

# 2013/14



ECONOMIC POWERBASE AND MUNICIPALITY OF EXCELLENCE

## **DRAFT ANNUAL REPORT Volume I**

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

### COMPONENT A: MAYOR’S FOREWORD

#### MAYOR’S FOREWORD



#### FOREWORD BY THE EXECUTIVE MAYOR, CLLR.BRUTUS MAHLAKU

It is again a pleasure and a privilege for me as the Executive Mayor to present this Annual Report of Metsimaholo Local Municipality for the 2013/14 financial year to the Council, the broader community as well as our many stakeholders and partners.

This report outlines our achievements for the past financial year, reflecting concrete steps taken to realise our vision and plans for our community’s future. The intention of this report, which covers the past financial year, is to provide an easily readable and summarised statement of Metsimaholo municipality’s progress towards the targets set in its Integrated Development Plan.

As, Metsimaholo Local Municipality, we will be focusing our energy and delivering on sustainability through a range of initiatives such as water and sewer networks, houses, eradication of the bucket system, health, education, roads and electricity. We will further with the established partnership agreements with the business community and private sector, such as Sasol and Anglo Coal, continue to deliver services to our

people.

The Municipality has done a lot, but we still acknowledge that much more needs to be done. If we continue to work together, and learn from our past experiences we can move even faster to realize the goal of a better life for all.

At this time in the history of Metsimaholo Local Municipality, I am confident that we are capable of addressing the existing challenges by creating a strong, supportive, planned and sustainable future for the people of our Municipal area. This report shows our commitment in action and we look forward to continuing to work with our strong and diverse communities to ensure that the residents of our area have every opportunity to grow and develop to their highest potential.

As we celebrate 20 years of democracy and having a good story to tell. We are committing as a Municipality to continue to do more, by restoring the dignity of our people. You will agree with me that South Africa, the Free State and Metsimaholo is a much better place than they were before 1994.

I would like to thank all the members of the council, officials and members of the public for their support during this financial year and I am really looking forward to work with you all to achieve a better life for all.

**CLLR. B.T. MAHLAKU**

**EXECUTIVE MAYOR**

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

*T1.0.1*

**COMPONENT B: EXECUTIVE SUMMARY****1.1. MUNICIPAL MANAGER'S OVERVIEW****MUNICIPAL MANAGER'S OVERVIEW**

I am indeed delighted to publicly present the Municipality's Annual Report for 2013/14. This report outlines challenges we went through, our achievements for the past financial year, reflecting concrete steps taken to realize our vision and plans for our community's future. The intention of this report is to provide an easily readable and summarized statement of Metsimaholo progress towards the targets set in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for the financial year under review.

The 2013/14 financial year was indeed a challenging period in the ongoing transformation of the Municipality. It was therefore a year during which notable achievements have been registered in various areas such as administration and management, the provision of basic Municipal services and the continuous improvement in our service delivery processes; notwithstanding the financial challenges we had due to low revenue collection and non-payment of Municipal services by some of our residence.

In order to enhance Service Delivery and Governance, Organizational Human Resource policies were adopted by Council, part of identified critical posts were filled, 90 ML Reservoir in Refengkgotso to provide Bulk Water and Harry Gwala Multipurpose centre were completed, new Municipal Offices and Community Rental Units (CRUs) are under construction and hopefully to completed in the next financial year of 2014/15.

The financial health of the municipality showed a remarkable decline during the year under review. We have been not been able to end the year with a very strong cash position, we collected 93% of budgeted revenue and our actual operating expenditure was at 91% of the budget. We are still experiencing unacceptably low levels of capital expenditure which came in at only 31% of the budget.

It is also sad to report that the Municipality obtained another Qualified opinion from the Auditor-General contrary to our annual target of achieving a Clean Audit for the financial year under review. However, an action plan to address all the audit issues have been compiled and will be strictly monitored to ensure that we receive an improved audit opinion for the next financial year.

**S.M MOLALA**

**MUNICIPAL MANAGER**

DRAFT



## 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 "1'219'090 km<sup>2</sup>" and includes Deneysville, Metsimaholo, Oranjeville, Refengkgotso, Sasolburg, Vaalpark and Zamdela. It is inhabited by approximately "169'077 (2014)" people with more than 90% living in the urban areas of the Municipal region.

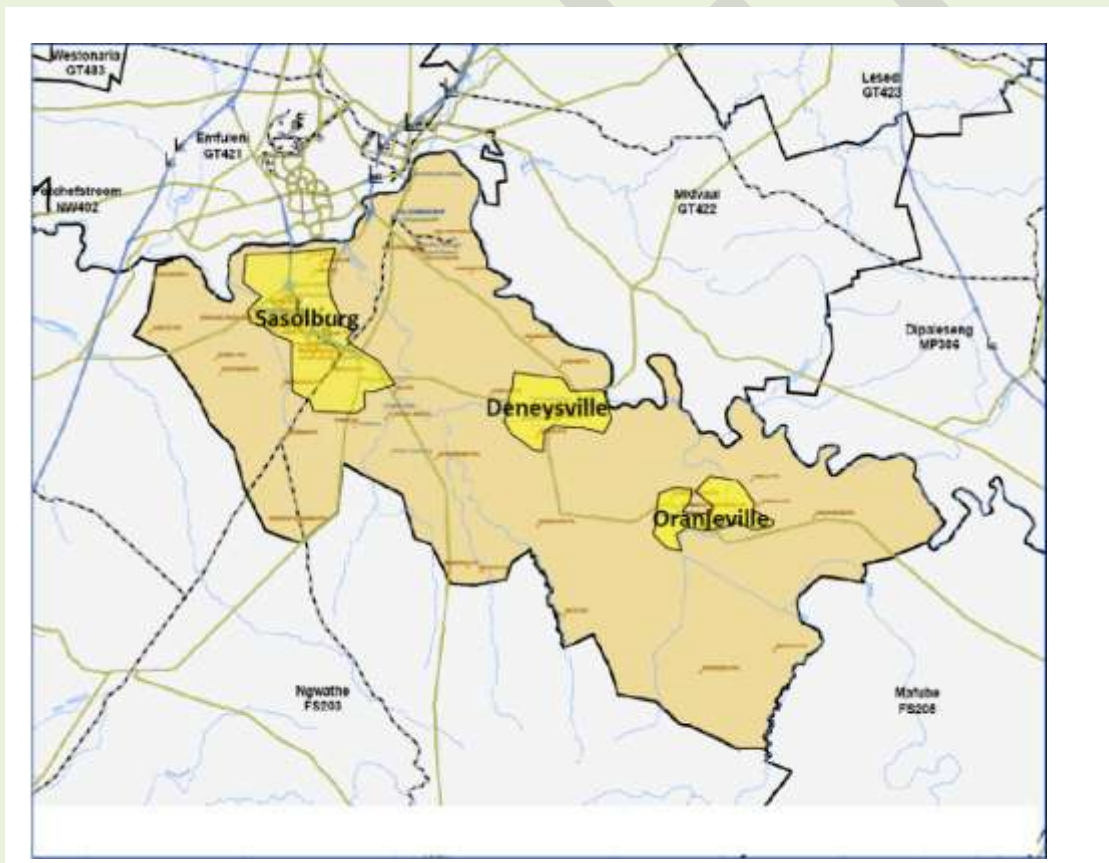


Figure 1: Map of Metsimaholo Local Municipality

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>

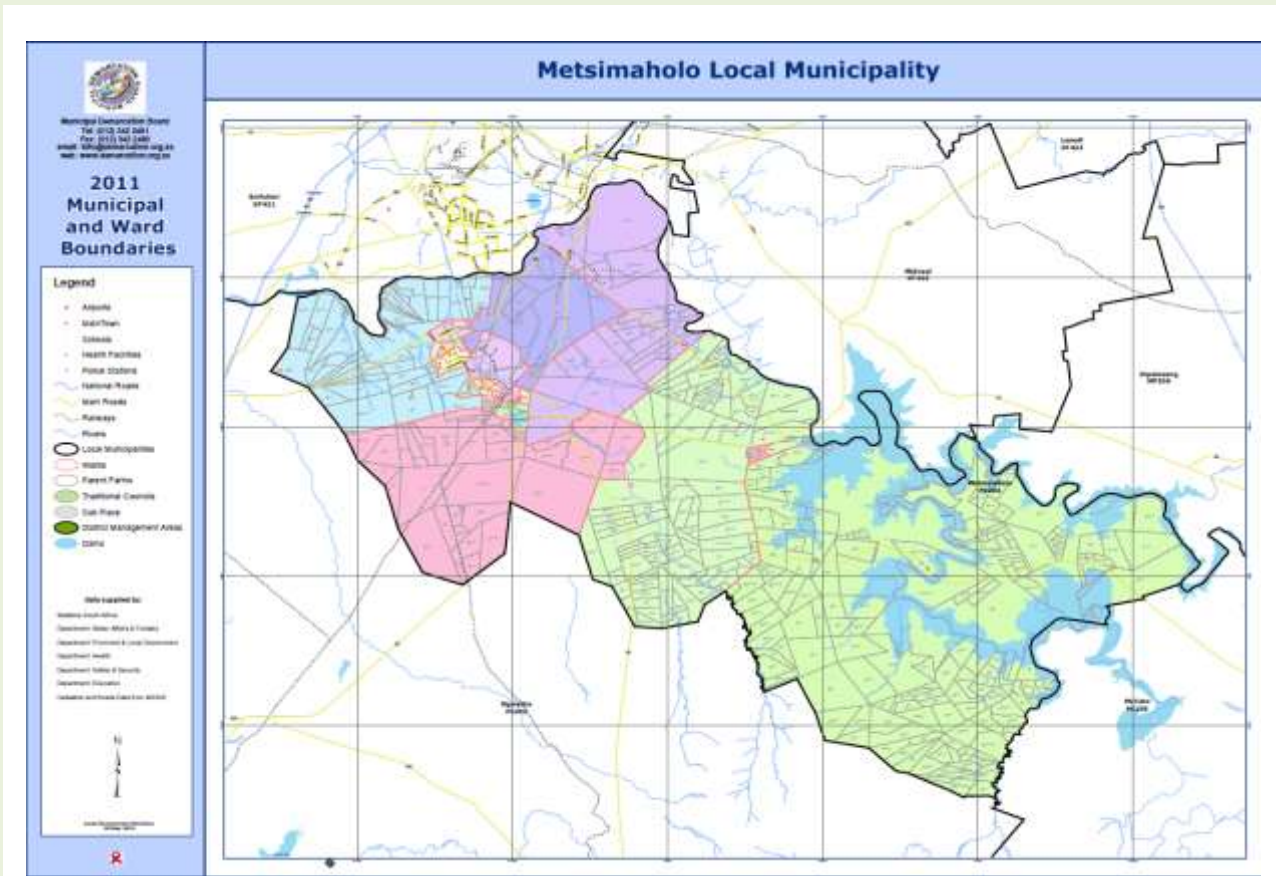


Figure 2: 2011 Municipal and ward boundaries

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

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.

The Municipal Demarcation Board and in terms of section 26 of the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998) on 11 September 2003 considered the re-determination of the Municipal outer boundaries of METSIMAHOLO (Code FS 204) (Sasolburg Region) and requested Municipalities to comment on:

“...Reference No. DEM 705

Alignment of the Municipal outer boundaries to the Surveyor General cadastre affecting portions of the Farms Rusplaas; Oranje; Morgenzon; Mara; Blydschap and Branddraai by exclusion from Metsimaholo (FS 204)- and inclusion to Mafube Local Municipality (FS 205).”

The Municipal Demarcation Board and in terms of section 26 of the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998) indeed amended the Municipal outer boundaries of Metsimaholo Local Municipality to include portions of the Farms Rusplaas; Oranje; Morgenzon; Mara; Blydschap and Branddraai to Mafube Local Municipality (FS 205).

**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>.

<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.

### Population and Households

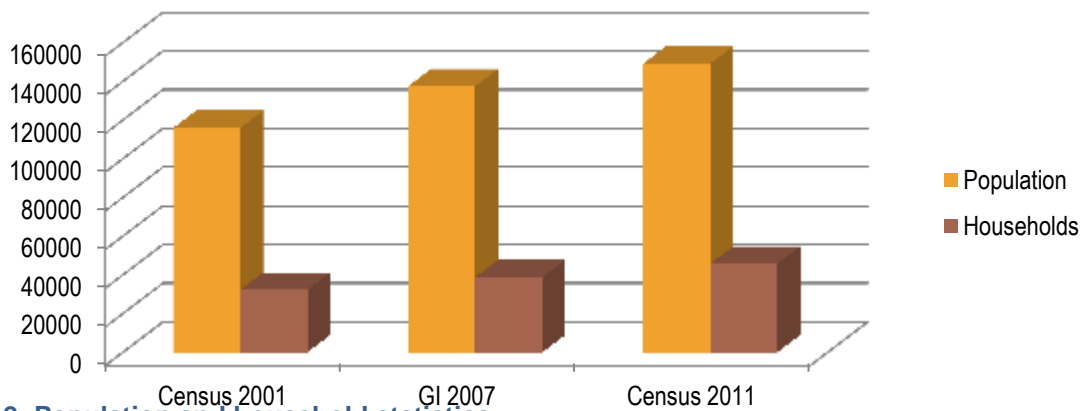


Table 2: Population and household statistics

	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%

### Racial distribution of population

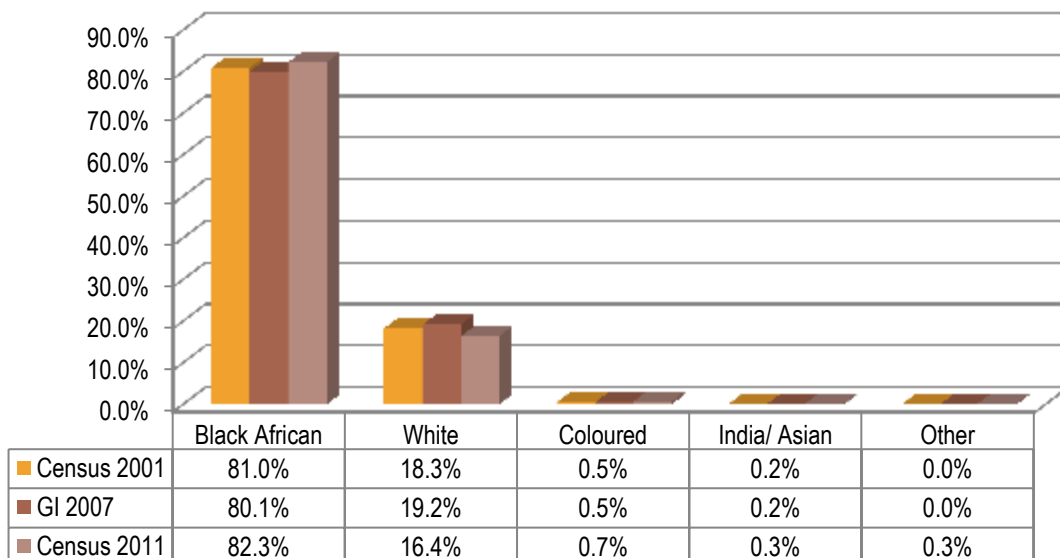


Table 4: Age distribution of population

	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%

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

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

Table 8: Functional literacy

Global Insight	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

Global Insight	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%

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

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



Table 10: Overview of Neighbourhoods

Overview of Neighbourhoods within the Municipality (Council Preferred Population Data) *Township establishment in progress			
Region	Towns	Total Population	Households
<b>SASOLBURG</b>	Sasolburg	15 645	<b>7057</b>
	*Boschbank	0	0
	*Boschbank	0	0
	Vaalpark	7 620	<b>3279</b>
	Zamdela	139129	<b>23581</b>
	*Mooirdraai	0	0
		<b>162 394</b>	
<b>DENEYSVILLE</b>	Deneysville	2 328	<b>748</b>
	Refengkgotso	22 267	<b>3506</b>
	*Themba Khubeka	15 207	<b>2635</b>
		<b>39 802</b>	
<b>ORANJEVILLE</b>	Oranjeville	829	<b>268</b>
	Metsimaholo	4 158	<b>1439</b>
		<b>4 987</b>	
<b>RURAL</b>	*Kragbron	0	0
		0	0
	Villages	3 897	<b>3936</b>
	Holdings	2 406	<b>962</b>
		<b>6 303</b>	
<b>TOTAL</b>		<b>213 486</b>	<b>47 411</b>

## 1.1 REASON:

1.1.1 It would be safe for the Division Housing and Properties to anticipate a conservative population figure of approximately 213'486 for 2013/2014.

1.1.2 HOWEVER: To align local data with the general acceptable Statistics SA data the following to be considered:

1.1.2.1 Cabinet considered a growth rate of 28.57% over 10 years (or 2,86% p.a.) for METSIMAHOLO based on the 2001 data as "115'977" and "149'108" for 2011;



1.1.2.2 This implicated an expected population growth as follows:

- (1) 149`108 = 2011
- (2) 153`498 = 2012
- (3) 158`017 = 2013
- (4) 162`670 to 169`077 (49`694 households) = 2014**
- (5) 167`459 = 2015
- (6) 172`389 = 2016
- (7) 177`465 = 2017
- (8) 182`689 = 2018
- (9) 188`068 = 2019
- (10) 193`606 = 2020

1.1.3 Provincial Government also noted the rapidly growth rate and requested for an independent situational analysis report to confirm local challenges on informal settlements / human settlement movements and tasked the HDA (*Housing Development Agency*) to determine and / or confirm local challenges on land and housing in Metsimaholo.

1.1.4 A desktop review prepared by the Housing Development Agency (HDA) confirmed the following situational analysis:

WARD	Metsimaholo Larger Settlements Areas Identified by HAD	Estimated Number of Households	Actual number of households (Re-Counted)	Comments from Municipality (Identified Households)
12	Zamdela Internal (Hostel 1)	100	58	<b>63</b> Re-Counted
	Zamdela (Hostel 4) Emergency	0	0	<b>100</b> (Not qualifying for CRU)
1	Zamdela Ext 6	0	0	<b>160</b> Erf 9845 Somers Post
19	Zamdela X 16 (Amelia)	659	422	<b>450</b>
1 & 13	Zamdela X 11-14	850	<b>113</b>	Should be at least = <b>608</b> (Erf 16370 = 350 Erf 15816 (Pan) = 58 Erf 14881 (Pan) = 200)
	15	200	300	<b>423</b>
9	Zamdela (Thembaletu)	0	0	<b>60</b> (To be re-located)
3	Refengkgotso	72	33	Refengkgotso = <b>40</b>

	(Phomolong)			
20	Refengkgotso (Themba Khubeka)	2500	2200	<b>2200</b> (Informal Area)
1	Kragbron	0	0	<b>600</b>
	<b>TOTAL</b>	<b>4381</b>	<b>3126</b>	<b>4664</b>

1.1.5 The above data clearly indicated backlogs of at least 4`664 to 5`137 households determined during the survey and the population can be confirmed as indicated hereinafter:

FORMAL TOWNSHIP	TOTAL ERVEN CREATED	PRIVATE REGISTERED OWNERS	RESIDENTIAL ERVEN CREATED	HOUSES ERRECTED	HIGH DENSITY (Flats)	GOV SUBSIDIZED RDP's	HUMAN RE-SETTLEMENT BACKLOGS	POPULATION	HOUSEHOLDS (Aver. 3,4 / Household)
Sasolburg	7899	6816	6398	5137	1782	56	145	20257	5787
Vaalpark/Roodia	3029	2763	2361	2241	614	0	15	7444	2481
Zamdela	20227	12994 64%	18993 (5716 Mazenke)	1622	1802	14970	1864	99639	28468
Deneysville	1836	1764	1470	639	65	0	5	2328	665
Refengkgotso	5922	2523	5741	323	6	2710	2240	24905	7115
Oranjeville	948	936	846	232	4	0	4	837	239
Metsimaholo	1480	1023	1422	269	0	959	214	4614	1318
Rural	3935	-	-	3935	118	-	650	9053	3621
<b>TOTAL</b>	<b>45`276</b>	<b>28`819</b>	<b>37`231</b>	<b>14`398</b>	<b>4`390</b>	<b>18`695</b>	<b>5`137</b>	<b>169`077</b>	<b>49`694</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 Moodraai and Themba Khubeka will also place a greater demand for additional basic services such as water, sanitation, electricity, housing, roads, etc

*T1.2.8***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. However, in succession to the Municipalities adoption of its Integrated Human Settlement Sector Plan on August 29th, 2013, per Items 4 and 11 the Municipality is in process to apply for Levels 1 and 2 Accreditation on "Housing"

Accreditation is regarded as progressive delegation from Provincial level towards ultimate assignment of functions (such as `housing` or `urban planning`) and the rationale behind it is: build capacity without compromising delivery

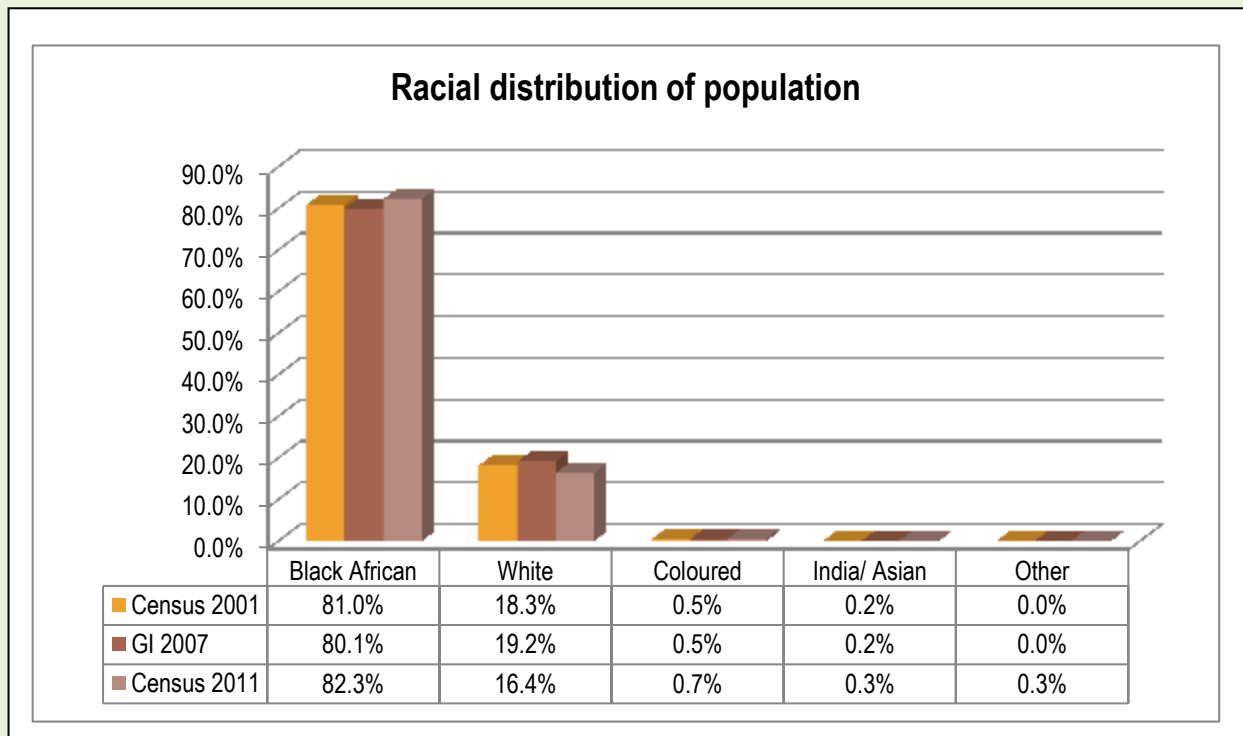
Metros have been considered for Level 1 and 2 Accreditation during 2014 and identified Category B Municipalities to follow from 2015." Various service delivery targets have been set in the municipality's five-year IDP to ensure that access to basic services is realised in line with the National government's 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 8 707 households were recorded in the indigent register at the end of the 2013/14 financial year.

