

2012/13



ECONOMIC POWERBASE AND MUNICIPALITY OF EXCELLENCE

FINAL
DRAFT
ANNUAL
REPORT

Volume I

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Chapter 1

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

MAYOR’S FOREWORD



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 2012/13 financial year to the Council, the broader community as well as our many stakeholders and partners.

The format and content of the Annual Report is largely prescribed by local government legislation, including a generic core of demographic and geographic information that is relatively consistent from year to year. However, the intention remains to provide an easily readable and summarized statement of Metsimaholo progress towards the targets set in its over-arching Integrated Development Plan. The achievement of service-delivery targets and deliverables is obviously also required to be viewed together with the

municipality's financial performance and our compliance with the whole suite of municipal legislation.

This Report is therefore intended to attest to the collective efforts of the municipal administration and the executive to progressively address the expectations of our people.

We believe that the 2012/13 Annual Report highlights a large number of the positives that exist in Metsimaholo, that viewed collectively, should give our people a sense of hope and optimism that we are serious about achieving our vision, sooner rather than later.

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

I look forward together with my Mayoral Committee, the whole Council and the municipal administration, to continuing to work for the building of a transformed Metsimaholo Local Municipality in which our vision, to be the economic powerbase and municipality of excellence, be a practical reality. We are positive that the municipality's future holds the promise of a better life for all who live and work here.

(Signed by :) _____

Cllr. Brutus Tshepo Mahlaku
Executive Mayor

T1.0.1

COMPONENT B: EXECUTIVE SUMMARY

Chapter 1

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW



This Annual Report provides an authoritative record of activities of Metsimaholo Local Municipality during 2012/13 Financial Year. The activities include strategic planning process, financial health internal and external changes, certain critical administrative considerations and service delivery achievements and challenges during the year under review (2012/13).

The current performance report has shown that our Municipality has made some strides to address service delivery challenges facing community in our Municipal jurisdiction. Amongst other important deliveries to be highlighted for the year include: **Water provision:** 9ML

Reservoir has been established so as to provide 3 500 households in Refengkgotso, and achieved 89,3 on blue drop assessment; **Sanitation:** standing at 90% to complete house connections to 3 000 stands in Amelia. Gortin project will be rolled to the next financial year (2013/14) due to financial constraints. **Refuse Removal:** It should be noted that we managed to secure/procure two new trucks and as a results services have been extended to newly established areas such as Themba Khubheka.

It will be very much imperative to indicate that our financial health has been negatively affected by low revenue collection due to certain factors that may have attributed to non-payment of water and electricity by consumers, various community and labour unrests that took place in our area. Nevertheless, it is believed that with the recent filling of the critical posts (Directors), our administration will accelerate service delivery and intensify labour relations for the better. Most important to indicate is that a steady progress has been made in the development of Local Economic Development (LED) Strategy which will be finalised in the next financial year (2013/14). Lastly our Municipality will continue to fight poverty and unemployment through government programmes such EPWPs and CWPs. In the 2012/13, 1221 jobs have been created through Community Work Programmes.

S.M MOLALA

MUNICIPAL MANAGER

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

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

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

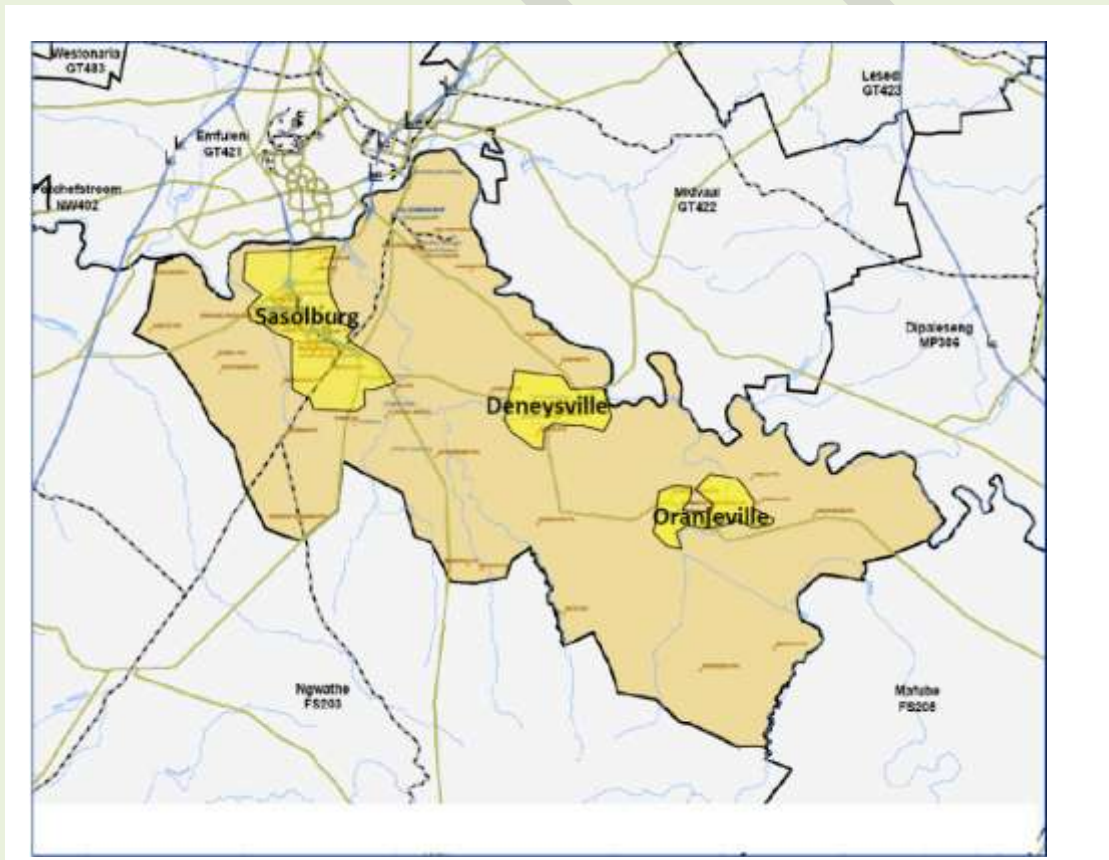


Figure 1: Map of Metsimaholo Local Municipality

Chapter 1

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

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

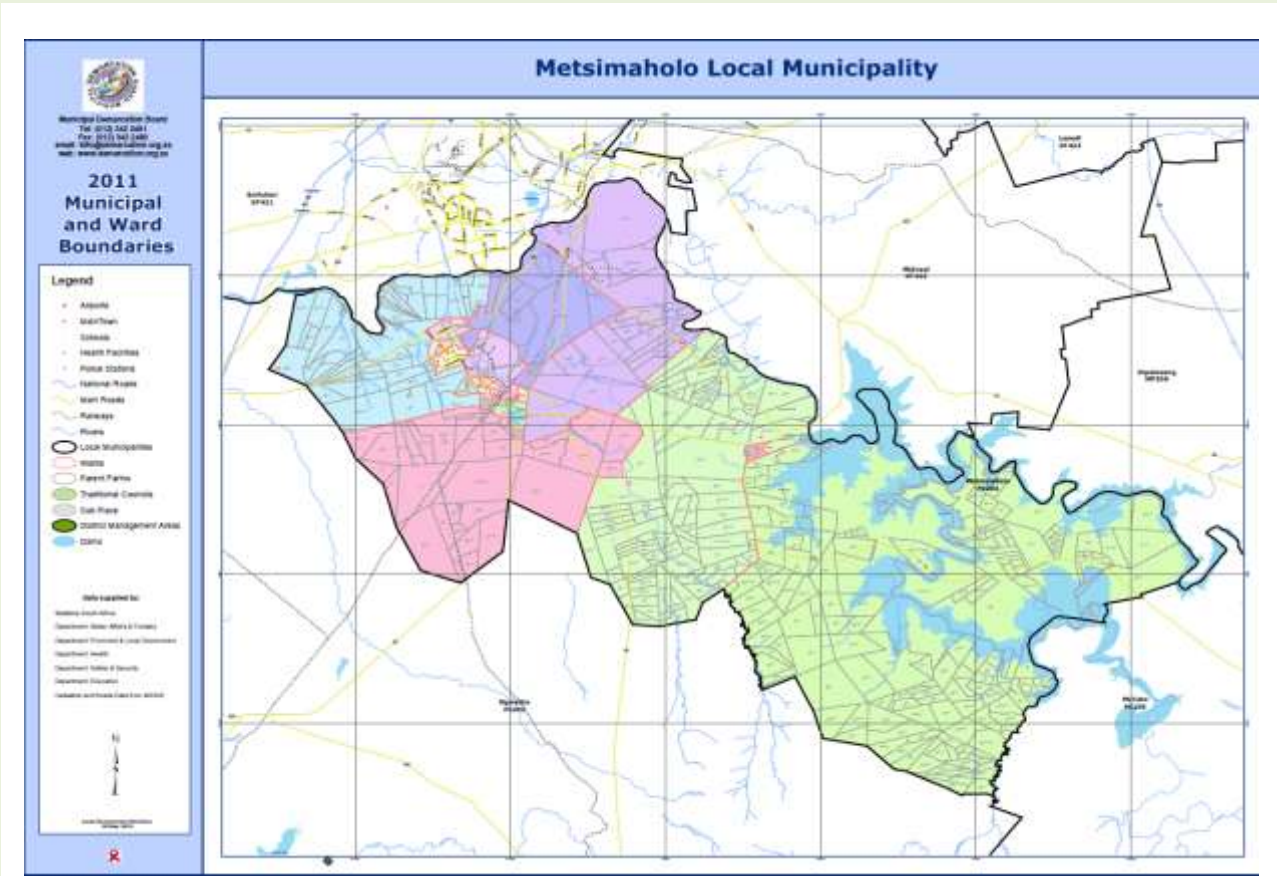


Figure 2: 2011 Municipal and ward boundaries

¹The number of wards increased from 18 to 21 after the delimitation process

Chapter 1

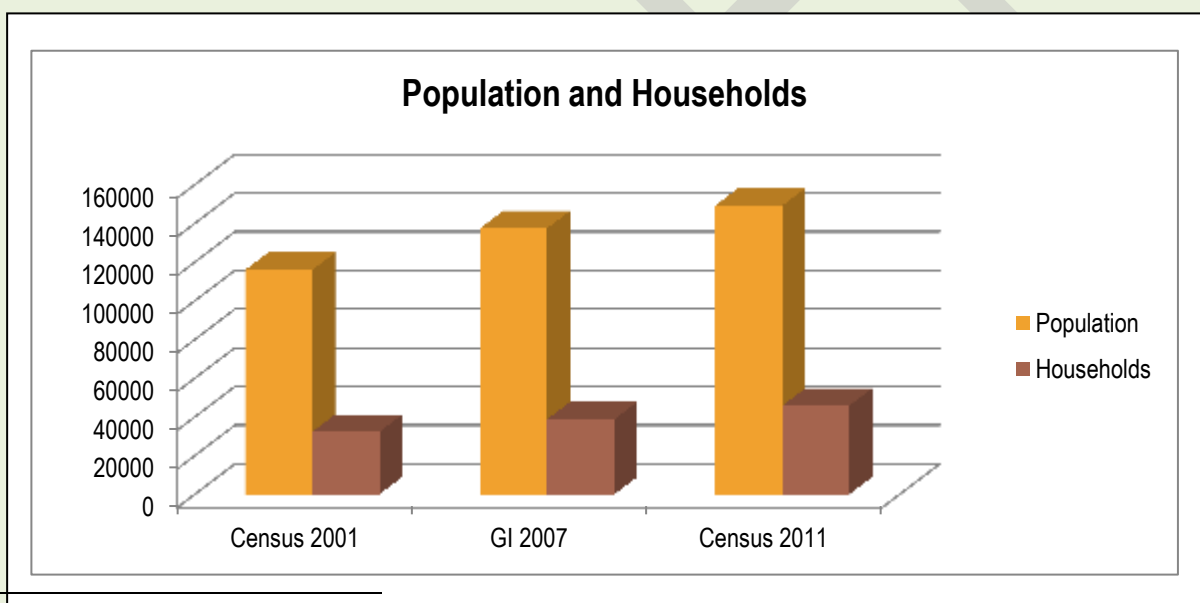
The total number of voters on the municipal segment of the national common voters roll on 12 February 2009 was 70 575.² The breakdown per ward of the number of registered voters is reflected in the table below.

Table 1: Number of registered voters per ward

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

Demographic and Socio-Economic Profile of the Municipality

The official statistics according to *Statistics South Africa's Census 2001, Community Survey 2007 and Census 2011* were used and supplemented with data from the IHS Global Insight³ Regional Explorer database⁴.



² 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)

³ 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.

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

Chapter 1

Table 2: Population and household statistics

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

Table 3: Gender distribution of population

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

Racial distribution of population

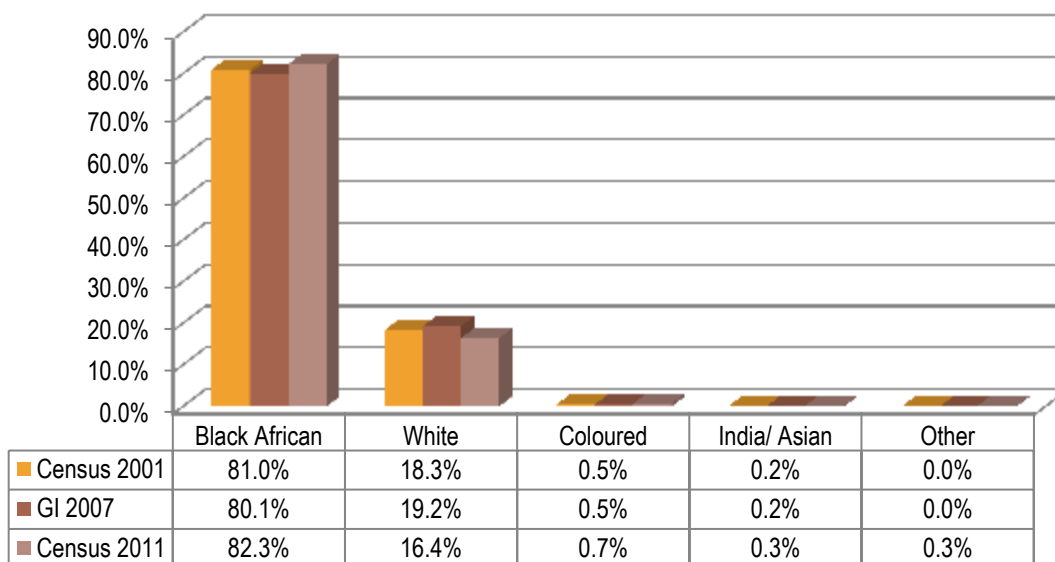


Table 4: Age distribution of population

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

Chapter 1

Table 5: HIV and AIDS prevalence

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

Table 6: Labour force

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

Definitions:

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

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

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

Poverty indicators

Table 7: Poverty indicators

Global Insight	% of people living in poverty					No. of people living with less than \$1 per day	No. of people living with less than \$2 per day
	African	White	Coloured	Indian	Total		
1996	37.3%	2.5%	22.5%	6.3%	27.0%	2 808	7 527

Chapter 1

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

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

Spatial statistics

Table 9: Spatial statistics

<i>Global Insight</i>	Population density ⁵	Urban population	Urbanisation rate ⁶
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%

⁵Number of people per km²

⁶% of people living in urban areas

Chapter 1

Table 10: Overview of Neighbourhoods

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

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 Moidraai and Themba Khubeka will also place a greater demand for additional basic services such as water, sanitation, electricity, housing, roads, etc.

Chapter 1

T1.2.8

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

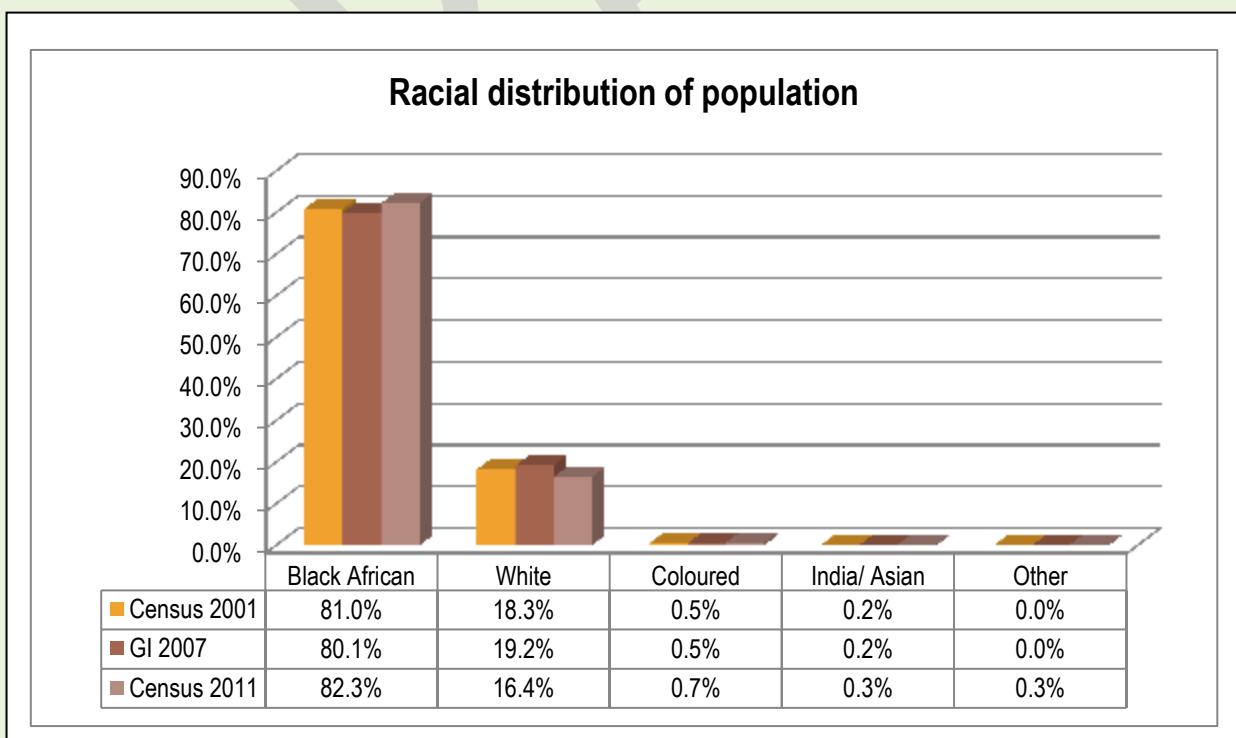
The municipality is doing relatively well in terms of access to water and electricity, whilst access to sanitation and refuse removal remains below the national targets set by government. Access to basic housing is also a challenge as this function is still performed by the Provincial Department of Human Settlements. 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 8 530 households were recorded in the indigent register at the end of the 2012/13 financial year.

