Financial Management Internship, Municipal Financial Management Programme Training Committee held its four quarterly meetings and eight bursaries were awarded.

Training programmes are not effectively implemented as planned. Some department do not submit their departmental training programme to up-skill the staff before the submission of the Municipal Workplace Skills Plan and thus affect the implementation process since some programmes will be requested by the departmental heads for implementation after the submission of Workplace Skills Plan to the Local Government Sector Education and Training Authority.

T 4.5.0

# Chapter 4

## 4.5 SKILLS DEVELOPMENT AND TRAINING

Table 139: Skills Matrix

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 2012	Number of skilled employees required and actual as at 30 June 2012											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual: End of 2010/11	Actual: End of 2011/12	2011/12 Target	Actual: End of 2010/11	Actual: End of 2011/12	2011/12 Target	Actual: End of 2010/11	Actual: End of 2011/12	2011/12 Target	Actual: End of 2010/11	Actual: End of 2011/12
MM and s57	Female	1	0	0	0	0	1	1	0	1	1	0	2	2
	Male	3	0	0	0	1	2	3	0	1	3	1	3	6
Councillors, senior officials and managers	Female	19	0	0	10	0	5	6	0	0	0	0	5	16
	Male	58	0	0	20	29	23	32	0	0	0	29	23	52
Technicians and associate professionals*	Female	20	0	0	0	0	1	10	0	0	0	0	1	10
	Male	15	0	0	0	0	6	28	0	0	0	0	6	28
Professionals	Female	7	0	0	0	7	4	3	0	0	0	7	4	3
	Male	72	0	0	0	4	2	2	0	0	0	4	2	2
Sub total	Female	47	0	0	10	7	11	20	0	1	1	7	12	31
	Male	148	0	0	20	34	33	65	0	1	3	34	34	88
<b>Total</b>		<b>195</b>	<b>0</b>	<b>0</b>	<b>30</b>	<b>41</b>	<b>44</b>	<b>85</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>41</b>	<b>46</b>	<b>119</b>

\*Registered with professional Associate Body e.g CA (SA) T 4.5.1

# Chapter 4

Table 140: Financial Competency Development

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>	1	0	1	1	1	1 Busy
<i>Chief financial officer</i>	1	0	1	1	1	1 Busy
<i>Senior managers</i>	4	0	4	4	0	4 Busy
<i>Any other financial officials</i>	89	0	89	5	0	5 interns are busy
<b>Supply Chain Management Officials</b>						
<i>Heads of SCM unit</i>	1	0	1	0	0	0
<i>SCM senior managers</i>	0	0	0	0	0	0
<b>TOTAL</b>	<b>95</b>	<b>0</b>	<b>95</b>	<b>11</b>	<b>2</b>	<b>11</b>

\* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

T 4.5.2

# Chapter 4

Table 141: Skills Development Expenditure

Skills Development Expenditure										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2011/12							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female	1			8 000	0			8 000	0
	Male	3			24 000	11 000			24 000	11 000
Legislators, senior officials and managers	Female	19		*2 (80 000)	48 000	8 800			48 000	8 800
	Male	58		*2 (80 000)	180 000	25 850			180 000	25 850
Professionals	Female	20		*1 (15 000)	12 000	4 396			12 000	4 396
	Male	15			10 000	9 031			10 000	9 031
Technicians and associate professionals	Female	7		*(3) 15 000	80 000	1 200			80 000	1 200
	Male	72		*(14) 75 000	28 000	38 114			28 000	38 114
Clerks	Female	66		*(6) 90 000	160 000	1 606			160 000	1 606
	Male	78		*(10) 150 000	180 000	8 000			180 000	8 000
Service and sales workers	Female	23			58 000	0			58 000	0
	Male	46			80 000	1 000			80 000	1 000
Plant and machine operators and assemblers	Female	6			0	0			0	0
	Male	68			85 000	0			85 000	0
Elementary occupations	Female	81			240 000	23 756			240 000	23 756
	Male	203			300 000	34 854			300 000	34 854
Sub total	Female	233		*(200 000)	606 000	39 758			606 000	39 758
	Male	543		*(305 000)	887 000	127 849			887 000	127 849
<b>Total</b>		<b>766</b>		<b>*(505 000)</b>	<b>1 493 000</b>	<b>167 607</b>			<b>1 493 000</b>	<b>672 607</b>
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									<b>0,63%*</b>	<b>R1 104 500</b>
T4.5.3										

# Chapter 4

## COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

Training programmes are not effectively implemented as planned. Some department do not submit their departmental training programme to up-skill the staff before the submission of the Municipal Workplace Skills Plan and thus affect the implementation process since some programmes will be requested by the departmental heads for implementation after the submission of Workplace Skills Plan to the Local Government Sector Education and Training Authority. Training budget is sufficient enough to cater training of all personnel as planned. MFMA Competency Regulation programme is implemented however; the Municipality had vacancies for Section 57 employees who will be enrolled for the programme as soon as the appointments are made. The Municipality is in the process of registering all Financial Accountants to the programme and other Managers from the different departments. Learnership programmes (\*) implemented are the LGSETA project that are already funded by them (LGSETA) which were not planned programmes for the Municipality but beneficiary to the Municipality as a whole.

*T 4.5.4*



# Chapter 4

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

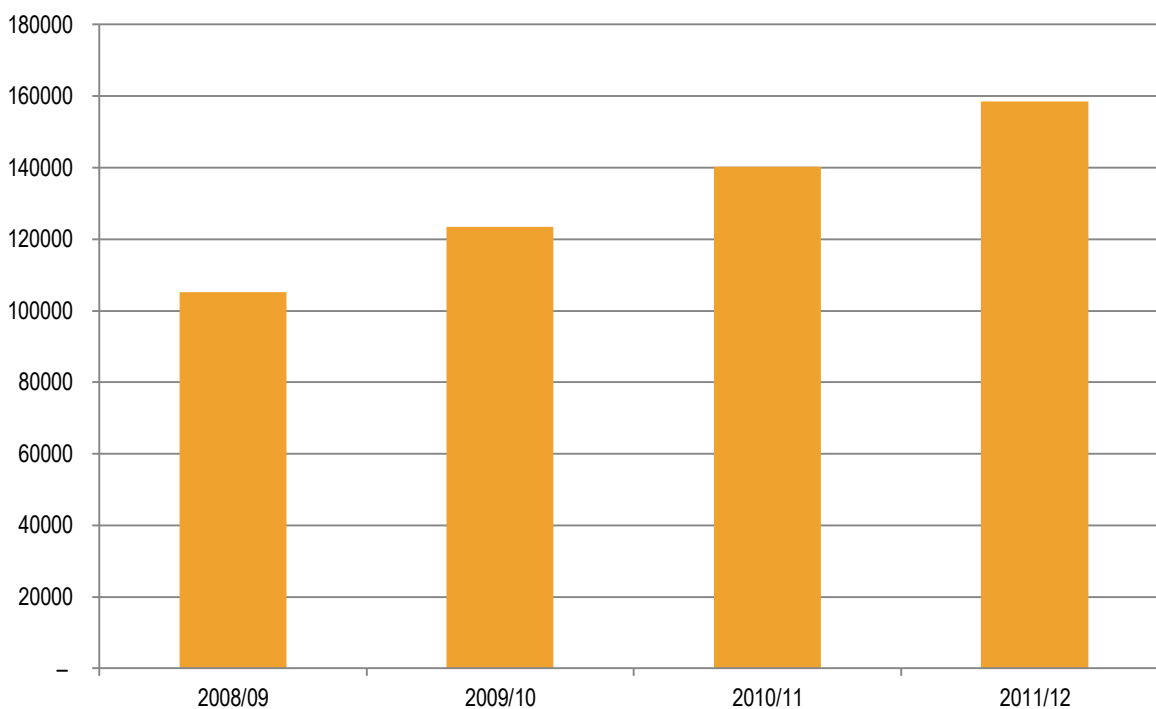
### INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality is under constant pressure to ensure that the workforce expenditure is managed within the approved budget and National Treasury benchmarks. Where feasible vacancies, which arise from turnover, is filled based on an assessment of the continued need for the post and operational requirements.

T 4.6.0

### 4.6 EMPLOYEE EXPENDITURE

#### Workforce Expenditure Trends (R' 000)



Source: MBRR SA22

T 4.6.1

#### COMMENT ON WORKFORCE EXPENDITURE:

The workforce expenditure has increased from R105,1m in 2008/09 to R158,4m in 2011/12. Although the it shows an increase in rand terms workforce expenditure as a percentage of total operating expenditure has steadily declined from 28.4% (2008/09) to 24.8% in 2011/12.

T 4.6.1.1

# Chapter 4

Table 142: Number of Employees whose Salaries were Increased

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	81
	Male	56
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels9-12)	Female	0
	Male	0
Senior management (Levels13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
<b>Total</b>		<b>137</b>

*Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).*

T 4.6.2

Table 143: Employees whose Salary Levels Exceed Grading

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
General Workers	14	18	13	Contractual to incumbent: Employees are from the former Lekoa Municipality
General Worker	1	18	11	Contractual to incumbent: Employees are from the former Lekoa Municipality
General Worker	1	18	10	Contractual to incumbent: Employees are from the former Lekoa Municipality

T 4.6.3

# Chapter 4

Table 144: Employees Appointed to Posts not Approved

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
IDP	4	01/03/2011	1	Urgent post
Executive Mayor	3	01/08/2011	1	Political appointment
Speaker	5/4	01/09/2011	1	Political appointment
Chief Whip	1	01/12/2011	1	Political appointment
Chief Whip	2	01/12/2011	1	Political appointment
Chef Whip	8	01/12/2011	1	Political appointment

*T 4.6.4*

#### COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

This is as a result of legacy issues from the previous amalgamation of the Lekoa Town Council and Sasolburg Municipality.

*T 4.6.5*

#### DISCLOSURES OF FINANCIAL INTERESTS

Refer to disclosures made by officials and councillors concerning their financial interests as required by PM Regulations 805 of 2006 are set out in **Appendix J**.

*T 4.6.6*

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

T 5.0.1

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

*Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**.*

This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

T 5.1.0

# Chapter 5

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Table 145: Statement of Financial Performance

Description	2011/12											2010/11			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Un-authorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported un-authorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Financial Performance</b>															
Property rates	79 008	5 200	84 208			84 208	86 652		2 444	102.9	3.1				77 043
Service charges	363 537	2 500	366 037			366 037	325 092		-40 945	88.8	-11.3				295 221
Investment revenue	2 200	-100	2 100			2 100	2 735		635	130.2	28.9				6 153
Transfers recognised - operational	95 398	-1 771	93 627			93 627	93 616		-11	99.9	-0.01				83 228
Other own revenue	96 758	7 582	77 518			77 518	38 884		-38 634	-50.2	31.92				36 217
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>636 901</b>	<b>13 411</b>	<b>623 490</b>			<b>623 490</b>	<b>546 979</b>		<b>-76 511</b>	<b>-87.7</b>	<b>-12.01</b>				<b>497 862</b>
Employee costs	177 844	729	178 573			178 573	158 465		-20 108	88.73	-11.3				140 188
Remuneration of councillors	12 402		12 402			12 402	11 916		-486	96.1	-3.91				9 737
Debt impairment	42 000		42 000			42 000	79 875		37 875	190.17	90.2				10 231
Depreciation & asset impairment	45 037	25 768	70 805			70 805	59 179		-11 626	83.6	-25.8				63 866
Finance charges	18 703	-7 000	11 703			11 703	3 312		-8 391	28.3	-44.9				4 645
Materials and bulk purchases	239 624	6 586	246 210	-1 229		244 981	228 567		-16 414	93.3	-0.84				187 340

# Chapter 5

Transfers and grants	24 002		24 002		24 002	17 690		-6 312	73.7	-26.3				15 409
Other expenditure	111 881	946	112 827		114 057	87 143		-26 914	76.4	-24.1				72 266
<b>Total Expenditure</b>	<b>671 493</b>	<b>27 029</b>	<b>698 522</b>		<b>698 523</b>	<b>646 147</b>		<b>-52 376</b>	<b>92.5</b>	<b>-7.8</b>				<b>503 682</b>
<b>Surplus/(Deficit)</b>	<b>-34 592</b>	<b>-13 618</b>	<b>-75 032</b>		<b>-75 033</b>	<b>-99 168</b>		<b>-24 135</b>	<b>-132.2</b>	<b>-69.8</b>				<b>-5820</b>
Transfers recognised - capital	38 901	10 957	49 858		49 858	39 376		-10 482	78.97	-26.9				41 082
Contributions recognised - capital & contributed assets			-		-									
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>4 309</b>	<b>-2 661</b>	<b>-25 174</b>		<b>-25 175</b>	<b>-59 792</b>		<b>-34 617</b>	<b>-237.5</b>	<b>-803.4</b>				<b>35 262</b>
Share of surplus/ (deficit) of associate			-		-									
<b>Surplus/(Deficit) for the year</b>	<b>4 309</b>	<b>-</b>	<b>- 25 174</b>		<b>-25 175</b>	<b>- 59 792</b>		<b>-34 617</b>	<b>-237.5</b>	<b>-803.4</b>				<b>35 262</b>
<b>Capital expenditure &amp; funds sources</b>														
<b>Capital expenditure</b>														
Transfers recognised - capital	178 667	-125 833	52 834		52 834	45 771		- 7 063	-86.63	-3.95				41 082
Public contributions & donations	15 500	-15 500	0		0									912
Borrowing	47 000	-28 000	19 000		19 000									
Internally generated funds	37 060	6 917	30 143		30 143	40 565		10 422	134.6	28.1				2 383
<b>Total sources of capital funds</b>	<b>278 227</b>	<b>-162 416</b>	<b>101 977</b>		<b>101 977</b>	<b>86 336</b>		<b>-15 641</b>	<b>-84.7</b>	<b>5.6</b>				<b>44 377</b>
<b>Cash flows</b>														
Net cash from (used) operating	171 194		58 538		58 538	66 724		8 186	113.9	4.8				86 868
Net cash from (used) investing	-250 727		-85 626		-85 626	-78 612		7 14	91.84	2.8				-42 743
Net cash from (used) financing	30 138		14 976		14 976	-15 631		-30 607	-104.4	-101.6				-17 603
<b>Cash/cash equivalents at the year end</b>	<b>-14 200</b>		<b>23 083</b>		<b>23 083</b>	<b>7 676</b>		<b>-15 407</b>	<b>-33.3</b>	<b>-108.5</b>				<b>35 195</b>