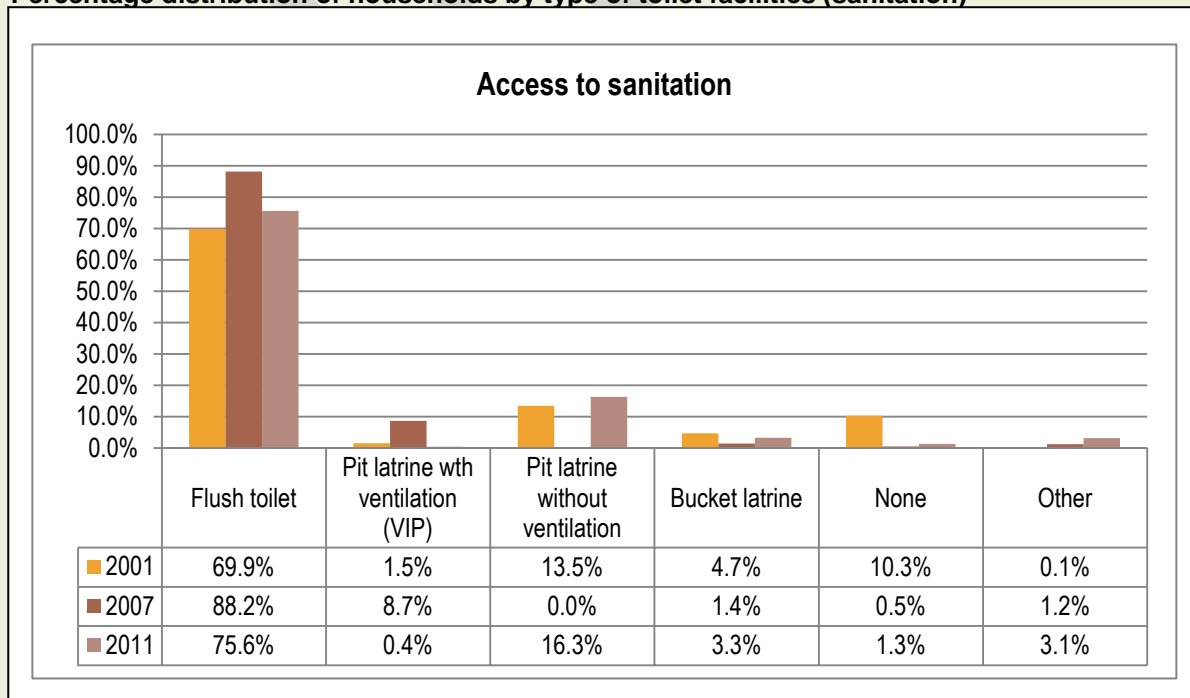
*T 1.3.1*

## Access to Municipal services

### Percentage distribution of households by water source

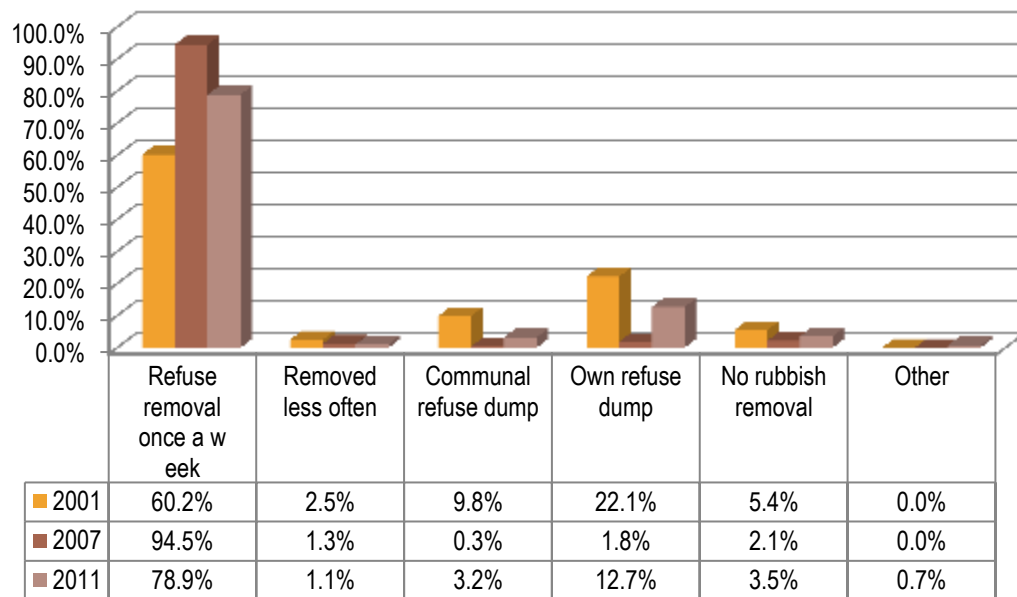


### Percentage distribution of households by type of toilet facilities (sanitation)



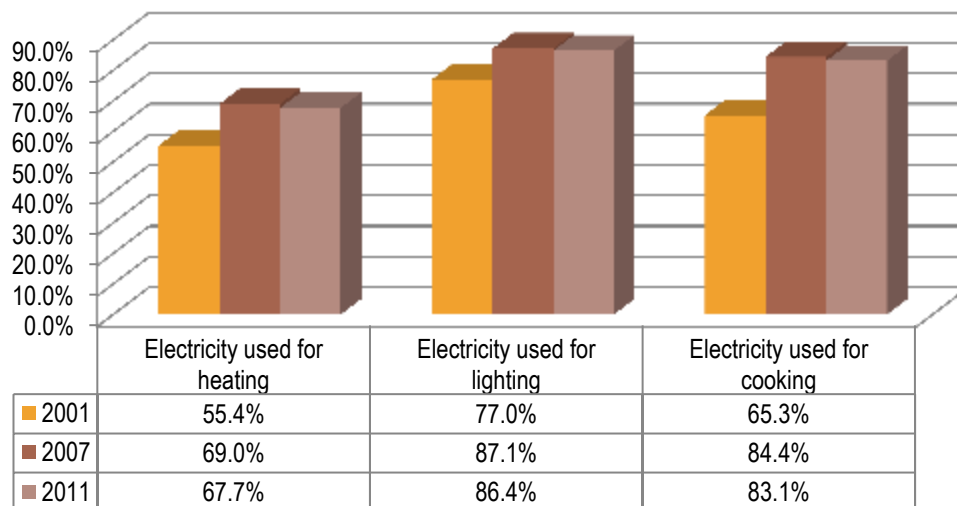
### Percentage distribution of households by type of refuse removal

### Access to refuse removal



### Percentage distribution of households by type of energy

#### Access to electricity



1.3.2

**COMMENT ON ACCESS TO BASIC SERVICES:**

T1.3.3

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**1.4. FINANCIAL HEALTH OVERVIEW****FINANCIAL OVERVIEW****To be inserted**

T1.4.1

Table 11: Financial Overview – 2012/13

Financial Overview: 2013/14			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	107 887	107 887	107 298
Taxes, Levies and tariffs	605 630	588 130	566 923
Other	119 422	113 910	125 089
Sub Total	832 939	809 927	799 310
Less: Expenditure	844 259	820 453	753 435
Net Total*	11 320	10 526	45 875
* Note: surplus/(deficit)			T 1.4.2

Table 12: Operating Ratios

Operating Ratios	
Detail	%
Employee Cost	
Repairs & Maintenance	
Finance Charges & Impairment	
	T 1.4.3

## COMMENT ON OPERATING RATIOS:

To be inserted

T1.4.3



**Table 13: Total Capital Expenditure**

<b>Total Capital Expenditure: 20011/12 to 2013/14</b>			
			<b>R'000</b>
<b>Detail</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
Original Budget	278 227	137 902	163 587
Adjustment Budget	101 977	96 235	126 197
Actual	86 336	78 113	70 910
			<i>T 1.4.4</i>

*T1.4.5***COMMENT ON CAPITAL EXPENDITURE:****To be inserted***T 1.4.5.1***1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW****ORGANISATIONAL DEVELOPMENT PERFORMANCE**

The municipality had 1 246 approved posts on its Organisational Structure with 854 employees and a vacancy rate of 31.5% at the end of the 2013/14 financial year. The turnover rate stood at 1, 9%.

The most of workforce-related policies were approved by Council during the financial year under review.

The average injury leave per employee during 2013/2014 was 147 days for 7 employees. A total number of sick leave days taken is 5 529 at an estimated cost of R1,784 526.52. Injury leave taken during the 2013/2014 financial year has increased due to an employee in Social Service who used 101 days. The use of sick leave is monitored and is often used by a high percentage of lower skilled level employees in Social Services. The Human Resource does comply with the Basic Conditions of

Service. Workforce training and development learning interventions were implemented not as effectively planned due to the limited grants received from Local Government Sector Education and Training Authorities after the Municipality submitted the workplace skills plan for the year 2013/2014 that was not compliant, as the registered trade unions did not sign the document.

T1.5.1

#### 1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT:2013/2014 (CURRENT YEAR)

To be inserted

T 1.6.1

## 1.7. 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 2013/14 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	
16	Council adopts Oversight report	December
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
T1.7.1		

**COMMENT ON THE ANNUAL REPORT PROCESS:**

The Municipality was able to meet the new deadlines as per MFMA Circular No. 63, issued by the National Treasury in September 2012. However, substantial progress has been made to align Guidelines issued by the National Treasury were followed in the contents of the 2012/13 Annual Report. However, an improvement for total alignment is still needed for the coming financial year (2013/14).

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.

*T1.7.1.1*

## 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 institutionalized to ensure legislative compliance and best practices.

T2.0.1

### 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.

T2.1.0

## 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 your Council with comments and recommendations on the Annual Report. The Oversight Committee Report on the 2012/13 Annual Report was published separately in accordance with MFMA guidance.

T2.1.1

**EXECUTIVE MAYOR****Cllr: B.T MAHLAKU****FUNCTION:**

*Overall political responsibility for sound governance and service delivery*

**SPEAKER****Cllr: S.Z MATENA****FUNCTION:**

*Public participation, ward committees and managing Council and Committee*

**COUNCIL WHIP****Cllr: T.L SOETSANG****FUNCTION:**

*Ensures discipline among Councillors; Managing relations between political Parties and representation on Committees*



*Photos (optional)***MAYORAL COMMITTEE**

Ms S L Tshongwe

Ms N J Kubheka

Mr. R J Mabefu

Ms A.N Radebe

Mr LS Semonyo

T K Mabasa

M W Khonto

K J Makhoba

*Finance**Technical Services**LED, Tourism and Agriculture, Urban Planning and Housing**Sports, Arts and Culture**Finance**Communication, ICT, IDP, PMS, Risk, Audit Monitoring and Evaluation**Special Programmes**Public Safety and Emergency**Social Services, Cleansing, Parks and Graves*

T2.1.1

**COUNCILLORS**

The Municipality has 42 Councilors of which 21 are Ward Councilors and 21 PR Councilors. 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.

T2.1.2

**POLITICAL DECISION-TAKING**

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

T2.1.3

## 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 Manager 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.

T2.2.1

Photo	<b>TOP ADMINISTRATIVE STRUCTURE</b>	<b>Function</b>
	<b>TIER 1</b>	
	<b>MUNICIPAL MANAGER</b>	
	Mr. S.M Molala	Accounting Officer and Head of the Administration
Photo		
Executive		
Directors	<b>TIER 2</b>	
Directors	<b>CHIEF FINANCIAL OFFICER )</b>	
Optional	Mr A Lambat	Revenue, Expenditure, Asset and Liability Management; Budgeting and Reporting
	<b>DIRECTOR: Technical Services</b>	
	Mr. R Thekiso (Acting Director M.D. Ndaba)	Water, Sanitation, Electricity, Roads, Storm Water and PMU
	<b>DIRECTOR: Corporate Services</b>	
	Mrs M.J.M. Maseola	Human Resources, Auxiliary and Legal Services, Council Support
	<b>DIRECTOR: Social Services</b>	
	Mr. S.L. Lempe	Waste Management, Sport & Recreation, Arts & Culture, Public Safety and Parks
	<b>DIRECTOR: Economic Development and Planning</b>	
	Ms. S.J. Monyaki	Housing, Urban Planning and Local Economic Development
		T2.2.2
Appendix 'C' indicates all the third tier posts under each Director as per the approved organizational structure		

## 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 has participated actively in the various structures such as National, Provincial and District IGR platforms.

T 2.3.0

## 2.3 INTERGOVERNMENTAL RELATIONS

### NATIONAL INTERGOVERNMENTAL STRUCTURES

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

T2.3.1

### 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.

T2.3.2

### RELATIONSHIPS WITH MUNICIPAL ENTITIES

The Municipality does not have any active Municipal entities. The Mayoral Trust was dissolved in 2012/13 financial year. A complete list of entities and delegated functions should be set out in **Appendix D**.

T2.3.3

### DISTRICT INTERGOVERNMENTAL STRUCTURES

The main structure is the District Coordinating Forum (DCF) in which the Mayors/ Executive Mayors and Municipal Managers participate. This has promoted good relations and best practices in leadership and governance between Local Municipalities and the District Municipality

T2.3.4

## 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.

During 2013/14, 18 of the 21 established ward committees are still functional. 3 ward committees have to be re-established due to non-performance. Monthly meetings of the functional Ward Committees convened by the Ward Councilors as Chairperson are held monthly. 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

Public meetings relating to IDP and Budget consultations and the review/updating of community needs were held during 2013/14. All Community Sectors and stakeholders such as Business and NGOs were engaged through meetings of the IDP Representative Forum.

*T2.4.1*

## WARD COMMITTEES

The Municipality managed to establish functional Ward Committees in all 21 Wards. Monthly meetings convened by the Ward Councilor as Chairperson were held in the majority of the Municipal wards. However, 3 of the Ward Committees have to be re-established due to non-performance. 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.

T2.4.2

Table 14: 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
Ward 6/  Service delivery, report on damaged RDP that need to be fixed by the Province	21/08/2013	1	1 public participation officer  Members of ward committee	101	Yes  Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Ward 10  Introduction of new ward Councillor.	18/07/2013	Speaker and Ward Councillor	1 Public participation officer & ward committee.	90	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Id campaign from the office of the	21/08/2013	1	1 Public participation Officer & ward		Yes	

Speaker.		1	committee.	82		
Nominations and elections of clinic committee	19/09/2013		1 Public participation Officer & Ward Committee.	49	Yes	
Summons from Municipality, registration for election and bursaries	08/11/2013	1	1 Public Participation Officer & Ward Committee	45	Yes	
					Yes	
Ward 11 / Feedback of IDP Budget	23/10/2013	All Mayco Councillors, Speaker & Ward Councillor	1 Public Participation Officer, 1 Mayco admin & ward committee	72	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Ward 12/ feedback of IDP Budget	24/10/2013	All Mayco Members, Speaker & ward Councillor	1 Public Participation Officer, 1 Mayco admin & ward committee	142	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.

Ward 19/ disaster houses	22/07/2013	Ward councillor	1 Public Participation Officer & ward committee	123	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Update the community about the progress of re-build of disaster houses.	24/11/2013	Ward councillor	1 Public Participation Officer & ward committee			
Ward 20/ addressing Issues of service delivery	16/08/2013	Ward councillor	1 PPO & ward committee members	105	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
IDP campaign, RDP houses					Yes	
Ward 2 / Service delivery	04/02/2014	Ward Councillor	1 PPO & ward committee	198	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.



Ward 6/ service delivery	27/02/2014	Ward councillor	1 PPO & ward committee	175	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Ward 7/ Service delivery	09/03/2014	Ward councillor	1 PPO & ward committee	107	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Ward 8 / Service delivery	09/03/2014	Ward councillor	1 PPO & ward committee	90	Yes	Notices with date and detailed information are issued to the community in order for them to attend

						the meetings.
Ward 10 / Tittle deed	30/01/2014	Ward Councillor	1 PPO & ward committee	37	Yes	
Electricity, water lock stand	20/03/2014	Ward Councillor and 1Mayco councillor	1 PPO & ward Committee	62	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Service delivery, who qualify to fill in IGG forms.	25/04/2014	Ward Councillor	1 PPO & ward Committee	42	Yes	
Ward 12 / addressing service delivery	23/01/2014	Ward Councillor	1 PPO & ward Committee	25	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings.
Ward 19/ addressing all issues of EEBS, Service Delivery	16/02/2014	Ward Councillor	1 PPO & ward committee	217	Yes Yes	Notices with date and detailed information are issued to the community in order

Schools						for them to attend the meetings
IDP and Draft Budget	09/03/2014	Ward councillor	1 PPO & ward committee	78	Yes	
Ward 1,6,13,19 & 21/ public meeting	14/05/2014	All ward Councillors of specified wards, Mayco and Speaker	1 PPO, Mayco Admin & ward committee members.		Yes	
Schools, sports ground and informal settlements, service delivery	08/06/2014	Ward councillor	1 PPO & ward committee	106	No	
Ward 20 / Service delivery, electricity	30/01/2014	Ward Councillor	1PPO & ward committee	135	Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings
Ward 3,4 & 20 Draft		All	1PPO & ward			

Budget and IDP	13/05/2014	Councillors of the specified ward, Mayco Councillors and the Speaker	Committee		Yes	
Ward 5 Draft Budget and IDP	12/05/2014	All Councillors of the specified ward, Mayco Councillors and the Speaker	1PPO & ward Committee		Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings
Ward 5 & 20 Draft Budget and IDP	13/05/2014				Yes	
Ward 15,16 &17 Draft Budget and IDP	15/05/2014	All Councillors of the specified ward, Mayco Councillors and the Speaker	1PPO & ward Committee		Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings

Ward 14 & 18 Draft Budget and IDP	15/05/2014	All Councillors of the specified ward, Mayco Councillors and the Speaker	1PPO & ward Committee		Yes	Notices with date and detailed information are issued to the community in order for them to attend the meetings
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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.

T2.4.3.1

## 2.5 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	
T2.5.1	

## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

The Municipality endeavors 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.

T2.6.0

## 2.6 RISK MANAGEMENT

### RISK MANAGEMENT

## 2.6. RISK MANAGEMENT

### The Need for 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.

### Benefits of Risk Management

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 rigor 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. Non availability of stock and materials at stores
2. Vandalism of infrastructure
3. Ageing of the electricity and sewer networks
4. Payment of creditors not done within 30 days
5. Labour unrest
6. Inability to install connections in newly proclaimed areas and unzoned areas
7. Water distribution loss

8. Encroachment of roads, reserves, servitudes and building lines
9. Overflowing of sanitation
10. LED Strategy and SMME Plan not approved by Council
11. Non-compliance to section 95 of MSA
12. Non-compliance with section 116 of the MFMA (Contract and contract Management)
13. Fruitless and wasteful expenditure
14. Inadequate system in place to identify Irregular expenditure
15. Absence of sector plans
16. Inability to achieve Clean Audit Report by 2014
17. Fraud and corruption (Non reporting of fraud and corruption cases)
18. Failure to recover data and systems efficiently and effectively in the event of disruptions
19. Non-alignment of the ICT Initiatives or processes with the strategic objectives of the municipality.

## 2.7 ANTI-CORRUPTION AND FRAUD

### FRAUD AND ANTI-CORRUPTION STRATEGY

There is Fraud Prevention in place which includes the policy on Whistle Blowing and was approved by Council in May 2013. The fraud hotline number has also being approved by Council. During April awareness on matters of Risk Management as well as fraud management was provided to staff. Staff was also alerted on the hotline to be used in reporting cases of fraud and corruption to the Municipality. During financial year 2013/14 financial year no case of fraud and corruption has been reported for investigation.



## 2.8 SUPPLY CHAIN MANAGEMENT

**OVERVIEW SUPPLY CHAIN MANAGEMENT**

To be inserted

T2.8.1

## 2.9 BY-LAWS

Table 15: By-laws introduced

By-laws Introduced during 2013/14					
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.

Public participation processes or consultative 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.

Informal Settlement By-Laws has been published in the Free State Provincial Gazette No 82 on the 9 December 2011 (Notice No 194 of 2011). Council is planning for public participation processes in September 2014 for adoption of the By-Laws

T2.9.1.1

## 2.10 WEBSITES

Table 16: 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	February 2013
All current Budget-related policies	Yes	Date not recorded
The previous Annual Report (2012/13)	Yes	February 2013
The Annual Report (2013/14) published/to be published	Yes	To be published
All current Performance Agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2013/14) and resulting scorecards	Yes	August 2013
All Service Delivery Agreements (2013/14)	No	
All long-term borrowing contracts (2013/14)	No	
All Supply Chain Management contracts above a prescribed value (give value) for 2013/14	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 2012/13	No	
Contracts agreed in 2013/14 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 2013/14	No	
All Quarterly reports tabled in the council in terms of section 52 (d) during 2013/14	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:

Due to the institutional challenges, such as the labour unrest, that has caused instability in the Municipality from time to time, the webmaster, in conjunction with ICT, could not reach the set targets in terms of improving the municipality's website. However, the Department of the Premier is on board to improve the situation in order to meet all legislative requirements in general and section 75 of the MFMA in particular.