T 1.3.1

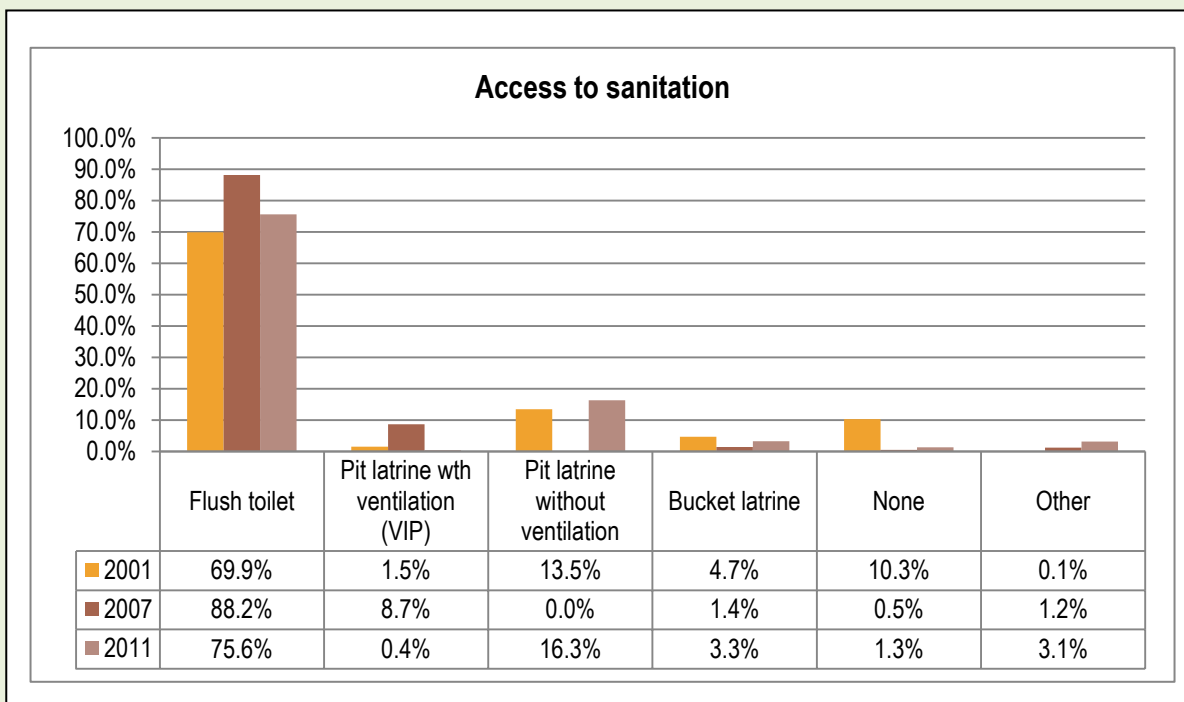
Access to municipal services

Percentage distribution of households by water source

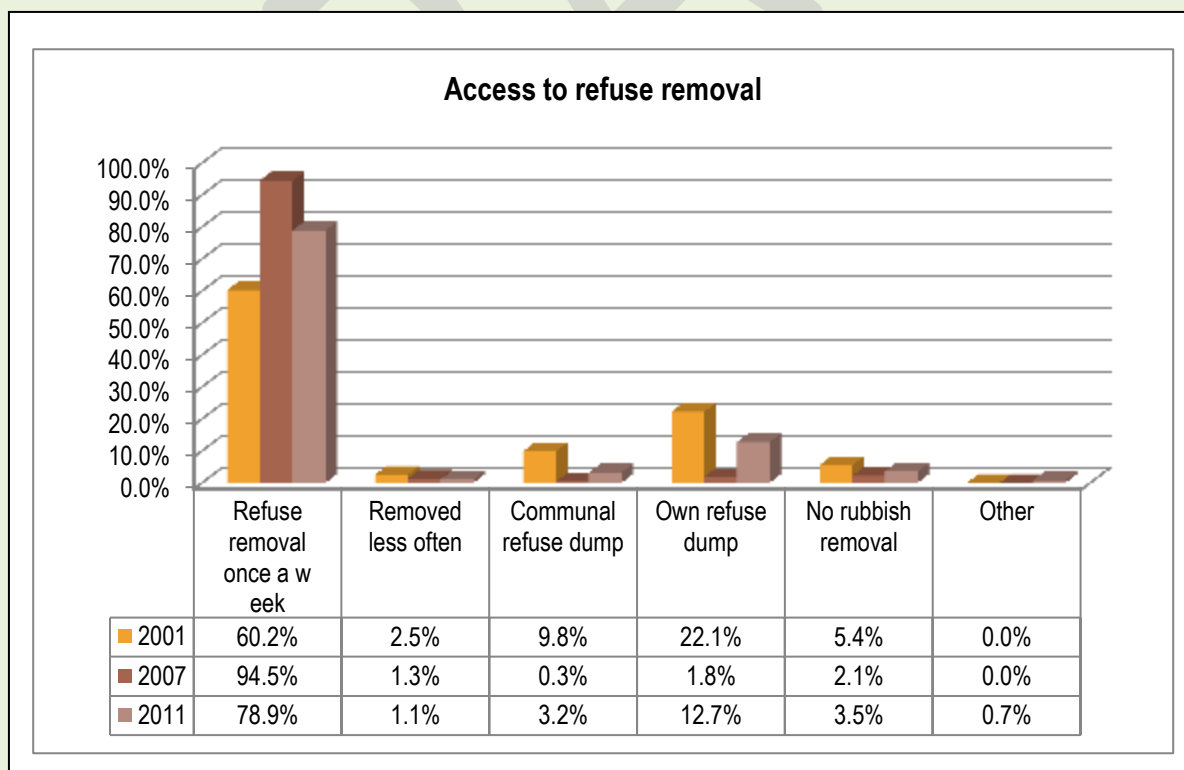


Chapter 1

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

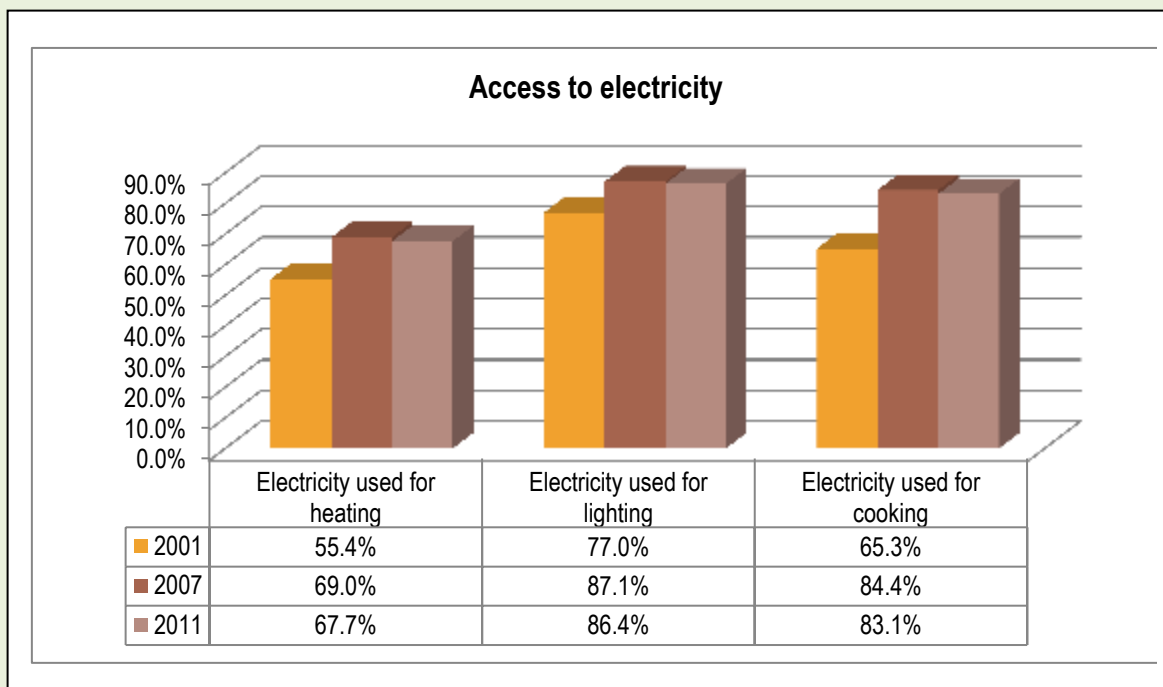


Percentage distribution of households by type of refuse removal



Chapter 1

Percentage distribution of households by type of energy



T1.3.2

COMMENT ON ACCESS TO BASIC SERVICES:

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

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

T1.3.3

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The municipality's collection rate on taxes, levies and tariffs has declined to 85,6% as compared to 93%(2011/12) in the financial year under review. Employee cost remains relatively low compared to the National Treasury benchmark of 30%.The expenditure on the capital budget has remarkably improved in 2012/13. The municipality, however, still face challenges in regard to its cash flow management which has implications for spending patterns on repairs and maintenance, capital projects, etc.

T1.4.1

Table 11: Financial Overview – 2012/13

Financial Overview: 2012/13			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	166 974	166 969	164 958
Taxes, Levies and tariffs	516 708	516 708	463 781
Other	73 110	74 084	39 924
Sub Total	756 792	757 761	668 663
Less: Expenditure	(777 498)	(762 841)	(667 941)
Net Total*	(20 706)	(5 080)	722
* Note: surplus/(deficit)			T 1.4.2

Table 12: Operating Ratios

Operating Ratios	
Detail	%
Employee Cost	25.48
Repairs & Maintenance	3.53
Finance Charges & Impairment	9.55
T 1.4.3	

Chapter 1

COMMENT ON OPERATING RATIOS:

Employee Cost: The budgeted employee cost was 23.53% of total budgeted operating expenditure. Due to salary disparities and the actual expenditure below budget the ration exceed the budget.

Repairs and maintenance: Salaries of the maintenance staff is not included in calculation of 3.53%.

Finance charges and Impairment: The provision for debt impairment increased in 2012/13 with more than anticipated.

T1.4.3

Table 13: Total Capital Expenditure

Total Capital Expenditure: 20011/12 to 2012/13			
	R'000		
Detail	20010/11	2011/12	2012/13
Original Budget	344 317	278 227	137 902
Adjustment Budget	133 169	101 977	96 235
Actual	44 377	86 336	78 113
			T 1.4.4

T1.4.5

COMMENT ON CAPITAL EXPENDITURE:

The actual capital expenditure decrease from 84,7% of the adjusted budget in 2011/12 to 81.2 % in 2012/13. The reasons for this are more realistic budgeting for capital projects and better management of expenditure on MIG projects. The municipality however still experiences challenges in regard to capital projects funded from revenue due to cash flow constraints.

T 1.4.5.1

Chapter 1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The municipality had 1 022 approved posts on its organisational structure with 621 employees and a vacancy rate of 39% at the end of the 2012/13 financial year. The turnover rate stood at 4%.

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

The average injury leave per employee during 2012/13 was 30.58 days for 6 employees and the average sick leave per employee was 12 days. A total number of 3 833 sick leave days were taken by employees at an estimated cost of R 1691417.84

Skills development and capacitating the workforce is still a challenge due to planned training programme not being effectively implemented.

T1.5.1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT:2012/13 (CURRENT YEAR)

The Municipality's Audit Opinion remained Qualified for 2011/12 financial year. The Municipal financial position and its financial performance and cash flow for the year under review ended in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

T 1.6.1

Chapter 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 2012/13 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	December
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

T1.7.1

Chapter 1

COMMENTON 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 the format and contents of the 2012/13 Annual Report with the guidelines issued by the National Treasury. Moreover, 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

DRAFT

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

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

Chapter 2

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

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

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

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

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

The municipality has established an Oversight Committee, comprised of non-executive councillors, with the specific purpose of providing your Council with comments and recommendations on the Annual Report. The Oversight Committee report on the 2012/13 Annual Report will be published separately in accordance with MFMA guidance.

T2.1.1

Chapter 2

EXECUTIVE MAYOR

Cllr: B.T MAHLAKU



FUNCTION:

Overall political responsibility for sound governance and service delivery

EXECUTIVE MAYOR

Cllr: S.Z MATENA



FUNCTIONS:

Public participation, ward committees and managing Council and Committee Meetings.

EXECUTIVE MAYOR

Cllr: T.L SOETSANG



FUNCTIONS:

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

Chapter 2

Photos (optional)

MAYORAL COMMITTEE

Ms S L Tshongwe

Ms N J Kubheka

Ms N J Kubheka(Acting)

Ms AN Radebe

Ms A N Radebe(Acting)

Mr LS Semonyo

Mr L S Semonyo (Acting)

Mr M W Khonto

Corporate Services

Technical Services

LED, Tourism and Agriculture

Social Development, Sports, Arts and Culture

Public Safety

Finance and IDP

Urban Planning and Human Settlements

Special Programmes

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

Chapter 2

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

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

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

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

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

T2.2.1

Chapter 2

Photo	TOP ADMINISTRATIVE STRUCTURE	Function
	TIER 1 MUNICIPAL MANAGER Mr. S.M Molala	Accounting Officer and Head of the administration
Photo Executive Directors Directors Optional	TIER 2 CHIEF FINANCIAL OFFICER (Vacant) (Acting CFO) Ms. A Vorster	Revenue, Expenditure, Asset and Liability Management; Budgeting and Reporting
	DIRECTOR: Technical Services Mr.R Thekiso	Water, Sanitation, Electricity, Roads, Storm water and PMU
	DIRECTOR: Corporate Services Mrs M.J.M. Maseola	Human Resources, Auxiliary and Legal Services, Council Support
	DIRECTOR: Social Services Mr. S.L. Lempe	Waste management, Sport & Recreation, Arts & Culture, Public Safety and Parks
	DIRECTOR: Economic Development and Planning 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		

Chapter 2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

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

In current financial year the municipality 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 structures 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 dormant Mayoral Trust is in the process of being dissolved and this legal process is expected to be completed during the 2012/13 financial year. 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 Executive Mayor and Municipal Manager participate. This has promoted good relations and best practices in leadership and governance between local municipalities and the district municipality

T2.3.4

Chapter 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

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

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

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

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

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

T2.4.1

Chapter 2

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. 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
Caring for children, elderly and people with disability	8 July 2012	25	7	200	Vulnerability of children and elderly	
Launching of Batho Pele Forums	05 September 2012	0	23	0	Establishment of Batho Pele Forums	
Transport month campaign	24 October 2012	23	6	100	The importance of public transport	
Public Education outbound programme	22 November 2012	0	6	45	How parliament works	
IDP REP RORUM	29 November 2012	3	7	36	Projects and programmes in the IDP	
Consumer Education	8-12 April 2013	25	8	50	Consumer rights	
Batho Pele Principles Workshop	14 May 2013	0	7	0	Implementation of Batho Pele	
Polio and Measles Workshop	29 April 2013	0	7	65	The importance of immunisation	
IDP and Budget	16 April 2013	10	9	150	Feedback on implementation of project and budget tabling	

T 2.4.3

Chapter 2

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

Chapter 2

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. Absence of Disaster Recovery and Business Continuity Plan

Chapter 2

2. Ageing vehicles and equipment used for service delivery (Non availability of vehicles; Lack of capacity for refuse removal)
3. Provision for the rehabilitation of landfill sites not raised (No provision raised for environmental rehabilitation)
4. Irregular expenditure (All irregular expenditure as defined by the MFMA is not disclosed in the Annual Financial Statements)
5. Payment of Creditors within 30 days from receipt of invoice not performed
6. Unauthorized expenditure
7. Non-compliance with section 116 of the MFMA
8. Unfunded budget (Inability to deliver services due to inadequate funding)
9. No LED Strategy and SMME Plan
10. Bribery and corruption

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

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

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

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

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

Chapter 2

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

T2.8.1

2.9 BY-LAWS

Table 15: By-laws introduced

By-laws Introduced during 2012/13					
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.

Chapter 2

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	Date not recorded
All current budget-related policies	Yes	Date not recorded
The previous annual report (2011/12)	Yes	Date not recorded
The annual report (2012/13) published/to be published	Yes	February 2013
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2012/13) and resulting scorecards	Yes	August 2013
All service delivery agreements (2012/13)	No	
All long-term borrowing contracts (2012/13)	No	
All supply chain management contracts above a prescribed value (give value) for 2012/13	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2011/12	No	
Contracts agreed in 2012/13 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 2012/13	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2012/13	No	
<p><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></p>		

T 2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

It is expected that the webmaster, in conjunction with ICT, will ensure major improvement in the management of the municipality's website in the next financial years. Furthermore, ensure that the municipality's website comply with all legislative requirements in general and section 75 of the MFMA in particular. Department of the Premier has already started with the development of the new website for the Municipality.