T 5.1.1

# Chapter 5

Table 146: Financial Performance of Operational Services

Financial Performance of Operational Services							R '000
Description	2010/11	2011/12		2011/12 Variance			
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget %	Adjustments Budget %	
<b>Operating Cost</b>							
Water	48 733	38 098	38 570	21 341	-78.52	-80.73	
Waste Water (Sanitation)	-1 250	-12 952	-11 494	- 11 384	-13.77	-0.97	
Electricity	17 523	19 314	22 611	-16 647	216.02	235.83	
Waste Management	5 705	1 901	1 611	-1 479	228.53	208.92	
Housing	3 356	21 508	10 485	773	-2 682.41	-1 256.4	
Component A: sub-total	74 067	67 869	61 783	-7 396	1 017.64	735.36	
Storm water Drainage							
Roads	-25 020	-15 216	-33 280	-22 853	33.42	-45.63	
Transport							
Component B: sub-total	-25 020	-15 216	-33 280	-22 853	33.42	-45.63	
Planning	-3122	-5 722	-5 081	-3 565	-60.50	-42.52	
Local Economic Development							
Component B: sub-total	-3122	- 5 722	-5 081	-3 565	-60.50	-42.52	
Planning (Strategic & Regulatory)							
Local Economic Development							
Component C: sub-total							
Community & Social Services	-6 901	-7 159	-7 920	-6 793	-5.39	-16.59	
Environmental Protection							
Health							
Security and Safety	-18 597	-17 418	-22 748	-2 2 210	21.58	-2.42	
Sport and Recreation	-17 413	-21 287	-23 337	-21 907	2.83	-6.53	
Corporate Policy Offices and Other	32 247	-1 069	6 459	24 932	104.29	74.09	
Component D: sub-total	-10 664	-46 933	-47 546	-25 978	-80.66	-83.02	
<b>Total Expenditure</b>	<b>35 261</b>	<b>2</b>	<b>-24 124</b>	<b>-59 792</b>	<b>100</b>	<b>59.65</b>	

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.1.2

# Chapter 5

## COMMENT ON FINANCIAL PERFORMANCE:

Comment on variances above 10%.

T5.1.3

## 5.2 GRANTS

Table 147: Grant Performance

Grant Performance							R' 000
Description	2010/11	2011/12		Actual	2011/12 Variance		
	Actual	Budget	Adjustments Budget		Original Budget (%)	Adjustments Budget (%)	
<b>Operating Transfers and Grants</b>							
<b>National Government:</b>	<b>83 131</b>	<b>93 627</b>	<b>93 627</b>	<b>93 616</b>	-0.01	-0.01	
Equitable share	79 048	88 125	88 125	88 125	0	0	
Municipal Systems Improvement	750	790	790	790	0	0	
Department of Water Affairs	1 120	784	784	784	0	0	
Levy replacement	1 213	1 942	1 942	1 350	-43.9	-43.9	
Other transfers/grants [insert description]	1 000	1 450	1 450	1 451	0.06	0.06	
<b>Provincial Government:</b>		536	536	1 116	51.9	51.9	
Health subsidy	0	0	0	0	0	0	
Housing	0	0	0	0	0	0	
Ambulance subsidy	0	0	0	0	0	0	
Sports and Recreation	0	0	0	0	0	0	
Other transfers/grants	0	0	0	0	0	0	
<b>District Municipality:</b>							
[insert description]	97						
	97						
<b>Other grant providers:</b>							
[insert description]	0						
<b>Total Operating Transfers and Grants</b>	<b>83 228</b>	<b>93 627</b>	<b>93 627</b>	<b>93 616</b>	<b>-0.01</b>	<b>-0.01</b>	
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.</i>							

T 5.2.1



# Chapter 5

## COMMENT ON OPERATING TRANSFERS AND GRANTS:

*Note: For Municipal Infrastructure Grant (MIG) see T5.8.3. For other conditional transfers including Neighborhood Development Partnership Grant (NDPG); Public Transport Infrastructure and Systems Grant (PITS) see **Appendix L**.*

All conditional grants received were spent.

T 5.2.2

## COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

No conditional grants or grants from other sources were received by the municipality during the year under review. The grant on EPWP was not gazette in 2011/12. Estimation was made based on the expenditure.

T 5.2.4

# Chapter 5

## 5.3 ASSET MANAGEMENT

### INTRODUCTION TO ASSET MANAGEMENT

The organogram provides for an asset management unit. However, no appointments were made yet. The function is currently performed by an intern, under the supervision of the assistant manager expenditure. An approved asset management policy and procedures exist. The municipality's asset register is GRAP compliant, with no issues raised in the audit report.

T 5.3.1

Table 148: Treatment of three largest assets

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2011/12				
<b>Asset 1</b>				
Name :	Augmentation of Bulk water supply			
Description:	Water network			
Asset Type:	Infrastructure water			
Key Staff Involved:	PMU Staff			
Staff Responsibilities:	Monitoring of project			
	2008/09	2009/10	2010/11	2011/12
Asset Value: R347 506 000			1 491 664	13 510 531
Capital Implications:	MIG Funding			
Future Purpose of Asset:	Water supply			
Describe Key Issues				
Policies in Place to Manage Asset				
<b>Asset 2</b>				
Name:	Amelia outfall sewer			
Description:	Outfall sewer			
Asset Type:	Infrastructure sewer			
Key Staff Involved:	PMU Staff			
Staff Responsibilities:	Monitoring of project			
	2008/09	2009/10	2010/11	2011/12
Asset Value: R37 183 926				8 252 006
Capital Implications:	MIG Funding			
Future Purpose of Asset:	outfall sewer			
Describe Key Issues				
Policies in Place to Manage Asset				
<b>Asset 3</b>				
Name:	Construction of new interlocking paved road and storm water			

# Chapter 5

Description:	Roads and storm water channel			
Asset Type:	Infrastructure Roads			
Key Staff Involved:	PMU Staff			
Staff Responsibilities;	Monitoring of project			
	2008/09	2009/10	2010/11	2011/12
Asset Value: R35 883 276			19 350 335	9 823 390
Capital Implications:	MIG			
Future Purpose of Asset:	Roads			
Describe Key Issues				
Policies in Place to Manage Asset				
	T 5.3.2			

## COMMENT ON ASSET MANAGEMENT:

With reference to the three projects approved in the year, set out above, describe how these projects were evaluated from a cost and revenue perspective, including Municipal tax and tariff implications (See MFMA section 19 (2) (a) & (b) and MSA section 74 (2) (d), (e) & (i)). Ensure that these projects are maintained on files that are readily accessible for audit inspection. Financial data regarding asset management may be sourced from **MBRR Table A9**

T 5.3.3

**Table 149: Repairs and Maintenance Expenditure**

Repair and Maintenance Expenditure: 2011/12				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	33 782	32 319	24 373	72.1%
	T 5.3.4			

## COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Council allocates 5% of its operating budget to repairs and maintenance. This is obviously not sufficient due to a huge maintenance backlog. However, due to cash flow considerations, it is not possible at this stage to increase the allocation.