T2.10.1.1

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

**PUBLIC SATISFCATION LEVELS**

The municipality last 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 1960 households were systematically selected where interviews were to be held with one member of the household. However, only 1785 interviews were realized.

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.

T2.11.1

Table 17: 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 (%)*
Overall satisfaction with:	Face-to-face interviews	Nov-Dec. 2010	1 785	
(a) Municipality (municipal experiences)				85%
(b) Municipal Service Delivery				23.5%
(c) Mayor				N/a
Satisfaction with:				
(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				

COMMENT ON SATISFACTION LEVELS:

A follow-up survey, depending on availability of funding, to determine whether there has been an improvement in community satisfaction levels.

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

### INTRODUCTION

**The following are the completed projects:**

- 5ML and 9ML reservoir in Moodraai and Refengkgotso respectively
- Upgrading of Bulk water in Deneysville

**The following are the ongoing projects:**

- Electrical substation in Harry Gwala
- Eradication of bucket system for 368 stands in Metsimaholo Ext6

**The following are new projects:**

- Water network for 2537 stands in Themba Kubheka
- Sewer network and pump station for 2537 stands in Themba Kubheka
- Three pump station and sewer network at 3680 stands in Gortin
- Sports complex in Metsimaholo (Oranjeville)

T3.0.1

## 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 Refengkgotso.

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.

*T3.1.0*

### 3.1. WATER PROVISION

#### **INTRODUCTION TO WATER PROVISION**

The management of the Water Provision services to approximately 41758 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 in 2012/13 FY. The municipality is still awaiting the results for 2013/14 FY. 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.

T3.1.1

**Table 18: Total use of Water by Sector**

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2012/13	0	0			
2013/14					5.19%

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.

T3.1.2.2

Table 19: Water Service Delivery Levels

Water Service Delivery Levels				
Description	2010/11	2011/12	2012/13	Households 2013/14
	Actual	Actual	Actual	
	No.	No.	No.	
<b>Water: (above min level)</b>				
Piped water inside dwelling	33 676	34189	34189	34189
Piped water inside yard (but not in dwelling)	4 800	4 894	4 894	4 894
Using public tap (within 200m from dwelling )	2 635	2 635	2 635	2 635
Other water supply (within 200m)	0	40	40	40
Minimum Service Level and Above sub-total	41 111	41 758	41 758	41 758
Minimum Service Level and Above Percentage	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
Below Minimum Service Level sub-total	0	0	0	0
Below Minimum Service Level Percentage	0%	0%	0%	0%
<b>Total number of households*</b>	41 111	41 758	41 758	41 758
* - To include informal settlements				T 3.1.3

Table 20: Households – Water Service Delivery Levels below minimum

Households - Water Service Delivery Levels below the minimum						
Description	2010/11	2011/12	2012/13	Households 2013/14		
	Actual	Actual		Original Budget	Adjusted Budget	Actual
	No.	No.		No.	No.	No.
<b>Formal Settlements</b>						
Total households	0	0	2 537			2 537
HHs below minimum service level	0	0	0			0
Proportion of HHs below minimum service level	0%	0%	5%			5%
<b>Informal Settlements</b>						
Total households	0	0	800			800
HHs below minimum service level	0	0	0			0
Proportion of HHs below minimum service level	0%	0%				0%
T 3.1.4						

\* Means access to 25 liters of potable water per day supplied within 200m of a household and with a minimum flow of 10 liters per minute  
# 6,000 liters of potable water supplied per formal connection per month

*T3.1.5*



Table 21: Water Service Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
P1.3 % of purification works (WTW) in Refengkgotso augmented	99% <sup>1</sup>	100%	<b>Target Achieved 100%</b>	Not applicable	Not applicable
P1.4 % of 9ML reservoir completed	99%	100%	<b>Target Achieved 100%</b>	Not applicable	Not applicable
1.5 % of bulk line completed for Mooiplaats (TK) area	0%	100%	<b>Target Achieved 100%</b>	Not applicable	Not applicable
1.7 % of maintenance plan developed and submitted for approval	0	100%	<b>Target Achieved 100%</b>	Not applicable	Not applicable
P 1.8 % of water distribution losses maintained	6%	14%	<b>Target Achieved 9% (Within target)</b>	Not applicable	Not applicable
P1.9 % of reported water leaks repaired within 48 hours	96%	97%	<b>Target not Achieved (&lt;90%)</b>	Due to Industrial strike	Appointment of a Service Provider in place for all related complaints.

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
P1.10 % compliance with the blue drop water quality accreditation system	90%	90%	<b>Target not Achieved</b>	Report still pending from DWA	Attachment of BDS Report as an evidence that water meets compliance standards
P1.11 % of WSDP developed and approved	0% (Ph 3&4)	75%	<b>Target not Achieved</b>	DWA not responding	Awaiting the outcome of the recent assessment
P1.12 % of water demand management plan developed and approved (including annual reviews)	100%	75%	<b>Target not Achieved</b>	Due to Financial constraints	Budgeted for 2014/15 Financial Year

Table 22: Employees – Water Services

Employees: Water Services					
Job Level	2012/13	2013/14			
	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	2	5	40
7 - 9	6	7	4	7	57
10 - 12	8	110	8	110	7
13 - 15	5	16	7	9	78
16 - 18	14	16	14	16	88
19 - 20	0	0	0	0	0
Total	36	52	40	39	24
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 23: Financial Performance – Water Services Financial Performance 2013/14: Water Services

R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	217 129	242 797	242 797	230 278	5.2%
Expenditure:					
Employees	(7 862)	(8 571)	(8 571)	(8 771)	(2.3%)
Repairs and Maintenance	(3 667)	(6 436)	(4 091)	(2 051)	49.9%
Other	(168 105)	(185 983)	(186 139)	(185 716)	0.2%
Total Operational Expenditure	(179 634)	(200 990)	(198 801)	(196 538)	1.1%
Net Operational Expenditure	(37 495)	41 087	43 996	33 740	23.3%
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.					

**Table 24: Capital Expenditure – Water Services please provide names of projects**

Capital Expenditure 2013/14: Water Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A (name)Augmentation					
Project B (name)					
Project C (name)					
Project D (name)					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

R' 000

T 3.1.9

**COMMENT ON WATER SERVICES PERFORMANCE OVERALL:**

The Municipality is still performing fairly well, and this 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 9ML reservoir projects is completed 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).

T3.1.10

### 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 90% on the Green Drop assessment in 2012/13. The results for 2013/14 are still to be released. The informal areas are being provided with a temporary bucket system where needed and permanent networks being installed within the allowable funds from MIG.

T3.2.1

Table 25: Sanitation Service Delivery Levels

Sanitation Service Delivery Levels				
Description	2010/11	2011/12	2012/13	*Households 2013/14
	Outcome No.	Outcome No.	Actual No.	Actual No.
<b><u>Sanitation/sewerage: (above minimum level)</u></b>				
Flush toilet (connected to sewerage)	31 855	33 423	36 423	36 423
Flush toilet (with septic tank)	5288	5288	5 288	5 288
Chemical toilet				
Pit toilet (ventilated)				
Other toilet provisions (above minimum service level)				
Minimum Service Level and Above sub-total	37 143	38 711	41 711	41 711
Minimum Service Level and Above Percentage	81.2%	81.6%	87,9%	87,9%
<b><u>Sanitation/sewerage: (below minimum level)</u></b>				
Bucket toilet	5614	5700	2 700	2 700
Other toilet provisions (below min.service level)	3000	3000	3 000	3 000
No toilet provisions				
Below Minimum Service Level sub-total	8 614	8 700	8 700	8 700
Below Minimum Service Level Percentage	18.8%	18.4%	12.1%	12.1%
<b>Total households</b>	<b>45 757</b>	<b>47 411</b>	<b>47 411</b>	<b>47 411</b>
<b>*Total number of households including informal settlements</b>				<b>T 3.2.2</b>

Table 26: Households – Sanitation Service Delivery Levels below the minimum

Households - Sanitation Service Delivery Levels below the minimum						
Description	2010/11	2011/12	2012/13	2013/14		
	Actual	Actual	Actual	Original	Adjusted	Actual
	No.	No.	No.	Budget	Budget	No.
<b>Formal Settlements</b>						
Total households	38 435	40 773	43 773			43 773
Households below minimum service level	5614	5 700	2 700			2 700
Proportion of households below minimum service level (%)	14.6%	13.9%	16.21%			16.21%
<b>Informal Settlements</b>						
Total households	7 322	6 638	6 638			6 638
Households below minimum service level	3000	3 000	3 000			3 000
Proportion of households below minimum service level (%)	40.9%	45.2%	45.2%			45.2%
T 3.2.3						

Table 27: Sanitation Service Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
P 2.1 % HHs with access to decent sanitation (No. Of HHs provided with stand connections : 3187)	74.6%	81.4%	<b>Target Achieved 96%</b>	Not applicable	Not applicable
P 2.2 No. of households provided with new metered stand connections : (3187)	0	3 187	<b>Target not Achieved</b>	Shortage of funds	Apply for funding - MIG
P 2.5 % of sewer maintenance plan developed and approved by Council	100%	100%	<b>Target Achieved 100%</b>	Not applicable.	Not applicable.
P 2.6 % of reported sewer blockages attended to within 48 hours	90%	91%	<b>Target not Achieved</b>	Due to industrial strike	Appointment of a Service Provider in place for all related complaints.
P 2.7 % compliance with the green drop quality accreditation system	70%	70%	<b>Target Achieved</b>	N/A	N/A

Table 28: Employees – Sanitation Services

Employees: Sanitation Services					
Job Level	2012/13	2013/14			
	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	4	3	4	75
7 - 9	3	3	3	3	100
10 - 12	5	6	5	6	83
13 - 15	8	13	8	13	62
16 - 18	19	35	17	35	51
19 - 20	0	0	0	0	0
Total	38	61	37	61	61

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 29: Financial Performance – Sanitation Services

Financial Performance 2013/14: Sanitation Services					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	28 452	79 0191	73 194	36 230	50.5%
Expenditure:					
Employees	(7 638)	(6 790)	(6 924)	(7 427)	1.3%
Repairs and Maintenance	(1 610)	(4 424)	(4 424)	(1 755)	60.3%
Other	(30 837)	(37 563)	(38 269)	(38 981)	1.9%
Total Operational Expenditure	(40 085)	(49 625)	(49 617)	(48 163)	2.9%
Net Operational Expenditure	(11 633)	29 566	23 577	(11 932)	49.4%

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



Table 30: Capital Expenditure – Sanitation Services

Capital Expenditure 2013/14: Sanitation Services						
R' 000						
	Capital Projects	2013/14				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	Total All					
	Project A: Amelia Sanitation Phase 3					
	Project B					
	Project C					
	Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).						
T 3.2.9						

## COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The project is still under construction in Amelia. This is due to shortage of funds that this project is not completed. The project will be completed in 2014/15 FY. House connections are still outstanding. Sewer network is installed but not yet fully functional. 368 stands in Metsimaholo Ext 6, not yet completed due to hard Rock experienced by the Contractor. The project will be completed in 2014/15.

T3.2.10

### 3.3 ELECTRICITY

#### INTRODUCTION TO ELECTRICITY

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 in terms of Section 16 (2) of the Occupational Health and Safety Act.

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

T3.3.1

T 3.3.2

**Table 31: Electricity Service Delivery Levels**

Electricity Service Delivery Levels				Households
Description	2010/11 Actual No.	2011/12 Actual No.	2012/13 Actual No.	2013/14 Actual No.
<b><u>Energy: (above minimum level)</u></b>				
Electricity (at least minimum service level)				
Electricity - prepaid (minimum service level)				
Minimum Service Level and Above sub-total	34 276	34 730	34 730	34 730
Minimum Service Level and Above Percentage				
<b><u>Energy: (below minimum level)</u></b>				
Electricity (<min.service level)	N/N	N/A	N/A	N/A
Electricity - prepaid (< min. service level)				
Other energy sources				
Below Minimum Service Level sub-total	7 000	7 000	7 000	7 000
Below Minimum Service Level Percentage				
<b>Total number of households</b>	<b>41276</b>	<b>41730</b>	<b>41276</b>	<b>41730</b>

T 3.3.3

Table 32: Households – Electricity Service Levels below the Minimum

Households - Electricity Service Delivery Levels below the minimum						
Description	2010/11	2011/12	2012/13	2013/14		
	Actual	Actual	Actual	Original	Adjusted	Actual
	No.	No.	No.	Budget	Budget	No.
Households						
<b>Formal Settlements</b>						
Total households						
Households below minimum service level	3 954	3 954	3 954	7000	7000	7000
Proportion of households below minimum service level						
<b>Informal Settlements</b>						
Total households						
Households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A
Proportion of households below minimum service level						
						T 3.3.4

Table 33: Electricity Service Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
P 3.4 No. of new main/mini sub-stations erected (Amelia & Themba Khubeka)	0	1	<b>Target not Achieved 65%</b>	Shortage of funds	Application submitted to DoE
P 3.5 % of maintenance plan developed and submitted for approval	100%	100%	<b>Target Achieved 100%</b>	Not applicable	Not applicable
P 3.7 % electricity distribution losses maintained	14%	13%	<b>Target not Achieved</b>	Delay in Data cleansing	Data cleansing to be done in the next FY- 2014/15
P 3.8 Average response time maintained for reported outages for households	2hrs	2hrs	<b>Target Achieved 100%</b>	Not applicable	Not applicable
P 3.9 Average response time maintained to reported outages by industrial consumers	24hrs	24hrs	<b>Target Achieved 100%</b>	Not applicable	Not applicable
P 3.10 Average response time maintained for faulty street- and high mast lights	4 months	3 months	<b>Target not Achieved 90%</b>	Shortage of material and old network	Stores to be equipped with material & Network to be upgraded

Table 34: Employees – Electricity Services

Employees: Electricity Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.			
0 - 3	2	2	2	2	100
4 - 6	5	10	5	10	50
7 - 9	9	12	9	12	75
10 - 12	3	7	2	7	29
13 - 15	8	12	8	12	67
16 - 18	14	18	10	18	56
19 - 20	0	0	0	0	0
Total	41	61	37	61	61

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 35: Financial Performance – Electricity Services

Financial Performance 2013/14: Electricity Services					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>201 889</b>	<b>263 769</b>	<b>258 969</b>	<b>257 536</b>	<b>.5%</b>
Expenditure:					
Employees	(12 079)	(15 619)	(15 619)	(14 565)	6.75%
Repairs and Maintenance	(2 666)	(7 378)	(5 678)	(1 444)	74.6%
Other	(203 343)	(245 997)	(243 447)	(212 218)	12.8%
<b>Total Operational Expenditure</b>	<b>(219 088)</b>	<b>(268 994)</b>	<b>(264 744)</b>	<b>(228 227)</b>	<b>13.8%</b>
<b>Net Operational Expenditure</b>	<b>(17 199)</b>	<b>(5 225)</b>	<b>(5 775)</b>	<b>29 309</b>	<b>4.6%</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

Table 36: Capital Expenditure – Electricity Services

Capital Expenditure 2013/14: Electricity Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A (Bulk Supply Substation)	34 500 000	34 500 000	343998.16	1%	34 500 000
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

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.

The completion of the bulk supply substation, the electrification of Amelia and Themba Kubheka is important and remains a priority. Shortage of qualified staff remains problematic and maintenance is seriously hampered and the necessary safety standard cannot be maintained.

T3.3.9

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

#### **INTRODUCTION TO WASTE MANAGEMENT**

##### **Strategic objectives of Waste Management.**

To provide quality, sustainable waste management services to ensure a clean and healthy environment.

##### **Functions of Waste Management**

Waste Management main functions are general waste collection service to households and businesses, cleansing services (incorporating street sweeping, litter picking, removal illegal dumping on municipal public open spaces) as well as operates general waste landfill sites and transfer stations.

T3.4.1

**Table 37: Waste Management Service Delivery Levels**

Waste Management Service Delivery Levels				
Description	2010/11	2011/12	2012/13	Households 2013/14
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Solid Waste Removal: (Minimum level)</u></b>				
Removed at least once a week	38 800	40 000	40 000	42 500
<i>Minimum Service Level and Above sub-total</i>	<b>38 800</b>	<b>40 000</b>	<b>40 000</b>	<b>*42 500</b>
<i>Minimum Service Level and Above percentage</i>				
*Refuse removed at a base of once a week from Themba Khubeka at Refengkgotso to a total of ±2,500 Households				
<b><u>Solid Waste Removal: (Below minimum level)</u></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>	8 000	10 500	10 500	8 000
<i>Below Minimum Service Level percentage</i>				
<b>Total number of households</b>	<b>46 800</b>	<b>50 500</b>	<b>50 500</b>	<b>50 500</b>

T 3.4.2

Table 38: Households –Waste Management Service Delivery Levels below the Minimum

Households - Waste Management Service Delivery Levels below the minimum						
Description	2010/11	2011/12	2012/13	2013/14		
	Actual	Actual	Actual	Original	Adjusted	Actual
	No.	No.	No.	Budget	Budget	No.
<b>Formal Settlements</b>						
Total households	46 800	50 500	50 500			50 500
Households below minimum service level	8 000	10 500	10 500			8 000
Proportion of households below minimum service level						
<b>Informal Settlements</b>						
Total households						
Households to below minimum service level						
Proportion of households to below minimum service level						
						T 3.4.3



Table 39: Waste Management Service Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
11.1 Number of households having access to basic refuse removal services (removal at least once a week) NKPI: 1	46 000	47 000	<b>Target not Achieved</b> 46 250	Shortage of personnel	Appointment of personnel by Sept.2014
11.2 Number of formal business premises receiving refuse removal services	100%	100%	<b>Target Achieved</b>	Not applicable	Not applicable
11.4 % of approved Integrated Waste Management Plan (IWMP) implemented	0%	25%	<b>Target Achieved</b>	Not applicable	Not applicable
11.5 % of functional waste management information system implemented (NKPI: 1)	10%	25% (EIA)	<b>Target Achieved</b>	Not applicable	Not applicable
11.6 % of existing landfill site closed and rehabilitated	0%	25% (EIA)	<b>Target Achieved</b>	Not applicable	Not applicable
11.7 % establishment of new landfill site -EIA (30%);	0%	25% (EIA)	<b>Target not Achieved</b>	Waiting for approval from DEAT	Fast track the process of the approval by Sept. 2014

<i>-Meet all requirements for permit</i> <i>- Submit permit application (50%)</i> <i>- Meet all permit conditionalities (75%)</i> <i>- Actual establishment of landfill site (100%)</i>					
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Table 40: Employees – Waste Management Services

Employees: Waste Management Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	2	2	2	2	100
4 – 6	5	5	4	5	80
7 – 9	1	2	1	2	50
10 - 12	0	0	0	0	0
13 - 15	16	21	15	21	71
16 - 18	88	150	87	150	58
19 - 20	0	0	0	0	0
Total	112	180	110	180	61

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 41: Financial Performance – Waste Management Services

Financial Performance 2013/14: : Waste Management Services					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	-14%	67 134	57 974	45 143	22.2%
<b>Expenditure:</b>					
Employees	0%	(17 678)	(17 678)	(18 002)	(1.82%)
Repairs and Maintenance	-44%	(2 839)	(2 566)	(1 638)	26.2%
Other	3. %	(32 516)	(31 286)	(26 182)	.24%
<b>Total Operational Expenditure</b>	-1%	(53 033)	(51 530)	(45 822)	11.1%
<b>Net Operational Expenditure</b>	-71%	(14 101)	(6 444)	(679)	19.8%

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

Table 42: Capital Expenditure – Waste Management Services

Capital Expenditure 2013/14: : Waste Management Services					
R' 000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.2.9					

## COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

No capital project budgeted for Waste Management in 2012/13

T3.4.10

### 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 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 2015 in the following areas to accommodate informal settlements and provide for future needs and to accommodate further community needs:
  - Ward 20 - Mooiplaats Refengkgotso – expansion to the west consisting of a total of 2555 formal erven (roads, parks, school, business, residential, etc. stands)
  - Ward 1 – Mooidraai Zamdela – expansion to the west consisting of 1`000 erven (phase 1)
  - Ward 19 – Amelia – expansion of Zamdela Ext 16 to the south consisting of 300 (Emergency planned) erven for the re-location of Hostel 4 residents
  - Area of Jurisdiction - To ensure basic services installations on erven newly created
  - Area of Jurisdiction - To ensure human re-settlement (residents earning less than R3 500 pm) as soon as basic services (water) has been installed
  - Wards 6 and 13 - To replace temporary structures with permanent housing structures (Estimated 2`500 houses)
  - Ward 9 - To complete the townhouse concept houses at Hostel 2 with 60 – 70 RDP houses
  - Ward 12 - To replace existing Hostel 4 Rental Units with CRU's (Community Residential Units). This project to the value of R116 million commenced during July 2013 and is currently being implemented in two phases comprising (120) rental units (phase 1) and 296 rental units (phase 2) respectively. Phase 1 of the development is complete and will be ready for occupation by the end of July 2014.
  - Ward 17 – The MEC responsible for Human Settlement announced the erection of 74 “RDP Project Linked Houses” to be erected for low income earners in Sasolburg Extension 1 (Nic Ferreira Street). Expected to be initiated by August 2014.
  - Ward 6 and 13 - Sasol Mining (Pty) Ltd (SIGMA) intend to develop at least 110 FLISP (Government Subsidized Finance Linked Individual Subsidy) houses for the benefit of their employees in order to fulfil their commitment in terms of their Social and Labour Plan (SLP). Over two erven in Zamdela Extension 9 by April 2015

T3.5.1

**Table 43: 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
2010/11	45 757	38 435	15,8%
2011/12	47 411	40 773	15,9%
2012/13	47 411	39 878	15,8%
2013/14	49 694	44 557	11,5%
			<i>T 3.5.2</i>

Table 44: Housing Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under- performance	Corrective measures taken or to be taken
P 5.3 % of housing sector plan developed and submitted to Council for approval	100%	100%	<b>Target Achieved</b>	Not applicable	Not applicable
P 5.5 No. of informal areas formalized (Themba Khubeka & Mooidraai)	<b>0</b>	1	<b>Target not achieved</b>	Late submission of the survey diagrams by the service provider to the Surveyor General for approval	Request proof of submission from the service provider and monitor progress until the register is opened.