T2.10.1.1

Chapter 2

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

Chapter 2

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:

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

T2.11.2.2

Chapter 3

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

INTRODUCTION

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

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

With our intention to maintain and expand our initiatives to promote nation building and create a socially cohesive society, and responding to community dissatisfaction around the bucket system, CoCTA successfully the bucket eradication project valued at R 5,5 million, which the project implemented in financial year under review. Construction of sewer services and networks in Amelia was started in March 2012 to benefit 2 500 stands. The Municipality continues with its investment in major capital projects by undertaking projects such as Augmentation of the Water Purification Works valued at R 37 million, resealing of roads R 9 million, Amelia 11/88KV line and Substation to be completed by 2014 as a multi year project. Upgrading of the intersection in Zamdela with interlocking paving blocks and pedestrian walks funded by the Fezile Dabi District was completed through the EPWP initiative. Furthermore, 1221 jobs has been created through Community Work Programmes (CWP) which are aiming to enhance service delivery and changing the lives of our people to the better.

Themba-Khubeka informal settlement was serviced with communal standpipes and removal of sewer buckets to approximately 2 468 stands on a weekly basis. The refuse collection has been also extended to this area.

T3.0.1

Chapter 3

COMPONENT A: BASIC SERVICES

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

INTRODUCTION TO BASIC SERVICES

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

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

T3.1.0

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

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

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

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. 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

Chapter 3

Table 18: Total use of Water by Sector

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2011/12	0	0	6 903 700	10 691 800	1 231 685
2012/13	0	0			

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

Chapter 3

Table 19: Water Service Delivery Levels

Water Service Delivery Levels				
Description	Households			
	2009/10	2010/11	2011/12	2012/13
	Actual No.	Actual No.	Actual No.	Actual No.
Water: (above min level)				
Piped water inside dwelling	33 171	33 676	34 189	34 189
Piped water inside yard (but not in dwelling)	4 850	4 800	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	0	40	40
Minimum Service Level and Above sub-total	40 656	41 111	41 758	41 758
Minimum Service Level and Above Percentage	100%	100%	100%	100%
Water: (below min level)				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)				
No water supply				
	0	0	0	0
	0	0	0	0
	0	0	0	0
Below Minimum Service Level sub-total	0	0	0	0
Below Minimum Service Level Percentage	0%	0%	0%	0%
Total number of households*	40 656	41 111	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	Households					
	2009/10	2010/11	2011/12	2012/13		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	0	0	0			2 537
HHs below minimum service level	0	0	0			0
Proportion of HHs below minimum service level	0%	0%	0%			5%
Informal Settlements						
Total households	0	0	0			800
HHs below minimum service level	0	0	0			0

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Proportion of HHS below minimum service level	0%	0%	0%						
									T3.1.4

* 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

DRAFT

Chapter 3

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

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of total HHs with access to potable water in formalised areas (metered yard connection)	98.9%	93.2% ⁷	Not applicable	Mooiplaats (2 537) stands will only be completed in 2013/14; Focus will be on completion of bulk supply	Not applicable
% of purification works (WTW) in Refengkgotso augmented	80%	100%	Target Achieved 100%	Not applicable	Not applicable
% of 9ML reservoir completed	75%	100%	Target Achieved 100%	Not applicable	Not applicable
% of bulk water infrastructure maintained as per approved maintenance plan and budget	100%	100%	Target Achieved 100%	Not applicable	Not applicable

⁷ Backlog= 2 537 residential stands in the newly proclaimed Mooiplaats area (6.8%)

Chapter 3

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of total HHs with access to potable water in formalised areas (metered yard connection)	98.9%	93.2% ⁷	Not applicable	Mooiplaats (2 537) stands will only be completed in 2013/14; Focus will be on completion of bulk supply	Not applicable
% reduction in water distribution losses	12%	6%	Target not Achieved 12.9%	Unmetered stand pipes and unread areas such as Amelia, department usage and Thamba Khubeka	Communal meter stand pipes by end of Sept. 2013
% of reported water leaks repaired within 48 hours	95%	96%	Target Achieved 96%	Not applicable.	Not applicable.
% compliance with the blue drop water quality accreditation system	89.4%	90% (Revised to 89%)	Target Achieved 89.3%	Not applicable.	Not applicable.
% of WSDP developed and approved	90% (Ph 2)	100% (Modules 2,3&4) completed	0%	Awaiting DWA for appointment of services provider	
% of water demand management plan developed and approved (including annual reviews)	60%		Target Achieved 100%	Not applicable.	Not applicable.

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Table 22: Employees – Water Services

Employees: Water Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	3	3	3	0	0
7 - 9	6	7	6	1	14
10 - 12	8	110	8	2	20
13 - 15	5	16	5	11	68
16 - 18	14	16	14	2	12
19 - 20	0	0	0	0	0
Total	36	52	36	16	31

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 2012/13: Water Services					
R'000					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	187 217	212 289	212 289	217 129	2%
Expenditure:					
Employees	7 446	8 349	8 169	7 862	6%
Repairs and Maintenance	3 631	6 443	6 443	3 667	43%
Other	154 800	163 222	161 967	168 105	3%
Total Operational Expenditure	165 877	178 014	176 579	179 634	1%
Net Operational Expenditure	21 340	34 275	35 710	37 495	9%

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 Budget.

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

Capital Expenditure 2012/13: Water Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A (name)Augmentation	37 000000		37 000000		37 000000
Project B (name)					
Project C (name)					
Project D (name)					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

T 3.1.9

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The municipality is performing fairly well, and it is attested by the blue drop score of 89,3 % overall as the water is currently provided by the Municipality as piped-water with a water backlog (bulk) of 35 ML a day. Currently a 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

Chapter 3

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

The management of the Sanitation Provision services are done in two categories the one being the treatment being done under contract by Sasol Chemical Industries (Sasolburg zone) and the other being treated by two Municipal plants (Deneysville and Oranjeville zones). The challenge as to the treatment of sewer effluent lies in the needed enlargement of the treatment plants of the Municipality being assessed and to be included in the sanitation sector plan. PSPs for the compilation of the master and sector plan will be sought during the next financial year, dependant on funding. The Municipality was rated at 90% on the Green Drop assessment. The informal areas are being provided with a temporary bucket system where needed and permanent networks being installed within the allowable funds from MIG.

T3.2.1

Table 25: Sanitation Service Delivery Levels

Sanitation Service Delivery Levels				
Description	2009/10	2010/11	2011/12	*Households 2012/13
	Outcome No.	Outcome No.	Outcome No.	Actual No.
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	27 500	31 855	33 423	36 423
Flush toilet (with septic tank)	5208	5288	5288	5 288
Chemical toilet				
Pit toilet (ventilated)				
Other toilet provisions (above minimum .service level)				
Minimum Service Level and Above sub-total	32 708	37 143	38 711	41 711
Minimum Service Level and Above Percentage	79.3%	81.2%	81.6%	87,9%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	5530	5614	5700	2 700
Other toilet provisions (below min.service level)	3000	3000	3000	3 000
No toilet provisions				
Below Minimum Service Level sub-total	8 530	8 614	8 700	8 700
Below Minimum Service Level Percentage	20.7%	18.8%	18.4%	12.1%
Total households	41 238	45 757	47 411	47 411
*Total number of households including informal settlements				T 3.2.2

Chapter 3

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

Households - Sanitation Service Delivery Levels below the minimum						
Description	2009/10	2010/11	2011/12	2012/13		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	32 990	38 435	40 773			43 773
Households below minimum service level	5530	5614	5 700			2 700
Proportion of households below minimum service level (%)	16.8%	14.6%	13.9%			16.21%
Informal Settlements						
Total households	8 248	7 322	6 638			6 638
Households below minimum service level	3000	3000	3 000			3 000
Proportion of households below minimum service level (%)	36.4%	40.9%	45.2%			45.2%
						T 3.2.3

Chapter 3

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

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
% HHs with access to decent sanitation (stand connection)	75%	86.5% Amelia – 3 000 stands, Gortin – 1 400 stands (reducing backlog to 5 057 residential stands)	Target Exceeded Amelia performance 90% of 4400	Gortin phase 4 and Metsimaholo ext 6 are on tender stage	Amelia target accomplished for Q2; Gortin project to be shifted to 2013/14 due to late approval of MIG business
No. of households provided with new stand connections	1000	4 400 stands to be completed	Target Exceeded Amelia performance 90%, of	Awaiting Human Settlement funds for Gortin house connection	Gortin project to be shifted to 2013/14 due to late approval of MIG business
% of bulk sewer infrastructure maintained as per approved maintenance plan and budget	100%	100%	Target Achieved 100%	Not applicable.	Not applicable.
% of reported sewer blockages attended to within 48 hours	90%	91%	Target Exceeded 95%	Not applicable.	Not applicable.

⁹In Gortin

Chapter 3

% compliance with the green drop quality accreditation system	65%	90%	Target not Achieved	Awaiting DWA for assessment report	Reporting will be revisited. Results to be released in May/June 2013
	65.5%		62% only on risk management assessed in 2011/12		

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Chapter 3

Table 28: Employees – Sanitation Services

Employees: Sanitation Services					
Job Level	2011/12	2012/13			
	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	1	25
7 - 9	3	3	3	0	0
10 - 12	5	6	5	1	16
13 - 15	8	13	8	5	38
16 - 18	19	35	19	16	45
19 - 20	0	0	0	0	0
Total	38	61	38	23	37

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 2012/13: Sanitation Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	24 652	73 114	73 118	28 452	
Expenditure:					
Employees	6 163	7 715	7 575	7 638	
Repairs and Maintenance	1 393	4 301	4 267	1 610	
Other	28 480	32 781	31 457	30 837	
Total Operational Expenditure	36 036	44 797	43 299	40 085	
Net Operational Expenditure	-11 384	28 317	29 819	11 633	

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 budget.

T 3.2.8

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Table 30: Capital Expenditure – Sanitation Services

		Capital Expenditure 2012/13: Sanitation Services			
	Capital Projects	2012/13			
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget
	Total All				
	Amelia Sanitation Phase 3	25 000 000		24 266 105	
	Metsimaholo Ext 6	5 400 000		2 500 000	
	Project C				
	Project D				
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The municipality has well serviced records for sanitation. Currently the predominant sanitation system used is waterborne as 86, 5% are using flushing toilets. Approximately 4500 stands will be supplied with a waterborne system in Gortin over the next two years as capital projects funded by MIG. The same could be said that the Municipality is doing fairly well with room for improvement as we achieved 90% Green Drop status as our first participation on the programme.

T3.2.10

Chapter 3

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

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

The municipality has well serviced records for sanitation. Currently the predominant sanitation system used is waterborne as 86, 5% are using flushing toilets. Approximately 4500 stands and 368 stands in Metsimaholo Ext 6 will be supplied with a waterborne systems and in Gortin over the next two years as capital projects funded by MIG. The same could be said that the Municipality is doing fairly well with room for improvement as we achieved 68% Green Drop status was achieved as our first participation on the programme.

T3.3.1

T 3.3.2

Table 31: Electricity Service Delivery Levels

Description	2009/10	2010/11	2011/12	Households 2012/13
	Actual No.	Actual No.	Actual No.	Actual No.
Energy: (above minimum level)				
Electricity (at least minimum service level)				
Electricity - prepaid (minimum service level)				
Minimum Service Level and Above sub-total	34 276	34 276	34 730	35 140
Minimum Service Level and Above Percentage				
Energy: (below minimum level)				
Electricity (<min.service level)	N/A	N/N	N/A	
Electricity - prepaid (< min. service level)				
Other energy sources				
Below Minimum Service Level sub-total	3 954	7 000	7 000	7 300
Below Minimum Service Level Percentage				
Total number of households	38230	41276	41730	42 440

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Table 32: Households – Electricity Service Levels below the Minimum

Households - Electricity Service Delivery Levels below the minimum						
Description	2009/10	2010/11	2011/12	2012/13		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households						
Households below minimum service level	3 954	3 954	3 954	3 000 000	0	410
Proportion of households below minimum service level						
Informal Settlements						
Total households						
Households below minimum service level						
Proportion of households below minimum service level						
						T 3.3.4

Chapter 3

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

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
of HHs with access to basic electricity in formal areas	80.4%	80.4%	Focus on bulk infrastructure for 2013/14 financial year	Not Applicable	Not Applicable
No. of HHs provided with new metered stand connections in formal	0	0%	5 consumer applications received attached	Connections executed	Not applicable
No. of new high mast lights installed	25	0	Not applicable	Not applicable	Not applicable
No. of sub-stations upgraded/erected	0	1	30% completed	Shortage of fund & funds withheld by NT; No funds	Application submitted to DoE &NT; Project
No. of kms of bulk supply line constructed in Leirim	0	0 (Revised to 3km)	30% completed	Shortage of fund & funds withheld by NT; No funds allocated in DorA by NT	Application submitted to DoE & NT; Project completion date to be revised; Political
% of bulk electricity infrastructure maintained as per approved maintenance plan and budget	100%	100%	Target not Achieved 21 Substations maintained	Shortage of staff	Appointment of additional staff

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% of electricity master plan developed and approved	50% 50%	100%	0%	Tender evaluation report outstanding	Tender to be re-advertised and appoint of service provider by next financial year.
P3.9 % reduction in electricity distribution losses	4%	8% ⁹	13.72% Target not Achieved	Cleaning of data	Investigation by FS and report
P3.10 Electricity outages (group medium voltage) minimised by 10% annually	No actuals available	10%	Target Achieved 10%	Shortage of equipment and material	Equipment has been purchased and material ordered
P3.11 Reduced response time to reported outages (power failures) by households	2hrs	2hrs	Target Achieved 2hrs	Register not up-to- date	Register to be compiled Feb 2013
P3.12 Reduced response time to reported outages by industries	2hrs	24hrs	Target Achieved 24hrs	Register not up-to- date	Register to be compiled Feb 2013
P3.13 % of high masts lights maintained	80%	90% ¹⁰	Target not Achieved 70%	Shortage of equipment and material	Equipment has been purchased and material ordered
P3.14 % of street lights maintained	80%	90% ¹¹	Target not Achieved 80%	Shortage of equipment and material	Equipment has been purchased and material ordered

⁹Distribution losses to be maintained at current levels

¹⁰ Current levels maintained due to capacity constraints

¹¹ Current levels maintained due to capacity constraints

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Table 34: Employees – Electricity Services

Employees: Electricity Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4 - 6	5	10	5	5	50
7 - 9	9	12	8	4	25
10 - 12	3	7	2	5	70
13 - 15	8	12	8	4	25
16 - 18	14	18	14	4	88
19 - 20	0	0	0	0	0
Total	41	61	39	22	36

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

T 3.2.7

Table 35: Financial Performance – Electricity Services

Financial Performance 2012/13: Electricity Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	160 965	239 270	239 320	201 889	16%
Expenditure:					
Employees	(10 385)	(15 285)	(11 863)	(12 079)	21%
Repairs and Maintenance	(3 893)	(6 664)	(6 971)	(2 666)	60%
Other	(163 334)	(208 041)	(209 679)	(203 343)	2%
Total Operational Expenditure	(177 612)	(229 990)	(228 513)	(219 088)	5%
Net Operational Expenditure	(16 647)	9 280	10 807	(17 199)	85%

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

T 3.2.8

Chapter 3

Table 36: Capital Expenditure – Electricity Services

Capital Expenditure 2012/13: Electricity Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Amelia Bulk Substation	10 000 000		7 264 453	2 735 547	58 000 000
Metsimaholo Ext 6 368 stands and infills	3 000 000		3 000 000		3 000 000
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The service delivery of the Department Electrical and Mechanical Engineering is hampered by the shortage of staff, vehicles and equipment and the time delay in procuring material. Limited stock to none is carried in the Division Stores and during emergencies and breakdowns material must be sourced from willing suppliers to assist the Department. In general the Department is continuing to provide an effective service to the community despite problems and will try and continue to strive to improve the service delivery. Vandalism and cable theft is also a serious concern in our electrical grid which may lead to outages and unreliable distribution

T3.3.9

Chapter 3

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

INTRODUCTION TO WASTE MANAGEMENT

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

The actions taken include inter-alia:

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

Some of the challenges faced during 2012/13 included the shortage of trucks, trailers, tractors and equipment' shortage of personnel, the mushrooming of informal settlements, illegal dumping, non-payment for services rendered and excessive overtime payments.

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

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

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

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

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

T3.4.1

Chapter 3

Table 37: Waste Management Service Delivery Levels

Waste Management Service Delivery Levels				
Description	2009/10	2010/11	2011/12	Households 2012/13
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Solid Waste Removal: (Minimum level)				
Removed at least once a week	37 200	38 800	40 000	40 000
<i>Minimum Service Level and Above sub-total</i>	37 200	38 800	40 000	40 000
<i>Minimum Service Level and Above percentage</i>				
Solid Waste Removal: (Below minimum level)				
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>	6500	8000	10 500	10 500
<i>Below Minimum Service Level percentage</i>				
Total number of households	43 700	46 800	50 500	50 500
				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	2009/10	2010/11	2011/12	Households 2012/13		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	43 700	46 800	50 500			
Households below minimum service level	6 500	8 000	10 500			
Proportion of households below minimum service level						
Informal Settlements						
Total households						
Households to below minimum service level						
Proportion of households to below minimum service level						
						T 3.4.3

Chapter 3

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

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
11.1 Number of households having access to basic refuse removal services	45 000	46 620	Target Achieved	Not Applicable	Not Applicable
11.2 Number of business premises receiving refuse	100%	1600	Target Achieved	Not Applicable	Not Applicable
11.3 % of Integrated Waste Management Plan (IWMP) developed and submitted	0%	100%	Target Achieved	Not Applicable	Not Applicable
11.4 % of approved Integrated Waste Management Plan	0%	50% (Revised to 75%)	Target not Achieved	The IWMP only approved by Council on the 31 June 2013.	To ensure implementation of the
11.5 % of functional waste management information system implemented (NKPI: 1)	0%	10% ¹² (Feasibility study)	Target Achieved	Not Applicable	Not Applicable

¹²Feasibility study and benchmarking exercise to be completed by the end of 2012/13 financial year

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
11.6 Number of waste management education and awareness programmes implemented	0%	4 per annum	Target not Achieved	Lack of capacity and funding	To engage with District Municipality to secure funding by end of Sept. 2013.
11.7 % establishment of new landfill site	0%	30% (Revised to 75% ¹³)	Target not Achieved	Delay in appointing service Provider due to lack of funds.	To secure funding by end of Sept. 2013.
11.8 % effective management of existing landfill sites according to applicable legislation (NEMA)	0%	80%	Target not Achieved	Delay by SCM to advertise a tender	To fast track a process of advertising and appointing service Provider by end of Sept. 2013.