T 5.3.4.1

# Chapter 5

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

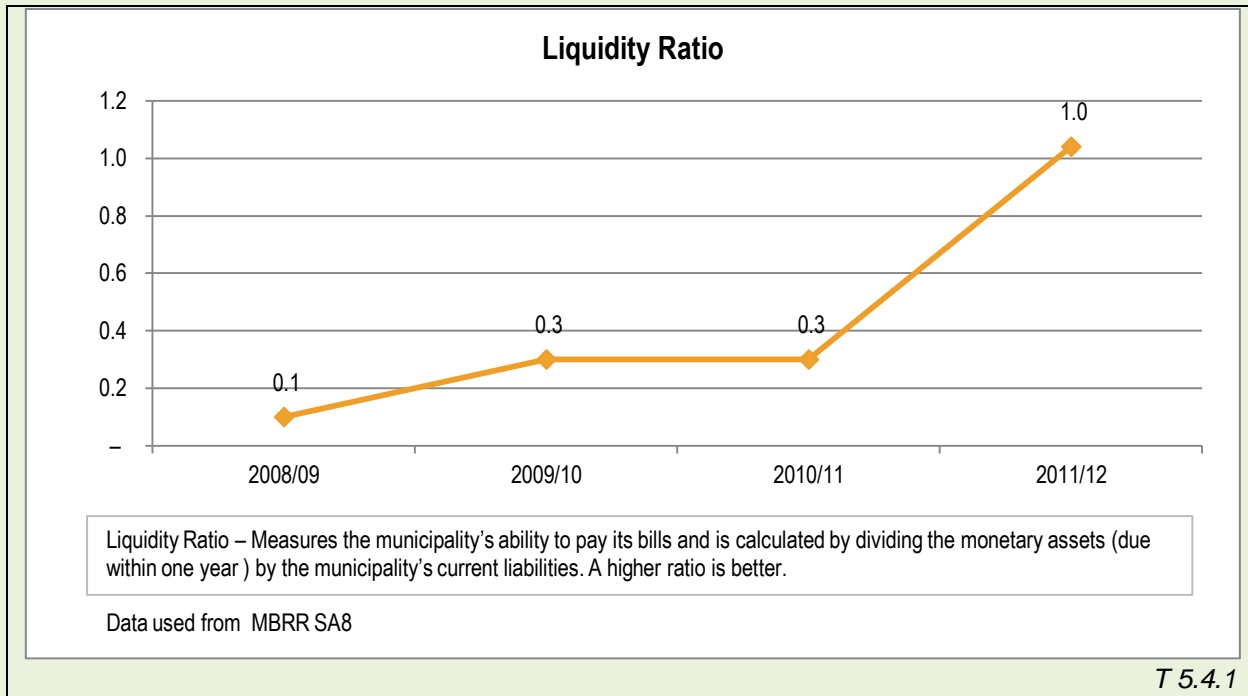


Figure 13: Liquidity Ratio

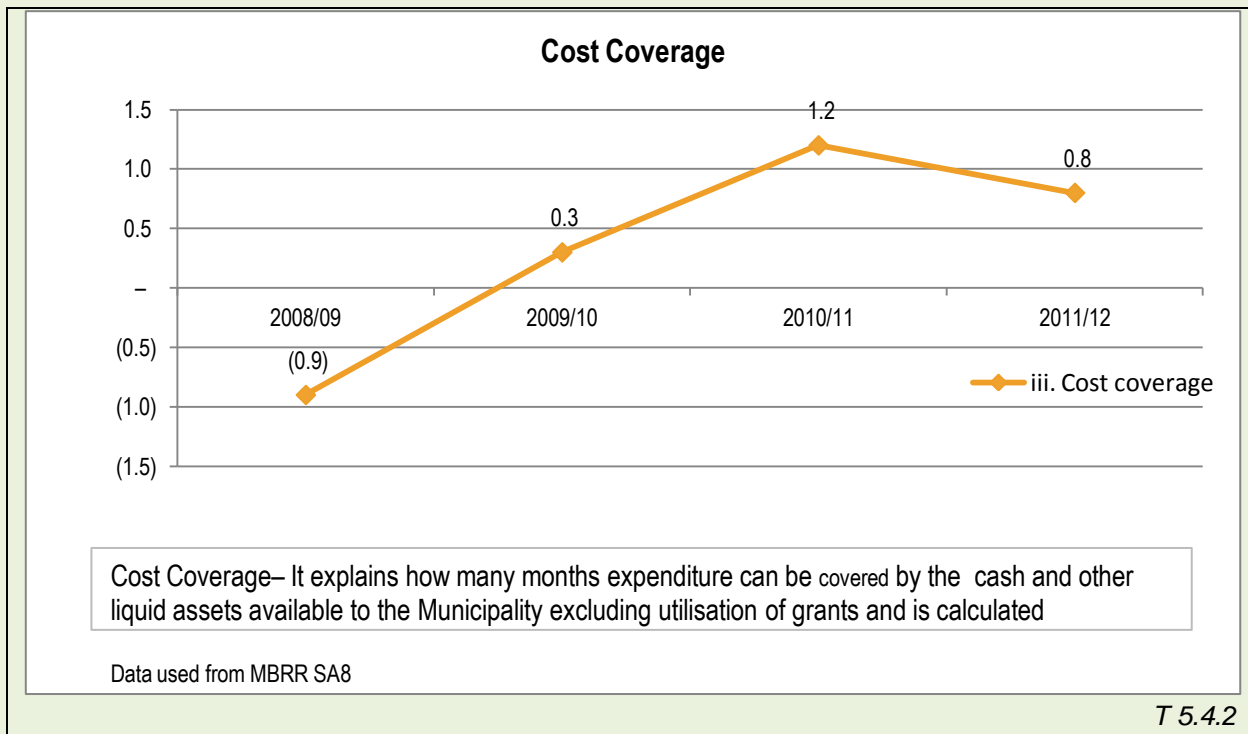


Figure 14: Cost Coverage

# Chapter 5

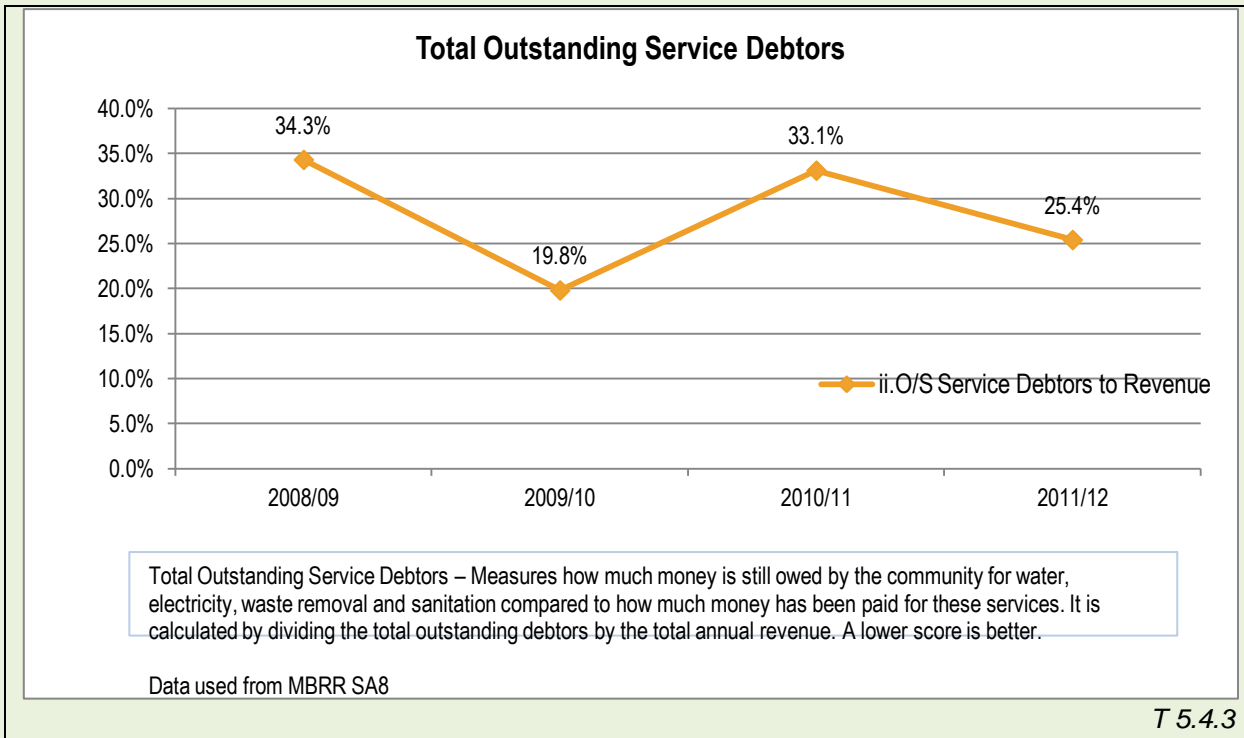


Figure 15: Total Outstanding Service Debtors

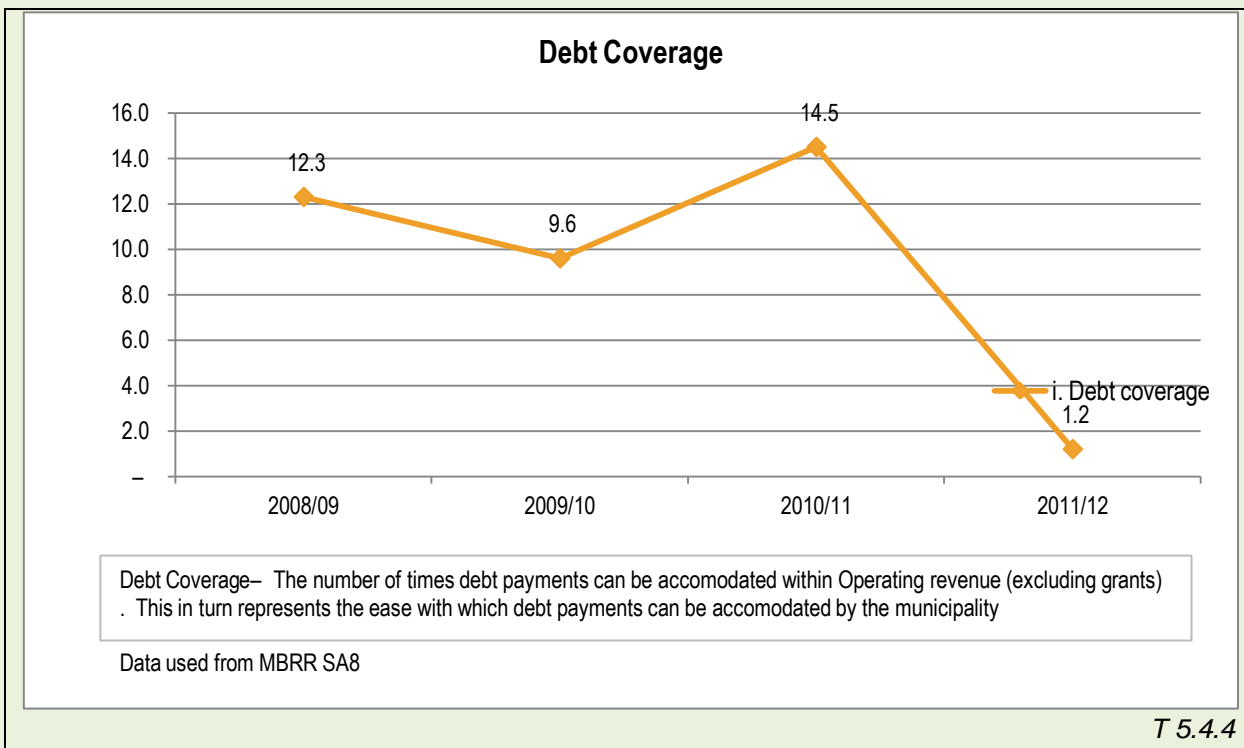


Figure 16: Debt Coverage

# Chapter 5

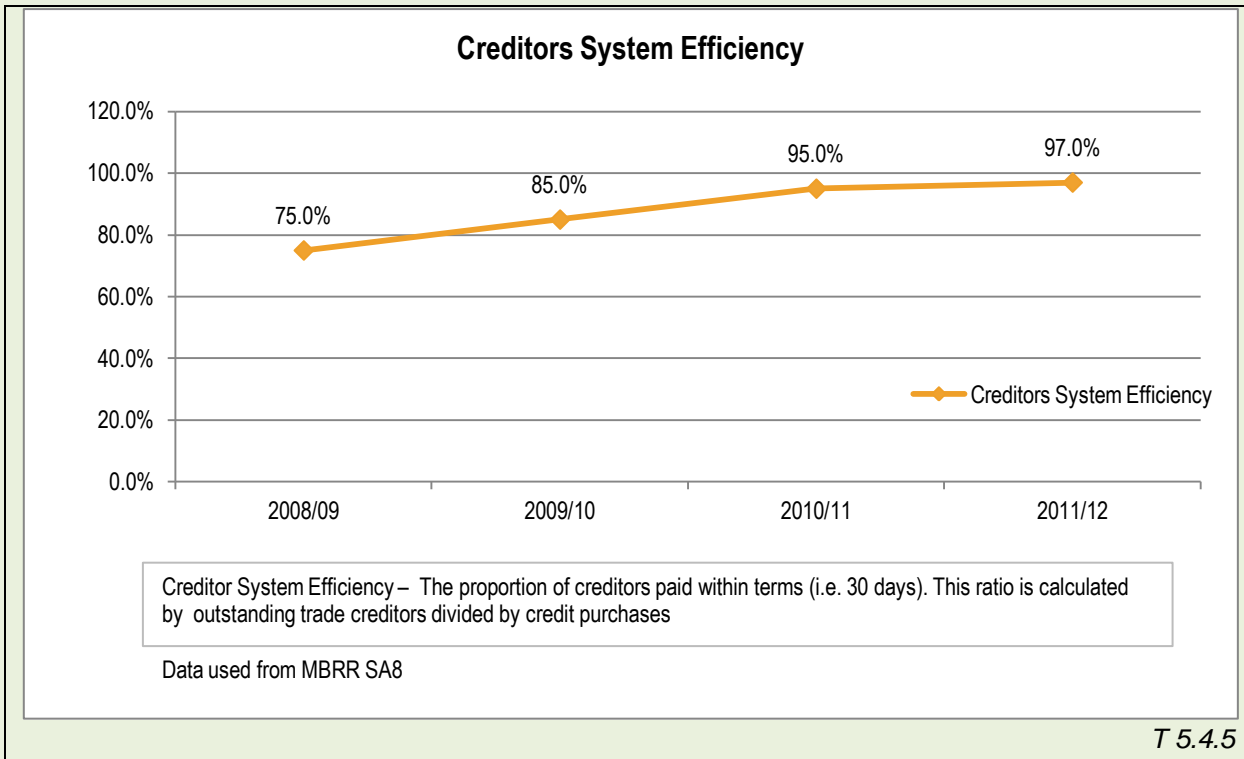


Figure 17: Creditors System Efficiency

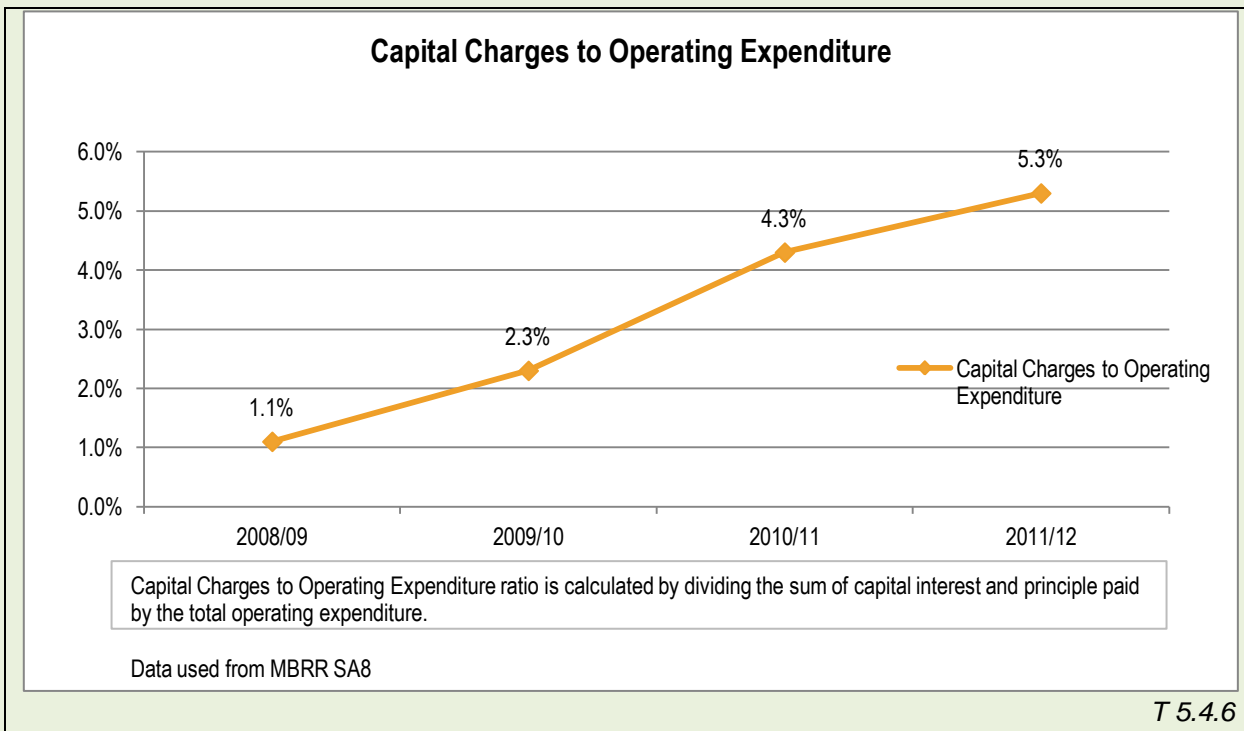


Figure 18: Capital Charges to Operating Expenditure

# Chapter 5

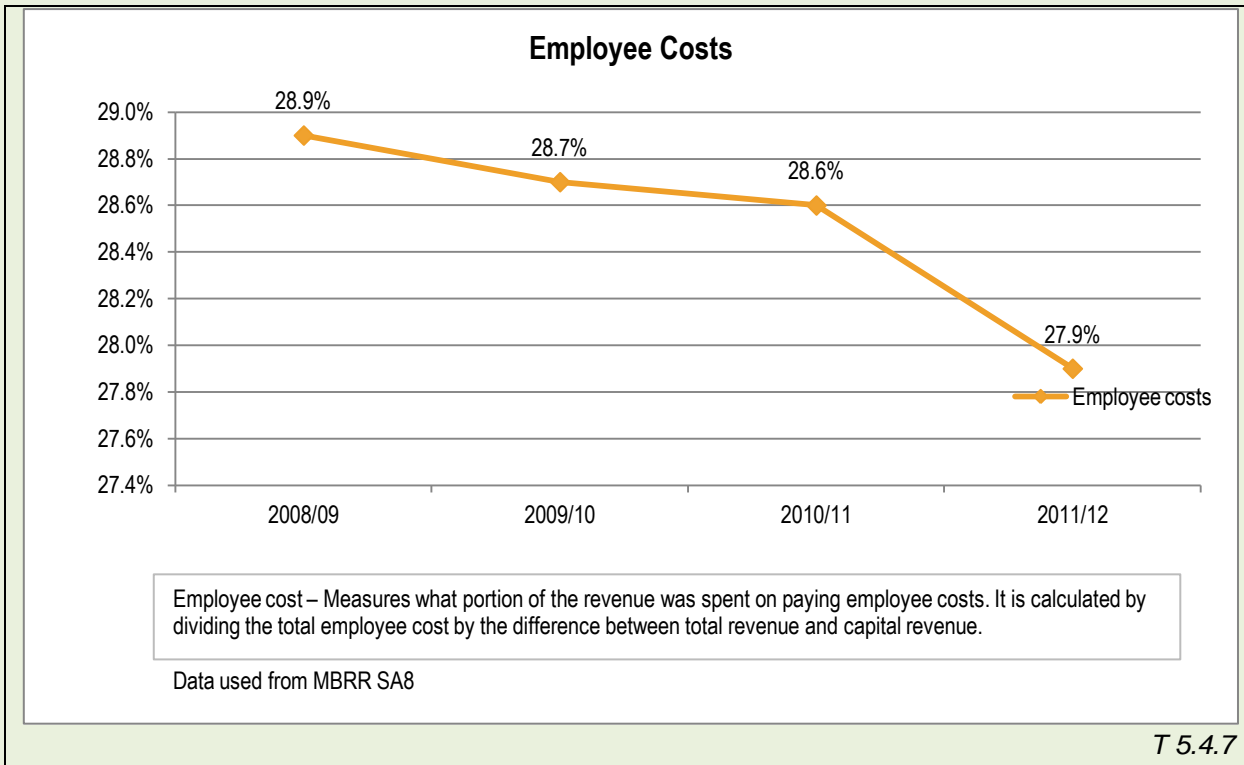


Figure 19: Employee Costs

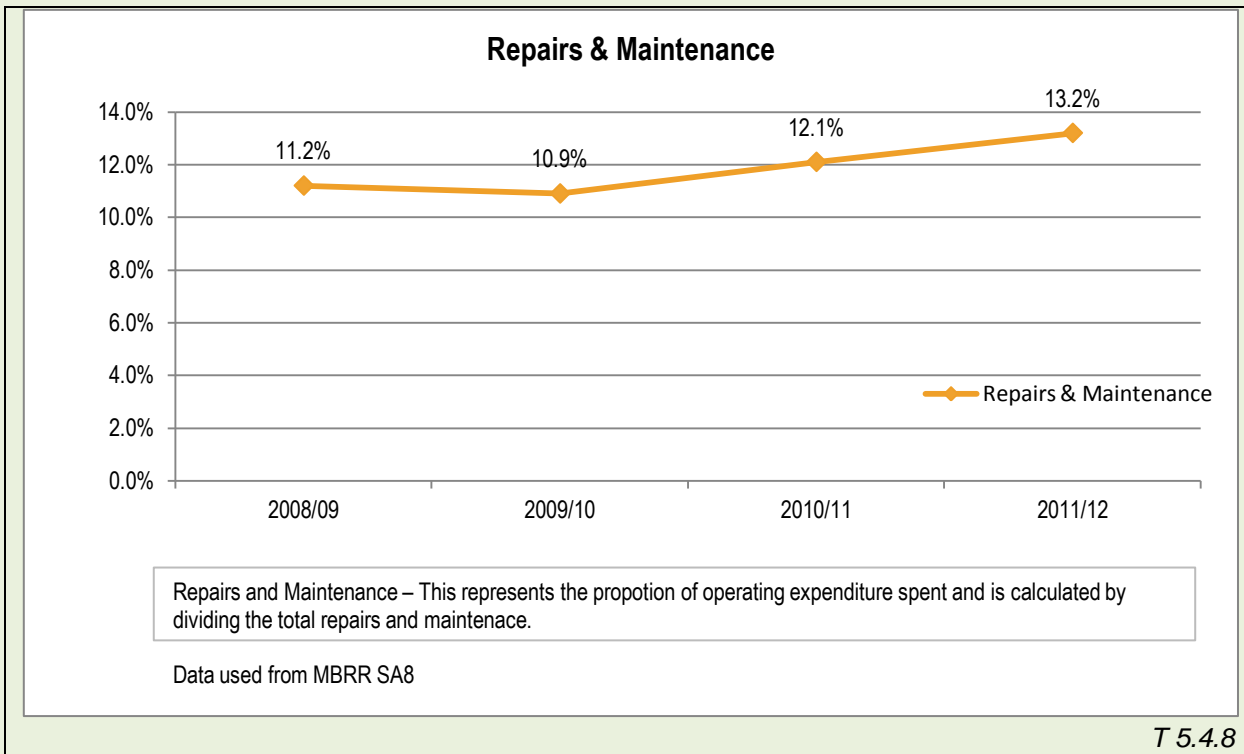


Figure 20: Repairs and Maintenance

# Chapter 5

## COMMENT ON FINANCIAL RATIOS:

**Liquidity Ratio:** It improved from 0.1 in 2008/09 to 1 in 2011/12.

**Cost Coverage:** The ratio decrease from 1.2 months in 2010/11 to 0.8 months in 2011/12. It is a major increase from (0.9) months in 2008/09. Contributing factors are contracts such as the hiring of equipment, Inkokheli, Isuntu and the Security.

**Total outstanding service debtors:** The outstanding debtors are improving as it decreases from 33.1% in 2010/11 to 25.4% in 2011/2012.

**Debt Coverage:** The debt coverage is declining. The Debt collection must improve with Operation Patala.

**Creditors System Efficiency:** The improvement of the ratio influences the liquidity of the municipality.

**Capital Charges to Operating Expenditure.** The increase to 5.3% is a result of the HP/Datacentrix financial lease. The percentage is fine.

**Employee Cost:** Employee cost is still less than 30% of total expenditure.

**Repairs & Maintenance:** Repairs and maintenance is steadily increasing.

T 5.4.9

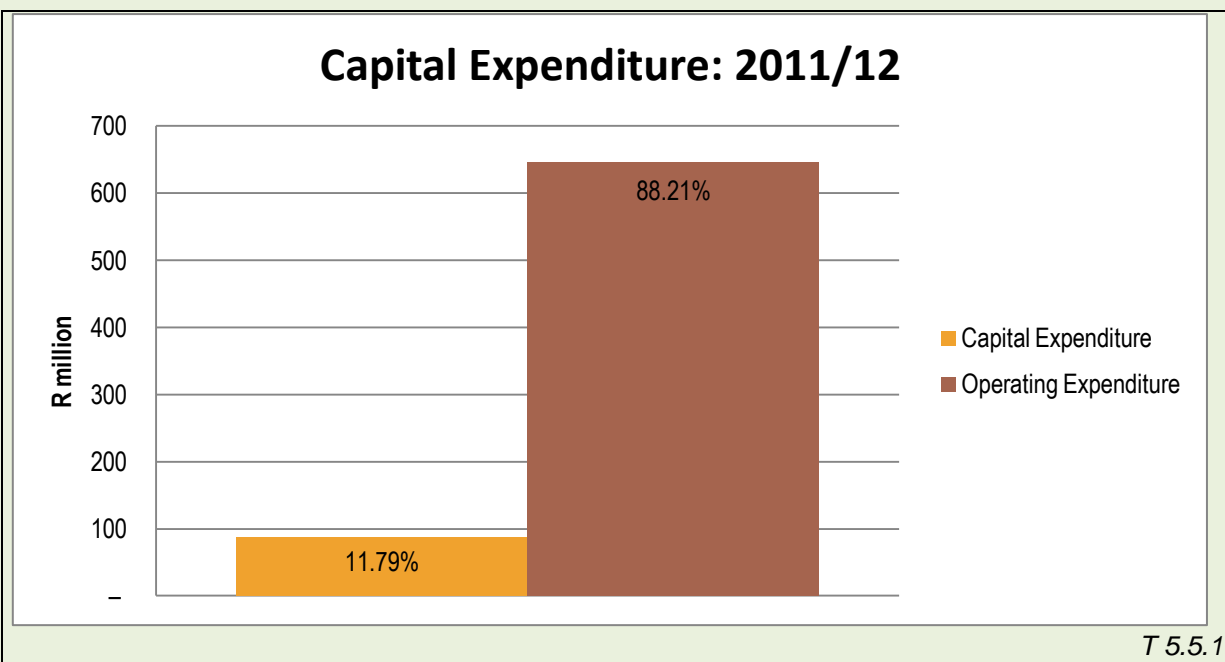
## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital projects are mostly funded from grants. The liquidity of the municipality indicated that capital from own funding is low.

T 5.5.0

## 5.5 CAPITAL EXPENDITURE





# Chapter 5

## 5.6 SOURCES OF FINANCE

Table 150: Capital Expenditure – Funding Sources

Capital Expenditure - Funding Sources: 2010/11 to 2011/12							R' 000
Details	2010/11	2011/12					
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
<b>Source of finance</b>							
External loans		47 000	19 000		-59.6	100	
Public contributions and donations	912	15 500			-100	100	
Grants and subsidies	41 082	178 667	52 834	45 771	-70.4	74.38	
Other	2 383	37 060	30 143	40 565	-18.7	9.5	
<b>Total</b>	<b>44 377</b>	<b>278 227</b>	<b>101 977</b>	<b>86 336</b>			
<i>Percentage of finance</i>							
External loans	0	16.9	18.6				
Public contributions and donations	2.1	5.6					
Grants and subsidies	92.6	64.2	51.8	53.01			
Other	5.37	13.3	29.6	47			
<b>Capital expenditure</b>							
Water and sanitation	11 822	63 637	31 658	23 387			
Electricity	8 982	20 609	16 432	13 632			
Housing	254	129 000		35 300			
Roads and storm water	20 832	27 950	27 950	9 827			
Other	2 487	37 031	25 937	4 190			
<b>Total</b>	<b>44 377</b>	<b>278 227</b>	<b>101 977</b>	<b>86 336</b>			
<i>Percentage of expenditure</i>							
Water and sanitation	26.6	22.9	31.1	27.1			
Electricity	20.2	7.4	16.1	15.8			
Housing	0.57	46.4	0	40.9			
Roads and storm water	46.9	10.1	27.4	11.4			
Other	5.6	13.3	25.4	4.9			

T 5.6.1

# Chapter 5

## COMMENT ON SOURCES OF FUNDING:

The DBSA loan was not taken up in the 2011/12 financial year.

The grant from COGTA of R5.4 million was not spent.

Including in the amount of R40.5 million –other sources of funding, is R 35.3 million that is a transfer of investment property. The balance of R5.2 million is capital items/projects financed from own funding.

*T 5.6.1.1*