Table 45: Employees – Housing Services

Employees: Housing Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	2	1	2	50
4 – 6	11	17	3	7	43
7 – 9	6	7	6	6	100
10 - 12	0	2	0	2	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	18	28	10	17	59
<p><i>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.</i></p> <p>T 3.2.7</p>					



**Table 46: Financial Performance – Housing Services**

Financial Performance 2013/14: : Housing Services					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	3 748	8 200	9 200	4 229	54.1%
Expenditure:					
Employees	(6 155)	(7 019)	(7 019)	(6 758)	3.8%
Repairs and Maintenance	(5)	(28)	(6)	(2)	64.3%
Other	(2 982)	(4 369)	(4 089)	(2 825)	54.6%
<b>Total Operational Expenditure</b>	(9 142)	(11 416)	(11 114)	(9 585)	13.8%
<b>Net Operational Expenditure</b>	(5 394)	(3 216)	(1 913)	(5 356)	(179.8%)
<i>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.</i>					T 3.2.8

Table 47: Capital Expenditure – Housing Services

Capital Expenditure 2013/14: : Housing Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
<b>NB: Competence of Provincial/National Dept.</b>					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.2.9

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

- Existing housing capacity partially covered
- Housing functions are partially performed
- Lack of capacity and compliance to perform Level 1 & 2 functions
- Lack of clarity between the two spheres of government i.t.o responsibilities and accountability by both spheres.
- Current delivery model is fragmented: services –housing construction done by province.
- Lack of planning to ensure smooth handover of projects currently run by Province.
- Further capacity required in quality assurance, project management system and subsidy registration.
- Lack in Structural arrangements and plan on staffing requirements and
- Lack of plan and clarity to defined roles and responsibilities post accreditation
- Sound intergovernmental relations to be built and co-operation and collaboration by the three spheres to ensure effective service delivery to be enhanced

T3.5.7

## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

## INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

To be inserted

T3.6.1

Table 48 FREE BASIC SERVICES

	2011/12	2012/13	2013/14
<b>Free water:</b>			
- all residents	6kl	6kl	6kl
- indigent residents	10kl	10kl	10kl
<b>Free Electricity:</b>			
- all residents	50kWh	50kWh	50kWh
- non Municipal supply	Agreement with Eskom	Agreement with Eskom	Agreement with Eskom
<b>Sewerage</b>			
Basic sewerage – all residents	Free	Free	Free
Additional sewerage - indigents	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>	R 2500.00 per month	R 2750.00 per month	
<b>Number of registered indigents</b>	10 553 <sup>#</sup>	8 530 <sup>#</sup>	

T3.6.2

Table 48: Cost to Municipality of FBS Delivered

Financial Performance 2012/13: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2012/13	2013/14			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water		24 072	24 072	24 352	(1.2%)
Waste Water (Sanitation)		2 182	2 182	2 498	(14.5%)
Electricity		10 819	10 819	14 146	(30.7%)
Rates		10 504	10 504	10 077	4.1%
Total		47 577	47 577	51 073	(7.3%)
					T 3.6.4

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

To be inserted

Table 49: Free Basic Services Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
10.1 % of indigent register compiled and updated monthly	100%	100%	<b>Target Achieved (100%)</b>	Not applicable	Not applicable
10.2 Number of households on indigent register captured	10 000 <b>8 530</b>	10 500	<b>Target not Achieved (8575)</b>	Shortage of resources	15 EPWP staff were appointed to assist with IGG verification from June 2014
10.3 % of registered indigents that have access to free basic water	100%	100%	<b>Target Achieved (100%)</b>	Not applicable	Not applicable
10.4 % of registered indigents that have access to free basic electricity	100%	100%	<b>Target Achieved (100%)</b>	Not applicable	Not applicable
10.5 % of registered indigents that have access to free basic sanitation	100%	100%	<b>Target Achieved (100%)</b>	Not applicable	Not applicable
10.6 % of registered indigents that have access to free basic refuse removal	100%	100%	<b>Target Achieved (100%)</b>	Not applicable	Not applicable

## COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

To be inserted

T3.6.6

## COMPONENT B: ROAD TRANSPORT

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

### INTRODUCTION TO ROAD TRANSPORT

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

T3.7

## 3.7 ROADS

### INTRODUCTION TO ROADS

Roads are not seen as a essential service and as such water and sewer projects are first addressed and if any balance on the funding from MIG is at hand, then roads are addressed. Much funding is needed for the maintenance of roads, R 165million is needed per year for at least 5 years to address the maintenance needed. Potholes are ever increasing due to the fact that a pothole indicates that a complete road must be enriched and not only a pothole repaired. At present internal funding available is not adequate to finance the maintenance program.

T3.7.1

**Table 50: Gravel Road Infrastructure**

Gravel Road Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometres Gravel roads graded/maintained
2010/11	255	4	0	120
2011/12	322	0	0	135
2012/13	322	0	0	135
2013/14	322	0	0	135
				T 3.7.2

Table 51: Tarred Road Infrastructure

Tarred Road Infrastructure					Kilometres
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2010/11	364	0	2	8	20 km (potholes)
2011/12	364	0	3	10	30km (potholes)
2012/13	371	0	3	7,4	30km(potholes)
2013/14	371	0	0	0	10 km ( potholes)
					T 3.7.3

Table 52: Cost of Construction/Maintenance

Cost of Construction/Maintenance						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2010/11	1900	0	6000	0	6200	4800
2011/12	0	0	9000	0	0	4800
2012/13						
2013/14						
						T 3.7.4

T3.7.5



Table 53: Roads Services Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
P 4.2 Total m <sup>2</sup> of un-engineered roads (dirt roads) graded	315,000 m2	315,000 m2	<b>Target not Achieved</b>	Due to Insufficient funding	Budgeted for 2014/15 Financial Year
P 4.3 % of roads and storm water infrastructure maintained as per approved maintenance plan and budget	100%	100%	<b>Target not Achieved</b>	Not approved by Council due to Financial constraints	Budgeted for 2014/15 Financial Year Correspond with the Maintenance Plan

Table 54: Employees – Roads Services

Employees: Roads Services					
Job Level	2012/13	2013/14			
	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	2	50
7 - 9	3	3	2	3	67
10 - 12	3	3	3	3	100
13 - 15	18	22	18	22	82
16 - 18	15	18	12	18	67
19 - 20	0	0	0	0	0
Total	40	48	40	46	87

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 55: Financial Performance – Roads Services

Financial Performance 2011/12: : Roads Services and Storm Water					
R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		7	7	35 900	412.9%
Expenditure:					
Employees		(6 935)	(6 935)	(7 079)	(2.0%)
Repairs and Maintenance		(26 427)	(19 627)	(6 349)	67.7%
Other		(28 034)	(26 933)	(16 308)	39.5%
Total Operational Expenditure		(61 396)	(53 555)	(29 736)	44.5%
Net Operational Expenditure		(54 396)	(46 555)	6 164	(86.4%)

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

Table 56: Capital Expenditure – Roads Services

Capital Expenditure 2013/14: : Roads Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A Gortin Interlocking Paved Road 7,4 km					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

R' 000

T 3.2.9

## 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.

T3.7.10

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

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

## 3.9 WASTE WATER (STORMWATER DRAINAGE)

## INTRODUCTION TO STORMWATER DRAINAGE

To be inserted

T3.9.1

Table 57: Storm water Infrastructure

Storm water Infrastructure Kilometres				
	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2010/11	219	0	0	4
2011/12	219	0	0	7
2012/13				
2013/14				
T 3.9.2				

Table 58: Cost of Construction/Maintenance

Cost of Construction/Maintenance				R' 000
	Storm water Measures			
	New	Upgraded	Maintained	
2010/11	1800	700	330	
2011/12	1900	900	420	
2012/13				
2013/14				
T 3.9.3				

T3.9.4

Table 59: Storm water Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
% roads master plan developed					

Table 60: Employees – Storm water Services

Employees: Storm water Services					
Job Level	2012/13	2013/14			
	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	2	100
13 - 15	6	6	6	6	100
16 - 18	7	10	6	10	60
19 - 20	0	0	0	0	0
Total	15	18	14	18	78

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 61: Financial Performance – Storm water Services

Financial Performance 2013/14: Storm water Services <i>incl. Under Roads</i>					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance					
Other					
Total Operational Expenditure					
Net Operational Expenditure					

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

Table 62: Capital Expenditure – Storm water Services

Capital Expenditure 2013/14: Storm water Services <i>incl. Under Roads</i>					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

R' 000

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

## 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

T3.10

### 3.10 PLANNING

#### INTRODUCTION TO PLANNING

##### Main elements of the Planning Strategies

- *To revitalise the CBD*

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 shop because business had slowed down. As part of the strategy to encourage business back into the CBD, the department is making a resolute effort to explore and support proposals that are in line with the strategy.

- *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 2013/2014 SDF was reviewed and processes underway for the 2014/2015 review. Lack of capacity within the division presents a risk in that contravention of the applicable schemes and regulations is a challenge to police.

- *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 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 planned for revision by the Department of Rural Development and Land Reform (DRDLR) during the 2014/2014 financial year. Another achievement is that the SPLUMA was enacted in August 2013, paving a way for Municipalities to take responsibility of their planning matters. Processes are underway to facilitate a smooth transition from the Provincial Department of CoGTA to Local Authorities.



**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.

T3.10.1

**Table 63: Applications for Land Use Development**

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
Planning application received	1	2	33	19	435	365
Determination made in year of receipt	1	2	33	19	383	226
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	0	52	142

Table 64: Planning Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under- performance	Corrective measures taken or to be taken
P 6.1 % of spatial development framework (SDF) developed and approved (including	100%	100%	<b>Target not Achieved</b>	Service provider has just been appointed due to insufficient funds	To be submitted to Council by 30 June 2014
P 6.2 % of Integrated Land Use Management Scheme (ILUMS) developed and approved (including annual reviews)	0%	100%	<b>Target not Achieved</b>	The Bill was not enacted and the provincial guidelines not yet finalised and approved.	The service provider will present the document again to Council for adoption after the provincial guidelines have been finalised and approved.

Key Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under- performance	Corrective measures taken or to be taken
P 6.3 % (no's) of re-zonings, sub-divisions & consolidation applications evaluated and MLM comments submitted to Province within 60 days of receipt <sup>7</sup>	70%	80%	<b>Target not Achieved</b>	Incomplete applications	Outside of departmental control.  Will advise clients to respond timeously to queries on applications
P 6.4 % of building plans approved within 30 days of receipt of <u>fully completed</u> applications	<b>95%</b>	100%	<b>Target not Achieved</b>  <b>50%</b>	Incomplete building plans	Continuous education of architects and draughts persons to adhere to the requirements

Key Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under- performance	Corrective measures taken or to be taken
P 6.5 % of approved building plan inspections conducted as per industry standards  <i>(Inspection 1: foundation level; Inspection 2: wall plate level; Inspection 3-final inspection)</i>	<b>70%</b>	90%	<b>Target not Achieved  60%</b>	Poor workmanship	Continuous education of contractors of the minimum standards applicable.

Table 65: Employees – Planning Services

Employees: Planning Services					
Job Level	2012/13	2013/14			
	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	10	5	5	50
7 – 9	1	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	7	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 66: Financial Performance – Planning Services

Financial Performance 2013/14: : Planning Services					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>		665	665	501	24.6%
Expenditure:					
Employees		(1 364)	(1 364)	(2 944)	(115.8%)
Repairs and Maintenance		(55)	(33)	(3)	(91.2%)
Other		(1 269)	(954)	(384)	222.6%
<b>Total Operational Expenditure</b>		(2 688)	(2 351)	(3 331)	(41.6%)
<b>Net Operational Expenditure</b>		(2 024)	(1 687)	(2 829)	(67.73%)

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

Table 67: Capital Expenditure – Planning Services

Capital Expenditure 2013/14: : Planning Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

T 3.2.9

## COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The priority of the two identified projects arising from the 2012/13 and 2013/1014 IDP was to address the existing informal settlements through the provision of properly planned and surveyed erven. These projects are nearing completion and will definitely be complete by end of the financial year. Additional funding will be available from Human Settlements to assist with surveying and opening of township register in Mooidraai. Strategies have been proposed within the SDF aimed at promoting the desired human settlement patterns within the Municipality and to encourage investment.

T3.10.7

### 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

T3.11.1

**Table 68: Economic Employment by Sector**

Economic Employment by Sector			
Sector	2011 No.	Jobs	
		2012 No.	2013 No.
Agric, forestry and fishing	1 305		
Mining and quarrying	141		
Manufacturing	11 035		
Wholesale and retail trade	9 592		
Finance, property, etc.	3 929		
Govt, community and social services	12 037		
Infrastructure services	4 496		
Total	42 535		
Source		T 3.11.3	

## 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.

T3.11.4

Table 69: Jobs Created through LED Initiatives

Jobs Created during 2013/14 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)				
2011/12	38	2	36	Register
2012/13				No data found
2013/14	1406	247	1159	Attendance Register
Initiative A (2013/14) SMMEs	143	0	143 (MIG)	Attendance Register
Initiative B (2013/14) SLP	14	4	10	Membership of the cooperative/ Register of staff
Initiative C (2013/14) Co ops	28	0	28	Registration documents
Initiative D (2013/14) CWP	1221	243	978	Attendance Register and contracts
T 3.11.5				

Table 70: Jobs Created through EPWP Projects

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
2011/12	12	318
2012/13	5	66
2013/14	5	25
* - Extended Public Works Programme		T 3.11.6



Table 71: LED Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
P 8.1 % of SMME development plan compiled and approved by Council	80%	50%	<b>Target not Achieved</b>	Public participation meeting scheduled for June 2014 were affected by labour unrest	Awaiting Led Strategy to be approved by Council
P 8.2 Number of SMMEs supported (training)	4	4	<b>Target Achieved</b>	Not applicable	Not applicable
P 8.3 Number of cooperatives identified and registered <sup>8</sup>	4	4	<b>Target not Achieved</b>	Awaiting for formal registration certificate	CIPC information available
P 8.4 % of marketing and tourism strategy & plan compiled and submitted for approval by end of Dec. 2013	100%	50%	<b>Target not Achieved</b>	Awaiting the LED Strategy to be approved by Council.	Fast track the approval of LED Strategy by September 2014

<sup>8</sup>Direct responsibility of LED department

<sup>10</sup> Note that SLP projects are implemented by the various companies and the municipality does not have direct control over the said projects

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
P 8.7 No. of local jobs summit organized and convened	0	1	<b>Target not Achieved</b>	Human capital	Proposal compiled and planned for Sept. 2014

Table 72: Employees – LED Services

Employees: LED Services					
Job Level	2012/13	2013/14			
	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	5	0	5	100
7 - 9	0	0	0	0	0
10 - 12	0	0	0	3	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	7	1	6	

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 73: Financial Performance – LED Services

Financial Performance 2012/13: : LED Services					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		100	100	-	100%
Expenditure:					
Employees		(563)	(563)	(1 144)	103.00%
Repairs and Maintenance		(9)	(3)	0	100%
Other		(984)	(549)	(110)	79.4%
Total Operational Expenditure		(1 556)	(1 115)	(1 254)	12.4%
Net Operational Expenditure		(1 456)	(1 015)	(1 254)	23.5%

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

Table 74: Capital Expenditure – LED Services

Capital Expenditure 2013/14: : LED Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

R' 000

T 3.2.9

## 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.

T3.11.11

## 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.

*T3.52*

### 3.12 LIBRARIESAND 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 LIBRARIESAND THEATRE

Number of library branches, including main library: 5

Total weekly hours of operation of the library: 56

Number of active library card holders: 10 354 (Total active members after computerization)

Number of theatres: 1

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

*T3.12.2*

Table 75: Libraries and Theatre Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
16.2 % of Annual arts and culture festival organised/hosted	0%	100%	<b>Target Not Achieved</b>	Under construction	Considered in 2014/2015 FY
16.3 Number of arts and culture programmes organised	0	12	<b>Target Not Achieved</b>	Under construction	Considered in 2014/2015
16.4 Number of events/programmes held at theatre	0	4	<b>Target Not Achieved</b>	Under construction	Considered in 2014/2015 FY
16.5 Number of local artists participating in theatre programmes	0	4	<b>Target Not Achieved</b>	Under construction	Considered in 2014/2015 FY
16.6 Number of local schools participating in theatre programmes	0	20	<b>Target Not Achieved</b>	Under construction	Considered in 2014/2015 FY

Table 76: Employees – Libraries and Theatre

Employees: Libraries and Theatre					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	2	100
4 - 6	0	1	0	1	0
7 - 9	5	8	5	8	63
10 - 12	12	17	12	17	71
13 - 15	4	4	4	4	100
16 - 18	0	1	0	1	0
19 - 20	0	0	0	0	0
Total	23	33	23	33	70
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 77: Financial Performance – Libraries and Theatre

Financial Performance 2012/13: : Libraries and Theatre					
R'000					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	228	1 849	1 849	3 182	72.9%
Expenditure:					
Employees	-5123	(6 706)	(6 706)	(5 647)	15.4%
Repairs and Maintenance	-54	(261)	(142)	(19)	92.7%
Other	-857	(1.368)	(1 286)	(752)	45.0%
		(8 335)			
Total Operational Expenditure	-6034		(8 134)	(6 445)	22.7%
Net Operational Expenditure	-5806	(6 486)	(6 285)	(3 262)	49.7%
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					

**Table 78: Capital Expenditure – Libraries and Theatre**

Capital Expenditure 2013/14: : Libraries and Theatre					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0				
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

R' 000

T 3.2.9

**COMMENT ON THE PERFORMANCE OF LIBRARIES AND THEATRE OVERALL:**

No capital project was internally budgeted for libraries and Theatre.

T3.12.7



### 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, Refengkgotso, Orangeville and Metsimaholo. Department of Social Services is responsible for the administration, operation and maintenance of the cemeteries.

T3.13.1

#### SERVICE STATISTICS FOR CEMETERIES

Number of employees working at the cemeteries: 7  
Total weekly hours of operation of the cemeteries: 45

T3.13.2

Table 79: Cemeteries Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline : 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
12.10 Number of existing cemeteries maintained	8	8	<b>Target Achieved</b>	Not applicable	Not applicable

Table 80: Employees – Cemeteries

Employees: Cemeteries					
Job Level	2012/13	2013/14			
	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	1	1	100
7 - 9	0	0	0	0	0
10 - 12	1	1	1	1	100
13 - 15	0	0	0	0	0
16 - 18	5	10	5	10	50
19 - 20	0	0	0	0	0
Total	6	11	7	12	58
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 81: Financial Performance – Cemeteries

Financial Performance 2013/14: : Cemeteries					
					R'000
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>		662	662	840	27%
Expenditure:					
Employees		(4 597)	(4 597)	(4 046)	12.0%
Repairs and Maintenance		( 29)	( 29)	( 17)	40.0%
Other		( 629)	( 572)	(256)	59.3%
<b>Total Operational Expenditure</b>		(5 255)	(5 198)	(4 319)	16.9%
<b>Net Operational Expenditure</b>		(4 594)	(4 537)	(3 479)	23.4%
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					

Table 82: Capital Expenditure – Cemeteries

Capital Expenditure 2013/14: : Cemeteries					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
					T 3.2.9

## COMMENT ON THE PERFORMANCE OF CEMETERIES OVERALL:

No capital projects were budgeted for cemeteries.

T3.13.7

### 3.14 CHILDCARE; AGED CARE; SOCIAL PROGRAMMES

#### INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL 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.

*T3.14.1*

Table 83: Social Programmes Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
15.1 Number of community awareness programmes conducted on HIV/AIDS, TB and STIs (OEM)	2	2	<b>Target Not Achieved</b>	Financial constraints	Postponed to December 2014
15.2 Number of sport development programmes organised/offered (DSS)	4	4	<b>Target Achieved</b>	Not applicable	Not applicable
15.3 Number of library development programmes organised/offered (DSS)	850	900	<b>Target Achieved</b>	Not Applicable	Not Applicable
15.4 Number of new members to libraries (DSS)	500	500	<b>Target Achieved</b>	Not Applicable	Not Applicable
15.5 Number of youth development programmes organised (OEM)	2	2	<b>Target Not Achieved</b>	1. Financial constraints 2. YDO on sick leave and later on accouchement leave	Youth programmes to resume in September 2014
15.6 Number of programmes organised for women (OEM)	2	2	<b>Target Not Achieved</b>	Financial constraints	Postponed to the Women's Month – 14 August 2014
15.7 Number of programmes organised for children (OEM)	2	2	<b>Target Not Achieved</b>	Financial constraints	Postponed to November 2014

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
15.8 Number of programmes organised with the aged (OEM)	2	2	<b>Target Achieved – visiting luncheon clubs</b>	Not applicable	Not applicable

**Table 84: Employees – Social Programmes**

Employees: Social Programmes					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	0
4 - 6	3	6	3	6	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	7	43

*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

**COMMENT ON THE PERFORMANCE OF SOCIAL PROGRAMMES OVERALL:**

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

T3.14.7



## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal 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.

*T3.14*

### 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.

*T3.15.1*

#### SERVICE STATISTICS FOR ENVIRONMENTAL PROTECTION

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

*T3.15.2*

Table 85: Environmental Protection Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of the Environmental Master Plan implemented.	100% implementation of the Environmental Master Plan by June 2012 <i>(including air quality audit in conjunction with the District)</i>	N/A	N/A	N/A	N/A
% of compliance with environment legislations and regulations.	100% compliance by June 2013	N/A	N/A	N/A	N/A

**Table 86: Employees – Environmental Protection**

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

COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL OVERALL:

*T3.15.7*

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

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

## 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 Health functions. Health Functions are performed by Provincial and National Department**

### 3.18 AMBULANCE SERVICES

Ambulances are functions of Provincial Department and National Department, because is part of Health Department

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

**The Municipality does not perform the above functions. The functions mentioned above are performed by District Municipality.**

## COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

### INTRODUCTION TO SECURITY & SAFETY

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

*T3.20*

### 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.

*T3.20.1*

**Table 87: Traffic Police Service Data**

Traffic Police Service Data				
Details	2012/13	2013/14		
	Actual No.	Estimate No.	Actual No.	Estimate No.
1 Number of road traffic accidents during the year	1250	1400	442	-
2 Number of by-law infringements attended	80	85	122	-
3 Number of police officers in the field on an average day	16	16	15	-
4 Number of police officers on duty on an average day	15	15	12	-
				<i>T 3.20.2</i>

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.