¹³Based on assumption that EIA tender will be re-advertised and service provider appointed in 2011/12 financial year

Chapter 3

Table 40: Employees – Waste Management Services

Employees: Waste Management Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	2	2	2	0	0
4 – 6	0	5	5	0	0
7 – 9	4	2	1	1	50
10 - 12	0	0	0	0	0
13 - 15	14	21	16	5	23
16 - 18	95	150	88	62	41
19 - 20	0	0	0	0	0
Total	115	180	112	68	37

*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 2012/13: : Waste Management Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	52 073	53 273	45 038	-14%	52 073
Expenditure:					
Employees	(16 165)	(15 338)	(16 170)	0%	(16 165)
Repairs and Maintenance	(2 626)	(2 526)	(1 459)	-44%	(2 626)
Other	(23 999)	(26 445)	(24 736)	3.%	(23 999)
Total Operational Expenditure	(42 790)	(44 309)	(42 365)	-1%	(42 790)
Net Operational Expenditure	9 283	8 964	2 673	-71%	9 283

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

T 3.2.8

Chapter 3

Table 42: Capital Expenditure – Waste Management Services

Capital Expenditure 2012/13: : Waste Management Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

No capital project budgeted for Waste Management in 2012/13

T3.4.10

Chapter 3

3.5 HOUSING

INTRODUCTION TO HOUSING

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

Planning Objectives to eradicate the backlogs are:

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

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
2009/10	41 238	32 990	16%
2010/11	45 757	38 435	15,8%
2011/12	47 411	40 773	15,9%
2012/13	47 411	39 878	15,8%
			T 3.5.2

Chapter 3

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

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
5.3 % of housing sector plan developed and submitted to Council for	100%	100%	100% Draft completed	The Human settlement plan served in all committees and is	Council to adopt the plan
5.4 % housing accreditation status obtained (Level 2)	40%	100% (Level 2)	Target achieved Part of the submission to council on the housing sector plan	Council to approve the report and to declare its status on accreditation	
5.5 No. of informal areas formalised	0	1	Target not Achieved	Mashalaba Consultants confirmed that an approval has been received from COGTA	.
5.6 No. of hectares of land released for low cost housing	0	30ha ¹⁴	Target Achieved and Exceeded 11 plots purchased	Not Applicable	Not Applicable.

¹⁴ 7 plots of 4 400m² = 30 hectares were purchased and is expected to be transferred to MLM by the end of the first quarter

Chapter 3

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
6.1 % of spatial development framework (SDF) developed and approved (including annual reviews)	0%	100%	Target achieved	Not applicable.	Not applicable.
6.2 % of Integrated Land Use Management Scheme (ILUMS) developed and approved (including annual reviews)	0%	100%	Target not achieved	<p>Process plan has been approved in 2007</p> <p>Final Draft Land Use Management Scheme developed by the Consultant appointed</p> <p>The consultant presented to the MAYCO</p>	<p>Submission to be made to council and the Province</p> <p>Await the National(Land use management Scheme) legislation to be approved</p>

Chapter 3

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
6.3 % of re-zonings, subdivisions & consolidation applications evaluated and MLM comments	30%	70% (Revised to 95%)	Target achieved (2)	Not applicable.	Not applicable.
6.4 % of building plans approved within 30 days of receipt of <u>fully completed</u> applications	20%	75% (revised to 95%)	Target achieved (95)	Not applicable.	Not applicable.
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>	50%	70%	Target achieved (242)	Not applicable.	Not applicable.

¹⁵Director exercises delegated powers within the approved SDF framework

Chapter 3

Table 45: Employees – Housing Services

Employees: Housing Services					
Job Level	2011/12	2012/13			
	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	2	17	11	6	35
7 – 9	14	7	6	1	14
10 - 12	0	2	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	17	28	18	8	28

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 46: Financial Performance – Housing Services

Financial Performance 2012/13: : Housing Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3 849	12 415	12 415	3 748	-70%
Expenditure:					
Employees	-1 986	(5 377)	(5 392)	(6 155)	14%
Repairs and Maintenance	-11	(27)	(27)	(5)	-81%
Other	-1 078	(4 379)	(4 898)	(2 982)	-32%
Total Operational Expenditure	-3 075	(10 256)	(10 317)	(9 142)	-11%
Net Operational Expenditure	774	2 159	2 098	(5 394)	150%

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

T 3.2.8

Chapter 3

Table 47: Capital Expenditure – Housing Services

Capital Expenditure 2012/13: : Housing Services					
					R' 000
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
NB: Competence of Provincial/National Dept.					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

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

The Directorate Economic Development and Planning experienced serious and increasing challenges on its capacity since its establishment in 2003 and during the financial year under review. The existing lack in managerial staff (Managers in all Divisions) and key positions that became vacant created a huge vacuum and challenges for remaining staff. Capacitating the Division Housing and Property Management is critical to an application to Provincial Government for accreditation of the Division to level 2 in 2014 and level 3 in 2016.

T3.5.7

Chapter 3

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Free basic services are provided to indigent households according to the municipality's indigent policy. This includes 10kl of water, 50kWh electricity, R50 subsidy on assessment rates, free sanitation and refuse removal per household per month. A total number of 8 530 households were recorded in the indigent register at the end of the 2012/13 financial year. This shows a decline of 20% which came as a result of a verification process

T3.6.1

Table 48 FREE BASIC SERVICES

	2010/11	2011/12	2012/13
Free water:			
- all residents	6kl	6kl	6kl
- indigent residents	10kl	10kl	10kl
Free Electricity:			
- all residents	50kWh	50kWh	50kWh
- non Municipal supply	Agreement with Eskom	Agreement with Eskom	Agreement with Eskom
Sewerage			
Basic sewerage – all residents	Free	Free	Free
Additional sewerage - indigents	Free	Free	Free
Free Refuse removal - indigents	Free	Free	Free
Indigent subsidy (property rates)	R50.00	R50.00	R50.00
Income level for registration of indigents	R2 400.00 per month	R 2500.00 per month	R 2750.00 per month
Number of registered indigents	8 371	10 553 [#]	8 530 [#]

There were 304 pending indigent applications as at 30 June 2013.

The number of registered indigents decreased by 2 023 after a verification process or 20%

T3.6.2

Chapter 3

Table 49: Cost to Municipality of FBS Delivered

Financial Performance 2012/13: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2011/12	2012/13			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	22 324	29 716	29 716	27 090	(9)
Waste Water (Sanitation)	4 805	6 997	6 997	7 318	5
Electricity	13 429	10 160	10 160	13 114	29
Waste Management (Solid Waste)	6 794	11 584	11 584	11 445	(1)
Total	47 352	58 457	58 457	58 967	1
					T 3.6.4

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Free basic services are provided to indigent households according to the municipality's indigent policy. This includes 10kl of water, 50kWh electricity, R50 subsidy on assessment rates, free sanitation and refuse removal per household per month. A total number of 8 530 households were recorded in the indigent register at the end of the 2012/13 financial year.

Chapter 3

Table50: Free Basic Services Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
10.1 % of indigent register compiled and updated annually	47%	100% (Adjusted to 83% ¹⁶)	100% Target Achieved	Not applicable.	Not applicable.
10.2 Number of households on indigent register	8 433	12 000 (adjusted to 10 000)	Target Exceeded 8 530 indigents registered	Not applicable.	Not applicable.
10.3 % of registered indigents that have access to free basic water	100%	100%	100% Target Achieved	Not applicable.	Not applicable.

¹⁶Total of 10 000 indigents to be registered as a percentage of 5-year target of 12 000

Chapter 3

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
10.4 % of registered indigents that have Access to free basic electricity	100%	100%	100% Target Achieved	Not applicable.	Not applicable.
10.5 % of registered indigents that have access to free basic sanitation	100%	100%	100% Target Achieved	Not applicable.	Not applicable.
10.6 % of registered indigents that have access to free basic refuse removal	100%	100%	100% Target Achieved	Not applicable.	Not applicable.

Chapter 3

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Free basic services are provided to indigent households according to the municipality's indigent policy. This includes 10kl of water, 50kWh electricity, R50 subsidy on assessment rates, free sanitation and refuse removal per household per month. A total number of 8 530 (compared to 10 553 of 2011/12) households were recorded in the indigent register at the end of the 2012/13 financial year.

T3.6.6

DRAFT

Chapter 3

COMPONENT B: ROAD TRANSPORT

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

INTRODUCTION TO ROAD TRANSPORT

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

T3.7

3.7 ROADS

INTRODUCTION TO ROADS

The road network, as is the norm, is the mostly neglected for it being very expensive in maintenance. Potholes are fixed but the road infrastructure needs overall bitumen enrichment. Master and sector plans as well as a pavement management system needs to be done. Funds allowing, the plans and system would be developed within the next financial year 2013/14.

T3.7.1

Table 51: Gravel Road Infrastructure

Gravel Road Infrastructure				Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2009/10	255	0	0	80
2010/11	255	4	0	120
2011/12	322	0	0	135
2012/13	322	0	0	135

T 3.7.2

Chapter 3

Table 52: Tarred Road Infrastructure

Tarred Road Infrastructure					Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2009/10	364	0	0	0	0
2010/11	364	0	2	8	20 km (potholes)
2011/12	364	0	3	10	30km (potholes)
2012/13	371	0	3	7,4	30km(potholes)
					T 3.7.3

Table 53: Cost of Construction/Maintenance

Cost of Construction/Maintenance						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2009/10	0	0	3600	0	3000	2900
2010/11	1900	0	6000	0	6200	4800
2011/12	0	0	9000	0	0	4800
2012/13	0	0	6 853885	0	0	1 068750
						T 3.7.4

						T3.7.5
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Chapter 3

Table 54: Roads Services Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
P4.1 Total m² of roads upgraded to surfaced roads (tar/naved) ¹⁷	42,000 m ²	25,000 m ²	Target Achieved	Not applicable.	Not applicable.
P4.2 Total m² of un-engineered roads (dirt roads) graded	250,000 m ²	315,000 m ² ¹⁸	Target Achieved 120,000m ² gravelled road	Not applicable.	Not applicable.
P4.3 % of roads and storm water infrastructure	100%	100%	Target Achieved	Not applicable.	Not applicable.
P4.4 Total kms of new storm water channels erected	6km	7.4kms ¹⁹	Target not Achieved 0	No funding available	MIG funding to be sourced

¹⁷ Indicator changed from km to m²

¹⁸ Mainly in D/Ville, O/Ville & Sasolburg areas

¹⁹ Mainly in Refenggotso & Zamdela areas

Chapter 3

P4.5 Total kms of existing storm water channels upgraded	6km	10km ²⁰	Target Exceeded	Not applicable.	Not applicable.
P4.6 % of roads and storm water master plan developed and approved	50%	100%	Target not Achieved 0%	Tender advertised; Tender evaluation report outstanding	Tender to be re-advertised and appoint service provider by 3 rd Quarter.
P4.7 % of pavement management system developed and approved (including annual reviews)	0%	20%	On Target 0%	Not applicable.	Not applicable.

²⁰ Mainly in Refenggotso & Zamdela areas

Chapter 3

Table 55: Employees – Roads Services

Employees: Roads Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	1	2	1	1	50
7 - 9	3	3	3	0	0
10 - 12	3	3	3	0	0
13 - 15	18	22	18	5	22
16 - 18	15	18	15	3	16
19 - 20	0	0	0	0	0
Total	30	48	40	9	19

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 56: Financial Performance – Roads Services

Financial Performance 2012/13: : Roads Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	19 450	1 320	1 320	36 662	2677%
Expenditure:					
Employees	(8 174)	(7 906)	(8 550)	(9 330)	18%
Repairs and Maintenance	(11 207)	(26 250)	(26 150)	(10 913)	-58%
Other	(22 922)	(18 548)	(17 353)	(22 261)	20%
Total Operational Expenditure	(42 303)	(52 704)	(52 053)	(42 504)	-19%
Net Operational Expenditure	(22 853)	(51 384)	(50 733)	(5 842)	-89%

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 budget.

T 3.2.8

Chapter 3

Table 57: Capital Expenditure – Roads Services

Capital Expenditure 2012/13: : Roads Services					
Capital Projects	2011/12				R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A Gortin Interlocking Paved Road 7,4 km					41 000000
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF 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 rationally maintained but not adequately. Roads in general are in dire stage.

T3.7.10

Chapter 3

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

This function is not performed by the Municipality.

DRAFT

Chapter 3

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

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

T3.9.1

Table 58: Storm water Infrastructure

Stormwater Infrastructure				Kilometers
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2009/10	219	0	0	2
2010/11	219	0	0	4
2011/12	219	0	0	7
2012/13	219	0	1	14
				T 3.9.2

Table 59: Cost of Construction/Maintenance

Cost of Construction/Maintenance				R' 000
	Stormwater Measures			
	New	Upgraded	Maintained	
2009/10	1700	600	280	
2010/11	1800	700	330	
2011/12	1900	900	420	
2012/13	1900	1800	840	
				T 3.9.3

T3.9.4

Chapter 3

Table 60: Storm water Service Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2010/11	Annual target: 2011/12	Actual performance: 30 June 2012	Reasons for non- or under-performance	Corrective measures taken or to be taken
% roads master plan developed	50%	100%	Target not Achieved 0%	Tender advertised; Tender evaluation	Tender to be re-advertised and appoint service provider by 3 rd

Chapter 3

Table 61: Employees – Storm water Services

Employees: Storm water Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	2	2	2	0	0
13 - 15	6	6	6	0	0
16 - 18	7	10	7	3	30
19 - 20	0	0	0	0	0
Total	15	18	15	3	16

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

T 3.2.7

Table 62: Financial Performance – Storm water Services

Financial Performance 2012/13: Storm water Services <i>incl. Under Roads</i>					
R'000					
Details	2011/12	2012/13			
	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

Chapter 3

Table 63: Capital Expenditure – Storm water Services

Capital Expenditure 2012/13: Storm water Services (<i>incl. Under Roads</i>)					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

Storm water is normally attended to by the maintenance team, which is part of road maintenance, however in Zamdela due to the flat terrain most yards are flooded and water stagnates on the roads. Most stormwater pipes in Vaal park and Sasolburg can no longer handle the excessive water rainfall now of late.

T3.9.9

Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

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

T3.10

3.10 PLANNING

INTRODUCTION TO PLANNING

Main elements of the planning strategies

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

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

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

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

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

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

Chapter 3

Top 3 service delivery priorities:

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

T3.10.1

Table 64: Applications for Land Use Development

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Planning application received	3	1	53	33	421	435
Determination made in year of receipt	2	1	52	33	353	383
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	1	0	1	0	68	52

Chapter 3

Table 65: Planning Policy Objectives taken from IDP/SDBIP

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
6.1 % of spatial development framework (SDF) developed and approved (including annual reviews)	0%	100%	Target achieved	Not applicable.	Not applicable.
6.2 % of Integrated Land Use Management Scheme (ILUMS) developed and approved (including annual reviews)	0%	100%	Target not achieved	<p>Process plan has been approved in 2007</p> <p>Final Draft Land Use Management Scheme developed by the Consultant appointed</p>	<p>Submission to be made to council and the Province</p> <p>Await the National (Land use management Scheme) legislation to be approved</p>

Chapter 3

Key Performance indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
6.3 % of re-zonings, subdivisions & consolidation applications evaluated and MLM comments submitted to Province within 60 days of receipt ²¹	30%	70% (Revised to 95%)	Target achieved (2)	Not applicable.	Not applicable.
6.4 % of building plans approved within 30 days of receipt of <u>fully completed</u> applications	20%	75% (revised to 95%)	Target achieved (95)	Not applicable.	Not applicable.
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>	50%	70%	Target achieved (242)	Not applicable.	Not applicable.

²¹Director exercises delegated powers within the approved SDF framework

Chapter 3

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Chapter 3

Table 66: Employees – Planning Services

Employees: Planning Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0	2	1	1	50	50
6	10	5	5	50	50
1	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
7	12	6	6	50	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 67: Financial Performance – Planning Services

Financial Performance 2012/13: : Planning Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	498	530	550	289	-45%
Expenditure:					
Employees	(4 302)	(2 598)	(2 598)	(1 942)	-25%
Repairs and Maintenance	(14)	(53)	(53)	(27)	-49%
Other	(253)	(1 303)	(1 358)	(194)	-85%
Total Operational Expenditure	(4 063)	(3 954)	(4 009)	(2 163)	-45%
Net Operational Expenditure	(3 565)	(3 424)	(3 459)	(1 874)	-45%

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 budget.

T 3.2.8

Chapter 3

Table 68: Capital Expenditure – Planning Services

Capital Expenditure 2012/13: : Planning Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
No Capital Projects budgeted in the current year					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
T 3.2.9					

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The priority of the two identified projects arising from the 2012/13 IDP was to address the existing informal settlements through the provision of properly planned and surveyed erven. Both these projects were not concluded as funding was not secured from the Provincial Department as was planned.

T3.10.7

Chapter 3

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

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

Strategic Objectives of the division

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

T3.11.1

Table 69: Economic Activity by Sector:

Economic Activity by Sector			
Sector	2010	2011	2012
Agric, forestry and fishing			
Mining and quarrying			
Manufacturing and transport			
Wholesale and retail trade			
Finance, property, etc.			
Govt, community and social services			
Infrastructure services			
Total			T 3.11.2

Current Data on Economic Activity by Sector could not be found at the stage.