# Chapter 5

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

**Table 151: Capital Expenditure on 5 Largest Projects**

Capital Expenditure of 5 largest projects*					
Name of Project	Current: 2011/12			Variance: 2011/12	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
	R' 000				
A - Name of Project					
B - Name of Project					
C - Name of Project					
D - Name of Project					
E - Name of Project					
<i>* Projects with the highest capital expenditure in Year 0</i>					
<b>Name of Project - A</b>					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
<b>Name of Project - B</b>					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
<b>Name of Project - C</b>					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
<b>Name of Project - D</b>					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
<b>Name of Project - E</b>					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
					T 5.7.1

# Chapter 5

## COMMENT ON CAPITAL PROJECTS:

Provide information in the template above on the 5 largest projects, ranked according to their approved budget provision 2011/12. Comment on the variance between the original and adjustment budgets and on availability of future Budget provision to operate the projects and lessons learnt in the year about capital project implementation on time to budget.

T 5.7.1.1

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

### INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The municipality is in the process of finalising its master plans for water, sanitation, electricity and roads and storm water as well as the Integrated Waste Management Plan and Housing Sector Plan. The mentioned master plans will provide more detailed information on the actual scale and cost of backlogs taking into account the status quo on the ground and the Census 2011 statistics.

T 5.8.1

Table 152: Service Backlogs

Service Backlogs as at 30 June 2012				
	Households (HHs)			
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	47 411	100%	0	0%
Sanitation	38 711	81.6%	8 700	18.4%
Electricity	40 217	84.8%	7 194	15.2%
Waste management	40 000	84.4%	7 411	15.6%
Housing	40 773	85.9%	6 638	14.1%

*% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to \* formal and \*\* informal settlements.*

T 5.8.2

# Chapter 5

Table 153: MIG Expenditure

Municipal Infrastructure Grant (MIG)* Expenditure 2011/12 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments	
				Budget	Budget	
<b>Infrastructure - Road transport</b>				%	%	
<i>Roads, Pavements &amp; Bridges</i>	6 010	5 020		%	%	
<i>Storm water</i>	6 010	4 000		%	%	
<b>Infrastructure - Electricity</b>				%	%	
<i>Generation</i>				%	%	
<i>Transmission &amp; Reticulation</i>				%	%	
<i>Street Lighting</i>	250	250		%	%	
<b>Infrastructure - Water</b>				%	%	
<i>Dams &amp; Reservoirs</i>				%	%	
<i>Water purification</i>	18 706	14 717		%	%	
<i>Reticulation</i>	490			%	%	
<b>Infrastructure - Sanitation</b>				%	%	
<i>Reticulation</i>	4 810	11 810		%	%	
<i>Sewerage purification</i>				%	%	
<b>Infrastructure - Other</b>				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
<b>Other Specify:</b>	625	1 104		%	%	
				%	%	
				%	%	
<b>Total</b>	36 901	36 901		%	%	

\* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.8.3

## COMMENT ON BACKLOGS:

Comment on how MIG grants have been utilised to redress the backlogs and on the variances in T 5.8.3. If appropriate, comment that **Appendix P** contains details of schools and clinics that have been established that do not have ready access to one or more basic services and **Appendix Q** contains details of those services provided by other spheres of government (whether the municipality is involved on an agency basis or not) that carry significant backlogs.