*T3.20.2.1*

Table 88: Police Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
14.1 % participation of MLM in established CPFs%	100%	100%	<b>Target Achieved</b>	Not Applicable	Not Applicable
14.2 % of By-Law enforcement unit established and functional (specify the number)	80%	90%	<b>Target Achieved</b>	Not Applicable	Not Applicable
14.3 Number of school road safety programmes implemented ( <i>in consultation with School Principals</i> )	15	15	<b>Target Achieved</b>	Not Applicable	Not Applicable
14.4 % support for provincial and national crime prevention initiatives	100%	100%	<b>Target Achieved</b>	Not Applicable	Not Applicable
14.5 % community access to fire-fighting services (all wards)	100%	100%	<b>Target Achieved</b>	Not Applicable	Not Applicable
14.6 Response time to fire-fighting emergencies	Within 30 mins	Within 20 mins	<b>Target Achieved</b>	Not Applicable	Not Applicable
14.7 Number of fire-safety programmes conducted	10 per quarter	10 per quarter	<b>Target not Achieved (20 held)</b>	Learnership program resulted in shortage of personnel to do programs	Training to be done at end of learnership

Table 89: Employees – Traffic Police

Employees: Traffic Police					
Job Level	2012/13	2013/14			
	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	5	20
7 - 9	15	32	15	32	47
10 - 12	4	15	4	15	27
13 - 15	0	0	1	2	50
16 - 18	0	0	2	6	0
19 - 20	0	0	0	0	0
Total	20	52	23	60	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 90: Financial Performance – Traffic Police

Financial Performance 2013/14: : Traffic Police					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		13 327	7 427	16 058	116.2%
Expenditure:					
Employees		(6 030)	(6 030)	(8 084)	(34.1%)
Repairs and Maintenance		(416)	(361)	(172)	52.3%
Other		(3 963)	(3 013)	(2 124)	29.5%
Total Operational Expenditure		(10 409)	(9 404)	(10 380)	(10.4)
Net Operational Expenditure		2 918	(1 977)	5 677	187.0

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

**Table 91: Capital Expenditure – Traffic Police**

Capital Expenditure 2013/14: : Traffic Police					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
No capital projects budgeted for traffic police					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					
T 3.2.9					

**COMMENT ON THE PERFORMANCE OF TRAFFIC POLICE OVERALL:**

No capital projects were budgeted for traffic police.

T3.20.7



## 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.

T3.21.1

Table 92: Fire Service Data

Fire Service Data					
	Details	2011/12	2012/13		2013/14
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	348	348	320	-
2	Total of other incidents attended in the year	747	1000	669	700
3	Average turnout time - urban areas	4min	3min	3min	3
4	Average turnout time - rural areas	4min	3min	3min	3
5	Fire fighters in post at year end	25	23	23	23
6	Total fire appliances at year end	5	5	5	5
7	Average number of appliance off the road during the year	1	1	3	2
T 3.21.2					

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

Table 93: Employees – Fire Services

Employees: Fire Services					
Job Level	2012/13	2013/14			
	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	3	5	60
7 - 9	14	36	14	36	39
10 - 12	4	6	4	6	67
13 - 15	0	0	0	0	0
16 - 18	1	3	1	3	33
19 - 20	0	0	0	0	0
Total	24	50	22	50	44

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 94: Financial Performance – Fire Services

Financial Performance 2012/13: : Fire Services					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		210	210	225	7.1%
Expenditure:					
Employees		(6 292)	(6 292)	(8 977)	(42.7%)
Repairs and Maintenance		(612)	(406)	(240)	40.8%
Other		(1 651)	(1 111)	(246)	77.9%
Total Operational Expenditure		(8 555)	(7 809)	(9 463)	(21.2)
Net Operational Expenditure		(8 345)	(7 599)	(9 238)	(21.6%)

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

**Table 95: Capital Expenditure – Fire Services**

Capital Expenditure 2013/14: : Fire Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

T 3.2.9

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

No major capital projects budgeted for fire services.

T 3.2.10

**Table 96: Fire Service Policy Objectives taken from IDP/SDBIP**

Key Performance Indicators	Baseline: 2012/14	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
N/A		N/A	N/A	N/A	N/A
N/A		N/A	N/A	N/A	N/A

### 3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

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

#### INTRODUCTION TO DISASTER MANAGEMENT AND CONTROL OF PUBLIC NUISANCES, ETC

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

*T3.22.1*

#### SERVICE STATISTICS FOR DISASTER MANAGEMENT AND CONTROL OF PUBLIC NUISANCES, ETC

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

*T3.22.2*

Table 97: Disaster Management Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
17.1 Increased number of disaster awareness programmes conducted in partnership with District and local Industries	1 per quarter	4	<b>Target Achieved</b>	Not applicable	Not applicable
17.2 % of disaster management plan developed and implemented	100%	100%	<b>Target not Achieved (90%)</b>	Plan submitted to Council but not approved	Plan revised and to be resubmitted by Sept 2014/2015
17.3 Number of volunteers trained on disaster management	30	30	<b>Target Achieved</b>	Not applicable	Not applicable

Table 98: Employees – Disaster Management

Employees: Disaster Management					
Job Level	2012/13	2013/14			
	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	0
7 - 9	0	5	0	5	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	5	0	0	0
19 - 20	0	0	0	0	0
Total	0	11	0	6	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 99: Financial Performance – Disaster Management

Financial Performance 2013/14: : Disaster Management					
					R'000
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0				
Expenditure:	0				
Employees	0				
Repairs and Maintenance	0	(21)	(11)	(2)	80.1%
Other	-12	(53)	(52)	(21)	15.9%
Total Operational Expenditure	-12	(74)	(63)	(23)	63.2%
Net Operational Expenditure	-12	(74)	(63)	(23)	63.2%

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

Table 100: Capital Expenditure – Disaster Management

Capital Expenditure 2013/14: : Disaster Management					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

R' 000

T 3.2.9

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

Disaster Management function is performed by District Municipality.

T3.22.7



## 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.

*T3.23*

### 3.23 SPORT AND RECREATION

#### SERVICE STATISTICS FOR SPORT AND RECREATION

Number of stadiums: 2

Number of swimming pools: 3

Number of Sports halls: 6

Number of community parks: 20

*T3.23.1*

Table 101: Sport and Recreation Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
12.1 Number of new family parks established	2	2	<b>Target Achieved</b>	Not applicable	Not applicable
12.2 Number of new sports grounds established	4	4	<b>Target Achieved</b>	Not applicable	Not applicable
12.4 Number of existing community halls upgraded	6	7	<b>Target Achieved</b>	Not applicable	Not applicable
12.5 Number of existing swimming pools upgraded	2	2	<b>Target Achieved</b>	Not applicable	Not applicable
12.6 Number of existing family parks upgraded	14	14	<b>Target Achieved</b>	Not applicable	Not applicable
12.7 Number of existing sports grounds maintained	20	20	<b>Target not Achieved</b>	Due to the breakage of heavy vehicles(Tipper trucks & TLB)	To rent out or hire Inkhokheli trucks to assist
12.8 Number of stadiums maintained	2	2	<b>Target Achieved</b>	Not applicable	Not applicable
12.9 Number of HPC maintained	1	1	<b>Target Achieved</b>	Not applicable	Not applicable
12.10 Number of existing cemeteries maintained	8	8	<b>Target Achieved</b>	Not applicable	Not applicable
12.11 % of Abrahamsrust facility maintained and upgraded as per approved maintenance plan	25%	75%	<b>Target Achieved</b>	Not applicable	Not applicable

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
12.12 % of Day Visit Facilities (OV/DV) maintained and upgraded as per approved maintenance plan	25%	75%	<b>Target not Achieved</b>	Delay in installation of electricity and building of new toilets	FDDM to upgrade Deneysville Day visit ,f or Oranjeville there is budget allocation

**Table 102: Employees – Sport and Recreation**

Employees: Sport and Recreation					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	3	1	3	33
4 - 6	1	7	4	7	57
7 - 9	1	1	1	1	100
10 - 12	4	8	3	8	38
13 - 15	32	42	30	42	71
16 - 18	90	124	87	124	70
19 - 20	0	0	0	0	0
Total	130	185	126	185	68

*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 103: Financial Performance – Sport and Recreation**

Financial Performance 2012/13: : Sport and Recreation					
R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>		<b>9 235</b>	<b>9 235</b>	<b>1 759</b>	<b>80.9%</b>
Expenditure:					
Employees		(16 113)	(16 113)	(18 982)	(17.8%)
Repairs and Maintenance		(1 448)	( 799)	( 175)	87.9%
Other		(7 011)	(6 721)	(9 335)	(33.1%)
<b>Total Operational Expenditure</b>		<b>(24 572)</b>	<b>(23 663)</b>	<b>(28 492)</b>	<b>(15.9%)</b>
<b>Net Operational Expenditure</b>		<b>(15 337)</b>	<b>(14 428)</b>	<b>(26 732)</b>	<b>(74.3%)</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

**Table 104: Capital Expenditure – Sport and Recreation**

Capital Expenditure 2013/14: : Sport and Recreation					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
No capital projects were budgeted for sport and recreation					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

T 3.2.9

## COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

**No capital projects were budgeted for sport and recreation.**

T3.23.6

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

*T3.24*

### 3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (Mayor; Councilors; and 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

*T3.24.1*

Table 105: Executive and Council Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
18.1 Number of Functional Ward Committees established (OS)	21	21	<b>Target not Achieved((18)</b>	3 ward committees have to be re-established due to non-performance	To re-establish three ward committees
18.2 Number of CDW's deployed in all 21 wards (OS)	17	21	<b>Target not Achieved((17)</b>	No appointments have been made to date	We recommend that this KPI be removed from the office of the speaker, appointment are by CoGTA
18.3 Number of ward committees trained on identified core skills areas (OS)	21	21	<b>Target not Achieved((0)</b>	A planned training could not take place due to employee strike	Reschedule to another date
18.4 Number of quarterly (monthly) community meetings held per ward (OS)	4 meetings per ward	4 per ward <sup>9</sup>	<b>Target not Achieved((11)</b>	Councillors need to be reminded to call at least one public meeting per quarter	The speaker to communicate with councillors
18.5 Number of skills programmes implemented for burial societies, stokvels, religious groups, etc.	Compile database of activities and	3 per annum	<b>Target Achieved Done in partnership with FDDM</b>	Not applicable	Not applicable

(OEM)	needs analysis				
Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
18.6 Number of monthly updates of municipal website completed (OMM)	12 updates	12 updates	<b>Target Achieved</b>	Not applicable	Not applicable
18.7 Number of newsletters produced and published (OMM)	2	6	<b>Target not Achieved</b>	The Service provider did not honour his contractual obligations	Re- Advertise by end of August 2014
18.8 Number of interactions arranged with the print and electronic media (OMM/OEM)	12	12	<b>Target Achieved</b>	Not applicable	Not applicable
18.9 Number of quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) (OMM/OEM)	4	4	<b>Target Achieved</b>	Not applicable	Not applicable
19.2 % of annual review of approved 5-year IDP conducted in terms of MSA and MFMA ( <i>Annual Revised IDP must be adopted by Council by the end of May each year</i> )	0% (No annual review taking place)	100% (Second Review)	<b>Target Achieved</b>	<b>Not applicable</b>	Not applicable



<b>Performance indicators</b>	<b>Baseline: 2012/13</b>	<b>Annual target: 2013/14</b>	<b>Actual performance: 30 June 2014</b>	<b>Reasons for non- or underperformance</b>	<b>Corrective measures taken or to be taken</b>
19.3 % of compliant annual SDBIP approved within 28 days after the approval of the budget	90%	100%	<b>Target Achieved</b>	Not applicable	Not applicable
19.4% of annual performance assessment of internal audit function by the audit committee (AC)	100% <sup>10</sup>	100% <sup>11</sup>	<b>Target Achieved</b>	Not applicable	Not applicable

19.5 % of annual internal audit plan approved by audit committee before end of June each year	100%	100% <sup>12</sup>	<b>Target Achieved.</b>	Not applicable	Not applicable
19.6 % execution of annual internal audit plan	100%	100%	<b>Target Achieved.</b>	Not applicable	Not applicable
<b>Performance indicators</b>	<b>Baseline: 2012/13</b>	<b>Annual target: 2013/14</b>	<b>Actual performance: 30 June 2014</b>	<b>Reasons for non- or underperformance</b>	<b>Corrective measures taken or to be taken</b>
19.8 Number of performance audit and audit committee meetings held per annum	4	4	<b>Target Achieved.</b>	Not applicable	Not applicable
19.9% review of audit charters completed annually (reviewed charters must be approved by the Audit Committee)	100%	100%	<b>Target Achieved.</b>	Not applicable	Not applicable

19.10 % review of risk management strategy & policy (approved by risk management committee)	100%	100%	<b>Target not Achieved</b>	Non sitting of the Risk Management Committee to review and approve the policy and strategy	Risk Management Committee to adhere to the approved schedule
19.11 % of risk register compiled and updated quarterly	100%	100%	<b>Target not Achieved</b>	Lack of cooperation by departments in submitting the risk registers	Risk assessments be conducted as a matter of urgency
19.12 Number of risk management committee (RMC) meetings held	4	4	<b>Target not Achieved</b>	Meetings postponed due to members not forming a quorum	Members to adhere to the schedule of meetings
<b>Performance indicators</b>	<b>Baseline: 2012/13</b>	<b>Annual target: 2013/14</b>	<b>Actual performance: 30 June 2014</b>	<b>Reasons for non- or underperformance</b>	<b>Corrective measures taken or to be taken</b>
19.13 % of approved fraud prevention and anti-corruption strategy annually reviewed	100%	100%	<b>Target not Achieved</b>	Non submission of the fraud strategy for review	Submission of the fraud strategy to all committees and Council
19.14% of approved fraud prevention and anti-	100%	100%	<b>Target</b>	Awareness provided to staff on the 07-14 April	

corruption strategy annually implemented			<b>Achieved</b>	2014. No incident of fraud have been reported to date	
19.15 % of compliant performance agreements for MM and s56 managers compiled and signed on time	0%	20%	<b>Target achieved</b>	Not applicable	Not applicable
19.16 % of Employee PM&D policy submitted to Council for approval	100%	100%	<b>Target not achieved</b>	PMS policy referred back to Portfolio Committee meeting by Council	To serve at the Portfolio Committee by September 2014
<b>Performance indicators</b>	<b>Baseline: 2012/13</b>	<b>Annual target: 2013/14</b>	<b>Actual performance: 30 June 2014</b>	<b>Reasons for non- or underperformance</b>	<b>Corrective measures taken or to be taken</b>
19.17 % of PMS cascaded to all levels of employees in the municipality	0%	20%	<b>Target not achieved</b>	PMS policy referred back to Portfolio Committee meeting by Council	To serve at the Portfolio Committee by September 2014

19.18 No. of quarterly institutional performance reports submitted to Council within 30 days after the end of each quarter	4	4	<b>Target not Achieved</b>	Due to labour unrest	Ensure compliance in 2014/2015 FY

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
19.19 % of MSA and MFMA compliant Annual Report tabled in Council by 31 January each year <sup>13</sup>	75%	100%	<b>Target Achieved</b>	Not applicable	Not applicable
19.20 Oversight report submitted to Council within two months after tabling of Annual Report	End of May	End of March	<b>Target not Achieved</b>	Delay in the sitting of the Council meeting	Ensure the sitting of the Council meetings

Table 106: Employees – Executive and Council

Employees: Executive and Council					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	9	6	9	67
4 - 6	8	16	8	16	50
7 - 9	4	9	4	9	44
10 - 12	0	0	0	0	0
13 - 15	0	1	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	18	35	18	34	53
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 107: Financial Performance – Executive and Council

Financial Performance 2013/14: : Executive and Council					
R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0				
Expenditure:					
Employees	-19 239	(24 299)	(24 299)	(24 434)	.5%
Repairs and Maintenance	-4	(49)	(49)	(1)	97.7%
Other	-5 834	(12 559)	(9 595)	( 5 915)	53.1%
Total Operational Expenditure	-25 077	(36 907)	(33 943)	(30 350)	10.6%
Net Operational Expenditure	-25 077	(36 907)	(33 943)	(30 350)	10.6%
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.					-25 077
					-25 077

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

No capital projects were budgeted for during the 2013/14 financial year T3.24.7



## 3.25 FINANCIAL SERVICES

## INTRODUCTION FINANCIAL SERVICES

To be inserted

T3.25.1

Table 108: Debt Recovery

Debt Recovery							
Details of the types of account raised and recovered	2011/12		2012/13			2013/14	
	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	86 652					115 374	
Electricity - B						1 963	
Electricity - C	139 120					191 486	
Water - B		90.2%				1 591	
Water - C	141 717					202 667	
Sanitation	18 996					24 235	
Refuse	25 259					29 606	
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							

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.

T3.25.2.1

Table 109: Financial Service Policy Objectives taken from IDP/SDBIP

Performance indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or underperformance	Corrective measures taken or to be taken
22.1 Ratio of net current consumer debtors to annual property rates and service charge income	<b>8.08</b>	75% (adjust to 12.5%) <sup>14</sup>	<b>Target not Achieved (7.20)</b>	Lack of information from other departments to Finance ensuring proper billing of services	Data Clean -up project to address our shortcomings
22.2 Annual property rates and service charges more than 50% of total revenue	<b>82.32%</b>	76% (adjusted to 72%) <sup>15</sup>	<b>Target not Achieved (73.2%)</b>	The information is not given by other departments to Finance ensuring proper billing of services	Data Clean –up project to address our shortcomings

22.3 % of consumer debtors revenue collected ( <i>actual total collections as a percentage of total levies/billings</i> )	<b>84.4%</b>	90% <sup>16</sup>	<b>Target not Achieved (79%)</b>	Due to strike action as no credit control action could be performed	Operation Patala
<b>Performance indicators</b>	<b>Baseline: 2012/13</b>	<b>Annual target: 2013/14</b>	<b>Actual performance: 30 June 2014</b>	<b>Reasons for non- or underperformance</b>	<b>Corrective measures taken or to be taken</b>
22.4 % reduction of consumer debtors older than 90-days ( <i>Balance as at 30 June 2010: R229m</i> )	<b>+2.14%</b>	-10% <sup>17</sup>	<b>Target not Achieved (+4.63%)</b>	No action taken due to National Election and labour unrest	Operation Patala
22.5 % actual revenue generated as a percentage of the approved/adjusted budget	<b>85.6%</b>	98%	<b>Target not Achieved (85..36%)</b>	Information has not been given by other Dept.'s to Finance to ensure proper billing	Data Clean -up project to address our shortcomings
22.6 % of revenue management strategy compiled and implemented	<b>0%</b>	100%	<b>Target Not Achieved</b>	The revision moved over to new financial year to be revised	Strategy to be revised in 2014/2015 FY
22.7 % of cash management and investment policy	<b>Target not achieved</b>	97%	<b>Target Achieved</b>	Not applicable	Not applicable

framework compiled and approved			<b>(100%)</b>		
23.1 % actual capital expenditure (CAPEX) as a percentage of the approved/adjusted budget	<b>63.4%</b>	65%	<b>Target not Achieved (50%)</b>	All transactions for financial year not processed. Municipality experience cash flow problems. Majority of Staff were on strike from 13 June 2014	All outstanding invoices and journal entries be processed
23.2 % actual operating expenditure (OPEX) as a percentage of the approved/adjusted budget	<b>(72.9%)</b> <b>21.09%</b> <b>(83.65%)</b> <b>10.35%</b> <b>without depreciation</b>	90%	<b>Target not Achieved (75.8%)</b> <b>(81.66% without depreciation)</b>	All transactions for financial year not processed. Municipality experience cash flow problems. Majority of Staff were on strike from 13 June 2014	All outstanding invoices and journal entries be processed
23.3 % actual expenditure on repairs and maintenance as a percentage of the approved/adjusted budget	<b>3.29%</b> <b>1.17%</b>	6%	<b>Target not Achieved (1.83%)</b>	All transactions for financial year not processed. Municipality experience cash flow problems. Majority of Staff were on strike from 13 June 2014	All outstanding invoices and journal entries be processed

23.4 % of MSIG allocation spent	<b>25%</b>	100% <sup>18</sup>	<b>Target Achieved (100%)</b>	Not applicable	Not applicable
23.5 % of creditors paid within 30 days of receipt of invoice	<b>85%</b>	100%	<b>Target Not Achieved</b>	Unavailability of funds  Officials not following SCM procedures.	<ul style="list-style-type: none"> <li>• Operation Patala</li> <li>• Workshop for officials</li> </ul>
23.6 Tender turnaround time maintained for bids between R30 000 and R200 000	21 days	21 calendar days <sup>19</sup>	<b>Target not Achieved (21 days has elapsed)</b>	Four adverts were advertised on notice board in May, they are not yet awarded SCM still awaiting technical reports from the departments	Allocation of time frame for submission of Technical reports
23.7 Tender turnaround time maintained for bids above R200 000	90 days	90 calendar days <sup>20</sup>	<b>Target not Achieved (Bids exceeded validity period)</b>	Technical Reports not submitted on time and BID Evaluation Committee not sitting	Allocation of time frame for submission of Technical reports. Bid Evaluation Committee sit frequently or on agreed dates

				frequently	
23.8 % compliance maintained with approved SCM policy and procedures ( <i>elimination of internal and external audit queries</i> )	<b>50 %</b>	100%	<b>Target not Achieved (50%)</b>	Capacity is still a challenge	The post for three permanent employees was advertised. To be finalised soon
24.1 of compliant annual budget (MTREF) compiled and approved by end of May 2014	100%	100%	<b>100% Target Achieved</b>	Not applicable	Not applicable
24.2 % of budget-related policies developed, reviewed and approved as per National Treasury and MFMA requirements	<b>80%</b>	100%	<b>100% Target Achieved</b>	Not applicable	Not applicable
24.3 % of monthly budget statements are compiled and submitted to the Mayor by no later than 10 working days after the end of each month <sup>21</sup>	<b>100%</b>	100%	<b>100% Target Achieved</b>	Not applicable	Not applicable