Chapter 3

Table 70: Economic Employment by Sector

Economic Employment by Sector			
Sector	Jobs		
	2010/11 No.	2011/12 No.	2012/13 No.
Agric, forestry and fishing	1 361	1 305	No data found
Mining and quarrying	143	141	No data found
Manufacturing	11 718	11 035	No data found
Wholesale and retail trade	9 602	9 592	No data found
Finance, property, etc.	4 121	3 929	No data found
Govt, community and social services	12 034	12 037	No data found
Infrastructure services	4 548	4 496	No data found
Total	43 527	42 535	No data found
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

Chapter 3

Table 71: Jobs Created through LED Initiatives

Jobs Created during 2012/13 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
2010/11				
2011/12	38	2	36	Register
2012/13				No data found
Initiative A (2012/13) SMMEs	0	0		
Initiative B (2012/13) SLP	132	0	132	Register
Initiative C (2012/13) Co ops	0	0	0	
Initiative D (2012/13) CWP	1221	106	1115	Register

T 3.11.5

Table 72: Jobs Created through EPWP Projects

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2010/11		
2011/12	12	318
2012/13	0	0
* - Extended Public Works Programme		No EPWP Project in the current Financial Year

T 3.11.6

Chapter 3

Table 73: LED Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
8.1 % of SMME development plan compiled and submitted for approval	50%	80%	Target not achieved	Council did not approve the initial LED Strategy & requested for an amended strategy and Council approved the appointment of NWU in Sept 2012	SMME Plan to follow Strategy
8.2 Number of self-sufficient and sustainable SMMEs supported ²²	4	4	Target not achieved	Target based on LED Strategy to be approved /considered September 2013	To ensure the approval of LED Strategy
8.3 Number of cooperatives identified and registered ²³	4	4	Target not Achieved	Target based on LED Strategy to be approved /considered September 2013	To ensure the approval of LED
8.4 % of marketing and tourism strategy & plan compiled and	50%	100%	Target not Achieved	Target based on LED Strategy to be approved /considered September 2013	To ensure the approval of LED
8.5 % of approved marketing and tourism plan implemented	0%	80%	Target not Achieved	Target based on LED Strategy to be approved/considered in September 2013	To ensure the approval of LED

²² Municipal-wide appointments of SMMEs by all departments – LED performs a monitoring and reporting function

²³ Direct responsibility of LED department

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
8.6 No. of social labour plan (SLP) projects complete	1	2 ²⁴ (Revised from 1)	Harry Gwala Target Achieved	Not applicable.	Not applicable.
8.7 % of local jobs summit organised and convened (secure internal/external funding)	0	100% 100%	Target Achieved	Not Applicable	Not Applicable.
9.1 Number of employment opportunities created as part of LED (NKPI: 7)	0	100 ²⁵	Target Achieved	Not Applicable	Not Applicable.
9.2 Number of employment opportunities created through EPWP initiatives (NKPI: 7)	0	50 ²⁶	Target exceeded	Not Applicable	Not Applicable.
9.3 Number of employment opportunities created through CWP initiatives (NKPI: 7)	0	1 000 ²⁷	Target exceeded (1221 jobs created)	Not Applicable	Not Applicable.

²⁴Harry Gwala crèche (Copper Sunset) in ward 13 – 45% progress; Gortin creche (Bothma& Sons) – 20% progress

²⁵ Municipal-wide approach – DEDP (in consultation with the PMU and DCS) performs a monitoring and reporting function on behalf of all departments

²⁶ Municipal-wide approach – DEDP (in consultation with the PMU and DCS) performs a monitoring and reporting function on behalf of all departments

²⁷Community Works Programme (CWP) will be managed and implemented by Provincial CoGTA; IDP Unit will coordinate programme at municipal level

Chapter 3

Table 74: Employees – LED Services

Employees: LED Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	5	1	4	80
4 - 6	1	1	1	0	0
7 - 9	0	9	0	9	100
10 - 12	0	3	0	3	100
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	18	2	16	88

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

T 3.2.7

Table 75: Financial Performance – LED Services

Financial Performance 2012/13: : LED Services						R'000
Details	2011/12	2012/13				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	0	3 000	3 000	0	-100%	
Expenditure:						
Employees	(625)	(606)	(606)	(628)	4%	
Repairs and Maintenance	0	(8)	(9)	0	-100%	
Other	(216)	(955)	(957)	(51)	-97%	
Total Operational Expenditure	(841)	(1 569)	(1 572)	(679)	-57%	
Net Operational Expenditure	(841)	1 431	1 428	(679)	147%	

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 budget.

T 3.2.8

Chapter 3

Table 76: Capital Expenditure – LED Services

Capital Expenditure 2012/13: : LED Services					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
No Capital Projects budgeted in the current Financial Year					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON 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

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

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

T3.52

3.12 LIBRARIES AND THEATRE

INTRODUCTION TO LIBRARIES AND THEATRE

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

T3.12.1

SERVICE STATISTICS FOR LIBRARIES AND THEATRE

Number of library branches, including main library: 5
Total weekly hours of operation of the library: 56
Number of active library card holders: 11 342 (Total active members after computerization)
Number of theatres: 1
Total weekly hours of operation of theatre: 43 (Excluding after hours bookings)

T3.12.2

Chapter 3

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

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
16.1 Number of functional arts and culture forums established	1	3 (Revised to one)	Target not Achieved	Lack of capacity	Establish functional Forum by end of Sept. 2013.
16.2 % of Annual arts and culture festival organised/hosted	0%	100%	Target not Achieved	Festival was not funded for the last 2 years	To coordinate with OEM for securing funds for the next FY (2013/14)
16.3 Number of arts and culture programmes organised	50	55	Target not Achieved	Lack of capacity (Marketing staff)	Capacitating the Unit by end of Sept. 2013
16.4 % increase in events/programmes held at theatre	0	10% (Revised to 30%)	Target not Achieved	Lack of capacity (Marketing staff)	Capacitating the Unit by end of Sept. 2013

Chapter 3

16.5	% increase in the number of local artists participating in theatre programmes	0	100%	Target not Achieved	Lack of capacity (Marketing staff)	Capacitating the Unit by end of Sept. 2013
16.6	% increase in the number of local schools participating in theatre	0	100%	Target not Achieved	Lack of capacity (Marketing staff)	Capacitating the Unit by end of Sept. 2013

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Chapter 3

Table 78: Employees – Libraries and Theatre

Employees: Libraries and Theatre					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	2	0	0
4 - 6	1	1	0	1	10
7 - 9	7	8	5	3	37.5
10 - 12	13	17	12	5	29.4
13 - 15	2	4	4	0	0
16 - 18	0	1	0	1	100
19 - 20	0	0	0	0	0
Total	24	33	23	10	30

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

T 3.2.7

Table 79: Financial Performance – Libraries and Theatre

Financial Performance 2012/13: : Libraries and Theatre					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	228	1 927	2 033	856	-56%
Expenditure:					
Employees	(5123)	(6 460)	(6 425)	(5 264)	-19%
Repairs and Maintenance	(54)	(280)	(283)	(29)	-90%
Other	(857)	(1 035)	(1 029)	(36)	-97%
Total Operational Expenditure	(6034)	(7 775)	(7 737)	(5 257)	-32%
Net Operational Expenditure	(5806)	(5 848)	(5 704)	(4401)	-28%

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 budget.

T 3.2.8

Chapter 3

Table80: Capital Expenditure – Libraries and Theatre

Capital Expenditure 2012/13: : Libraries and Theatre					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0		0	
No Capital Projects budgeted for in the current Financial Year					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF LIBRARIES AND THEATRE OVERALL:

No capital project was internally budgeted for libraries and Theatre.

T3.12.7

Chapter 3

3.13 CEMETERIES

INTRODUCTION TO CEMETERIES

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

T3.13.1

SERVICE STATISTICS FOR CEMETERIES

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

T3.13.2

Chapter 3

Table 81: Cemeteries Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline : 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
12.12 Number of existing cemeteries maintained	8	19 (Revised to 8) ²⁸	Target Achieved	Not Applicable	Not Applicable

²⁸Target to exclude 11 private cemeteries

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Table 82: Employees – Cemeteries

Employees: Cemeteries					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	1	1	1	1	1
13 - 15	0	0	0	0	0
16 - 18	5	10	5	5	50
19 - 20	0	0	0	0	0
Total	6	11	6	6	46

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

T 3.2.7

Table 83: Financial Performance – Cemeteries

Financial Performance 2012/13: : Cemeteries					
					R'000
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	190	270	270	164	-39%
Expenditure:					
Employees	(634)	(1 384)	(1 314)	(612)	-56%
Repairs and Maintenance	0	(56)	(56)	(2)	-96%
Other	(46)	(219)	(244)	(610)	179%
Total Operational Expenditure	(680)	(1 659)	(1 614)	(677)	-59%
Net Operational Expenditure	(490)	(1 389)	(1 344)	(513)	-63%

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 budget.

T 3.2.8

Chapter 3

Table 84: Capital Expenditure – Cemeteries

Capital Expenditure 2012/13: : Cemeteries					
					R' 000
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	6 000 000				
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF CEMETERIES OVERALL:

No capital projects were budgeted for cemeteries.

T3.13.7

Chapter 3

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

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Chapter 3

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

Key Performance Indicators	Baseline : 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
15.1 % of households with access to primary health care (PHC) services within a radius of 5km (Provincial Department of Health)	75%	100% ²⁹	Target not Achieved	Not Applicable	Not Applicable
15.2 Number of community awareness programmes conducted on HIV/AIDS, TB and STIs (OEM)	6	6 ³⁰	Target not Achieved	Due to unresolved labour issues	To ensure implementation by end of Sept. 2013

²⁹Linked to the construction of a clinic in Amelia by the Provincial Health Department. Expected date of completion is 31 March 2013

³⁰Programmes to be conducted in consultation with District and Province

Chapter 3

Key Performance Indicators	Baseline : 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
15.3 Number of sport development programmes organized/offered (DSS)	0	12 ³¹	Target Achieved	Not Applicable	Not Applicable
15.4 Number of library development programmes organized/offered (DSS)	800	850 ³²	Target Achieved	Not Applicable	Not Applicable
15.5 Number of new members to libraries (DSS)	500	500	Target Achieved	Not Applicable	Not Applicable
15.6 Number of youth development programmes organized(OEM)	4	4	Target not Achieved	Due to unresolved labour issues	To ensure implementation by end of Sept. 2013

³¹Programmes to be conducted in consultation with District and Province

³²Programmes are usually organised during school holidays and special commemoration days/months such as Mandela month, Heritage week/month, etc.

Chapter 3

Key Performance Indicators	Baseline : 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
15.7 Number of programmes organized for women (OEM)	4	4	Target not Achieved	Due to unresolved labour issues	To ensure implementation by end of Sept. 2013
15.8 Number of programmes organized for children (OEM)	4	8	Target not Achieved	Due to unresolved labour issues	To ensure implementation by end of Sept. 2013
15.9 Number of programmes organized with the aged (OEM)	2	2	Target not Achieved	Due to unresolved labour issues	To ensure implementation by end of Sept. 2013

Chapter 3

Table 86: Employees – Social Programmes

Employees: Social Programmes					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	100
4 - 6	3	6	3	3	50
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	3	7	3	4	57

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

T 3.2.7

Table 87: Financial Performance – Social Programmes

Financial Performance 2012/13: Social Programmes					
R'000					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	(461)	(550)	(550)	(225)	(59%)
Repairs and Maintenance	0	(2)	(2)	0	(100%)
Other	(36)	(3 384)	(2 134)	(467)	(86%)
Total Operational Expenditure	(497)	(3 936)	(2 686)	(692)	(82%)
Net Operational Expenditure	(497)	(3 936)	(2 686)	(692)	

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 budget.

T 3.2.8

Chapter 3

Table 88: Capital Expenditure – Social Programmes

Capital Expenditure 2012/13: : Social Programmes					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF 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

Chapter 3

COMPONENT E: ENVIRONMENTAL PROTECTION

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

INTRODUCTION TO ENVIRONMENTAL PROTECTION

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

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

Chapter 3

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

Key Performance Indicators	Baseline : 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
% of the Environmental Master Plan implemented.	20%	100% implementation of the Environmental Master Plan by June 2012 <i>(including air quality</i>	0% progress (Target not achieved)	Lack of funding	COGTA to assist with pilot project
% of compliance with environment legislations and regulations.	50%	100% compliance by June 2012	80% compliant (Target not achieved)	Lack of funding	DEA requested to assist the municipality

Chapter 3

Table 90: Employees – Environmental Protection

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

COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL OVERALL:

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

T3.15.7

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

The Municipality does not perform the above functions.

Chapter 3

COMPONENT F: HEALTH

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

INTRODUCTION TO HEALTH

Note: Recent legislation includes the National Health Act 2004.

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

T 3.17

3.17 CLINICS

The Municipality does not perform the above function.

3.18 AMBULANCE SERVICES

The Municipality does not perform the above function.

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

The Municipality does not perform the above functions.

Chapter 3

COMPONENT G: SECURITY AND SAFETY

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 93: Traffic Police Service Data

Traffic Police Service Data				
Details	2011/12	2012/13		
	Actual No.	Estimate No.	Actual No.	Estimate No.
1 Number of road traffic accidents during the year	1185	-	1250	-
2 Number of by-law infringements attended	43	-	80	-
3 Number of police officers in the field on an average day	16	-	16	-
4 Number of police officers on duty on an average day	15	-	15	-

T 3.20.2

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

T3.20.2.1

Chapter 3

DRAFT

Chapter 3

Table94: Police Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
14.1 % participation of MLM established Community Policing Forums (CPFs) established and functional ³³	75%	100%	Target Achieved	Not Applicable	Not Applicable
14.2 Number of street committees(sector policing) established and functional	0	21	Not Applicable	Not Applicable	Not Applicable
14.3 % of By-Law enforcement unit established and functional	75%	80%	Target not Achieved	Delay in appointment of By Law Officers	To fast track the appointment

³³Changed from CSF to CPF based on directive from Cluster Commander; 1 CPF established for each of the 5 police stations

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
14.4 Number of school road safety programmes implemented (<i>in consultation with School Principals</i>)	15	15	Target Achieved	Not Applicable	Not Applicable
14.5 % support for provincial and national crime prevention initiatives	100%	100% ³⁴	Target Achieved	Not Applicable	Not Applicable
14.6 % community access to fire-fighting services (all wards)	100%	100%	Target Achieved	Not Applicable	Not Applicable
14.7 Response time to fire-fighting emergencies	Within 30	100% within 30 mins (Revised to 20 mins)	Target Achieved	Not Applicable	Not Applicable

³⁴Including road blocks, rolling enforcement plans, campaigns, etc.

Chapter 3

Table 95: Employees – Traffic Police

Employees: Traffic Police					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	1	5	1	4	80
7 - 9	15	32	15	17	53
10 - 12	4	15	4	11	73
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	20	52	20	32	62

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

T 3.2.7

Table 96: Financial Performance – Traffic Police

Financial Performance 2012/13: : Traffic Police					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	6 437	12 307	12 308	4 357	-65%
Expenditure:					
Employees	(7 258)	(7 281)	(7 281)	(8 005)	10%
Repairs and Maintenance	(283)	(485)	(428)	(236)	-51%
Other	(3 009)	(5 031)	(5 083)	(2 234)	-56%
Total Operational Expenditure	(10 550)	(12 797)	(12 792)	(10 475)	-18%
Net Operational Expenditure	(4113)	(490)	(484)	(6 118)	1449%

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 budget.

T 3.2.8

Chapter 3

Table 97: Capital Expenditure – Traffic Police

Capital Expenditure 2012/13: : Traffic Police					
R' 000					
Capital Projects	2021/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 498	348	0		
No capital projects budgeted for traffic police					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
T 3.2.9					

COMMENT ON THE PERFORMANCE OF TRAFFIC POLICE OVERALL:

No capital projects were budgeted for traffic police.

T3.20.7

Chapter 3

3.21 FIRE

INTRODUCTION TO FIRE SERVICES

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

T3.21.1

Table 98: Fire Service Data

Fire Service Data				
Details	2010/11	2011/12		2012/13
	Actual No.	Estimate No.	Actual No.	Estimate No.
1 Total fires attended in the year	568	-	348	348
2 Total of other incidents attended in the year	593	-	747	1000
3 Average turnout time - urban areas	4min	-	4min	3min
4 Average turnout time - rural areas	4min	-	4min	3min
5 Fire fighters in post at year end	24	-	25	23
6 Total fire appliances at year end	5	-	5	5
7 Average number of appliance off the road during the year	2	-	1	1

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.

Chapter 3

Table 100: Employees – Fire Services

Employees: Fire Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	5	5	5	0	0
7 - 9	13	36	14	22	64
10 - 12	4	6	4	2	33
13 - 15	0	0	0	0	0
16 - 18	1	3	1	2	67
19 - 20	0	0	0	0	0
Total	23	50	24	28	56

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

T 3.2.7

Table 101: Financial Performance – Fire Services

Financial Performance 2012/13: Fire Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	104	200	200	146	-27%
Expenditure:					
Employees	(8 386)	(11 031)	(11 031)	(8 955)	-19%
Repairs and Maintenance	(290)	(590)	(565)	(353)	-40%
Other	(1 475)	(1 465)	(1 617)	(521)	-64%
Total Operational Expenditure	(10 151)	(13 086)	(13 213)	(9 829)	-25%
Net Operational Expenditure	(10 047)	(12 886)	(13 013)	(9 683)	-25%

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 budget.

T 3.2.8

Chapter 3

Table 102: Capital Expenditure – Fire Services

Capital Expenditure 2012/13 : Fire Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 695	1 170	2	-134 650%	
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
T 3.2.9					

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

No major capital projects budgeted for fire services.

T 3.2.10

Chapter 3

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

Chapter 3

Table103 : Disaster Management Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	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	Target not Achieved	Lack of support from District Municipality	To engage District Municipality to arrange more programmes
17.2 % of disaster management plan developed and implemented	100%	100%	Target not Achieved	Delay in submission to Council	To fast track the submission of the Plan to Council by end of Sept. 2013.
17.3 Number of volunteers trained on disaster management	60	120	Target not Achieved	Delay by Province to finalize directives on Training for Volunteers	To make follow ups with the Province by end of Sept.2013.