T 5.8.4

# Chapter 5

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The cash flow position is monitored on a daily basis and determines the spending capability. Expenditure cannot exceed the cash available. Still service delivery is prioritized.

*T 5.9*

# Chapter 5

## 5.9 CASH FLOW

Table 154: Cash Flow Outcomes

Cash Flow Outcomes					R'000
Description	2010/11	2011/12			
	Audited Outcome	Original Budget	Adjusted Budget	Actual	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Ratepayers and other	492 858	471 545	430 668	417 027	
Government - operating	-	95 398	93 627	93 616	
Government - capital	-	174 668	52 834	39 376	
Interest	19 755	11 678	14 858	2 357	
<b>Payments</b>					
Suppliers and employees	-420 681	-533 231	-493 971	-478 943	
Finance charges	-4 430	-24 860	-15 476	-815	
Transfers and Grants		-24 002	-24 004	-5 894	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>87 192</b>	<b>171 194</b>	<b>58 538</b>	<b>66 724</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Receipts</b>					
Proceeds on disposal of PPE	-	17 000	1 000	-	
Decrease (Increase) in non-current debtors	-2 433	-	-	7 725	
Decrease (increase) other non-current receivables	2 362	10 000	-	-	
Decrease (increase) in non-current investments	-	500	500	-	
<b>Payments</b>					
Capital assets	-44 214	-278 227	-87 126	-86 337	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>-44 285</b>	<b>-250 727</b>	<b>-85 626</b>	<b>-78 612</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<b>Receipts</b>					
Short term loans	-	-	-	-	
Borrowing long term/refinancing	-	47 000	19 000	-	
Increase (decrease) in consumer deposits	1 218	-	-	-	
<b>Payments</b>					
Repayment of borrowing	-17 603	-16 862	-4 024	-15 631	
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-16 385</b>	<b>30 138</b>	<b>14 976</b>	<b>-15 631</b>	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>26 522</b>	<b>-49 395</b>	<b>-12 112</b>	<b>-27519</b>	
Cash/cash equivalents at the year begin:	8 673	35 195	35 195	35 195	
Cash/cash equivalents at the year end:	35 195	-14 200	23 083	7 676	

Source: MBRR A7

T 5.9.1

# Chapter 5

## COMMENT ON CASH FLOW OUTCOMES:

The 2011/12 financial year did not closed with a bank overdraft. The municipality did not make used of the overdraft facility. The accumulated surplus is not cash backed and did decrease because of accounting entries that was passed at year end.

T 5.9.1.1

## 5.10 BORROWING AND INVESTMENTS

### INTRODUCTION TO BORROWING AND INVESTMENTS

No new loans were taken up during the financial year.

T 5.10.1

Table 155: Actual Borrowings

Actual Borrowings: 2009/10 to 2011/12			
	R' 000		
Instrument	2009/10	2010/11	2011/12
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	1 230	0	0
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	41 209	24 835	9 209
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>42 439</b>	<b>24 835</b>	<b>9 209</b>

T 5.10.2

T 5.10.3



# Chapter 5

Table 156: Municipal Investments

Municipal Investments			
			R' 000
Investment* type	2009/10	2010/11	2011/12
	Actual	Actual	Actual
<b>Municipality</b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	29 528	38 045	7 963
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other	7 701	8 246	9 045
<b>Municipality Total</b>	<b>37 229</b>	<b>46 291</b>	<b>17 008</b>
			T 5.10.4

## COMMENT ON BORROWING AND INVESTMENTS:

The Hp/Datacentix lease did decrease.  
Investments did decrease.

T 5.10.5

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

### PUBLIC PRIVATE PARTNERSHIPS

**The municipality did not enter into any PPPs during the financial year under review.**

T 5.11.1

# Chapter 5

## COMPONENT D: OTHER FINANCIAL MATTERS

### 5.12 SUPPLY CHAIN MANAGEMENT

#### SUPPLY CHAIN MANAGEMENT

The reviewed supply chain management policy of the municipality, in line with the MFMA and national treasury prescripts, was adopted by council in February 2012. All bid committees as required by the SCM regulations are in place and the bid adjudication is chaired by the chief financial officer and operates within delegated powers.

The issues raised by the Auditor-General concerning the quality of Supply Chain Management are dealt with in Chapter 3.

The number of SCM officials who have reached the prescribed levels required for their positions (See MFMA Competency Regulation Guidelines) and the number of prescribed officials that are yet to reach the necessary competency levels are captured in Chapter 4 (Capacitating of the workforce).

*T 5.12.1*

# Chapter 5

## 5.13 GRAP COMPLIANCE

### GRAP COMPLIANCE

GRAP is the acronym for **Generally Recognized Accounting Practice** and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The key challenges for implementation of GRAP requirements are the following:

- Asset Register. Full compliance GRAP achieved, 30 June 2011
- Investment property guidelines implemented - 30 June 2011
- Employee benefits fully captured. 30 June 2011
- Unbundling of PPE as per guidelines 30 June 2011
- Not all stands are transferred in terms of housing scheme - 30 June 2013
- Lease: Government Garage treated as operating lease
- Debtors impaired
- Billing information to be updated to accurate information for statements.
- Debtors and creditors to be discounted/fair valued. Insufficient information is available on system to make this possible 30 June 2011

*T 5.13.1*

# Chapter 6

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### INTRODUCTION

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

The 2011/12 Annual Financial Statements were submitted to the Auditor-General on 31 August 2012 as required by the MFMA. The audited financial statements are included under Volume II of this Annual Report. The full audit report of the Auditor-General issued on 30 November 2012 is included in this chapter under Component B.

T 6.0.1

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2010/11

### 6.1 AUDITOR GENERAL REPORTS 2010/11

Table 157: Auditor-General Report on Financial Performance

Auditor-General Report on Financial Performance: 2010/11	
Audit Report Status*: Disclaimer	
Non-Compliance Issues	Remedial Action Taken
Revenue <i>Occurrence, completeness, accuracy, classification of other income and rental income</i>	Service income cleared, other income and rental income still remain. Design and implement systems as no system of control over the rental contracts and reconciliations not done of other income from source to ledger – some of these processes should be done daily
Trade and other receivables Limitation of scope -Existence, rights and valuation and completeness of consumer debtors (age analysis recon to ledger), unknown receipts, departmental income and suspense accounts	The limitation has been cleared. Now only an aggregation of uncorrected mistakes; The position of Manager Assets and Financial Statements to be filled as a matter of urgency
Trade and other payables	Payments received in advance and accrual for leave pay was cleared. Proper filing and maintenance of supporting documentation required
Contingent liabilities	Issue resolved
Irregular expenditure <i>Investigations of irregular expenditure and Reports to Council not done. Irregular expenditure not prevented</i>	Although no longer a qualification in 2011/12, many changes were required to the disclosure on the AFS. Reports on the Investigations to be submitted to Council on time to clear the expense, either through recovery or write-off. Actions need to be taken to prevent irregular expenditure from occurring.

# Chapter 6

Non-Compliance Issues	Remedial Action Taken
Non-current provisions <i>Completeness (rehabilitation of landfill sites and existence, valuation and obligation of performance bonuses)</i>	Valuation and obligation of performance bonuses was cleared while the rehabilitation of landfill sites was not addressed
Other financial assets	Issues resolved
Value-added tax	Issue resolved
Cash flow statement	Issue resolved
<p>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</p>	

T 6.1.1

Table 158: Auditor-General Report on Service Delivery Performance

Auditor-General Report on Service Delivery Performance: 2010/11	
Audit Report Status: Emphasis of matter	
Non-Compliance Issues	Remedial Action Taken
<p>The reported performance information was deficient in respect of the following criteria:</p> <p><i>Accuracy: The amounts, numbers and other data relating to reported actual performance have not been recorded and reported appropriately</i></p>	<p>Considerable progress has been made by the municipality in the 2011/12 financial year in enhancing the quality and reliability of its performance information, including the setting of strategic objectives, key performance indicators and performance targets</p>
<p>Budgets</p> <p><i>Contrary to the requirements of section 52(d) of the MFMA, the reports to council on the implementation of the budget and financial state of affairs of the municipality were not submitted</i></p>	<p>The quarterly section 52(d) reports for the 2011/12 financial year have been prepared but were not submitted to Council within the specified timeframes, i.e. 30 days after the end of each quarter. This was mainly caused by a lack of capacity in the PMS Unit to ensure that inputs from directorates on actual performances are received on time, are verified and consolidated before such reports are then submitted to Council for approval</p>
<p>Existence and functioning of a performance audit committee</p> <p><i>The performance audit committee did not:</i></p> <ul style="list-style-type: none"> <li>- meet at least twice during the financial year</li> <li>- review the quarterly reports of the internal auditors on their audits of the performance measurements of the municipality</li> <li>- review the Metsimaholo Local Municipality's performance management system and make recommendations in this regard to the council of the Metsimaholo Local Municipality</li> <li>- submit an auditor's report to the Metsimaholo Local Municipality regarding the performance management system at least twice during the financial year</li> </ul>	<p>The Municipality has established its own Audit and Performance Audit Committee in terms of the provisions of the MFMA and Municipal Planning and Performance Management Regulations. The committee comprises of three (3) members. All three (3) members of the committee are independent with no interest in the management of the Municipality. The committee operates in terms of the Audit and Performance Audit Committee Charter approved by Council.</p>

# Chapter 6

Non-Compliance Issues	Remedial Action Taken
<p>Internal auditing of performance measurements</p> <p><i>The internal auditors of the Metsimaholo Local Municipality did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the municipal manager and the performance audit committee.</i></p>	<p>The Municipality's internal audit unit provides independent and objective IA services that are designed to add value and improve the municipality's operations. The unit also provides administrative and secretariat support services to the municipality's Audit and Performance Audit Committee. The unit operates in terms of the one year operational plan that has been approved by the municipality's Audit and Performance Audit Committee which includes the audit of quarterly and annual performance information. Internal audit unit audited both quarterly and annual performance information and submitted reports to the Municipal Manager and the Audit and Performance Audit Committee as required.</p>
<p>Annual financial statements, performance and annual report</p> <ul style="list-style-type: none"> <li>- <i>Contrary to the requirements of section 127(2) and 127(3)(a) of the MFMA, the mayor did not table the annual report to council within the prescribed seven-month period and no explanation was submitted to council detailing the reasons for the delay.</i></li> <li>- <i>Contrary to the requirements of section 129(1) of the MFMA, the municipality failed to adopt the oversight report within two months of presentation of the annual report to council</i></li> </ul>	<p>The 2010/11 Annual report was submitted to the Mayoral Committee for consideration before the end of January 2012. The report was however not tabled in Council before the end of January 2012 due to delays in the sitting of the Council.</p>

T 6.1.2

# Chapter 6

## COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

### 6.2 AUDITOR GENERAL REPORT 2011/12

Table 159: Auditor-General Report on Financial Performance

Auditor-General Report on Financial Performance 2011/12*	
Status of audit report: Qualified	
Material Non-Compliance Issues	Remedial Action Taken
Revenue <i>Occurrence, completeness, accuracy, classification of other income and rental income</i>	Service income cleared, other income and rental income still remain. Design and implement systems as no system of control over the rental contracts and reconciliations not done of other income from source to ledger – some of these processes should be done daily
Provisions <i>Completeness (rehabilitation of landfill sites)</i>	Valuation and obligation of performance bonuses was cleared while the rehabilitation of landfill sites was not addressed
Trade and other payables <i>Completeness, existence, obligations and valuations of trade and other payables</i>	Payments received in advance and accrual for leave pay was cleared. Proper filing and maintenance of supporting documentation required
Losses <i>Water and electricity losses not disclosed in the Annual Financial Statements</i>	Calculations to be made to quantify the correct losses, taking into consideration all other factors involved. Initiative with Rand Water and Eskom to have proper quantification
Trade and other receivables <i>Limitation of scope -Existence, rights and valuation and completeness of consumer debtors (age analysis recon to ledger), unknown receipts, departmental income and suspense accounts</i>	The limitation has been cleared. Now only an aggregation of uncorrected mistakes; The position of Manager Assets and Financial Statements to be filled as a matter of urgency
Aggregation/Accumulation of immaterial uncorrected misstatements	The limitation has been cleared. Now only an aggregation of uncorrected mistakes affecting employee costs, general expenses, trade and other receivables, and VAT. Reconciliations between sub-systems and ledger are to be done at least monthly. All reconciling items must be investigated and corrected.
Irregular expenditure <i>Investigations of irregular expenditure and Reports to Council not done. Irregular expenditure not prevented</i>	Although no longer a qualification, many changes were required to the disclosure on the AFS. Reports on the Investigations to be submitted to Council on time to clear the expense, either through recovery or write-off. Actions needs to be taken to prevent irregular expenditure from occurring