24.4 % of monthly National Treasury returns submitted on time	100%	100%	<b>100%</b> <b>Target Achieved</b>	Not applicable	Not applicable
24.5 % of quarterly National Treasury returns submitted on time	100%	100%	<b>100%</b> <b>Target Achieved</b>	Not applicable	Not applicable
24.6 % of DoRA returns submitted on time	81.82%	100%	<b>100%</b> <b>Target Achieved</b>	Not applicable	Not applicable
24.7 % of mid-year budget and performance assessment report submitted by 25 January each year <sup>22</sup>	0%	100%	<b>100%</b> <b>Target Achieved</b>	Not applicable	Not applicable

25.1 of Annual Financial Statements submitted to the Auditor-General by the end of August each year (2012/13 FY)	<b>100%</b>	100%	<b>Target Achieved</b>	Not applicable	Not applicable
25.2 Actual improvement in annual audit outcomes received from the Auditor-General (2012/13 FY)	Qualified	Un-qualified 100%	<b>Target not Achieved</b>	Irregular expenditure incurred was too high	Action plan compiled.  Strict implementation of SCM policy and financial procedures.  All directors to take responsibility
25.3 % of the Action Plan on issues raised by the Auditor-General is compiled, approved and implemented annually	<b>75%</b>	100%	<b>Target Achieved</b>	Not applicable	Not applicable
25.4 % internal audit recommendations implemented within specified time frames	<b>100%</b>	100%	<b>Target Achieved</b>	Not applicable	Not applicable
25.5 % of PROPAC resolutions implemented annually (OMM)	<b>100%</b>	100%	<b>Target</b>	Not applicable	Not applicable



			Achieved		
26.1 % of Fixed Asset Register (FAR) compiled and updated annually in line with GRAP requirements	100%	100%	<b>Target Achieved (100%)</b>	Not applicable	Not applicable
26.2 % of asset maintenance and replacement plans developed and updated annually (DTIS, DSS&DCS)	100%	100%	<b>Target not Achieved</b>	Non submission of departments	Done by DTIS,DSS & DCS

Table 110: Employees – Financial Services

Employees: Financial Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	5	6	5	6	83
4 – 6	5	10	3	10	30
7 – 9	19	51	19	51	37
10 – 12	18	33	18	33	55
13 – 15	28	29	28	29	97
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
Total	75	129	73	129	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 111: Financial Performance – Financial Services

Financial Performance 2013/14: : Financial Services					
					R'000
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>143 236</b>	<b>136 432</b>	<b>137 977</b>	<b>160 363</b>	<b>16.2%</b>
Expenditure:					
Employees	17 204	(22 175)	(22 375)	(21 832)	2.4%
Repairs and Maintenance	51	(124)	(164)	(35)	78.4%
Other	18 755	(14 272)	(13 022)	(40 234)	181.9%
<b>Total Operational Expenditure</b>	<b>36 010</b>	<b>(36 571)</b>	<b>(35 561)</b>	<b>(62 101)</b>	<b>(74.6%)</b>
<b>Net Operational Expenditure</b>	<b>107 226</b>	<b>99 861</b>	<b>102 416</b>	<b>98 262</b>	<b>4.1%</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					

Table 112: Capital Expenditure – Financial Services

Capital Expenditure 2013/14: : Financial Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A: Upgrading pay points					
Project B: Equipment					
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 OFFINANCIAL SERVICESOVERALL:

To be inserted

T3.25.7

### 3.26 HUMAN RESOURCE SERVICES

#### INTRODUCTION TO HUMAN RESOURCE SERVICES

Human resources are the primary investment for the municipality and the municipality endeavours to maintain its investment in its staff hence the municipality is in the process of recruitment of qualified individuals in line with the critical posts identified, organizational structure review, training of staff members as per the annual Workplace Skills Plan (WSP), comprehensive capacity building program for Councillors and a sound and conducive labour relations environment.

*T3.26.1*

#### SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

The main service statistics in relation to employee totals, skills development, leave, etc. are included in Chapter 3 of the Annual Report.

*T3.26.2*

Table 113: Human Resource Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline : 2012/13	Annual Target 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
28.1 % of critical posts filled by suitably qualified individuals ( <i>appointees meeting 80-100% of job requirements</i> ) subject to approved budget ( <i>NKPI: 1</i> )	100%	100%	<b>Target not Achieved</b>	Sluggish recruitment process	Finalizing outstanding interviews
28.2 Turnaround time maintained on recruitment: funded vacancies	60 working days	60 working days	<b>Target Achieved</b>	Not applicable	Not applicable
28.3 % of organizational structure compiled and reviewed annually	100%	100%	<b>Target not Achieved</b>	Delay in appointment of service provider	Speed up the appointment of service provider

Key Performance Indicators	Baseline : 2012/13	Annual Target 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
28.4 % of workplace skills plan (WSP) and annual training report (ATR) compiled and submitted annually to the LGSETA by end of June each year	100%	100% <sup>23</sup>	Target not Achieved	Report was not submitted to DoL because is under DG review	Municipality is implementing recommendation from DG implementing
28.5 % of categories of staff trained as per WSP targets on an annual basis	100%	100%	Target Achieved	No applicable	Not applicable

Key Performance Indicators	Baseline : 2012/13	Annual Target 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
28.6 % of employment equity (EE) plan and report compiled and submitted annually to the Department of Labour by end of October each year	100% <sup>24</sup>	100%	<b>Target Achieved</b>	Not applicable	Not applicable
28.7 % implementation of EE plan as per approved targets and measures	100%	100%	<b>Target not Achieved</b>	Report was not submitted to DoL because is under DG review	Municipality is implementing recommendation from DG implementing
28.8 % of human resource-related policies compiled and reviewed annually if required	100%	100%	<b>Target Achieved</b>	Not applicable	Not applicable
28.9 Fully functional Local Labour Forum (LLF) established ( <i>no. of meetings</i> )	11 Meetings per annum	11	<b>Target not Achieved</b>	Labour unrest during Q4	Ensure that LLF meetings sit regularly in 2014/2015 FY

<sup>24</sup>Submission of Final EE Plan and Report to Dept. of Labour by end of October 2014

Key Performance Indicators	Baseline : 2012/13	Annual Target 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
28.10% of disputes and grievances (stage 1 to 3) handled in terms of the collective agreement ( <i>turnaround</i> )	100%	100%	Target Achieved	Not applicable	Not applicable
28.11 % of service excellence awards finalised by end of November each year	0%	100%	Target not Achieved	Depended on PM & D Policy	Ensure approval of PM & D Policy by Council by end of December 2014
29.1 Number of organisation development interventions implemented annually	0	1	Target not Achieved	Financial constraints	Source funding from relevant stakeholders
29.2 % of annual council programme compiled and approved by end of July each year	95%	100%	Target Achieved	N/A	N/A



Key Performance Indicators	Baseline : 2012/13	Annual Target 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
29.3 % of agendas for council, mayoral committee and portfolio committees delivered on time ( <i>Council – 7 days and MAYCO</i> )	100%	100%	<b>Target Achieved</b>	N/A	N/A
29.4 Number of quarterly reports to Council on the tracking of council resolutions ( <i>submitted at the end of each quarter - Sept, Dec, Mar &amp; Apr</i> )	4	4	<b>Target not Achieved</b>	The ICT Programme needs to be reviewed	Fast track the process of reviewing the ICT program by 30 September 2014

Table 114: Employees – Human Resource Services

Employees: Human Resource Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	1	2	50
4 - 6	5	12	5	11	45
7 - 9	2	3	2	3	67
10 - 12	0	1	0	1	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	8	18	8	16	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 115: Financial Performance – Human Resource Services

Financial Performance 2013/14: : Human Resource Services					
					R'000
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	98	235	235	137	41.6%
Expenditure:					
Employees	-3 088	(3 508)	(3508)	(4 134)	(17.8)
Repairs and Maintenance	0	(11)	(11)		100.0%
Other	-1 672	129	129	2 901	(2348.8)
Total Operational Expenditure	-1 416	(3 390)	(3 990)	(1 233)	69.1%
Net Operational Expenditure	-1 318	(3 155)	(3 755)	(1 096)	70.8
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					

Table 116: Capital Expenditure – Human Resource Services

Capital Expenditure 2013/14: : Human Resource Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	N/A		N/A		N/A
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.2.9

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

No capital projects were budgeted for in the 2013/14 financial year.

T3.26.7

### 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.

*T3.27.1*

Table 117: ICT Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
27.4 % of ICT policy compiled, approved and reviewed annually if required	100%	100%	<b>Target not Achieved</b>	Non-submission of report to SM for non-review	Submit report for review to SM IN Jan 2015
27.5 % of ICT Steering committee established (Terms of reference and meeting schedule finalised)	100%	100%	<b>Target not Achieved</b>	Due to non-sitting of the Committee for the meeting scheduled for 24 <sup>th</sup> June 2014	Ensure that the Committee convenes on the stipulated dates quarterly
27.6 Downtime of critical systems reduced to less than 5% of total uptime required	5%	5%	<b>Target not Achieved</b>	Due to delay by SCM to appoint Service Provider.	To ensure the appointment of Service Provider submit the report by September 2014.
27.8 % of workstations functional and on-line (233 workstations)	91%	92%	<b>Target not Achieved</b>	Work stations (240) are 100% functional. However, no reports	To ensure that report is submitted for full compliance by end of

Key Performance Indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
				submitted	September 2014
27.9 % of user complaints attended to within 24 hours of receipt	91%	92%	<b>Target not Achieved</b>	Due to delay by SCM to appoint Service Provider.	To ensure the appointment of Service Provider submit the report by September 2014

Table 118: Employees – ICT Services

Employees: ICT Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	4	2	4	50
4 - 6	3	6	2	4	50
7 - 9	0	1	1	2	100
10 - 12	1	1	1	1	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	9	67

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 119: Financial Performance – ICT Services

Financial Performance 2013/14: : ICT Services					
R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>					
Expenditure:					
Employees		(2 609)	(2 609)	(3 155)	(20.9%)
Repairs and Maintenance		(1 900)	(1 400)	(442)	68.4%
Other		3 073	3 323	7 287	49.4%
<b>Total Operational Expenditure</b>		<b>(1 436)</b>	<b>(686)</b>	<b>3 690</b>	<b>538.1%</b>
<b>Net Operational Expenditure</b>		<b>(1 436)</b>	<b>(686)</b>	<b>3 690</b>	<b>538.1%</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

Table 120: Capital Expenditure – ICT Services

Capital Expenditure 2013/14: : ICT Services					
R' 000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.2.9					

## COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

In 2013/14 Financial year, the focus was on maintenance and improvement of the current systems.

T3.27.7



### 3.28 PROPERTY AND LEGAL SERVICES

This component includes: property and legal services.

#### INTRODUCTION TO PROPERTY AND LEGAL SERVICES

This function includes legal administration and contract management.

T3.28.1

Table 121: Property and Legal Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2012/13	Annual target: 2013/14	Actual performance: 30 June 2014	Reasons for non- or under-performance	Corrective measures taken or to be taken
19.18 % implementation of LLF resolutions taken (including monitoring of SALGBC collective agreements) (DCS)	100% <sup>25</sup>				

<sup>25</sup>Progress reports on the implementation of LLF resolutions and SALGBC collective agreements to be submitted to monthly meetings. Q1 to Q4: Major issues; Submit policy to LLF; Finalize Org Structure; Address Salary disparity issue.

Table 122: Employees – Property and Legal Services

Employees: Property and Legal Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	1	3	33
4 - 6	0	2	4	7	57
7 - 9	0	1	1	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	0	4	6	11	55

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 123: Financial Performance – Property and Legal Services

Financial Performance 2013/14: : Property and Legal Services					
R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	0	0	0	0	0
Expenditure:					
Employees	(6090)	(661)	(661)		100.0%
Repairs and Maintenance	0	(5)	(5)		100.0%
Other	(1 721)	(2 606)	(2 556)	(1 862)	37.3%
<b>Total Operational Expenditure</b>	<b>(2 330)</b>	<b>(3 272)</b>	<b>(3 222)</b>	<b>(1 862)</b>	<b>42.2%</b>
<b>Net Operational Expenditure</b>	<b>(2 330)</b>	<b>(3 272)</b>	<b>(3 222)</b>	<b>(1 862)</b>	<b>42.2%</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

COMMENT ON THE PERFORMANCE OF PROPERTY AND LEGAL SERVICES OVERALL:

To be inserted

T3.28.7

## 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.**

## COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

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

## 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 endeavour to maintain its investment in its staff

T4.0.1

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 124: Employee Totals

Description	Employees				
	2012/13	2013/14			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	37	52	37	52	71
Waste Water (Sanitation)	38	61	38	61	62
Electricity	39	61	38	61	62
Waste Management	112	180	111	180	62
Housing	18	27	17	27	63
Storm water Drainage	15	18	15	18	83
Roads	40	48	35	48	73
Transport	-	-	-	-	
Planning	6	12	6	12	50
Local Economic Development	2	18	2	19	11
Community & Social Services	32	42	32	42	76
Environmental Protection	-	-	-	-	
Health	-	-	-	-	
Security and Safety	43	113	43	113	38
Sport and Recreation	130	188	124	188	66
Corporate Policy Offices and Other	109	205	108	205	53
<b>Totals</b>	<b>621</b>	<b>1025</b>	<b>606</b>	<b>1026</b>	<b>59</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



Table 125: Vacancy Rate

Vacancy Rate: 2013/14			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	1	100
CFO	1	1	100
Other S57 Managers (excluding Finance Posts)	4	4	100
Other S57 Managers (Finance posts)	1	1	100
Police officers	67	21	31
Fire fighters	57	24	42
Senior management: Levels 13-15 (excluding Finance Posts)	38	37	97
Senior management: Levels 13-15 (Finance posts)	6	5	83
Highly skilled supervision: levels 9-12 (excluding Finance posts)	106	106	100
Highly skilled supervision: levels 9-12 (Finance posts)	7	2	
<b>Total</b>	<b>288</b>	<b>202</b>	<b>70</b>
<p>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.</p>			

T 4.1.2

Table 126: Turnover Rate

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2011/12	31	35	4%
2012/13	30	29	4%
2013/14	12	18	1.5%
<p>* 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</p>			

T 4.1.3

#### 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 2013/14. In the Financial Year 2013/14 all the section 57 vacancies were filled. Turnover is mainly as results of deaths and retirements.

T4.1.4

### 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.*

Metsimaholo Local Municipality workforce is diverse in terms of culture, race occupational specialisation. The Municipality is developing and putting in place mechanisms and systems including policies to manage the workforce. Twenty (21) HR Policies have been developed and approved by Council during February 2013.

T4.2.0

## 4.2 POLICIES

Table 127: 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	06/02/2014
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	06/02/2013
8	Employment Equity	100	n/a	In progress
9	Exit Management	100	n/a	Same as Retention Policy
10	Grievance Procedures			SALGBC
11	HIV/Aids	100	n/a	06/02/2013
12	Human Resource and Development	100	100	02/04/2007
13	Information Technology			
14	Job Evaluation			SALGA Project. In Progress
15	Leave	100	100	In progress. SALGBC
16	Occupational Health and Safety	100	n/a	06/02/2013
17	Official Housing	100	100	Internal Procedures and plans
18	Travel and expenditure	100	100	01/10/2008
19	Bereavement	100	n/a	06/02/2013
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	06/02/2013
25	Remuneration Scales and Allowances			SALGBC
26	Resettlement	50	n/a	To follow necessary procedures for adoption
27	Sexual Harassment	100	n/a	06/02/2013
28	Skills Development	100	0	02/04/2007. Review in progress
29	Smoking			Internal plan in use
30	Special Skills (same as retention)			
31	Work Organisation			
32	Uniforms and Protective Clothing			Internal plans and procedures
33	Other:			
	Dress code	100	n/a	06/02/2013
	Bursary	100	100	06/02/13
	Career path	100	n/a	06/02/2013
	Career succession	100	n/a	06/02/2013

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	06/02/2013
	Gifts	100	n/a	06/02/2013
	HR Strategy	100	n/a	06/02/2013
	Medical examination	100	n/a	06/02/2013
	Membership to professional societies	100	n/a	06/02/2013
	Moonlight	100	n/a	06/02/2013
	Protected disclosure	100	n/a	06/02/2013
	Promotion	100	100	06/02/2013
	Racism	100	n/a	06/02/2013
	Transport/Car allowance	100	n/a	06/02/2013
	Induction & orientation	100	0	30/07/2003
	Employees transfer	100	0	28/04/2004 Review in progress

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 approved by Council and employees were works hoped immediately.

T4.2.1.1

#### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 128: 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	147	7	0.7	1.029	106719.06
Temporary total disablement					
Permanent disablement					
Fatal					
<b>Total</b>	<b>147</b>	<b>7</b>	<b>0.7</b>	<b>1.029</b>	<b>106719.06</b>
T 4.3.1					

Table 129: 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)	3288.38	37 %	532	567	5.79	R 1069323.36
Skilled (Levels 3-5)	727	29 %	87	107	6.79	R 236434.94
Highly skilled production (levels 6-8)	1350.87	15 %	92	108	12.50	R938328.52
Highly skilled supervision (levels 9-12)	119	14 %	13	21	5.66	R 120699.32
Senior management (Levels 13-15)	254	3.9 %	21	33	7.69	R 382953.26
MM and S57	23	0.3 %	2	6	3.83	R 104589.09
<b>Total</b>	<b>3833</b>	<b>99.2%</b>	<b>747</b>	<b>842</b>	<b>42.26</b>	<b>R 2852 328.49</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						

T4.3.3

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 and reported to the Workman Compensation Commissioner.*

T4.3.4

Table 130: 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
General Worker	Disrespect, Insolence	29.11.2013	Disciplinary hearing was held on the 28 February 2014 and employee pleaded guilty and was given Final Written Warning	28.02.2014
T 4.3.5				

Table 131: 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
Meter Reader	Using of Municipal Vehicle without authorisation and caused serious damages to this vehicle that amounts to R 25 000	Matter schedule but postponed on several occasions due to employee and Rep absence	Pending
T 4.3.6			

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:  
For the Financial Year 2013/14 there were no suspensions as a result of Financial Misconduct.

T4.3.7

#### 4.4 PERFORMANCE REWARDS

**No performance rewards were paid to any employee during the 2013/14 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 Training Programme identified in the financial year 2013/2014 and some programmes were implemented. Workforce training and development learning interventions were implemented not as effectively planned due to the limited grants received from Local Government Sector Education and Training Authorities after the municipality submitted the workplace skills plan for the year 2013/2014 that was not compliant, as the registered trade unions did not sign the document. The following learnership/internship were undertaken: Certificate in Local Government Accounting, Advance Certificate in Local Government, Plumbing, Financial Management Internship, Municipal Financial Management Programme, Environmental Practices, Fire and Rescue Operations. Most learnership and apprenticeship programme were not implemented as the municipality is awaiting the funding agreements from Local Government Sector Education and Training Authorities.

Bursaries are awarded twice a year to assist employees to further their educational level and better their livelihood.

*SA 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.*

T4.5.0



## 4.5 SKILLS DEVELOPMENT AND TRAINING

Table 132: Skills Matrix

Skills Matrix														
Number of skilled employees required and actual as at 30 June 2014 Learnerships Actual: End of 2013/14	Gender Skills programmes & other short courses Actual: End of 2013/14	Employees in post as at 30 June Year 2014 Other forms of training 2013/14 Target	Number of skilled employees required and actual as at 30 June 2014											
			Total			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of 2012/13	Actual: End of 2013/14	2013/14 Target	Actual: End of 2012/13	Actual: End of 2013/14	2013/14 Target	Actual: End of 2012/13	Actual: End of 2013/14	2013/14 Target	Actual: End of 2012/13	Actual: End of 2013/14	2013/14 Target
MM and s57	Female	2	2	2	2	2	2	2	0	0	0	2	2	2
	Male	3	3	2	3	3	2	3	0	0	0	3	2	3
Councillors, senior officials and managers	Female	24	20	6	19	2	6	19	0	0	0	2	6	19
	Male	55	61	11	42	9	11	42	0	0	0	9	11	42
Technicians and trade workers	Female	7	6	1	4	5	1	4	0	0	0	5	1	4
	Male	63	63	19	44	12	19	44	0	0	0	12	19	44
Professionals and associate professionals*	Female	17	11	2	10	3	2	10	0	0	0	3	2	10
	Male	13	21	2	11	2	2	11	0	0	0	2	2	11
Sub total	Female	50	39	11	35	12	11	35	0	0	0	12	11	35
	Male	134	148	34	100	26	34	100	0	0	0	26	34	100
<b>Total</b>		<b>184</b>	<b>187</b>	<b>45</b>	<b>135</b>	<b>38</b>	<b>45</b>	<b>135</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38</b>	<b>45</b>	<b>135</b>

\*Registered with professional Associate Body e.g A (SA)

T 4.5.1

Table 133: 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
<i>Chief financial officer</i>	1	0	1	0	1	0
<i>Senior managers</i>	8	0	8	8	4	8
<i>Any other financial officials</i>	8	0	8	5	0	5
<b>Supply Chain Management Officials</b>						
<i>Heads of SCM unit</i>	0	0	0	0	0	0
<i>SCM senior managers</i>	2	0	2	0	0	0
<b>TOTAL</b>	<b>20</b>	<b>0</b>	<b>20</b>	<b>14</b>	<b>6</b>	<b>14</b>
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

T 4.5.2

Table 134: 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 2013/14							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	2	0	0	90 000	90 000	0	0	90 000	90 000
	Male	3	0	0	135 000	135 000	0	0	135 000	135 000
Legislators, senior officials and managers	Female	24	90 000	0	90 000	7 999	0	0	180 000	7 999
	Male	55	180 000	0	100 000	0	0	0	280 000	0
Professionals	Female	17	0	0	240 000	90 430	0	0	240 000	90 430
	Male	13	0	0	120 000	84 630	0	0	120 000	84 630
Technicians and associate professionals	Female	7	135 000	0	85 000	0	0	0	220 000	0
	Male	78	225 000	0	155 000	64 354.28	0	0	380 000	64 354.28
Clerks	Female	60	0	0	300 000	25 399	0	0	300 000	25 399
	Male	51	0	0	170 000	8 700	0	0	170 000	8 700
Service and sales workers	Female	28	54 000	0	126 000	0	0	0	180 000	0
	Male	44	108 000	0	72 000	2 900	0	0	180 000	2 900
Plant and machine operators and assemblers	Female	05	0	0	15 000	0			15 000	0
	Male	79	90 000	0	70 000	9 695.70			160 000	9 695.70
Elementary occupations	Female	110	270 000	0	80 000	14 500			350 000	14 500
	Male	278	360 000	0	90 000	29 000			450 000	29 000
Sub total	Female	253	549 000	0	1 026 000	228 328	0	0	1 575 000	228 328
	Male	601	963 000	0	912 000	334 279.98	0	0	1 875 000	334 279.98
<b>Total</b>		<b>854</b>	<b>R1 512 000</b>		<b>R1 938 000</b>	<b>553 907.98</b>			<b>R3 450 000</b>	<b>553 907.98</b>
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									<b>0,63%*</b>	
T4.5.3										

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

Workforce training and development learning interventions were implemented not as effectively planned due to the limited grants received from Local Government Sector Education and Training Authorities after the municipality submitted the workplace skills plan for the year 2013/2014 that was not compliant, as the registered trade unions did not sign the document.