Chapter 3

Table 104 : Employees – Disaster Management

Employees: Disaster Management					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	1	0	1	100
7 - 9	0	5	0	5	100
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	5	0	5	100
19 - 20	0	0	0	0	0
Total	0	11	0	11	100

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

T 3.2.7

Table 105 : Financial Performance – Disaster Management

Financial Performance 2012/13: : Disaster Management					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0
Expenditure:	0	0	0	0	0
Employees	0	0	0	0	0
Repairs and Maintenance	9	0	0	0	0
Other	(36)	(68)	(74)	(29)	-57%
Total Operational Expenditure	(36)	(68)	(74)	(29)	-57%
Net Operational Expenditure	(36)	(68)	(74)	(29)	-57%

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 budget.

T 3.2.8

Chapter 3

Table 106: Capital Expenditure – Disaster Management

Capital Expenditure 2012/13: : Disaster Management					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	500	250	0		
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

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

Disaster management function is performed by District Municipality.

T3.22.7

Chapter 3

COMPONENT H: SPORT AND RECREATION

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

INTRODUCTION TO SPORT AND RECREATION

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

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

Chapter 3

Table 107: Sport and Recreation Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
12.1 Number of new community halls or MPCs established	1	100%	Target not Achieved(only 1 MPC in Harry Gwala established)	Lack of Funding	To secure funding from external donors (SLPs)
12.2 Number of new family parks established	2	19 (Revised to 8) ³⁵	Target Achieved	Not Applicable	Not Applicable
12.3 Number of new sports grounds established	0	100%	Target Achieved	Not Applicable	Not Applicable
12.4 Number of existing community halls upgraded	4	50 000 ³⁶	Target not Achieved	Lack of Maintenance Plan	To develop a maintenance Plan by end of Sept.2013

³⁵Target to exclude 11 private cemeteries

³⁶Average of 2000 visitors per off-peak month (OPM) and 6000 visitors per peak month (PM)

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
12.5 Number of existing swimming pools upgraded	2	55%	Target not Achieved (only Penny Heyns maintained)	Lack of funding	To secure funding by end of Sept. 2013.
12.6 Number of existing family parks	7	40 000 (Revised to 15000) ³⁷	Target Achieved	Not Applicable	Not Applicable
12.7 Number of existing sports grounds	10	100%	Target Achieved	Not Applicable	Not Applicable
12.8 Number of stadiums upgraded	2		Target not Achieved (only DP De Villiers upgraded)	Lack of Funding	To secure funding by end of Sept.2013.
12.9 % of HPC maintained	0		Target Achieved	Lack of Funding	To secure funding by end of Sept.2013.
12.10 Number of existing cemeteries	8		Target Achieved	Not Applicable	Not Applicable

³⁷Based on 500 visitors per off-peak month and 2 000 visitors per peak month

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
12.11 % review of Abrahamsrust management & operational systems	20%		Target not Achieved	Not Applicable	Not Applicable
12.12 % improvement in management & operational systems at	20%		Target not Achieved	Lack of capacity and staff	To fast track the appointment of Resort Manager by end of
12.13 % of Abrahamsrust facility maintained and	50%		Target not Achieved	Delay in appointment of Resort Manager	To fast track the appointment of Resort
12.14 Increased total number of visitors to	22 000		Target not Achieved	Lack of Funding	To secure funding by end of Sept.2013.
12.15 % of Day Visitors Facilities (OV/DV)	35%		Target not Achieved	Decline in number due to renovations in the resort.	To market a resort to increase visitors
12.16 Increased number of visitors to Day Visitors	30 000		Target not Achieved	Lack of Funding	To secure funding
12.17 % review of management and	20%		Target not Achieved	Delay in appointment of Resort Manager	To fast track the appointment of Resort

Chapter 3

Table 108: Employees – Sport and Recreation

Employees: Sport and Recreation					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	3	2	1	33
4 - 6	2	7	1	6	86
7 - 9	1	1	1	0	0
10 - 12	4	8	4	4	50
13 - 15	32	42	32	10	24
16 - 18	96	124	90	34	27
19 - 20	0	0	0	0	0
Total	137	185	130	55	30

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

T 3.2.7

Table 109: Financial Performance – Sport and Recreation

Financial Performance 2012/13: : Sport and Recreation					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 940	1 650	2 100	1 655	0
Expenditure:					
Employees	-3 921	(15 510)	(15 951)	(18 031)	16%
Repairs and Maintenance	-91	(1 325)	(1 332)	(352)	-73%
Other	-1 065	(6 738)	(6 594)	(2 943)	-56%
Total Operational Expenditure	-5 077	(23 573)	(23 877)	(21 326)	-10%
Net Operational Expenditure	-3 137	(21 923)	(21 777)	(19 671)	-10%

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

T 3.2.8

Chapter 3

Table 110: Capital Expenditure – Sport and Recreation

Capital Expenditure 2012/13: : Sport and Recreation					
Capital Projects	2012/13				
	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					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

R' 000

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

Chapter 3

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

Chapter 3

Table 111: Executive and Council Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
18.1 Number of Functional Ward Committees established (OS)	21	21	Target Achieved	Not Applicable	Not Applicable
18.2 Number of CDW's deployed in all 21 wards (OS)	21	21	Target not Achieved (18 CDWs)	Delay by CoGTA/Premier Office to finalize appointment of 3 CDWs	Escalate the process to the highest level/Office (HOD)
18.3 Number of ward committees trained on identified core skills areas (OS)	0	21	Target not Achieved	Delays in appointing Service Provider	To advertise a tender by end of September 2013
18.4 Number of quarterly (monthly) community meetings held per ward (OS)	3 meetings per ward	4 per ward ³⁸	Target Achieved	Not Applicable	Not Applicable

³⁸One meeting per ward per quarter

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
18.5 Number of skills programmes implemented for burial societies, stokvels, religious groups, etc. (OEM)	Compile database of activities	2 per annum	Target not Achieved	Lack of assistance from external Stakeholders	To fast track the implementation process by end of September 2013.
18.6 Number of monthly updates of municipal website completed (OMM)	12 updates	12 updates	Target Achieved	Not Applicable	Not Applicable
18.7 Number of newsletters produced and published (OMM)	3	6	Target not Achieved	Delays in appointing Service Provider	To fast track the process of appointing Service Provider
18.8 Number of interactions arranged with the print and electronic media (OMM/OEM)	12	12	Target Achieved	Not Applicable	Not Applicable
18.9 Number of quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) (OMM/OEM)	4	4	Target not Achieved	Due to unresolved labour issues	To ensure implementation by end of Sept. 2013

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
19.1 % of credible 5-Year IDP compiled according to CoGTA guidelines	100%	0%	Not applicable	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%	100% (First Review)	Target Achieved	Not applicable	Not applicable
19.3 % of compliant annual SDBIP approved within 28 days after the approval of the budget	90%	100%	Target Achieved		
19.4 % of approved posts filled in internal audit unit (6 posts in total)	33.3% (50% achieved) ³⁹	66.6% ⁴⁰	0% (On target)	Not applicable	Not applicable

³⁹3 posts filled in total

⁴⁰Filling of one critical post of Senior Internal Auditor

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
19.5 % of annual performance assessment of internal audit function by the audit committee	0%	100% ⁴¹	100% (On target)	Not applicable	Not applicable
19.6 % of annual internal audit plan approved by audit committee before end of June each year	70%	100% ⁴²	1000% (On target)	Not applicable	Not applicable
19.7 % execution of annual internal audit plan	100%	100% ⁴³	95% Target not achieved	Lack of fund to co source IT audit	Planned for 2013/14 FY
19.8 % of three-year rolling coverage plan developed and approved	100%	100%	100% Target achieved	Not applicable	Not applicable

⁴¹AC must develop assessment tool and submit assessment report to Council

⁴²2013/14 internal audit plan must be submitted to audit committee for approval before the end of June 2013

⁴³Quarterly progress reports by Internal Audit must be submitted to the AC

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
19.9 Number of audit committees held per annum	4	4	Target achieved	Not applicable	Not applicable
19.10 % review of audit charters completed annually (reviewed charters must be approved by the Audit)	100%	100%	0% (On target)	Not applicable	Not applicable
19.11 % of approved funded posts filled in risk management unit (2 posts)	100% (Actual: 1 post filled)	100% (2 posts to be filled) ⁴⁴	Target achieved	Post advertised and appointments still outstanding	Appointment of the Risk Coordinator by December 2013
19.12 % review of risk management strategy & policy (approved by risk management committee)	50%	100%	Target achieved	Not Applicable	Not Applicable

➤ ⁴⁴Additional post of Risk Coordinator to be filled by January 2013 (Beginning of Quarter 3)

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
19.13 % of risk register compiled and updated quarterly	100%	100%	Target not achieved	Report delayed to non-cooperation with departments	Appointment of risk champions within respective departments with the coordination of risk information. Perform risk
19.14 Number of risk management committee (RMC) meetings held	3	4	Target achieved		Appointment of the risk committee chairperson by Council by 31 March 2013
19.15 % of approved fraud prevention and anti-corruption strategy annually reviewed	90%	100%	Target achieved		Approval of the strategy by 31 January 2013
19.16 % of approved fraud prevention and anti-corruption strategy annually implemented	0%	25%	Target not achieved	Training sessions still outstanding after review and approval of the plan. Hotline number placement still outstanding due to the migration of the website	Training sessions of the plan and policies by September 2013. Placement of the hotline number on the municipal website

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
19.17 Fully functional Local Labour Forum (LLF) established (<i>no. of meetings held per annum</i>)(DCS)	6	11 ⁴⁵	Target not Achieved	Due Unconducive Labour relations environment	Adhere to the meeting per approved schedule. Also rebuild/strengthen the relations between Employer & Labour Unions.
19.18 % implementation of LLF resolutions taken (including monitoring of SALGBC collective agreements) (DCS)	85%	100% ⁴⁶	Target Achieved (Undertaking signed to prioritize res. To be implemented)	Not Applicable	Not Applicable
19.19 % of organisational PMS policy aligned to IDP approved and implemented		100%	Target not Achieved	Delay in approving policy for implementation	Ensure approval of the policy by Council by end Sept. 2013.

⁴⁵Monthly meetings except for January

⁴⁶Progress 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.

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
19.20 % of functional municipal performance audit committee established (<i>part of terms of reference of audit committee</i>)	100%	100%	100% Target achieved		
19.21 % of compliant performance agreements for MM and managers directly accountable compiled and signed on time (<i>NKPI: 2</i>)	75%	100%	On Target	Not Applicable	Not Applicable
19.22 % of Employee PM&D policy approved and annually reviewed (DCS)	0%	100%	Target not Achieved	Delay in approving policy for implementation	Ensure approval of the policy by Council by end Sept. 2013.
19.23 % of PMS cascaded to all levels of employees in the municipality ⁴⁷ (DCS)	0%	20%	Target not Achieved	Delay in approving policy for implementation	Ensure approval of the policy by Council by end Sept. 2013.

⁴⁷PMS first to be cascaded to middle management levels 1 to 4

Chapter 3

Table 112: Employees – Executive and Council

Employees: Executive and Council					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	5	9	6	3	33
4 - 6	8	16	8	8	50
7 - 9	4	9	4	5	56
10 - 12	0	0	0	0	0
13 - 15	0	1	0	1	100
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	17	35	18	17	48

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 113: Financial Performance – Executive and Council

Financial Performance 2012/13: : Executive and Council					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	500	500	0	0
Expenditure:					
Employees	-19 239	-16 840	-17 160	-19 239	12.46%
Repairs and Maintenance	-4	-43	-43	-4	-975%
Other	-5 834	-6 759	-6 817	-5 834	-15.85%
Total Operational Expenditure	-25 077	-23 642	-24 020	-25 077	5.72%
Net Operational Expenditure	-25 077	-23 142	-23 520	-25 077	7.71%

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

Chapter 3

-25 077

-23 14

Table 114: Capital Expenditure – Executive Council

Capital Expenditure 2012/13: : Executive Council					
					R' 000
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
No capital projects were budgeted for Executive Council					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

No capital projects were budgeted for during the 2012/13 financial year T3.24.7

Chapter 3

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

The main objective of the finance department is to provide a comprehensive and sound financial management service to the municipality. The strategic objectives of the department are the following:

- Budget preparation, implementation and monitoring;
- Asset management;
- Credit control and debt collection;
- Indigent management;
- Supply Chain Management;
- Revenue and Expenditure management.

T3.25.1

Table 115: Debt Recovery

Debt Recovery							
R' 000							
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		92 485	92 485		93 932	
Electricity - B							
Electricity - C	139 120		164 079	164 079		201 404	
Water - B		90.2%			84.4%		88%
Water - C	141 717		159 701	159 701		186 539	
Sanitation	18 996		19 990	19 990		31 937	
Refuse	25 259		27 526	27 526		44 491	
Other							

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

T 3.25.2

Chapter 3

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

T3.25.2.1

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Chapter 3

Table 116: Financial Service Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
22.1 Ratio of net current consumer debtors to annual property rates and service charge income	12.5%	75% (adjust to 12.5%) ⁴⁸	8.08 Target not achieved	No effective credit controls be taken due to unrest and strike	Operation Patala
22.2 Annual property rates and service charges more than 50% of total revenue	71%	76% (adjusted to 72%) ⁴⁹	Target Exceeded 82.32%	Not applicable	Not applicable
22.3 % of consumer debtors revenue collected	85%	90% ⁵⁰	Target no achieved 84.4%	No effective credit controls be taken due to unrest and strike	Operation Patala
22.4 % reduction of consumer debtors older than 90-days (Balance as at 30 June 2010: R229m)	-10%	-10% ⁵¹	Target not achieved +2.14%	Credit control Policy not implemented in all areas	Operation Patala to be launch to improve our revenue collection

⁴⁸Targets adjusted in accordance with the 2010/11 audited figures (baseline)

⁴⁹Targets adjusted in accordance with the 2010/11 audited figures (baseline)

⁵⁰Actual total collections as a percentage of total levies/billings

⁵¹Achievement of target is dependent on the implementation of the revenue enhancement strategy

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
22.5 % actual revenue generated as a percentage of the approved/adjusted budget	98%	98%	Target not Achieved 85.6%	Not all customers being billed for services (refuse/ sewer) Business demand meters	Engage the Social services and Technical services departments to assist with the information. Data
22.6 % of revenue management strategy compiled and implemented	95%	96%	Target not Achieved 0%	Data clean up delay due to capacity.	Launch of Operation Patala
22.7 % of cash management and investment policy framework compiled and approved	90%	100% ⁵²	Target not achieved	Draft policy has been compiled but not yet submitted to Council Investment policy submitted	Reports will be submitted to Council
23.1 % actual capital expenditure (CAPEX) as a percentage of the approved/adjusted budget	40%	60%	63.4% Target Exceeded	Not Applicable	Not Applicable

⁵²Policy to be aligned to NT regulations

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
23.2 % actual operating expenditure (OPEX) as a percentage of the approved/adjusted budget	91%	94% ⁵³	Target not Achieved (72.9%) 21.09% (83.65%) 10.35% without depreciation	Bulk purchase of water and electricity is only for 11 months. Loan cost and finance charges are not done as financing is not taken up. Government Garage expenditure only allocated in January 2012.	Government Garage expenditure to be allocated. Provision for creditors still to be done. Contribution for leave loan
23.3 % actual expenditure on repairs and maintenance as a percentage of the	5%	5%	3.29% 1.17%	Road maintenance: tar roads under-spent by R15m due to cash flow constraints	Annual target to be adjusted to 4%
23.4 % of MSIG allocation spent	100%	100% ⁵⁴	Target Exceeded 25%	Not Applicable	Not Applicable

⁵³CFO has a financial reporting responsibility and user departments must provide explanations of actual deviations

⁵⁴2012/13 DoRA allocation is R1 million

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
23.5 % of creditors paid within 30 days of receipt of invoice	No actuals available	100%	Target not Achieved 85%	Invoices are not submitted in time to Finance. Statements are received late from creditors. Sundry payments are made that influence the cash flow.	All Invoices that are more than 30 days outstanding will be prioritised .Reasons for late payments of invoices will be recorded and reported to Senior Management
23.6 % of compliance with approved SCM policy	100%	100% ⁵⁵	Target not Achieved 50 %	Delays in the advertisement of posts. Lack of staff Capacity	Appointment of SCM intern and the filling of vacancies
23.7 Tender turnaround time maintained for bids <u>below R30 000</u>(based on quotations obtained from supplier database)	No actual data	14 days ⁵⁶	Target not Achieved 14 days	Delays in the advertisement of posts .Lack of staff Capacity	Appointment of SCM intern and consider filling the vacancies.

⁵⁵Subject to additional capacity & processes being initiated and managed by SCM unit

⁵⁶Subject to additional capacity & processes being initiated and managed by SCM unit

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
23.8 Tender turnaround time maintained for bids between R30 000 and R200 000(advertise for 7 days and evaluate based on BBBEE preferential procurement)	No actual data	21 days ⁵⁷	Target not Achieved More than 21 days	Delays in the advertisement of posts. Lack of staff Capacity	Appointment of SCM intern and consider filling the vacancies.
23.9 Tender turnaround time maintained for bids above R200 000(competitive bidding process)	No actual data	90 days ⁵⁸	Target not Achieved More than 90days	Delays in the advertisement of posts. Lack of staff Capacity Bid Committee members not sitting	Appointment of SCM intern and consider filling the vacancies. Schedule of dates for committees to sit according
23.10 % compliance maintained with approved SCM policy and procedures (elimination of	100%	100%	Target not Achieved 50%	Delays in the advertisement of posts. Lack of staff Capacity	Training for all departments on the Supply Chain Policies and procedures.