# Chapter 6

Material Non-Compliance Issues	Remedial Action Taken
Going concern Net Loss of R59 791 930 Net cash outflow of R27 518 785	The following initiatives to be implemented to improve the liquidity position of the Municipality: Operation Patala Data Purification Credit control to be strictly enforced Losses control ( Water and Electricity) Cost curtailment on non service delivery expenditure
Compliance with laws and regulations <i>Procurement and contract management</i>	Compliance Officer to be appointed to monitor and enforce compliance Training for all Departments on the Supply Chain Policies and procedures
Compliance with laws and regulations <i>Expenditure management</i>	All Invoices more than 30 days outstanding will be prioritised .Reasons for late payments of invoices will be recorded and reported to Senior Management
Compliance with laws and regulations <i>Reporting</i>	Cash flow management procedures to be implemented, Budget and loss control committee to be revived.
Leadership <i>Policies not approved</i> <i>Adequacy of Internal controls</i> <i>No adequate Values and Integrity</i> <i>Lack of discipline</i> <i>Shortage of staff</i>	Risk Management Strategy to be fully implemented Fraud awareness Internal Audit to prioritise and assist all Departments to improve the internal control measures Implementation of Performance Management System to all levels of staff Filling of critical vacancies to be prioritised All reviewed Policies to be submitted to Council for approval
<i>Note:* The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Current Year.</i>	

T 6.2.1

**Table 160: Auditor-General Report on Service Delivery Performance**

Auditor-General Report on Service Delivery Performance: 2011/12*	
Status of audit report**: Qualified	
Non-Compliance Issues	Remedial Action Taken
Non disclosure of measures taken to improve performance in cases where targets were not achieved	In the majority of cases measures taken to improve performance were disclosed, except where departments failed to provide such measures. The municipality will ensure that in future all departments disclose the improvement measures in all cases of non- or under performance.
No evidence to support variances in the performance report	The portfolios of evidence submitted by departments did not contain all the necessary supporting documents. Departmental capacity will be enhanced and training provided to the relevant officials.
Targets not consistent with the IDP	The majority of the SDBIP targets are consistent with the IDP. Any deviations will be monitored and reported accordingly.
<i>* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance 2011/12</i>	
<i>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</i>	

T 6.2.2



# Chapter 6

## AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2011/12

### REPORT OF THE AUDITOR-GENERAL TO FREE STATE LEGISLATURE AND THE COUNCIL ON THE METSIMAHOLO LOCAL MUNICIPALITY

#### REPORT ON THE FINANCIAL STATEMENTS

##### Introduction

1. I have audited the financial statements of the Metsimaholo Local Municipality set out on pages 6 to 124, which comprise the statement of financial position as at 30 June 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

##### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

# Chapter 6

## Basis for qualified opinion

### Revenue

6. The municipality did not have an effective system of control for other income and as a result I was unable to obtain sufficient appropriate audit evidence about other income to the amount of R9 878 122 (2011: R9 031 507), as disclosed in note 23 to the financial statements. I was unable to confirm the other income by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the amounts disclosed for other income.

### Provisions

7. The municipality did not provide for the rehabilitation of landfill sites in the current and prior year, as required by section 28(1) of the National Environmental Management Act, 1998 (Act No. 107 of 1998) and in accordance with the SA Standards of GRAP, GRAP 19, *Provisions, contingent liabilities and contingent assets*. I was unable to quantify the liability as at the end of the current and prior year due to the lack of information to perform the complex calculations involved.

### Trade and other payables

8. I was unable to obtain sufficient appropriate audit evidence about trade and other payables of R11 769 951 included in the amount of R114 455 378 (2011: R79 731 446), as disclosed in the statement of financial position and the related detailed disclosure in note 15 to the financial statements. I was unable to confirm the payables by alternative means. Consequently, I was unable to determine whether any adjustments to trade and other payables and accumulated surplus were necessary.

### Losses

9. Contrary to the requirements of section 15(2)(d) of the MFMA, the distribution loss from the water and electricity service was not disclosed in the notes to the financial statements. Due to the lack of controls, information and reconciliations to calculate the distribution loss, alternative procedures could not be performed to determine the loss.

### Aggregation/ Accumulation of immaterial uncorrected misstatements

10. The financial statements as a whole are materially misstated due to the cumulative effect of numerous individually immaterial uncorrected misstatements in the following elements which make up the statement of financial position, the statement of financial performance and the notes to the financial statements:

- Employee-related costs reflected as R158 465 120 are overstated by R2 823 539.
- General expenses reflected as R64 040 328 are understated by R1 514 645.
- Trade and receivables from exchange transactions reflected as R91 023 393 are overstated by R2 866 032.
- Value Added Tax reflected as understated with R3 440 002.

In addition, I was unable to obtain sufficient appropriate audit evidence and I was unable to confirm or verify the following elements by alternative means:

- Service charges reflected as R325 092 050
- Employee-related costs reflected as R158 465 120

As a result, I was unable to determine whether any further adjustments to these elements were necessary.

# Chapter 6

## Qualified opinion

11. In my opinion, except for the possible effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Metsimaholo Local Municipality as at 30 June 2012 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

## Emphasis of matter

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

## Going concern

13. The statement of financial performance and the cash flow statement in the annual financial statements indicate that the Metsimaholo Local municipality incurred a net loss of R59 791 930 and a net cash outflow of R27 518 785 during the year ended 30 June 2012. These conditions, along with other matters as set forth in note 44 to the financial statements, indicate the existence of an uncertainty that may cast doubt on the municipality's ability to operate as a going concern.

## Irregular expenditure

14. The full extent of the irregular expenditure of R157 468 223, as disclosed in note 48 to the financial statements, is still in the process of being investigated.

## Restatement of corresponding figures

15. As disclosed in notes 41 and 42 to the financial statements, the corresponding figures for 30 June 2011 have been restated as a result of errors discovered during 2011-12 in the financial statements of Metsimaholo Local Municipality at, and for the year ended 30 June 2011.

## Additional matter

16. I draw attention to the matter below. My opinion is not modified in respect of this matter.

## Unaudited supplementary information

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

## Supplementary explanations of budget variances presented outside the financial statements

18. The supplementary explanations of budget variances contained in actual versus budget, as referred to in notes 51 and 52, do not form part of the financial statements. I have not audited these explanations and accordingly I do not express an opinion thereon.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

19. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### Predetermined objectives

20. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages X to X of the annual report.
21. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual

# Chapter 6

reporting principles and whether the reported performance is consistent with the planned development objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury *Framework for managing programme performance information*.

The reliability of the information in respect of the selected development objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

22. The material findings are as follows:

## **Usefulness of information**

23. Section 46 of the Municipal Systems Act requires the disclosure of measures taken to improve performance in the annual performance report where planned targets were not achieved. Adequate and reliable corroborating evidence could not be provided for all the major variances as disclosed in the annual performance report. The municipality's records did not permit the application of alternative audit procedures. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the validity, accuracy and completeness of the measures taken to improve performance.
24. Section 41(c) of the Municipal Systems Act requires that the integrated development plan (IDP) should form the basis for the annual report, therefore requiring the consistency of objectives, indicators and targets between planning and reporting documents. A total of 32% of the reported targets are not consistent with the targets as per the approved IDP. This is due to the fact that no process or system was in place to ensure that the objectives, indicators and targets included in the service delivery and budget implementation plan and the performance report are aligned and consistent.

## **Compliance with laws and regulations**

25. I performed procedures to obtain evidence that the entity had complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations, as set out in the *General Notice* issued in terms of the PAA, are as follows:

### **Budget**

26. The accounting officer did not assess the municipality's performance for the first half of the financial year, as required by section 72(1) and 72(1)(a)(ii) of the MFMA.

### **Procurement and contract management**

27. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations as required by supply chain management (SCM) regulation 17(a) and (c).
28. Bids were not always evaluated by bid evaluation committees which were composed of officials from the departments requiring the goods or services and at least one SCM practitioner of the municipality, as required by SCM regulation 28(2).
29. Bid adjudication was not always done by committees which were composed in accordance with SCM regulation 29(2).
30. Construction contracts were awarded to contractors that were not registered with the Construction Industry Development Board, in accordance with section 18(1) of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000).
31. Contracts and quotations were awarded to service providers whose tax matters had not been declared by the South African Revenue Service to be in order, as required by SCM regulation

# Chapter 6

43.

32. Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).

## **Expenditure management**

33. Money owing by the municipality was not always paid within 30 days of receiving an invoice or statement, as required by section 65(2)(e) of the MFMA.
34. The accounting officer did not take reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure, as required by sections 62(1)(d), 32(4) and 102 of the MFMA.
35. Unauthorised, irregular and fruitless and wasteful expenditure was not investigated and as a result was not recovered from the liable person, as required by section 32(2) of the MFMA.

## **Annual financial statements, performance and annual reports**

36. The annual performance report for the year under review does not include the performance of the external service providers, as required by section 46 (1)(a) of the Municipal Systems Act, 2000 (Act No. 32 of 2000).
37. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets, current assets, liabilities, revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.
38. The 2010-11 annual report was not tabled in the municipal council within seven months after the end of the financial year, as required by section 127(2) of the MFMA.
39. A written explanation was not submitted to council setting out the reasons for the delay in the tabling of the 2010-11 annual report in the council, as required by section 127(3) of the MFMA.
40. The accounting officer did not make the 2010-11 annual report public immediately after the annual report was tabled in the council, as required by section 127(5)(a) of the MFMA.
41. The municipal council did not adopt an oversight report containing comments on the annual report within two months from the date on which the 2010-11 annual report was tabled, as required by section 129(1) of the MFMA.
42. The accounting officer did not make public the council's oversight report on the 2010-11 annual report within seven days of its adoption, as required by section 129(3) of the MFMA.

## **Asset management**

43. The required reports describing the investment portfolio of the municipality were not submitted to the mayor at the end of each month, as required by the municipal investment regulation 9(1).

## **Internal control**

44. I considered internal control relevant to my audit of the financial statements, performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for qualified opinion, the findings on the performance report and the findings on compliance with laws and regulations included in this report.

## **Leadership**

45. The municipality did not ensure that policies and procedures were developed, updated and approved by council as the council did not approve the proposed updates and amendments in the

# Chapter 6

financial year.

46. The occurrence of material irregular expenditure during the year under review indicates that integrity and ethical values were not adequate to prevent irregular expenditure and to set the standard for sound corporate governance as it was not prevented by management.
47. The accounting officer did not take appropriate action to address the lack of discipline in the SCM section, resulting in non-compliance with applicable legislation. This, in turn, resulted in irregular expenditure. This occurred due to a shortage of staff in the SCM unit.

## **Financial and performance management**

48. The staff members of the municipality were not sufficiently skilled to ensure that the daily financial activities are fully and correctly recorded in the records of the municipality. Management also did not ensure that adequate controls were in place to detect and correct all errors in the financial records.
49. The financial statements were subjected to material corrections resulting from the audit process, which are attributable to weaknesses in the design and implementation of internal control in respect of financial management and financial reporting and weaknesses in the information systems of the municipality.
50. The accounting officer did not regularly review and monitor management's compliance with laws, regulations and internally designed policies and procedures. Management did not take action in time to prevent non-compliance issues during the period under review. As a result, significant non-compliance issues were noted that could have been prevented.

Bloemfontein

30 November 2012



# Chapter 6

## COMMENTS ON AUDITOR-GENERAL'S OPINION 2011/12:

The municipality's Audit Opinion has improved from a disclaimer in the 2010/11 financial year to a Qualification in the 2011/12 financial year. Only a few issues were qualified and will be cleared during the 2012/13 financial year to enable the Municipality to obtain a Clean Audit by 2013/14. Our Asset Register was for the second time in succession, given a thumbs up by the Auditor General for the 2011/12 financial year. It is worth mentioning that we are one of the few municipalities in the Free State with a GRAP compliant asset Register to the satisfaction of the Auditor General.

A workshop was again arranged with the Audit Committee to properly and timeously review the Annual Financial Statements (AFS) before it could be submitted to the Auditor General. The objective of this was to improve the quality and the credibility of our AFS.

The following interventions will be made to ensure that the Audit Outcomes for the 2012/13 financial year are further improved:

- Compile and cost where applicable, a clean Audit Action Plan for implementation. This plan will be properly monitored to ensure full implementation.
- An interim Audit will be conducted for the 2012/13 financial year. This will allow the Municipality to address deficiencies identified by the Audit process timeously.
- Interim financial Statements will be produced for the first six months of the financial year. This will be used as a basis for the Interim Audit as indicated above
- Capacitation and Training for the Supply Chain Unit will be prioritized, including all Committees and non-financial managers dealing with Procurement. Treasury will be approached for assistance
- A dedicated Official will be appointed to deal with Contract Management and Document Management in the Supply Chain Unit
- The support given to the various Supply Chain Committees will be improved, especially regarding the administration and scheduling of meetings, reports and minutes

T 6.2.4

## COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer)..... Dated

T 6.2.5

# GLOSSARY

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General Key performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are “ <i>what we wish to achieve</i> ”.