Some programmes were implemented successfully and competency regulated programmes are implemented and the outcomes for all the programmes were received. Learning interventions will be strengthened for implementation as soon as all stakeholders participate in the training committee meetings which are held quarterly and the needs of the employees are accelerated through the committee. Local Government Sector Education and Training Authorities also recommended that the relevant stakeholders must sign the workplace skills plan and annual training plan in order to receive the mandatory grants that will assist the municipality in successfully implementing the identified learning interventions for the financial year.

T4.5.4

## 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

T4.6.0

### 4.6 EMPLOYEE EXPENDITURE

Source: MBRR SA22

T 4.6.1

### COMMENT ON WORKFORCE EXPENDITURE:

To be inserted

T4.6.1.1

Table 135: 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	
	Male	
Skilled (Levels 3-5)	Female	18
	Male	11
Highly skilled production (Levels 6-8)	Female	04
	Male	05
Highly skilled supervision (Levels 9-12)	Female	05
	Male	22
Senior management (Levels 13-16)	Female	06
	Male	23
MM and S 57	Female	
	Male	
Total		

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 136: 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
N/A				
				T 4.6.3

Table 137: 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
N/A				
				T 4.6.4

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

To be inserted

T4.6.5

#### 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**.

T4.6.6

## 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

T5.0.1

## 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.

T5.1.0

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

To be inserted

Table 138: Statement of Financial Performance

Description  R thousands	2013/14											2012/13			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustment s 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
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Financial Performance</b>															
Property rates	93 932					95 432	105 018		9 586	10%					
Service charges	473 796					453 684	408 031		-45 653	-10%					
Investment revenue	19 875					19 375	21 449		2 074	11%					
Transfers recognised - operational	107 887					107 887	111 129		3 242	3%					
Other own revenue	43 753					39 852	45 803		5 951	15%					
<b>Total Revenue (excluding capital transfers and contributions)</b>	739 242					716 230	691 430		-24 800	3%					
Employee costs	188 560					188 944	184 944		-4 653	-2%					
Remuneration of councillors	13 174					13 174	12 890		-284	-2%					
Debt impairment	46 687					46 687	0		-46687	-100%					
Depreciation & asset impairment															
Finance charges	8 142					5 642	67		-5575	-99%					
Materials and bulk purchases	351 708					339 603	238 988		-100 615	-30%					
Transfers and grants	47 192					47 192	30 180		-17012	-30%					
Other expenditure	177 475					167 890	146 915		-20 975	-12%					
<b>Total Expenditure</b>	832 938					809 132	613 331		-195 801	-24%					
<b>Surplus/(Deficit)</b>	-93 696					-92 902	78 099		171 000	-184%					
Transfers recognised - capital	93 697					93 697			-93 967	-100%					



Contributions recognised - capital & contributed assets														
	1				795	78 099		77 303	9723%					
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>														
Share of surplus/ (deficit) of associate														
<b>Surplus/(Deficit) for the year</b>	1				795	78 099		77 303	9723%					
		-												
<b>Capital expenditure &amp; funds sources</b>														
<b>Capital expenditure</b>														
Transfers recognised - capital	93 697				93 697	52 419		-41 278	-44%					
Public contributions & donations														
Borrowing	27 500				27 500	0		-27 500	-100%					
Internally generated funds	42 390				5 000	2 244		-2 756	-55%					
<b>Total sources of capital funds</b>	163 587				126 197	54 663		-71 534	-55%					
<b>Cash flows</b>														
Net cash from (used) operating	102 436				72 419	39 214		-33 205	-46%					
Net cash from (used) investing	-131 304				-93 697	-53 883		39 814	-42%					
Net cash from (used) financing	11 959				-20 832	-3709		17 123	-82%					
<b>Cash/cash equivalents at the year end</b>	2 019				-32 926	-9 193		13 990	-60%					

T 5.1.1

Table 139: Financial Performance of Operational Services

Financial Performance of Operational Services						
R '000						
Description	2012/13	2013/14			2013/14 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget %	Adjustments Budget %
<b>Operating Cost</b>						
Water	37 495	-41 807	-43 996	-33 770		23%
Waste Water (Sanitation)	-11 633	-29 565	-23 577	11 932		49%
Electricity	-17 199	5 225	5 775	-29 181		-505%
Waste Management	2 673	-14100	-6 443	621		10%
Housing	-5 394	3 215	1 913	5 324		278%
Component A: sub-total	5 942					
Stormwater Drainage						
Roads	-5 842	54 395	46 555	-5 347		-11%
Transport						
Component B: sub-total	-5 842					
Planning	-1 874	2 023	1 686	2 829		167%
Local Economic Development	-679	1 455	1 014	1 253		123%
Component B: sub-total	-2 553					
Planning (Strategic & Regulatory)						
Local Economic Development						
Component C: sub-total						
Community & Social Services	-18 777	42 654	45 584	17 667		4
Environmental Protection						
Health						
Security and Safety	-16 837	12 849	13 009	10 850		4
Sport and Recreation	-5 806	-5 236	2 317	-5 114		4
Corporate Policy Offices and Other	44 594	1	1	1		1
Component D: sub-total	3 174					
<b>Total Expenditure</b>	<b>721</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						

## COMMENT ON FINANCIAL PERFORMANCE:

T5.1.3

## 5.2 GRANTS

Table 140: Grant Performance

Grant Performance						
Description	R' 000					
	2012/13	2013/14		2013/14 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>98 475</b>	<b>105 150</b>	<b>105 150</b>	<b>105 138</b>	99	99
Equitable share	93 903	101 698	101 698	101 698	100	100
Municipal Systems Improvement	800	890	890	890	100	100
Department of Water Affairs	785	12	12		0	0
Finance Management grant	1 500	1 550	1 550	1 550	100	100
EPWP	1 487	1 000	1 000	1 000	100	100
<b>Provincial Government:</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>667</b>	<b>133</b>	<b>133</b>
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation	500					
Library		500	500	667	133	133
<b>District Municipality:</b>						
<i>[insert description]</i>						
<b>Other grant providers:</b>	<b>1 395</b>	<b>2237</b>	<b>2237</b>	<b>2237</b>	<b>100</b>	<b>100</b>
<i>M I G</i>	<b>1 395</b>	<b>2237</b>	<b>2237</b>	<b>2237</b>	<b>100</b>	<b>100</b>
<b>Total Operating Transfers and Grants</b>						
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.						

T 5.2.1

## COMMENT ON OPERATING TRANSFERS AND GRANTS:

To be inserted

T5.2.2

Table 141: Grants Received from Other Sources

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant 2012/13	Actual Grant 2013/14	2013/14 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
<b>Parastatals</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<b>Foreign Governments/Development Aid Agencies</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<b>Private Sector / Organisations</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Provide a comprehensive response to this schedule						T 5.2.3

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

To be inserted

T5.2.4

## 5.3 ASSET MANAGEMENT

## INTRODUCTION TO ASSET MANAGEMENT

To be inserted

T5.3.1

Table 142: Treatment of three largest asset

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2013/14				
Asset 1				
Name :	Augmentation of Bulk water supply			
Description:	Water network			
Asset Type:	Infrastructure water			
Key Staff Involved:	PMU Staff			
Staff Responsibilities:	Monitoring of project			
Asset Value: R347 506 000	2010/11	2011/12	2012/13	2013/14
	1 491 664	13 510 531	20 712 469.45	
Capital Implications:	MIG Funding			
Future Purpose of Asset:	Water supply			
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 2				
Name:	Amelia outfall sewer			
Description:	Outfall sewer			
Asset Type:	Infrastructure sewer			
Key Staff Involved:	PMU Staff			
Staff Responsibilities:	Monitoring of project			
Asset Value: R37 183 926	2010/11	2011/12	2012/13	2013/14
		8 252 006	24 266 105.69	
Capital Implications:	MIG Funding			
Future Purpose of Asset:	outfall sewer			
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 3				
Name:	Construction of new interlocking paved road and storm water			
Description:	Roads and storm water channel			
Asset Type:	Infrastructure Roads			
Key Staff Involved:	PMU Staff			
Staff Responsibilities;	Monitoring of project			
Asset Value: R35 883 276	2010/11	2011/12	2012/13	2013/14

	19 350 335	9 823 390	10 042 419.90	
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:

To be inserted

T5.3.3

Table 143: Repairs and Maintenance Expenditure

Repair and Maintenance Expenditure: 2013/14				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure		41 027	21 148	48%
T 5.3.4				

## COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

To be inserted

T5.3.4.1

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

T5.4.1

T5.4.2

T5.4.3

T5.4.4

T5.4.5

T5.4.6

T5.4.7

T5.4.8

COMMENT ON FINANCIAL RATIOS:

To be inserted

T5.4.9

## 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.

T5.5.0

### 5.5 CAPITAL EXPENDITURE

T5.5.1

### 5.6 SOURCES OF FINANCE

Table 144: Capital Expenditure – Funding Sources

Capital Expenditure - Funding Sources: 2012/13 to 2013/14							R' 000
Details		2012/13	2013/14				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>							
	External loans	(73)					
	Public contributions and donations	100					
	Grants and subsidies	5					
	Other	(38)					
<b>Total</b>							
<b>Percentage of finance</b>							
	External loans	(61)					
	Public contributions and donations						
	Grants and subsidies	51					
	Other	(73)					
<b>Capital expenditure</b>							
	Water and sanitation	48 855					
	Electricity	7 550					
	Housing	0					
	Roads and storm water	10 042					
	Other	11 666					
<b>Total</b>		<b>78 113</b>					



Percentage of expenditure						
Water and sanitation	63					
Electricity	10					
Housing	0					
Roads and storm water	13					
Other	15					
T 5.6.1						

## COMMENT ON SOURCES OF FUNDING:

To be inserted

T5.6.1.1

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Table 145: Capital Expenditure on 5 Largest Projects Technical Dept. to assist in this regard

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: 2013/14			Variance: 2013/14	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Name of Project					
B - Name of Project					
C - Name of Project					
D - Name of Project					
E - Name of Project					
* Projects with the highest capital expenditure in Year 0					
Name of Project - A					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - B					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - C					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - D					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - E					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
T 5.7.1					

## COMMENT ON CAPITAL PROJECTS:

To be inserted

T5.7.1.1

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS– OVERVIEW

## INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

To be inserted

T5.8.1

Table 146: Service Backlogs

Service Backlogs as at 30 June Year 0				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water		%		%
Sanitation		%		%
Electricity		%		%
Waste management		%		%
Housing		%		%

% 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

Table 147: MIG Expenditure Technical Dept. to put in %

Municipal Infrastructure Grant (MIG)* Expenditure 2013/14 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments	
					Budget	
<b>Infrastructure - Road transport</b>				%	%	
<i>Roads, Pavements &amp; Bridges</i>				%	%	
<i>Storm water</i>				%	%	
<b>Infrastructure - Electricity</b>				%	%	
<i>Generation</i>				%	%	
<i>Transmission &amp; Reticulation</i>				%	%	
<i>Street Lighting</i>				%	%	
<b>Infrastructure - Water</b>				%	%	
<i>Dams &amp; Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
<b>Infrastructure - Sanitation</b>				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
<b>Infrastructure - Other</b>				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
<b>Other Specify:</b>				%	%	
				%	%	
				%	%	
<b>Total</b>				%	%	
<p>* 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.</p>						

T 5.8.3

## COMMENT ON BACKLOGS:

To be inserted

T5.8.4

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

To be inserted

T5.9

## 5.9 CASH FLOW

Table 148: Cash Flow Outcomes

Cash Flow Outcomes				
Description	2012/13	2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other				
Government - operating				
Government - capital				
Interest				
<b>Payments</b>				
Suppliers and employees				
Finance charges				
Transfers and Grants				
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>				
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
<b>Payments</b>				
Capital assets				
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>				
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
<b>Payments</b>				
Repayment of borrowing				
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>				
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>				
Cash/cash equivalents at the year begin:				
Cash/cash equivalents at the year end:				
Source: MBRR A7				T 5.9.1

COMMENT ON CASH FLOW OUTCOMES:

To be inserted

T5.9.1.1

## 5.10 BORROWING AND INVESTMENTS

### INTRODUCTION TO BORROWING AND INVESTMENTS

To be inserted

T5.10.1

Table 149: Actual Borrowings

Actual Borrowings: 2010/11 to 2012/13			
			R' 000
Instrument	2011/12	2012/13	2013/14
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	0	9 000	1 070
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	9 209	12 517	0
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>9 209</b>	<b>21 517</b>	<b>1070</b>

T 5.10.2

T5.10.3

Table 150: Municipal Investments

Municipal Investments			
Investment* type	2011/12	2012/13	2013/14
	Actual	Actual	Actual
<b>Municipality</b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	7 963	433	9 302
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	9 045	10 120	20 205
<b>Municipality Total</b>	<b>17 008</b>	<b>10 553</b>	<b>29 507</b>
T 5.10.4			

## COMMENT ON BORROWING AND INVESTMENTS:

T5.10.5

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

## PUBLIC PRIVATE PARTNERSHIPS

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

T5.11.1



## COMPONENT D: OTHER FINANCIAL MATTERS

### 5.12 SUPPLY CHAIN MANAGEMENT

#### SUPPLY CHAIN MANAGEMENT

*To be inserted*

T5.12.1

## 5.13 GRAP COMPLIANCE

### GRAP COMPLIANCE

To be inserted

T5.13.1

## 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 2013/14 Annual Financial Statements to be submitted to the Auditor-General on 31 August 2014 as required by the MFMA. The financial statements are included under Volume II of this Annual Report.

T6.0.1

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2012/13

### 6.1 AUDITOR GENERAL REPORTS 2012/13

Table 151: Auditor-General Report on Financial Performance

Auditor-General Report on Financial Performance 2012/13*	
<b>Status of audit report*: Qualified</b>	
<b>Material Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
<b>Irregular Expenditure (Basis for the Audit Qualification)</b> I was unable to obtain sufficient appropriate audit evidence that management has identified and recorded all instances of irregular expenditure for the current and prior year as the controls over the system was ineffective and management did not review the entire population to ensure that all instances of irregular expenditure were identified and recorded. I was unable to confirm the irregular expenditure by alternative means. Consequently, I was unable to determine whether any adjustments to irregular expenditure stated at R239 611 446 (2012:R162 913 899) as disclosed in note 52 to the financial statements were necessary.	The whole population of payments for 2012/2013 and 2013/2014 will be reviewed to identify and record all instances of irregular expenditure.
<b>Annual financial statements, performance and annual reports</b> The financial statements submitted for auditing were not	All documentation will be checked for

prepared, in all material respects, in accordance with the requirements of section 122 of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.	completeness before any payments are made. Year-end procedures will be improved so as to minimize the adjustments to the draft financial statements that are submitted for audit.
The annual performance report for the year under review does not include the performance of the municipality and each external service provider, as required by section 46(1)(a) of the MSA and section 121(3)(c) of the MFMA.	All directors will submit monthly reports to council on the performance of external service providers
The council's oversight report on the 2011-12 annual report was not made public within seven days of its adoption, as required by section 129(3) of the MFMA.	The council's oversight report on the 2012/2013 annual report will be made public within seven days of its adoption
<b>Expenditure Management</b> Money owing by the municipality was not always paid within 30 days or an agreed period, as required by section 65(2)(e) of the MFMA.	Controls will be put in place to ensure all invoices reach the expenditure section in time to process and pay them within 30 days. Cash flow constraints do pose a challenge in terms of paying all creditors within 30 days Cash flow forecasts will be done and cash flow management improved All directors to monitor spending pattern
Reasonable steps were not taken to prevent unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.	Controls will be put in place to prevent and detect unauthorized, irregular and fruitless and wasteful expenditure at source
<b>Procurement and Contract Management</b> Sufficient appropriate audit evidence could not, in all instances, be obtained that bid specifications for procurement of goods and services through competitive	<ul style="list-style-type: none"> <li>The specification committee will ensure that all specifications for</li> </ul>

<p>bids were drafted in an unbiased manner that allowed all potential suppliers to offer their goods or services, as per required by supply chain management (SCM) regulation 27(2)(a).</p>	<p>procurement of goods and services are in line with SCM Regulation 27(2)(a)</p> <ul style="list-style-type: none"> <li>• Training will be given where necessary.</li> <li>• Capacity constraints and filling of vacancies in the SCM department will be prioritised.</li> <li>• The appointment of a supply chain manager has become critical.</li> </ul>
<p>Sufficient appropriate audit evidence could not, in all instances, be obtained that bid specifications were drafted by bid specification committees which consisted of one or more officials of the municipality, as required by SCM regulation 27(3).</p>	<p>Minutes of the bid specification committee will be filed in a safe place to be available for audit purposes.</p> <p>Filling of critical vacancies in the SCM department need to be fast tracked</p>
<p>Sufficient appropriate audit evidence could not, in all instances, be obtained that contracts and quotations were awarded to bidders based on points given for criteria that were stipulated in the original invitation for bidding and quotations, as required by SCM regulations 21(b) and 28(1)(a) and Preferential Procurement Regulations.</p>	<p>Minutes of the bid adjudication and evaluation committees will be filed in a safe place to be available for audit purposes</p>
<p>Sufficient appropriate audit evidence could not, in all instances, be obtained that bid adjudication was always done by committees which were formed in accordance with SCM regulation 29(2).</p>	<p>Minutes of the bid adjudication committee will be filed in a safe place to be available for audit purposes.</p> <p>All delegations and appointments onto committees by the Municipal Manager will be in writing.</p>
<p><b>Human Resource Management and Compensation</b></p> <p>Sufficient appropriate audit evidence could not be obtained that newly appointed municipal managers/managers directly accountable to municipal managers submitted proof of previous employment and</p>	<p>Proof of previous employment and disclosure of financial interests will be requested prior to appointment</p>

disclosure of financial interests prior to appointment, as per the requirements of Municipal Performance Regulations, regulation 4 of GNR 805.	
Sufficient appropriate audit evidence could not be obtained that the senior managers were not dismissed for financial misconduct in a previous position and re-appointed before the expiry of 10 years, in contravention of section 57A of the MFMA.	Sufficient evidence will be obtained that senior managers were not dismissed for financial misconduct in a previous position and re appointed before the expiry of 10 years
The competencies of financial and SCM officials were not assessed in a timely manner in order to identify and address gaps in competency levels, as required by the regulation 13 of the Municipal Regulations on Minimum Competency Levels.	The plan set out to reach the competency has been developed and implemented. Progress has been made in this regard.
The municipality did not submit a report on compliance with prescribed competency levels to the National Treasury and relevant provincial treasury, as required by regulation 14(2)(a) of the Municipal Regulations on Minimum Competency Levels.	A report on compliance will be submitted to National Treasury and the Provincial Treasury.
The annual report of the municipality did not reflect information on compliance with prescribed minimum competencies, as required by regulation 14(2)(b)/14(3) of the Municipal Regulations on Minimum Competency Levels.	Information on compliance with the prescribed minimum competencies will be included in the annual report.
<b>Liability Management</b> Short-term debt was incurred without a resolution of the municipal council approving the debt agreement, in contravention of section 45(2) of the MFMA.	A report will be taken to council to ratify the debt agreement
<b>Internal Control</b> 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	The occurrence of irregular expenditure is not a reflection on integrity and ethical values but rather as a result of contracts that expired that were not renewed, or not having contracts in place. There has also been changes in management. Senior managers will set a standard for sound corporate governance to prevent irregular expenditure  All procurement for which tenders need to be in place is to be reviewed and the situation will be rectified.

The accounting officer did not take appropriate action to address the lack of discipline at the SCM section, resulting in non-compliance with applicable legislation. This, in turn, resulted in irregular expenditure. This occurred due to limited capacity at the SCM unit.	Municipal Manager will address the lack of discipline in the SCM section and monthly reporting from the SCM unit will be required. Filling of critical vacancies in the SCM department need to be fast tracked
The slow response of the accounting officer to take appropriate action to identify all irregular expenditure in the previous financial year resulted in a qualification on the completeness of irregular expenditure.	The whole population of payments for 2012/2013 and 2013/2014 will be reviewed to identify and record all instances of irregular expenditure
Internal policies and procedures for performance information management and reporting were not developed approved and implemented due to a slow response by management on the recommendations in the previous audit report.	Internal policy and procedures for performance information management and reporting will be done
<b>Financial and Performance Management</b> The staff members of the municipality were not sufficiently skilled to ensure that the daily financial activities were 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.	Staff training will be done. Policies and procedures will be reviewed and implemented to enhance the internal control framework.
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	Staff training will be done. Policies and procedures will be reviewed and implemented to enhance the internal control framework.

the information systems of the municipality.	
The action plan that was in place to address shortcomings in the performance management and reporting process were not effective due to a lack of monitoring by management.	The accounting officer will address the shortcomings in the performance management and reporting process
The municipality did not have a proper system of record management that provides for the maintenance of information that supports the reported performance due to a lack of capacity in the performance information unit.	A proper record system will be implemented
<p><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></p> <p style="text-align: right;">T 6.2.1</p>	

Table 152: Auditor-General Report on Service Delivery Performance

Auditor-General Report on Service Delivery Performance: 2012/13*	
<b>Status of audit report*: Qualified</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
<b>Usefulness of information</b> Measures to improve performance for a total of 26% of the planned targets not achieved were not reflected in the annual performance report. This was due to the lack of review of the performance measures by management.	The IDP and performance measures will also be reviewed and submitted to council together with the tabling of the draft budget to council.
Adequate and reliable corroborating evidence could not be provided for 71% measures taken to improve performance as disclosed in the annual performance report. The municipality records did not permit the application of alternative audit procedures. Consequently, Auditor General could not obtain sufficient appropriate audit evidence to satisfy himself as to the reliability of the measures taken to improve performance.	All directors will prepare a file throughout the year as a portfolio of evidence on performance to be available for audit for the 2014 year
<b>Reliability of information</b> Auditor General was unable to obtain the information and explanations which considered necessary to satisfy himself as to the reliability of information presented with respect to KPA 2 -	All directors will prepare a file throughout the year as a portfolio of evidence on performance to be available for audit



<p>basic service delivery and infrastructure investment. This was due to the fact that the municipality could not provide sufficient appropriate evidence in support of the information presented with respect to the KPA 2 basic service delivery and infrastructure investment.</p>	
<p><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 Year 2012/13</i></p> <p><i>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</i></p>	

T 6.2.2

## COMPONENT B: AUDITOR-GENERAL OPINION 2013/14

## 6.2 AUDITOR GENERAL REPORT 2013/14

Table 153: Auditor-General Report on Financial Performance

[illegible]

Table 154: Auditor-General Report on Service Delivery Performance

Auditor-General Report on Service Delivery Performance: 2013/14*	
Status of audit report**:	
Non-Compliance Issues	Remedial Action Taken
<p>* 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 Year 2013/14</p> <p>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</p>	
T 6.2.2	

## AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS:2013/14

REPORT TO BE ATTACHED AFTER AUDITOR-GENERAL'S REPORT IS FINALISED

## 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).....CFO to sign..... Dated  
T6.2.5

# 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 “what we use to do the work”. 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 “what we wish to achieve”.