⁵⁷Subject to additional capacity & processes being initiated and managed by SCM unit

⁵⁸Subject to additional capacity & processes being initiated and managed by SCM unit

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
24.1 % of compliant annual budget (MTREF) compiled and approved by end of May each year⁵⁹	100%	100%	100% Target achieved	Not applicable	Not applicable
24.2 % of budget-related policies developed, reviewed and approved as per National Treasury and MFMA requirements	100%	100%	80% Target Achieved	Tariff policy, Credit Control Policy, Indigent Policy and Property Rates Policy were revised. Virement Policy draft	All policies must be revised.
24.3 % of monthly budget statements are compiled and submitted to the Mayor by no later than 10 working days after the end	50%	100%	100% Target Achieved	Not applicable	Not applicable
24.4 % of monthly National Treasury returns submitted on time	100%	100%	100% Target Achieved	Not applicable /a	All returns have since been submitted on time

⁵⁹In terms of MFMA Section 24(1): Council must consider approval of the annual budget at least 30 days before the start of the budget year

⁶⁰In terms of MFMA Section 71

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
24.5 % of quarterly National Treasury returns submitted on time	100%	100%	100% Target Achieved	Not applicable	Not applicable
24.6 % of DoRA returns submitted on time	100%	100%	100% Target Achieved	Not applicable	Not applicable
24.7 % of mid-year budget and performance assessment report submitted by 25 January each year ⁶¹	100%	100%	0% On Target	Not applicable	Not applicable
25.1 % of Clean Audit action plan compiled, approved and implemented	0%	70%	34% Target not achieved	Action Plan compiled, lack of co-operation	Action Plan meetings held
25.2 % of Annual Financial Statement submitted to the Auditor-General by the end of August each year ⁶²	100%	100%	100% Target Achieved	Not applicable	Not applicable

⁶¹In terms of MFMA Section 72 the report must be submitted to the Mayor by 25 January each year

⁶²In terms of MFMA Section 126(1) within two months after the end of the financial year

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
25.3 Actual improvement in annual audit outcomes received from the Auditor-General	Qualified	Un-qualified	Target not Achieved (2012/13 qualified opinion received)	Not applicable	Not applicable
25.4 % of the Action Plan on issues raised by the Auditor-General is compiled, approved and implemented annually	70%	90%	75% Target not achieved	Action Plan compiled, lack of co-operation Reports submitted to senior management	Reports to be submitted
25.5 % internal audit recommendations implemented within specified time frames	50%	100%	100% Target Achieved	Not applicable	Not applicable
25.6 % of PROPAC resolutions implemented annually (OMM)	100%	100%	100% Target Achieved	Not applicable	Not applicable
26.1 % of Fixed Asset Register (FAR) compiled and updated annually in line with GRAP requirements	100%	100%	Target not Achieved	Not Applicable	Not Applicable

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
26.2 % of asset maintenance and replacement plans developed and updated annually (DTIS, DSS&DCS)	100%	100%	Target not Achieved		

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Chapter 3

Table 117: Employees – Financial Services

Employees: Financial Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	5	6	5	1	17
4 - 6	5	10	5	5	50
7 - 9	21	51	19	32	62
10 - 12	20	33	18	17	51
13 - 15	29	29	28	1	03
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	80	129	75	54	41

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 118: Financial Performance – Financial Services

Financial Performance 2012/13: : Financial Services						R'000
Details	2011/12	2012/13				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	143 236	143 542	(142 646)	(140 276)	-2%	
Expenditure:						
Employees	(17 204)	(25 535)	(25 485)	(16 938)	-34%	
Repairs and Maintenance	(51)	(46)	(96)	(94)	104%	
Other	(18 755)	(6 856)	(3 043)	(19 430)	183%	
Total Operational Expenditure	(36 010)	(32 437)	(28 624)	(36 462)	12%	
Net Operational Expenditure	107 226	111 105	114 022	103 814	-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

Chapter 3

Table 119: Capital Expenditure – Financial Services

Capital Expenditure 2012/13: : Financial Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	546	546	200		
Project A: Upgrading pay points	500	284	198		
Project B: Equipment	46	46	21		
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:

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

T3.25.7

Chapter 3

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

Chapter 3

Table 120: Human Resource Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual Target	Actual performance: 30 June 2013	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% (150 posts)	Target not Achieved	Delay in process of (Phases) appointments	Fast tracking finalizing or filling all critical posts by end of Sept. 2013.
28.2 Turnaround time maintained on recruitment: funded vacancies	66 working days	60 working days	Target Achieved	Not Applicable	Not Applicable
28.3 % of organisational structure compiled and reviewed annually	90%	100%	Not Applicable	Not Applicable	Not Applicable

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual Target	Actual performance: 30 June 2013	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% ⁶³	Target Achieved	Not Applicable	Not Applicable
28.5 % of categories of staff trained as per WSP targets on an annual basis	80%	100%	Target Achieved	Not Applicable	Not Applicable
28.6 % of employment equity (EE) plan and report compiled and submitted annually to the Department	100%	100% ⁶⁴	Not Applicable	Not Applicable	Not Applicable
28.7 % implementation of EE plan as per approved targets and measures	95%	100%	Target not Achieved	Delay in recruitment processes, Due to prioritization of critical posts to be filled.	Consider EE plan Targets when recruiting by end Sept. 2013.

⁶³Submission of Final 2012/13 Annual Training Report (ATR) and 2013/14 Workplace Skills Plan (WSP) to the LGSETA by end of June 2012

⁶⁴Submission of Final EE Plan and Report to Dept. of Labour by end of October 2012

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual Target	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
28.8 % of human resource-related policies compiled and reviewed annually if	90%	90%	Target Achieved(Outstanding Policies approved in Feb 2013	Not Applicable	Not Applicable
28.9 % of disputes and grievances (stage 1 to 3) handled in terms of the collective agreement (turnaround time within 90 days)	90%	100%	Target Achieved	Not Applicable	Not Applicable
29.1 Number of organisation development interventions implemented annually	0	2	Not Applicable	Not Applicable	Not Applicable
29.2 % of service excellence awards finalised by end of November each year	95%	100%	Not Applicable	Not Applicable	Not Applicable
29.3 % of annual council programme compiled and	100%	100%	Not Applicable	100%	Not Applicable
29.4 % of Integrated Document Management System (IDMS) implemented	50%	100%	Not Applicable	Not Applicable	Not Applicable
29.5 % of agendas for council, mayoral committee and portfolio committees	90%	100%	Target Achieved	Not Applicable	Not Applicable

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual Target	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
29.6 Number of quarterly reports to Council on the tracking of council resolutions <i>(submitted at the end of each quarter - Sept, Dec, Mar & Apr)</i>	0%	4 ⁶⁵	Target not Achieved	System not programmed according to Departmental requirement	System review to be finalized by end of Sept.203

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⁶⁵Committee Services section to coordinate the updating and submission of quarterly resolutions tracking reports to Council

Chapter 3

Table 121: Employees – Human Resource Services

Employees: Human Resource Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	1	1	50
4 - 6	6	12	5	7	58
7 - 9	1	3	2	1	33
10 - 12	2	1	0	1	100
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	10	18	8	10	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 122 Financial Performance – Human Resource Services

Financial Performance 2012/13: : Human Resource Services					
Details	R'000				
	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	98	231	414	224	-3%
Expenditure:					
Employees	(3 088)	(3 349)	(3 349)	(3 196)	-5%
Repairs and Maintenance	0	(11)	0	0	-100%
Other	(1 672)	((1 993)	(2 003)	1 867	0
Total Operational Expenditure	(1 416)	(5 353)	(5 352)	(1 329)	-75%
Net Operational Expenditure	(1 318)	(5 122)	(4 938)	(1 105)	-78%

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 budget.

T 3.2.8

Chapter 3

Table 123: Capital Expenditure – Human Resource Services

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

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

No capital projects were budgeted for in the 2012/13 financial year.

T3.26.7

Chapter 3

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

During 2012/13 Financial year, the focus was on maintenance and ICT governance which resulted in the successful implementation of various operating policies and procedures.

T3.27.1

Chapter 3

Table 48: ICT Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	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%	Target Achieved	Not Applicable	Not Applicable
27.5 % of ICT Steering committee established (Terms of reference and meeting schedule finalised)	0%	100%	Target Achieved	Not Applicable	Not Applicable
27.6 Downtime of critical systems reduced to less than 5% of total uptime required	5%	5%	Target not Achieved	Delay of installing monitoring system.	To ensure monthly submission of reports.
27.8 % of workstations functional and on-line (233 workstations)	90%	91%	91% Target Achieved	Not Applicable	Not Applicable

Chapter 3

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	Reasons for non- or under-performance	Corrective measures taken or to be taken
27.9 % of user complaints attended to within 24 hours of receipt	90%	91%	0% Target not Achieved	Lack of Funding	Implementation of the system by end of December 2013

DRAFT

Chapter 3

Table 125: Employees – ICT Services

Employees: ICT Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	4	2	2	50
4 - 6	3	6	3	3	50
7 - 9	0	1	0	1	100
10 - 12	1	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	6	12	6	6	50

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

T 3.2.7

Table 126 : Financial Performance – ICT Services

Financial Performance 2012/13: : ICT Services					
					R'000
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees	-2 406	(2 639)	(2 689)	(2 669)	1%
Repairs and Maintenance	-413	(2 600)	(2 100)	(1 006)	-61%
Other	-12 246	(11 907)	11 837	9 877	0
Total Operational Expenditure	-15 065	(17 146)	(16 626)	13 552	0
Net Operational Expenditure	-15 065	(17 146)	(16 626)	13 552	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 budget.

T 3.2.8

Chapter 3

Table 497: Capital Expenditure – ICT Services

Capital Expenditure 2012/13: : ICT Services					
					R' 000
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	12 550 000				
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The division is on maintenance mode and only one major capital project was budgeted for and could not be executed. R 11 m (financial lease) was adjusted to accommodate other commitments of the Municipality.

T3.27.7

Chapter 3

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

DRAFT

Chapter 3

Table 128: Property and Legal Services Policy Objectives taken from IDP/SDBIP

Key Performance Indicators	Baseline: 2011/12	Annual target: 2012/13	Actual performance: 30 June 2013	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)	85%	100% ⁶⁶	Target Achieved (Undertaking signed to prioritize resolutions to be implemented)	Not Applicable	Not Applicable

⁶⁶Progress 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.

Chapter 3

Table 129: Employees – Property and Legal Services

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

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

T 3.2.7

Table 500: Financial Performance – Property and Legal Services

Financial Performance 2012/13: : Property and Legal Services					
Details	R'000				
	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0				
Expenditure:					
Employees	(609)	(522)	(522)	(425)	-19%
Repairs and Maintenance	0	(5)	0	0	-100%
Other	(1 721)	(2 647)	(2 596)	(2 543)	-4%
Total Operational Expenditure	(2 330)	(3 174)	(3 118)	(2 968)	-6%
Net Operational Expenditure	(2 330)	(3 174)	(3 118)	(2 968)	-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

Chapter 3

COMMENT ON THE PERFORMANCE OF PROPERTY AND LEGAL SERVICES OVERALL:

No capital projects were budgeted for the 2012/13 financial year

T3.28.7

DRAFT

Chapter 3

COMPONENT J: MISCELLANEOUS

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

The Municipality does not perform any of the above functions.

DRAFT

Chapter 3

DRAFT

Chapter 4

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

INTRODUCTION

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

T4.0.1

DRAFT

Chapter 4

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 132: Employee Totals

Description	Employees				
	2011/12	2012/13			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	36	52	37	17	32
Waste Water (Sanitation)	38	61	38	23	37
Electricity	39	61	39	22	36
Waste Management	115	180	112	68	37
Housing	17	27	18	8	28
Storm water Drainage	15	18	15	3	16
Roads	40	48	40	8	16
Transport	-	-	-	-	-
Planning	5	12	6	6	50
Local Economic Development	1	18	2	16	88
Community & Social Services	32	42	32	10	23
Environmental Protection	-	-	-	-	-
Health	-	-	-	-	-
Security and Safety	43	113	43	70	61
Sport and Recreation	130	188	130	58	30
Corporate Policy Offices and Other	115	205	109	96	46
Totals	632	1022	621	401	39

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

T 4.1.1

Chapter 4

Table 5133: Vacancy Rate

Vacancy Rate: 2012/13			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	1	1
CFO	1	1	100
Other S57 Managers (excluding Finance Posts)	4	4	100
Other S57 Managers (Finance posts)	0	0	0
Police officers	52	32	62
Fire fighters	47	25	53
Senior management: Levels 13-15 (excluding Finance Posts)	33	4	12
Senior management: Levels 13-15 (Finance posts)	6	1	17
Highly skilled supervision: levels 9-12 (excluding Finance posts)	103	39	37
Highly skilled supervision: levels 9-12 (Finance posts)	10	5	50
Total	257	112	41

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

T 4.1.2

Table134: Turnover Rate

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2010/11	93	11	1%
2011/12	31	35	4%
2012/13	30	29	4%

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

T 4.1.3

Chapter 4

COMMENT ON VACANCIES AND TURNOVER:

Council approved the amendment of the Organogram and identified critical positions that needed to be filled in April 2012. During May 2012 86 positions were advertised and the process of appointments is being done in the Financial Year 2012/2013. In the Financial Year 2012/2013 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

Chapter 4

4.2 POLICIES

Table 135: HR Policies and Plans

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action			
2	Attraction and Retention	100	n/a	In progress
3	Code of Conduct for employees			SALGBC/MSA
4	Delegations, Authorisation & Responsibility			
5	Disciplinary Code and Procedures	100	n/a	SALGBC
6	Essential Services	100	n/a	SALGBC
7	Employee Assistance / Wellness	100	n/a	06/02/2013
8	Employment Equity	100	n/a	In progress
9	Exit Management	100	n/a	In progress
10	Grievance Procedures			SALGBC
11	HIV/Aids	100	n/a	06/02/2013
12	Human Resource and Development	100	0	02/04/2007
13	Information Technology			
14	Job Evaluation			
15	Leave			SALGBC
16	Occupational Health and Safety	100	n/a	SALGBC
17	Official Housing			
18	Travel and expenditure	100	0	01/10/2008
19	Bereavement	100	n/a	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
29	Smoking			
30	Special Skills (same as retention)			
31	Work Organisation			
32	Uniforms and Protective Clothing			
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

Chapter 4

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
	Conflict of interest	100	n/a	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
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

Chapter 4

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 5236: 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	84	6	0.6	0.504	25397.37
Temporary total disablement					
Permanent disablement					
Fatal					
Total	84	6	0.6	0.504	25397.37

T 4.3.1

Table 137: 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)	2720	38 %	753	753	3.61	R 816505.92
Skilled (Levels 3-5)	247	28 %	28	32	7.71	R88341.02
Highly skilled production (levels 6-8)	808	15 %	86	58	13.93	R718304.40
Highly skilled supervision (levels 9-12)	30	12 %	7	13	2.3	R 30944.06
Senior management (Levels 13-15)	26	4.6 %	8	10	2.6	R 34357.45
MM and S57	2	0 %	1	5	0.4	R 2965.02
Total	3833	97.6%	858	858	30.55	R1691417.87

* - 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

Chapter 4

COMMENT ON INJURY AND SICK LEAVE:

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

T4.3.4

DRAFT

Chapter 4

4.4 PERFORMANCE REWARDS

No performance rewards were paid to any employee during the 2012/13 financial year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

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

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

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

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

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

Table 140: Skills Matrix

Skills Matrix														
Number of skilled employees required and actual as at 30 June 2013 Learnerships Actual: End of 2011/12	Gender Skills programmes & other short courses Actual: End of 2012/13	Employees in post as at 30 June Year 2012 Other forms of training 2012/13 Target	Number of skilled employees required and actual as at 30 June 2012											
			Total			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of 2011/12	Actual: End of 2012/13	2012/2013 Target	Actual: End of 2011/12	Actual: End of 2012/13	2012/13 Target	Actual: End of 2011/12	Actual: End of 2012/13	2012/13 Target	Actual: End of 2010/11	Actual: End of 2011/12	2011/12 Target
MM and s57	Female	2	0	0	0	1	2	2	0	0	0	1	2	2
	Male	3	0	0	0	2	3	3	0	0	0	2	3	3
Councillors, senior officials and managers	Female	20	0	0	10	5	2	16	0	0	0	5	2	26
	Male	61	0	0	20	23	9	25	0	0	0	23	9	45
Technicians and trade workers	Female	6	0	0	5	1	5	10	0	0	0	1	5	15
	Male	63	0	0	15	6	12	28	0	0	0	6	12	43
Professionals and associate professionals*	Female	11	0	0	0	4	3	20	0	0	0	4	3	20
	Male	21	0	0	0	2	2	15	0	0	0	2	2	15
Sub total	Female	39	0	0	15	11	12	48	0	0	0	11	12	63
	Male	148	0	0	35	33	26	71	0	0	0	33	26	106
Total		187	0	0	50	44	38	119	0	0	0	44	38	169

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

T 4.5.1

Chapter 4

Table 141: 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))
Financial Officials						
<i>Accounting officer</i>	1	0	1	0	1	0
<i>Chief financial officer</i>	0	0	0	0	0	0
<i>Senior managers</i>	8	0	8	4	4	0
<i>Any other financial officials</i>	5	0	5	0	0	0
Supply Chain Management Officials						
<i>Heads of SCM unit</i>	0	0	0	0	0	0
<i>SCM senior managers</i>	2	0	2	0	0	0
TOTAL	16	0	16	4	5	0