# GLOSSARY

<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

# APPENDICES

## APPENDICES

### APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Table 161: Councillors, Committees and Attendance

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Ms Matsedisio Alina Tamane	PT	Technical Services LED, Tourism & Agriculture	1	75%	25%
Mr Malebo Daniel Nthebe	PT	Urban Planning and Human Settlements Public Safety	2	75%	25%
Mr Mosiuoa Solomon Poho	PT	Finance and Audit Sports, Arts & Culture	3	100%	-
Mr Dawid Ntja Motloung	PT	Finance and Audit Technical Services	4	50%	50%
Ms Selina Moreki	FT	Urban Planning and Human Settlements	5	100%	-
Ms Masontaga Nomsa Sejaki	PT	Urban Planning and Human Settlements Public Safety	6	75%	25%
Mr Thabo Emmanuel Mosia	PT	Finance and Audit Technical Services	7	50%	50%
Mr Lebohang Samuel Semonyo	FT	Finance and Audit	8	75%	25%
Mr S S Mofokeng	PT		9	25%	75%
Mr Letala Sidney Lempe	FT	Cleansing, Parks & Cemeteries	10	75%	25%
Mr Thabo Kenneth Mabasa	FT	LED, Tourism & Agriculture	11	50%	50%
Ms Sophia Bulelwa Khunou	PT	Corporate Services Sports, Arts & Culture	12	75%	25%
Ms Julia Masetlhare Phepheng-Lelahla	PT	Urban Planning and Human Settlements Finance and Audit	13	50%	50%
Mr Jan Daniel Viljoen	PT	Finance and Audit	14	75%	25%
Mr Jacobus Johannes Grobbelaar	PT	Sports, Arts & Culture	15	50%	50%
Mr Hans Jurie Moolman	PT	Public Safety	16	50%	50%
Ms Maria Cecilia Van der Walt	PT	Cleansing, Parks & Cemeteries	17	75%	25%
Mr David Mac Millan Oswald	PT	Finance and Audit Technical Services	18	75%	25%
Mr Alexis Khomolileng Mare	PT	Public Safety Cleansing, Parks & Cemeteries	19	75%	25%
Ms Nombulawa Lucy Mdola	PT	Urban Planning and Human Settlements LED, Tourism & Agriculture	20	75%	25%
Mr Lefu Richard Chebase	PT	Cleansing, Parks & Cemeteries Sports, Arts & Culture	21		

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Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time  FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Mr Brutus Tshepo Mahlaku (Executive Mayor)	FT	Mayoral Committee	ANC	75%	25%
Ms Ms Thandiwe Linah Soetsang (Chief Whip)	FT	-	ANC	50%	50%
Mr Sello Zacharia Matena (Speaker)	FT	-	ANC	100%	-
Ms Nomsa Josephina Kubheka	FT	Technical Services	ANC	50%	50%
Mr Malefane Johannes Msimanga	PT	Cleansing, Parks & Cemeteries LED, Tourism & Agriculture	ANC	80%	20%
Ms Anna Ndutula Radebe	FT	Sports, Arts & Culture	ANC	95%	5%
Ms Dikeledi Ellen Mokoena	PT	Public Safety Sports, Arts & Culture	ANC	65%	35%
Mr Serame Isaac Ramathesele	PT	Corporate Services LED, Tourism & Agriculture	ANC	45%	65%
Mr Mnyamezeli Welcome Khonto	FT	Public Safety	ANC	80%	20%
Ms Sylvia Lindiwe Tshongwe	FT	Corporate Services	ANC	95%	5%
Mr Frans Christiaan Coetzer	PT	LED, Tourism & Agriculture	DA	95%	5%
Mr Jacobus Johannes Geysler	PT	Technical Services	DA	80%	20%
Mr Tsietsi Johannes Mofokeng	PT	Urban Planning and Human Settlements	DA	80%	20%
Ms Suraya Holt	PT	Finance and Audit	DA	100%	-
Mr Makone Fithalls Machaea	PT	LED, Tourism & Agriculture	DA	80%	20%
Mr Velly Johannes Maseko	PT	Sports, Arts & Culture	DA	95%	5%
Mr Mabaka George Ntoane	PT	Corporate Services	DA	100%	-
Mr Pretty Jacob Mahlangu	PT	Cleansing, Parks & Cemeteries	DA	95%	5%
Mr Johannes du Plessis	PT	Corporate Services	DA	95%	5%
Ms Mmabatho Martie Mosia	PT	Urban Planning and Human Settlements Public Safety	DA	100%	100%

Note: \* Councillors appointed on a proportional basis do not have wards allocated to them

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Councillors serving on Section 80 Committees are from political parties represented in the Council. Each Section 80 Committee is chaired by a Member of the Mayoral Committee (MMC) and is responsible for ensuring effective political oversight of departmental activities through the consideration of reports from the Municipal Manager and Directors. Based on the said reports these committees make recommendations for consideration by the Mayoral Committee.

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# APPENDICES

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Table 162: Committees

Committees (other than Mayoral Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Portfolio Committee: Corporate Services (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Portfolio Committee: Finance and Audit (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Portfolio Committee: Technical Services (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Portfolio Committee: Public Safety (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Portfolio Committee: Cleansing, Parks and Cemeteries (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Portfolio Committee: Urban Planning and Human Settlements (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Portfolio Committee: LED, Tourism and Agriculture (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Portfolio Committee: Sports, Arts and Culture (s80)	Oversight over departmental activities through consideration of reports from the Municipal Manager and Directors. Make recommendations for consideration by the Mayoral Committee.
Audit and Performance Audit Committee (s79)	Roles and responsibilities as outlined by section 166 of the MFMA and the approved charter
Oversight Committee (s79)	Roles and responsibilities as outlined by section 129 of the MFMA and the National Treasury guidelines issued in MFMA Circular 32 (18 March 2006)

# APPENDICES

## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Table 163: Third Tier Structure

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Office of the Municipal Manager	Manager: Office of the Municipal Manager (Vacant) Manager: IDP/PMS S Mokoena Manager: Internal Audit K George Manager: Security O Madona Manager: Communications G Alberts
Technical Services Director R Thekiso	Manager: Electrical and Mechanical Services H van Wyk Manager: Civil Engineering Services MC Botha Manager: PMU M Ndaba
Financial Services Chief Financial Officer Ms ME Mokoena	Manager: Revenue C Scheepers Manager: Budget and Financial Planning Ms A Voster Manager: Expenditure (Vacant)
LED and Planning Director: (Vacant)	Manager: Urban Planning (Vacant) Manager: Housing and Property Management Services (Vacant) Manager: LED (Vacant)
Corporate Services Director: S Mtakati	Manager: Legal and Administration T Mosuane Manager: Human Resources (Vacant) Manager: ICT G Nhlapo
Social Services Director: (Vacant)	Manager: Parks and Cleansing L P Thile Manager: Public Safety M Penkin Manager: Sports, Arts and Recreation M Moshodi
Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).	

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# APPENDICES

## APPENDIX D – FUNCTIONS OF MUNICIPALITY

Table 164: Municipal Functions

MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
<b>Constitution Schedule 4, Part B functions:</b>	
Air pollution	No
Building regulations	Yes
Child care facilities	No
Electricity and gas reticulation	Yes
Fire-fighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No

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MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
<b>Constitution Schedule 4, Part B functions:</b>	
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes
<i>* If municipality: indicate (Yes or No)</i>	

# APPENDICES

## APPENDIX E – WARD REPORTING

Table 165: Functionality of Ward Committees

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee (WC) members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr M.A Tamane and 10 WC members	Yes	5	1	7
Ward 2	Cllr M.D Nthebe and 9 WC members	Yes	2	1	3
Ward 3	Cllr Ms. Poho and 10 WC members	Yes	4	2	6
Ward 4	Cllr D. Motloung 10 WC members	Yes	4	None	8
Ward 5	Cllr S. Moreki and 10 WC members	Yes	6	1	8
Ward 6	Cllr N. Sejake and 10 WC members	Yes	None	1	None
Ward 7	Cllr T. Mosia and 8 WC members	Yes	36	2	9
Ward 8	Cllr L.S Semonyo and 9 WC members	Yes	3	1	3
Ward 9	Cllr S.S Mofokeng and 10 WC members	Yes	4	3	2
Ward 10	Cllr L. Letala and 10 WC members	Yes	10	None	4
Ward 11	Cllr T.Mabasa and 10 WC members	Yes	9	None	3
Ward 12	Cllr B.S Khunou and 7 WC members	Yes	12	2	6
Ward 13	Cllr JM. Lelahla-phepheng and 10 WC members	Yes	5	5	None
Ward 14	Cllr J.D Viljoen and 10 WC members	Yes	5	None	None
Ward 15	Cllr J.J. Grobbelaar and 10 WC members	Yes	5	1	None
Ward 16	Cllr J Moolman and 10 WC members	Yes	3	None	1
Ward 17	Cllr M.R Van der Walt and 9 WC members	Yes	3	None	None
Ward 18	Cllr D.M Oswald and 10 WC members	Yes	6	None	2
Ward 19	Cllr K.A Mare and 10 WC members	Yes	None	5	None
Ward 20	Cllr N.M Mdola and 10 WC members	Yes	8	8	19
Ward 21	Cllr R.L. Chebase and 10 WC members	Yes	None	None	None

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# APPENDICES

## APPENDIX F – WARD INFORMATION

Table 166: Ward Capital Projects

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2011/12 (Full List at Appendix O)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
	Information not available			
				T F.1

Table 167: Ward – Basic Service Provision

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery					
Households without minimum service delivery					
Total Households*					
Houses completed in year	Information not available				
Shortfall in Housing units					
<i>*Including informal settlements</i>					T F.2

Table 168: Top Four Ward Service Delivery Priorities

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2011/12
1	Information not available	
2		
3		
		T F.3

# APPENDICES

## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2011/12

Table 169: Municipal Audit Committee Recommendations

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2011/12	Recommendations adopted (enter Yes) if not adopted (provide explanation)
29/08/2011	Draft Annual Financial Statements 2010/11	Yes
24/02/2012	Annual Report 2010/11	N/A
19/03/2012	Internal Audit Charter & Audit Committee charter	Yes
02/04/2012	Three year Internal audit plan	Yes
22/06/2012	One year Internal audit plan	Yes
	<b>Committee recommendations:</b>	
	Develop and implement cash management policy	No
	Compliance with laws and regulations	Partially
	Outstanding policies to be approved and implemented	No
	New PMS policy to be approved and implemented	No
	Performance report to be submitted for audit within ten days after end of each quarter.	No
	Quarterly PMS report to be submitted to council	No

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# APPENDICES

## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Table 170: Long Term Contracts

<b>Long Term Contracts (20 Largest Contracts Entered into during 2011/12)</b>					
					<b>R' 000</b>
<b>Name of Service Provider (Entity or Municipal Department)</b>	<b>Description of Services Rendered by the Service Provider</b>	<b>Start Date of Contract</b>	<b>Expiry date of Contract</b>	<b>Project manager</b>	<b>Contract Value</b>
Coppermoon Trading	Traffic fines			M Penkin	

TH.1

# APPENDICES

Table 171: PPPs entered into

Public Private Partnerships Entered into during 2011/12					
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	R' 000 Value 2008/09
The municipality did not enter into any PPPs during 2011/12					
					<i>T.H.2</i>

# APPENDICES

## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

**The Municipality does not have any entities except for the dormant Mayoral Trust which is currently being dissolved.**

# APPENDICES

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Note: The information was not available for the 2011/12 financial year.

# APPENDICES

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

### APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Table 172: Revenue Collection by Vote

Revenue Collection Performance by Vote							R' 000
Vote Description	2010/11	2011/12		2011/12 Variance			
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget %	Adjustments Budget %	
Council Speaker Council	5	500	500	0	0	0	
Municipal Manager	1 431	24 262	22 491	1 607	-1 409.77	-1 299.56	
Organisational development and Corporate Services	706	423	805	302	-40 .07	-166 .56	
Social services	37 677	55 274	45 218	43 626	-26.7	-3.65	
Technical and Infrastructure Services	360 069	439 980	456 087	404 402	-8.80	-12.78	
Financial Services	131 958	129 883	133 707	143 237	9.32	6.65	
Local development and Urban Planning	6 975	25 480	14 540	4 347	-486.15	-234.48	
<b>Total Revenue by Vote</b>	<b>538 821</b>	<b>675 802</b>	<b>673 348</b>	<b>597 521</b>	<b>-</b>	<b>-</b>	

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.  
This table is aligned to MBRR table A3*

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# APPENDICES

## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Table 173: Revenue Collection by Source

Revenue Collection Performance by Source							R '000
Description	2010/11	2011/12		2011/12 Variance			
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget %	Adjustments Budget %	
Property rates	77 043	79 008	84 208	86 652	8.82	2.82	
Property rates - penalties & collection charges							
Service Charges - electricity revenue	131 977	173 593	173 593	139 120	-19.86	-19.86	
Service Charges - water revenue	122 372	146 016	146 017	141 717	-3.03	-3.03	
Service Charges - sanitation revenue	17 760	17 046	17 045	18 996	10.27	10.27	
Service Charges - refuse revenue	23 112	26 882	26 882	25 259	-6.43	-6.43	
Service Charges - other	6 376	9 655	9 655	7 512	-28.53	-28.53	
Rentals of facilities and equipment	4 136	9 764	4 740	4 257	-129.36	-11.35	
Interest earned - external investments	6 153	2 200	2 100	2 735	19.56	23.22	
Interest earned - outstanding debtors	12 505	10 875	14 175	17 799	38.9	20.36	
Dividends received				59	100	100	
Fines	7 082	12 708	4 708	6 308	-101.46	25.36	
Licences and permits	73	150	150	66	-127.27	-127.27	
Agency services							
Transfers recognised - operational	83 228	95 398	93 627	93 616	-1.9	-0.01	
Other revenue	3 374	36 606	36 591	2 367	-1447.17	-1 446.53	
Gains on disposal of PPE	2 670	17 000	10 000	516	-3194.57	-1837.98	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>497 862</b>	<b>636 901</b>	<b>623 491</b>	<b>549 979</b>			

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.*

T K.2



# APPENDICES

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Table 174: Conditional Grants: excluding MIG

Conditional Grants: excluding MIG							R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	
				Budget %	Adjustments Budget %		
Neighbourhood Development Partnership Grant							
Public Transport Infrastructure and Systems Grant							
<b>Other Specify:</b>							
Department of Energy	2 000	4 882	2 000	0	-144.1		
<b>Total</b>	<b>2 000</b>	<b>4 822</b>	<b>2 000</b>				

\* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.