# 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

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated Portfolio	*Ward and/ or Party Represented	Percentag e Council Meetings Attendanc e	Percentag e Apologies for non- attendance
	FT/PT			%	%
Ms Matsedisio Alina Tamane	PT	Technical Services LED, Tourism & Agriculture	1	90	70
Mr Malebo Daniel Nthebe	PT	Public Safety & Security Sports, Arts & Culture	2	45	70
Mr Mosiuoa Solomon Poho	PT	Finance Communications, ICT & IDP	3	90	100
Mr Dawid Ntja Motloung Passed away (October 2013)	PT	Finance and Audit Technical Services	4	50	100
Ms Selina Moreki	PT	Finance LED, Tourism & Agriculture	5	75	95
Ms Masontaga Nomsa Sejaki	PT	Technical Services Communications, ICT & IDP	6	100	-
Mr Thabo Emmanuel Mosia	PT	MPAC	7	100	-
Mr Lebohang Samuel Semonyo	FT	Corporate Services	8	90	100
Ms S S Mofokeng	PT	Corporate Services	9	95	100
Ms M N Mtshali	PT	Sports, Arts & Culture	10	95	100
Mr Thabo Kenneth Mabasa	FT	Communications, ICT & IDP	11	80	95
Ms Sophia Bulelwa Khunou	PT	Corporate Services Communications, ICT & IDP	12	95	100
Ms Julia Masetlhare Phepheng-Lelahla	PT	Sports, Arts & Culture Corporate Services	13	80	95
Mr Jan Daniel Viljoen	PT	Finance	14	70	100
Mr Jacobus Johannes Grobbelaar	PT	Sports, Arts & Culture	15	90	100
Mr Hans Jurie Moolman	PT	Public Safety & Security	16	70	100
Ms Maria Cecilia Van der Walt	PT	Cleansing, Parks & Graves	17	75	95
Mr David Mac Millan Oswald	PT	Technical Services	18	85	100
Mr Alexis Khomolileng Mare	PT	Public Safety & Security Cleansing, Parks & Graves	19	100	-
Ms Nombulawa Lucy Mdola	PT	MPAC	20	100	-
Mr Lefu Richard Chebase	PT	Cleansing, Parks & Graves LED, Tourism & Agriculture	21	55	80

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Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated Portfolio	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Mr Brutus Tshepo Mahlaku ( <i>Executive Mayor</i> )	FT	Mayoral Committee	ANC	80	100
Ms Thandiwe Linah Soetsang ( <i>Council Whip</i> )	FT	Council	ANC	75	100
Mr Sello Zacharia Matena ( <i>Speaker</i> )	FT	Council	ANC	95	100
Ms Nomsa Josephina Kubheka	FT	Technical Services	ANC	85	100
Mr Malefane Johannes Msimanga ( <i>Resigned September 2013</i> )	PT	Cleansing, Parks & Cemeteries LED, Tourism & Agriculture	ANC	80	95
Ms Anna Ndutula Radebe	FT	Sports, Arts & Culture	ANC	95	100
Ms Dikeledi Ellen Mokoena	PT	Public Safety & Security Sports, Arts & Culture	ANC	90	100
Mr Serame Isaac Ramathesele ( <i>Resigned September 2013</i> )	PT	Corporate Services LED, Tourism & Agriculture	ANC	95	100
Mr Mnyamezeli Welcome Khonto	FT	Public Safety & Security	ANC	95	100
Ms Sylvia Lindiwe Tshongwe	FT	Finance	ANC	95	100
Mr Frans Christiaan Coetzer	PT	LED, Tourism & Agriculture	DA	80	100
Mr Jacobus Johannes Geyser	PT	Technical Services	DA	95	100
Mr Tsietsi Johannes Mofokeng	PT	Communications, ICT & IDP	DA	55	95
Ms Suraya Holt	PT	MPAC	DA	65	100
Mr Makone Fithalls Machaea	PT	LED, Tourism & Agriculture	DA	90	100
Mr Velly Johannes Maseko	PT	Sports, Arts & Culture	DA	95	95
Mr Mabaka George Ntoane	PT	Corporate Services	DA	90	95
Mr Pretty Jacob Mahlangu	PT	Cleansing, Parks & Graves	DA	75	95
Mr Johannes du Plessis	PT	Corporate Services	DA	80	100
Ms Mmabatho Martie Mosia	PT	Communications, ICT & IDP	DA	80	100
T du Toit	PT	Communications, ICT & IDP	FF	65	95
Mr Retsheditswe Johannes Mabefu ( <i>Started October 2013</i> )	FT	LED, Tourism & Agriculture	ANC	80	-
Ms Khabonina Jane Makhoba ( <i>Started October 2013</i> )	FT	Cleansing, Parks & Graves	ANC	80	-
Ms Gabaikitsi Beauty Nnune ( <i>Started February 2014</i> )	FT	Finance Technical Services	ANC	60	-
Note: * Councillors appointed on a proportional basis do not have wards allocated to them					T A

# APPENDICES

Table 155: Councillors, Committees and Attendance. If there is evidence, information can be changed

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 156: Committees

Committees (other than Mayoral / Executive 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)

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## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Table 157: Third Tier Structure

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Technical Services	Director (Vacant) Manager: Electrical and Mechanical Services H van Wyk Manager: Civil Engineering Services MC Botha Manager: PMU M Ndaba
Financial Services	Chief Financial Officer A Lambat Manager: Revenue C Scheepers Manager: Budget and Financial Planning Ms A Vorster
LED and Planning	Director: S Monyaki Manager: Urban Planning L Thaanyane Manager: Housing and Property Management Services G Steenkamp Manager: LED (Vacant) Manager Marketing and Tourism M Mkhafa
Corporate Services	Director: M Maseola Manager: Legal (Vacant) Manager: Human Resources (Vacant)
Social Services	Director: S.L Lempe Manager: Parks and Cleansing L P Thile Manager: Public Safety M Penkin Manager: Sports, Arts and Recreation M Mosholi
Municipal Manager's Office	Municipal Manager: SM Molala Manager: MM's Office – M Kobue Manager: IDP/PMS – SJ Mokoena Manager: Internal Audit – K George Manager: ICT – G Nhlapo Manager: Security – O Maduna Manager: Communication & IGR – G Alberts Manager: Unit Manager (Deneysville & Oranjeville) – BJ Malindi
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 / ENTITY

**Table 158: 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
Stormwater 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

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MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
<b>Constitution Schedule 4, Part B functions:</b>	
Pounds	No
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); * If entity: Provide name of entity</i>	

# APPENDICES

## APPENDIX E –WARD REPORTINGTABLE 159: FUNCTIONALITY OF WARD COMMITTEES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee 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				
Ward 2	Cllr M.D Nthebe and 9 WC members				
Ward 3	Cllr Ms.Poho and 10 WC members				
Ward 4	Cllr D. Motloung 10 WC members				
Ward 5	Cllr S. Moreki and 10 WC members				
Ward 6	Cllr N. Sejake and 10 WC members				
Ward 7	Cllr T. Mosia and 8 WC members				
Ward 8	Cllr L.S Semonyo and 9 WC members				
Ward 9	Cllr S.S Mofokeng and 10 WC members				
Ward 10	Cllr M N Mtshali and 10 WC members				
Ward 11	Cllr T.Mabasa and 10 WC members				
Ward 12	Cllr B.S Khunou and 7 WC members				
Ward 13	Cllr JM. Lelahla-Phepheng and 10 WC members				
Ward 14	Cllr J.D Viljoen and 10 WC members				
Ward 15	Cllr J.J. Grobbelaar and 10 WC members				
Ward 16	Cllr J Moolman and 10 WC members				
Ward 17	Cllr M.R Van der Walt and 9 WC members				
Ward 18	Cllr D.M Oswald and 10 WC members				
Ward 19	Cllr K.A Mare and 10 WC members				
Ward 20	Cllr N.M Mdola and 10 WC members				
Ward 21	Cllr R.L. Chebase and 10 WC members				

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## APPENDIX F – WARD INFORMATION

Information on seven largest capital projects, basic service provision and top four Ward Service Delivery

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## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2013/14

Table 160: Municipal Audit Committee Recommendations

### Name of members

Mr. Seth M Radebe (Chairperson)

Mr. Zola Fihlani

Ms - Dikomo Selina L

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2013/14	Recommendations adopted (enter Yes) If not adopted (provide explanation)
25 February 2014	<ul style="list-style-type: none"> <li>• Management must develop and implement adequate internal control mechanism in order to comply with rules and regulations</li> <li>• Implement internal audit and audit committee recommendations</li> <li>• Additional audit committee meetings be arranged to track progress of management in resolving the AG findings.</li> <li>• Performance management system must be improved by regular and timely performance assessment, quarterly submission of report to Council and policy be approved and implemented</li> <li>• All outstanding policies and strategies must be approved by the council for the for better administration and to achieve clean audit</li> <li>• Security management is a great concern as there is no service level agreement with the service provider. SLA's to be executed and performance</li> </ul>	
26 November 2013		

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	<p>should be monitored as required by MFMA.</p> <ul style="list-style-type: none"> <li>• Security management policy, plan and strategy be developed, approved and implemented for better management of the security system.</li> <li>• Urgent management intervention is needed to improve the Dashboard of Key controls as there are still outstanding issues that need to be addressed.</li> </ul>	
<p>7 August 2013</p> <p>30 August 2013</p>	<ul style="list-style-type: none"> <li>➤ LED department needs to draw up an action plan to resolve all the audit queries raised. To ensure efficient functioning of the LED unit, outstanding policies to be developed and implemented especially the allocation policy, LED strategy and housing sector plan.</li> <li>➤ Performance management system must be improved by regular and timely performance assessment, quarterly submission of report to Council and policy be approved and implemented</li> <li>➤ All outstanding policies and strategies must be approved by the council for the for better administration and to achieve 2014 clean audit target</li> <li>➤ The municipality is functioning without having an approved PMS policy, and a performance management policy to be developed and implemented with immediate effect as this matter was previously reported. (It was reported previously)</li> <li>➤ The committee recommends that the quarterly reports regarding the implementation of SDBIP against the budget be submitted to council on a quarterly basis by the concerned department for effective monitoring of the service delivery issues (It was reported previously)</li> <li>➤ The performance assessment should be done at least 10 days after the end of each quarter and submit</li> </ul>	



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	<p>assessment report to internal auditors for audit and verification purpose. (It was reported previously)</p> <ul style="list-style-type: none"> <li>➤ As a matter of urgency, Compliance officer to be appointed. In order to achieve better audit opinion, municipality must comply with rules and regulations as this affect the audit opinion.</li> <li>➤ Security management is a great concern as there is no service level agreement with the service provider. SLA's to be executed and performance should be monitored as required by MFMA.</li> <li>➤ Security management policy, plan and strategy be developed, approved and implemented for better management of the security system.</li> </ul> <p>Urgent management intervention is needed to improve the Dashboard of Key controls as there are still outstanding issues that need to be addressed.</p>	
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## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Table 161: Long Term Contracts

Long Term Contracts (20 Largest Contracts Entered into during 2013/14)					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	R' 000 Contract Value

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Table 162: PPPs entered into

Public Private Partnerships Entered into during 2013/14					
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	R' 000 Value 2008/09
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# APPENDICES

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

**The Municipality does not have any operational entities.**

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## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

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

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

Table 163: Revenue Collection by Vote

Revenue Collection Performance by Vote						
Vote Description	2012/13	2013/14			2013/14 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget %	Adjustments Budget %
Council Speaker Council	20					
Municipal Manager	1 560	2 237	2 437	1 801		-26
Organisational development and Corporate Services	545	490	590	384		-35
Social services	52 217	92 049	76 990	52 657		-32
Technical and Infrastructure Services	484 137	592 767	581 970	467 110		-20
Financial Services	140 276	136 432	137 977	165 169		20
Local development and Urban Planning	4 037	8 965	9 965	4 308		-57
<b>Total Revenue by Vote</b>	<b>682 802</b>	<b>832 939</b>	<b>809 929</b>	<b>691 430</b>	<b>-</b>	<b>-15</b>
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.  This table is aligned to MBRR table A3</i>						

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

Table 164: Revenue Collection by Source

Revenue Collection Performance by Source						
Description	2012/13	2013/14			2013/14 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget %	Adjustments Budget %
Property rates	92 485	93 932	95 432	105 018		10
Property rates - penalties & collection charges						
Service Charges - electricity revenue	164 079	201 404	197 404	170 023		-14
Service Charges - water revenue	159 701	186 539	186 289	180 540		-3
Service Charges - sanitation revenue	19 990	31 937	25 937	21 430		-17
Service Charges - refuse revenue	27 526	44 491	35 491	29 156		-18
Service Charges - other	8 709	9 425	8 563	6 882		-20
Rentals of facilities and equipment	4 515	4 411	5 411	4 857		-10
Interest earned - external investments	1 543	2 400	1 700	1 368		-20
Interest earned - outstanding debtors	13 900	17 475	17 675	20 081		14
Dividends received						
Fines	4 194	13 016	7 116	6 061		-15
Licences and permits	120	171	171	137		-20
Agency services						
Transfers recognised - operational	97 822	107 877	107 877	111 129		3
Other revenue	6 667	21 155	22 155	34 618		56
Gains on disposal of PPE	276	5 000	5 000	130		-97
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>601 527</b>	<b>739 242</b>	<b>716 230</b>	<b>691 430</b>		<b>-3</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 165: Conditional Grants: excluding MIG

Conditional Grants: excluding MIG						
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						
<b>Total</b>						
<p>* 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.</p>						

TL

### COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

To be inserted

TL. 1

# APPENDICES

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

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

Table 166: Capital expenditure – New Assets

Capital Expenditure - New Assets Programme*							
							R '000
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2014/15	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>							
<b>Infrastructure: Road transport - Total</b>							
Roads, Pavements & Bridges							
Storm water							
<b>Infrastructure: Electricity - Total</b>							
Generation							
Transmission & Reticulation							
Street Lighting							
<b>Infrastructure: Water - Total</b>							
Dams & Reservoirs							
Water purification							
Reticulation							
<b>Infrastructure: Sanitation - Total</b>							
Reticulation							
Sewerage purification							
<b>Infrastructure: Other - Total</b>							
Waste Management							
Transportation							
Other							
<b>Community - Total</b>							
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Cemeteries							
Social rental housing							

# APPENDICES

Other							
Table continued next page							



# APPENDICES

Table 167: Capital Expenditure – New Assets (cont.)

Capital Expenditure - New Assets Programme*							
R '000							
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>							
Buildings							
Other							
<b>Investment properties - Total</b>							
Housing development							
Other							
<b>Other assets</b>							
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
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>							

# APPENDICES

Computers - software & programming							
Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on new assets</b>							
<b>Specialised vehicles</b>	-			-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
<i>* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)</i> <span style="float: right;"><i>T M.1</i></span>							

# APPENDICES

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

Table 168: Capital expenditure – Upgrade/Renewal

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>							
<b>Infrastructure: Road transport -Total</b>							
Roads, Pavements & Bridges							
Storm water							
<b>Infrastructure: Electricity - Total</b>							
Generation							
Transmission & Reticulation							
Street Lighting							
<b>Infrastructure: Water - Total</b>							
Dams & Reservoirs							
Water purification							
Reticulation							
<b>Infrastructure: Sanitation - Total</b>							
Reticulation							
Sewerage purification							
<b>Infrastructure: Other - Total</b>							
Waste Management							
Transportation							
Gas							
Other							
<b>Community</b>							
Parks & gardens							
Sportsfields& stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							

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Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
<b>Heritage assets</b>							
Buildings							
Other							
<i>Table continued next page</i>							

# APPENDICES

Table 169: Capital Expenditure – Upgrade/Renewal (cont.)

Table continued from previous page							
Capital Expenditure - Upgrade/Renewal Programme*							
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Investment properties</b>							
Housing development							
Other							
<b>Other assets</b>							
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
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)							
<b>Total Capital Expenditure on renewal of existing assets</b>							

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<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 2013/14

Table 170: Capital Programme by Project

Capital Programme by Project: 2013/14					
					R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<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>Stormwater</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"					
"Project B"					

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<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 N</i>



# APPENDICES

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2013/14

**Table 171: Capital Programme by Project by Ward**

Programme	Project name	Funding source	Wards	2013/14
Local democratic governance				
Facilities management				
Programme				
Revenue and cash flow management				
Programme				
Facilities management				
Customer care				
Programme				
Waste				

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management/ Clean communities				
Safe communities				
Community facilities				

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Community facilities (Cemeteries)				
Community facilities (Libraries)				
Programme				
Electricity				

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Roads and storm water				

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Sanitation				
Water				
Buildings				
Mechanical				

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workshop				
Programme				
Human settlements				

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Spatial development				
<b>Programme</b>	<b>Project name</b>	<b>Funding source</b>	<b>Wards</b>	<b>2013/14</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 172: 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>				
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.				

T P



# APPENDICES

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

Table 173: Service Backlogs – Another Sphere of Government Technical Dept. to give more information

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 174: Declaration of Loans and Grants made by the Municipality

Declaration of Loans and Grants made by the municipality: 2013/14				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2013/14 R' 000	Total Amount committed over previous and future years
* Loans/Grants - whether in cash or in kind				T R

# 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 2013/14 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 on the finalization of annual report.

Table 175: 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.

## Metsimaholo Local Municipality

### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

#### GENERAL INFORMATION

<b>Mayoral Committee</b>	Services delivery
<b>Executive Mayor</b>	BT Mahlaku
<b>Speaker</b>	SZ Matena
<b>Council Whip</b>	Ms T L Soetsang
<b>Mayoral committee</b>	Ms K J Makhoba
	L S Semonyo
	R J Mabefu
	Ms N J Kubheka
	Ms A N Radebe
	M W Khonto
	Ms S L Tshongwe
	K T Mabasa
<b>Councillors</b>	Ms M A Tamane
	M D Nthebe
	M S Poho
	G B Nnune
	Ms M N Sejaki
	T E Mosia
	Ms S S Mofokeng
	Ms S B Khunou
	Ms J M Phepheng-Lelahla
	J D Viljoen
	J J Grobbelaar
	H J Moolman
	Ms M C van der Walt

D M Oswald  
 A K Mare  
 Ms N L Mdola  
 L R Chebase  
 Ms D E Mokoena  
 S I Ramathesele  
 F C Coetzer  
 J J Geyser  
 T J Mofokeng  
 Ms S Holt  
 M F Machaea  
 V J Maseko  
 P J Mahlangu  
 M G Ntoane  
 J du Plessis  
 M Mosia  
 T du Toit  
 N M Mtshali  
 S S Mofokeng

### **Grading of local authority**

Metsimaholo Local Municipality is a grade 9  
 Local Authority in terms of item IV of  
 Government Notice R999 of 2 October  
 2001, published in terms of the Remuneration of  
 Public Office Bearers Act, 1998  
 Sasolburg  
 Vaalpark  
 Zamdela  
 Deneysville  
 Refengkgotso  
 Oranjeville  
 Metsimaholo

<b>Accounting Officer</b>	S M Molala
<b>Chief Finance Officer (CFO)</b>	A Lambat
<b>Registered Office</b>	Civic Centre Fichard Street Sasolburg 1947
<b>Business Address</b>	Civic Centre Fichard Street Sasolburg 1947
<b>Postal Address</b>	P. O Box 60 Sasolburg 1947
<b>Bankers</b>	Standard Bank
<b>Auditors</b>	Auditor General
<b>Attorneys</b>	Kamate Attorneys Lebea and Associates Attorneys Majavu Incorporated Melato Attorneys Mollenaar & Griffiths Ndobela Attorneys Nkaiseng Attorneys Skinner and Lodewyckx Moraka Attorneys

## Metsimaholo Local Municipality

### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### INDEX

The reports and statements set out below comprise the Annual Financial Statements presented to the Auditor General:

#### Index

#### Page

Accounting Officers' Responsibilities and Approval

Statement of Financial Position

Statement of Financial Performance

Statement of Changes in Net Assets

Cash Flow Statement

Accounting Policies

Notes to the Annual Financial Statements

The following supplementary information which form part of the annual financial statements but no opinion will be expressed by the Office of the Auditor-General:

Appendix A: Schedule of External loans

Appendix B: Analysis of Property, Plant and Equipment

Appendix C: Segmental analysis of Property, Plant and Equipment

Appendix D: Segmental Statement of Financial Performance

Appendix E(1): Actual versus Budget (Revenue and Expenditure)

Appendix E(2): Actual versus Budget (Acquisition of Property, Plant and Equipment)

Appendix F: Disclosure of Grants and Subsidies in terms of the Municipal Finance Management Act

#### Abbreviations

GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)



## **Metsimaholo Local Municipality**

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

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### ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

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**S M Molala**

**Accounting Officer**

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**A Lambat**

**Chief Financial Officer**

**Metsimaholo Local Municipality**

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

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STATEMENT OF FINANCIAL PERFORMANCE