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COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

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# APPENDICES

## APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

### APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Table 175: Capital expenditure – New Assets

Capital Expenditure - New Assets Programme*								R '000
Description	2010/11	2011/12			Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/13	2013/14	2014/15	
<b>Capital expenditure by Asset Class</b>								
<b>Infrastructure - Total</b>	<b>38 977</b>	<b>95 356</b>	<b>76 992</b>	<b>47 347</b>	<b>112 533</b>	<b>95 103</b>	<b>99384</b>	
<b>Infrastructure: Road transport - Total</b>	20 813	13 420	13 700	9 823	13 821	19 000	15 000	
<i>Roads, Pavements &amp; Bridges</i>	20 813	7 420	7 700	9 823	13 821	19 000	15 000	
<i>Storm water</i>		6 000	6 000					
<b>Infrastructure: Electricity - Total</b>	9 508	18 280	24 432	13 515	18 200	28 037	35 150	
<i>Generation</i>								
<i>Transmission &amp; Reticulation</i>	2 750	18 030	24 182	13 515	18 200	28 037	35 150	
<i>Street Lighting</i>	6 758	250	250					
<b>Infrastructure: Water - Total</b>	2 905	48 696	23 735	14 059	27 495	12 170	12 559	
<i>Dams &amp; Reservoirs</i>								
<i>Water purification</i>	2 905							
<i>Reticulation</i>		48 696	23 735	14 059	27 495	12 170	12 559	
<b>Infrastructure: Sanitation - Total</b>	5 751	310	14 673	8 848	38 942	27 846	22 775	
<i>Reticulation</i>	5 751	13 310	14 673	8 848	38 942	27 846	22 775	
<i>Sewerage purification</i>		13						
<b>Infrastructure: Other - Total</b>	–	1 650	452	1 102	14 075	8 050	13 900	
<i>Waste Management</i>		1 650	452		1 775	4 800	13 400	
<i>Transportation</i>					800	250	500	
<i>Other</i>				1 102	11 500	3 000		
<b>Community - Total</b>	<b>4 073</b>	<b>132 412</b>	<b>3 413</b>		<b>818</b>	<b>200</b>	<b>–</b>	
Parks & gardens		1 530	1 530					
Sports fields & stadia		55	55					
Swimming pools		56	56					
Community halls		316	317					
Libraries		124	124					
Recreational facilities		619	619					

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Fire, safety & emergency						
Security and policing	2 101	712	712		818	200
Cemeteries	1 972					
Social rental housing		129 000				
Other						

*Table continued next page*

# APPENDICES

Table 176: Capital expenditure – New Assets (cont.)

Capital Expenditure - New Assets Programme*							
Description	R '000						
	2010/11	2011/12			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/13	2013/14	2014/15
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	-	-		-	-	-	-
Buildings							
Other							
<b>Investment properties - Total</b>	-	-		35 300	-	-	-
Housing development							
Other				35 300			
<b>Other assets</b>	<b>1 327</b>	<b>39 942</b>	<b>21 572</b>	<b>3 689</b>	<b>22 828</b>	<b>28111</b>	<b>25 103</b>
General vehicles	174	60	560		750	500	
Specialised vehicles		12 300					
Plant & equipment	1 141	9 970	9 180	3 429	8 054	16 503	4 009
Computers - hardware/equipment				11			
Furniture and other office equipment	12	7 103	3 823	249	11 924	616	5 126
Abattoirs							
Markets							
Civic Land and Buildings					2 100	10 492	15 968
Other Buildings		2 976	476				
Other Land							
Surplus Assets - (Investment or Inventory)							
Other		7 533	7 533				
<b>Agricultural assets</b>	-	-		-	-	-	-
<i>List sub-class</i>							
<b>Biological assets</b>	-	-		-	-	-	-
<i>List sub-class</i>							

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<b>Intangibles</b>	-	-	-	-	-	-	-
Computers - software & programming							
Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on new assets</b>	<b>44 377</b>	<b>267 710</b>	<b>101 977</b>	<b>86 336</b>	<b>136 179</b>	<b>123 414</b>	<b>124 487</b>
<b>Specialised vehicles</b>	-	<b>12 300</b>		-	-	-	-
Refuse		8 000					
Fire		4 300					
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

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# APPENDICES

## APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Table 177: Capital expenditure – Upgrade/Renewal

Capital Expenditure - Upgrade/Renewal Programme*							
Description	2010/11	2011/12			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/13	2013/14	2014/15
R '000							
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	11 000	11 000	-		-	-
<b>Infrastructure: Road transport -Total</b>	-	11 000	11 000	-	-	-	-
<i>Roads, Pavements &amp; Bridges</i>		11 000	11 000				
<i>Storm water</i>							
<b>Infrastructure: Electricity - Total</b>	-	-		-	-	-	-
<i>Generation</i>							
<i>Transmission &amp; Reticulation</i>							
<i>Street Lighting</i>							
<b>Infrastructure: Water - Total</b>	-	-		-	-	-	-
<i>Dams &amp; Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
<b>Infrastructure: Sanitation - Total</b>	-	-		-	-	-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
<b>Infrastructure: Other - Total</b>	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
<b>Community</b>	-	-		-	400	13	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							

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Recreational facilities							
Fire, safety & emergency							
Security and policing					400	13	
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
<b>Heritage assets</b>	-	-	-	-	-	-	-
Buildings							
Other							

*Table continued next page*

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Table 178: Capital expenditure – Upgrade/Renewal (cont.)

Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	2010/11	2011/12			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/13	2013/14	2014/15
<b>Capital expenditure by Asset Class</b>							
<b>Investment properties</b>	-	-		-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	1 316	1 316	-	1 323	510	-
General vehicles							
Specialised vehicles							
Plant & equipment					1 323	510	
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings		1 316	1 316				
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>	-	-		-	-	-	-
List sub-class							
<b>Biological assets</b>	-	-		-	-	-	-
List sub-class							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							



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<b>Total Capital Expenditure on renewal of existing assets</b>	-	12 316	12 316	-	1 723	523	-	
<b>Specialised vehicles</b>	-	-		-	-	-	-	
Refuse								
Fire								
Conservancy								
Ambulances								
* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)							T M.2	

# APPENDICES

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2011/12

The information required in the table below is not available at this stage.

**Table 179: Capital Programme by Project**

Capital Programme by Project: 2011/12					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
R' 000					
<b>Water</b>					
"Project A"					
"Project B"					
"Project C"					
<b>Sanitation/Sewerage</b>					
"Project A"					
"Project B"					
<b>Electricity</b>					
"Project A"					
"Project B"					
<b>Housing</b>					
"Project A"					
"Project B"					
<b>Refuse removal</b>					
"Project A"					
"Project B"					
<b>Storm water</b>					
"Project A"					
"Project B"					
<b>Economic development</b>					
"Project A"					
"Project B"					
<b>Sports, Arts &amp; Culture</b>					
"Project A"					
"Project B"					
<b>Environment</b>					
"Project A"					

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"Project B"					
<b>Health</b>					
"Project A"					
"Project B"					
<b>Safety and Security</b>					
"Project A"					
"Project B"					
<b>ICT and Other</b>					
"Project A"					
"Project B"					
					<i>T M</i>

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## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2011/12

Table 180: Capital Programme by Project by Ward

IDP priority	Project name	Wards	Budget R'000
Corporate and democratic governance	Internal audit: Teammate license & maintenance fees	ALL	20
Institutional and capacity development	Supply chain management (various)	ALL	204
	Security services	ALL	712
	Information technology	ALL	605
			<b>1 541</b>
Financial liquidity and viability	Upgrading pay points	ALL	500
	New pay point (Harry Gwala)	13	0
	Equipment (various)	ALL	28
			<b>528</b>
Institutional and capacity development	Equipment (various)	ALL	3 279
			<b>3 279</b>
Refuse removal	Maintenance: road cleaning & parking zones	ALL	450
	Capital works-landfill sites	ALL	350
	Dumping sites	ALL	2 100
	Transfer station: Sasolburg	ALL	533
			<b>3 433</b>
Safety and security	Fire protection services (fire & rescue equipment)	ALL	8 345
	Disaster provision	ALL	500
	Traffic equipment	ALL	1 498
			<b>10 744</b>
Sports, recreation and community facilities	Parks and playgrounds	ALL	1 530
	Abrahamsrust	ALL	368
	Day visitors areas	ALL	250
	Etienne Rousseau theatre	ALL	258
	Community halls	ALL	58
	Stadiums	ALL	55
	Swimming pools	ALL	56
			<b>2 576</b>
Cemeteries	Refenggotso cemetery	<b>3&amp;4</b>	<b>675</b>
Education	Libraries	<b>ALL</b>	<b>124</b>
			<b>17 151</b>

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IDP priority	Project name	Wards	R'000
Electricity provision	Network strengthening Phase 3	15-17	850
	Bulk supply (Amelia, Gortin & Moodraai)	1	2 000
	High mast lights Phase 2 (Gortin/Zamdela)	1-13	250
	Upgrading main substation (Sasolburg)	15-17	850
	Upgrading network Phase 2 (Deneysville)	5,20	1 500
	Upgrading network Phase 2 (Oranjeville)	5	1 000
	Replace redundant streetlight fittings	ALL	130
	Replace distribution pillars	ALL	150
	Replacement of transformers	ALL	450
	Emergency generator	ALL	850
	Equipment (various)	ALL	1 079
	Automated Meter Reading system	ALL	11 000
			<b>20 109</b>
Roads and storm water	Construction of new roads and storm water Phase 1 (11 kms)	1,3,4,5,7,8,9,14&18	12 020
	Upgrading and resealing of roads	14,18	11 000
	Vaalpark taxi rank	14,18	3 500
	Naledi entrance alterations	14,18	1 200
	Street name boards	ALL	200
	Integrated Transport Plan	ALL	1 000
	Equipment (various)	ALL	29
		<b>27 949</b>	
Sanitation provision	Replace gravitational outfall sewer	15, 16, 17	1 000
	Sewer network and toilets: 3257 stands (Amelia)	1	2 810
	Construction of sewer for 368 erven & upgrade plants (Metsi x6)	5	2 000
	Sewer connections RDP	1,6	2 000
	Purchasing of various pumps	ALL	1 643
	Purchasing of various equipment	ALL	220
		<b>9 673</b>	
Water provision	Water demand conservation plan	ALL	1 000
	Ringfeed industrial (Sasolburg)	15, 16, 17	15 000
	Pressure red valves	ALL	
	Ringfeed residential	ALL	
	Augmentation of bulk supply-upgrading of purification works (6 500 erven)	3,4,5,20	18 705
	Bulk water supply to Amelia	1	490
	Building water purification lab	ALL	3 000
	Purchasing various pumps	ALL	268
		<b>37 463</b>	
		<b>95 196</b>	

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IDP priority	Project name	Wards	R'000
Housing	Delivery: Amelia, Moodraai and Mooiplaats	1,3,4	129 000
	Acquisition portion of sub 3,4, 6 & 7	ALL	0
	Acquisition portions of farm Hereward 409	ALL	0
	Acquisition of land (Zamdela)	2,6-13	0
	Acquisition of agricultural land – urban expansion (Deneysville)	5,20	0
			<b>129 000</b>
Land availability	Surveying of 2000 stands (Moodraai)	1	1 500
	Planning and surveying of 1000 erven (Moodraai)	1	0
			<b>1 500</b>
			<b>130 500</b>
Local economic development	Brick and paving manufacturing plant	ALL	
	Poultry and piggery farming	ALL	
	Equipment	ALL	3
			<b>3</b>

# APPENDICES

## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

The information required in the table below is not available at this stage.

Table 181: Service Backlogs – Schools and Clinics

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
<b>Schools (NAMES, LOCATIONS)</b>				
<b>Clinics (NAMES, LOCATIONS)</b>				
<i>Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.</i>				

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# APPENDICES

## APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

The information required in the table below is not available at this stage.

Table 182: Service Backlogs – Another Sphere of Government

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
<b>Clinics:</b>		
<b>Housing:</b>		
<b>Licensing and Testing Centre:</b>		
<b>Reservoirs</b>		
<b>Schools (Primary and High):</b>		
<b>Sports Fields:</b>		
		T Q



# APPENDICES

## APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Table 183: Declaration of Loans and Grants made by the Municipality

Declaration of Loans and Grants made by the municipality: 2011/12				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2011/12 R' 000	Total Amount committed over previous and future years
None	N/A	N/A	Nil	Nil
* Loans/Grants - whether in cash or in kind				<i>T R</i>

# APPENDICES

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

The information required as per the table below cannot be provided in this format for the 2011/12 financial year. The municipality aligned its new five-year IDP (2012-2017) according to the below outcomes and will therefore provide the information required below in the specified format in the next annual report.

Table 184: National and Provincial Outcomes for Local Government

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capability		
* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.		

T S

# VOLUME II

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.