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007) T 4.5.2

Chapter 4

Table 542: Skills Development Expenditure

Skills Development Expenditure										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2011/12							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female	2	0	0	120 000	126 900	0	0	120 000	126 900
	Male	3	0	0	180 000	190 350	0	0	180 000	190 350
Legislators, senior officials and managers	Female	18	(10)150 000	0	128 556	94 625	0	0	278 556	94 625
	Male	59	(20) 300 000	0	421 444	145 630	0	0	721 444	145 630
Professionals	Female	20	0	0	80 280	6 583,	0	0	80 000	6 583
	Male	15	0	0	80 000	73 615	0	0	80 000	73 615
Technicians and associate professionals	Female	7	(5)75 000	0	30 000	0	0	0	105 000	0
	Male	72	(15)225 000	0	40 000	0	0	0	265 000	0
Clerks	Female	66	(4) 60 000	0	230 000	19 948	0	0	290 000	19 948
	Male	78	0	0	270 000	20 375	0	0	270 000	20 375
Service and sales workers	Female	23	0	0	30 000	0	0	0	30 000	26 565
	Male	46	0	0	50 000	26 565	0	0	50 000	0
Plant and machine operators and assemblers	Female	6	0	0	0	0	0	0	0	0
	Male	68	0	0	0	0	0	0	0	0
Elementary occupations	Female	81	(42) 630 000	0	243 000	0	0	0	873 000	0
	Male	203	(48) 720 000	0	595 000	0	0	0	1 315 000	0
Sub total	Female	223	(62)915 000	0	861 836	248 056	0	0	1 776 836	248 056
	Male	543	(99)1 500 000	0	1 636 444	456 535	0	0	3 136 444	456 535
Total		766	2 415 000		2 498 280	704 591			4 913 280	704 591
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									0,63%**	

T4.5.3

Chapter 4

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

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

T4.5.4

Chapter 4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

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

T4.6.0

4.6 EMPLOYEE EXPENDITURE

Source: MBRR SA22

T 4.6.1

COMMENT ON WORKFORCE EXPENDITURE:

T4.6.1.1

Table 143: Number of Employees whose Salaries were Increased

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

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

Chapter 4

Table 5514: Employees whose Salary Levels Exceed Grading

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

T 4.6.3

Table 56: Employees Appointed to Posts not Approved

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

T 4.6.4

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

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

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

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

Chapter 5

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Table 146: Statement of Financial Performance

Description	2012/13											2011/12			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement(i.t.o. Council approved policy)	Final Budget	Actual Outcome	Un-authorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported un-authorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates						90 245	92 485		2 240	102.5	102.5				86 652
Service charges	434 903	1 936	436 839			436 839	371 296		-65 543	85	85.4				328 903
Investment revenue	2 300	-1 000	1 300			1 300	1 543		243	118.7	67.1				2 794
Transfers recognised - operational	107 206	-2 717	104 489			104 489	100 094		-4 395	95.8	93.4				95 398
Other own revenue	62 370	37	62 407			62 407	38 381		-24 026	61.5	61.5				35 293
Total Revenue (excluding capital transfers and contributions)	697 024	-1 744	695 280			695 280	603 799		-91 481	86.8	86.8				548 762
Employee costs	182 964	1 159	184 123			184 123	170 173		-13 950	92.4	93				162 937
Remuneration of councillors	12 863		12 863			12 863	12 102		-761	94.1	94.1				11 916
Debt impairment	45 000		45 000			45 000	62 594		17 594	139.1	139.1				79 875
Depreciation & asset impairment	50 000	0	50 000			50 000	43 309		-6 691	86.6	86.6				59 179
Finance charges	21 076	-16 758	4 318			4 318	1 174		-3 144	27.2	5.6				3 312
Materials and bulk purchases	306 511	-1 601	304 910			304 910	258 726		-46 184	84.9	84.4				228 568
Transfers and grants	31 295		31 295			31 295	30 958		-337	98.9	98.9				17 690
Other expenditure	127 790	2 541							-41 425	68.2	69.2				82 672
Total Expenditure	777 499	-14 659	90 245	0	90 245				-94 898	87.6	85.9				646 149
Surplus/(Deficit)	-80 475	12 915	-67 560			-67 560	-64 143		3 417	94.9	79.7				-97 386
Transfers recognised - capital	59 768	2 712	62 480			62 480	64 864		2 384	103.8	108.5				37 594
Contributions recognised -															

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capital & contributed assets														
	-20 707	15 627	-5 080		-5 080	721								-59 792
Surplus/(Deficit) after capital transfers & contributions								5 801	-	-				
Share of surplus/ (deficit) of associate			-		-									
Surplus/(Deficit) for the year														-59 792
	-20 707	15 627	-5 080		-5 080	721		5 801	-	-				
Capital expenditure & funds sources														
Capital expenditure														
Transfers recognised - capital	59 768	2 718	62 486		62 486	64 139		1 653	102.7	107.3				37 594
Public contributions & donations	0	0	0		0	500		500	100	100				0
Borrowing	43 000	-31 800	11 200		11 200	9 0000		-2 200	80.4	20.9				
Internally generated funds	35 134	-13 183	21 951		21 951	4 474		-17 477	20.4	12.7				48 833
Total sources of capital funds	137 902	-42 265	95 637		95 637	78 113		-17 524	81.7	56.6				86 427
Cash flows														
Net cash from (used) operating	68 460		76 263		76 263	65 706		10 557						66 724
Net cash from (used) investing	-78 612		-67 186		-67 186	-75 524		8 338						-78 612
Net cash from (used) financing	21 312		-7 800		-7 800	11 324		-19 124						-15 631
Cash/cash equivalents at the year end	22 111		8 953		8 953	9 184		231						7 676

T 5.1.1

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Table 147: Financial Performance of Operational Services

Financial Performance of Operational Services							R '000
Description	2011/12	2012/13		2012/13 Variance			
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget %	Adjustments Budget %	
Operating Cost							
Water	38 570	34 275	35 710	37 495	9	5	
Waste Water (Sanitation)	-11 494	28 317	29 819	-11 633			
Electricity	22 611	9 280	10 807	-17 199			
Waste Management	1 611	9 283	8 964	2 673			
Housing	10 485	2 159	2 098	-5 394			
Component A: sub-total	61 783	83 314	87 398	5 942			
Stormwater Drainage							
Roads	-33 280	-60 057	-59 407	-5 842			
Transport							
Component B: sub-total	-33 280	-60 057	-59 407	-5 842			
Planning	-5 081	-3 424	-3 459	-1 874			
Local Economic Development		1 431	1 428	-679			
Component B: sub-total	-5 081	-1 993	-2 031	-2 553			
Planning (Strategic & Regulatory)							
Local Economic Development							
Component C: sub-total							
Community & Social Services	-7 920	-20 919	-21 357	-18 777			
Environmental Protection							
Health							
Security and Safety	-22 748	-14 781	-14 693	-16 837			
Sport and Recreation	-23 337	-8 242	-7 852	-5 806			
Corporate Policy Offices and Other	6 459	1 972	12 862	44 594			
Component D: sub-total	-47 546	-41 970	-31 040	3 174			
Total Expenditure	-24 124	-20 706	-5 080	721			

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

T 5.1.2

Chapter 5

COMMENT ON FINANCIAL PERFORMANCE:

T5.1.3

5.2 GRANTS

Table 148: Grant Performance

Grant Performance						
R' 000						
Description	2011/12	2012/13		Actual	2012/13 Variance	
	Actual	Budget	Adjustments Budget		Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	93 616	105 811	103 094	98 475		
Equitable share	88 125	97 653	97 653	93 903	(4)	(4)
Municipal Systems Improvement	790	800	800	800		
Department of Water Affairs	784	3 497	785	785	(78)	0
Financial Management Grant	1350	1 500	1 500	1 500		
Other transfers/grants MIG	1451	2 361				
		-	2 356	1 487	(37)	(37)
Provincial Government:	1 116			500		
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation				500	100	100
Other transfers/grants [insert description]						
District Municipality:						
[insert description]	97					
	97					
Other grant providers:		1 395	1 3695	1 395		
EPWP		1 395	1 395	1 395		
Total Operating Transfers and Grants	83 228	107 206	104 489			

Variations 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

Chapter 5

COMMENT ON OPERATING TRANSFERS AND GRANTS:

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

All conditional grants received were spent.

T5.2.2

Table 149: Grants Received from Other Sources

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant 2011/12	Actual Grant 2012/13	2012/13 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Foreign Governments/Development Aid Agencies						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Private Sector / Organisations						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Provide a comprehensive response to this schedule						

T 5.2.3

Chapter 5

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

No conditional grants or grants from other resources received by the municipality during the year under review.

T5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The organogram provides for an asset management unit. However, no appointments were made yet. An approved asset management Policy and procedures is in place. The municipality's asset register is GRAP compliant.

T5.3.1

Table 150: Treatment of three largest assets

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2012/13				
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	2009/10	2010/11	2011/12	2012/13
		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			

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	2009/10	2010/11	2011/12	2012/13
Asset Value: R37 183 926			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			
	2009/10	2010/11	2011/12	2012/13
Asset Value: R35 883 276		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				

COMMENTON ASSET MANAGEMENT:

With reference to the three projects approved in the year, set out above, these projects were evaluated from a cost and revenue perspective, that it will assist to generate revenue to the Municipality for charges on water consumption used, and for sewer charges. It is sound to create better access roads for efficient mobility in and around the Municipality to enhance economic opportunities

T5.3.3

Chapter 5

Table 151: Repairs and Maintenance Expenditure

Repair and Maintenance Expenditure: 2012/13				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	53 399	52 752	23 608	29 144
T 5.3.4				

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Council allocated 6.9% of its operating budget to repairs and maintenance (excluding labour of municipality). This is not sufficient due to a huge maintenance backlogs. However, due to cash flow considerations, it is not possible at this stage to increase the allocation.

Actual expenditure on repairs and maintenance was 3.42% the total operating expenditure(excluding labour of municipality)

T5.3.4.1

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

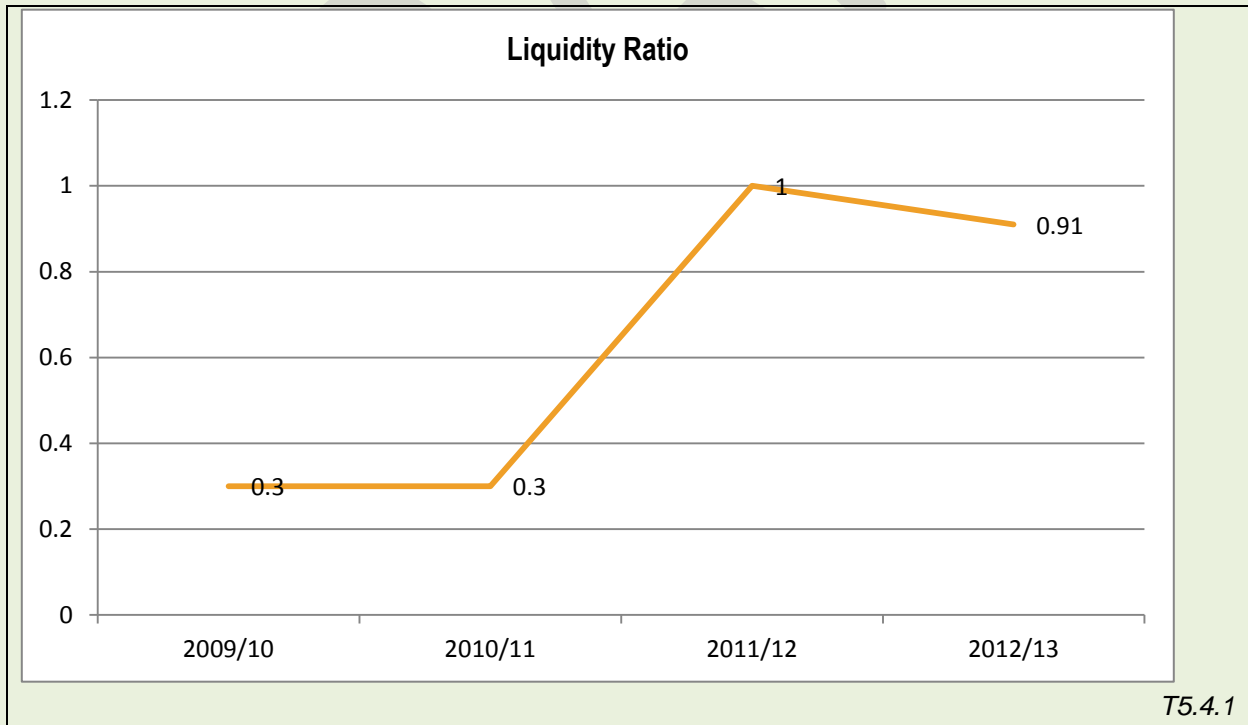


Figure 3: Cost Coverage

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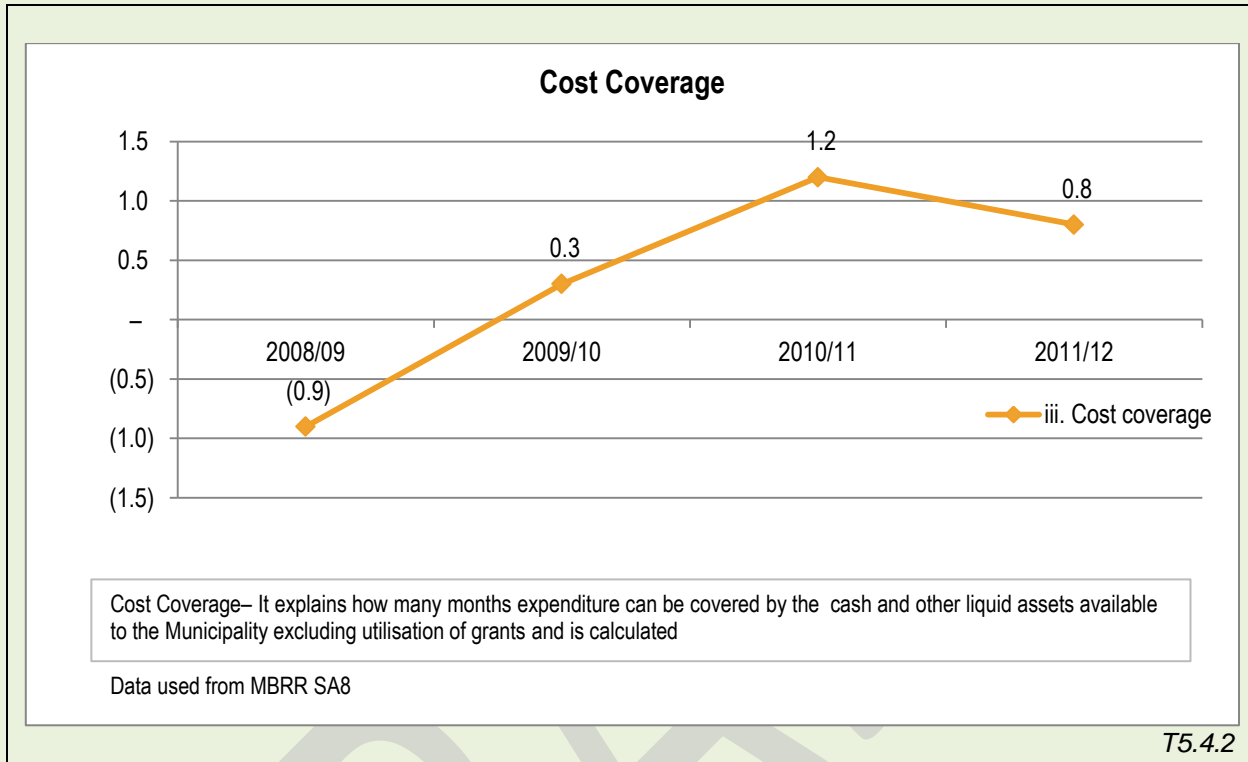


Figure 4: Total Outstanding Service Debtors

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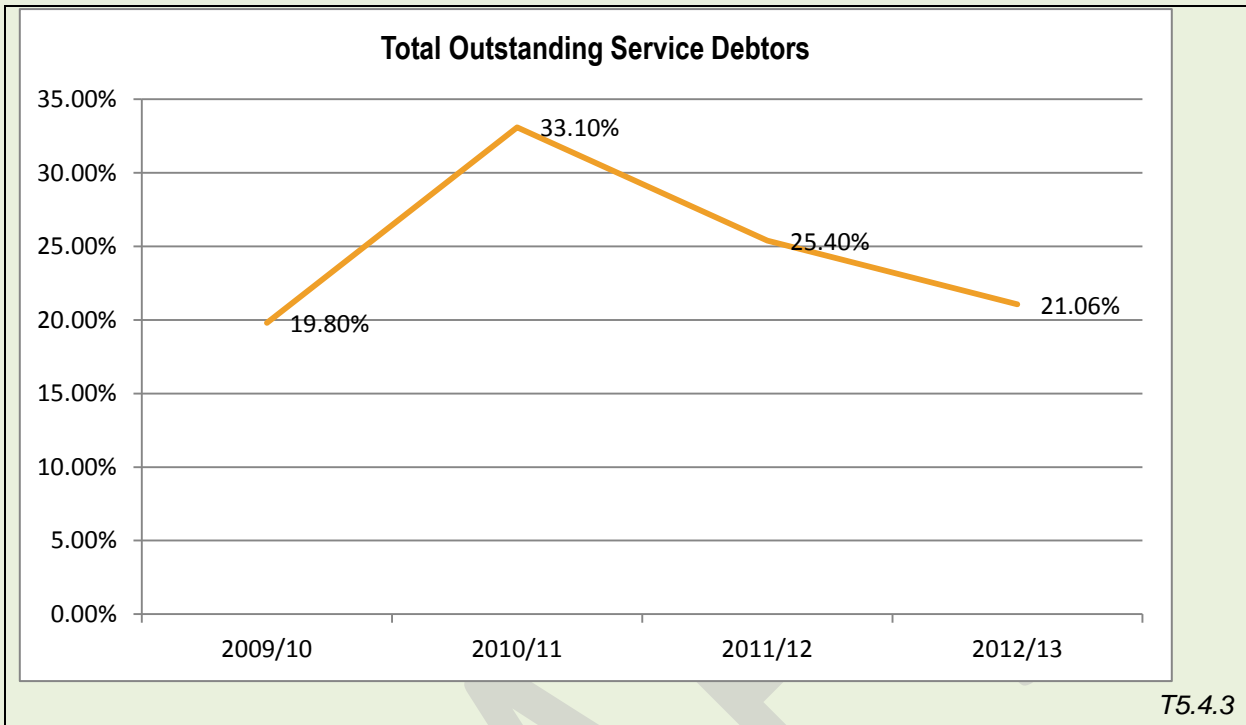


Figure 5: Total Outstanding Service Debtors

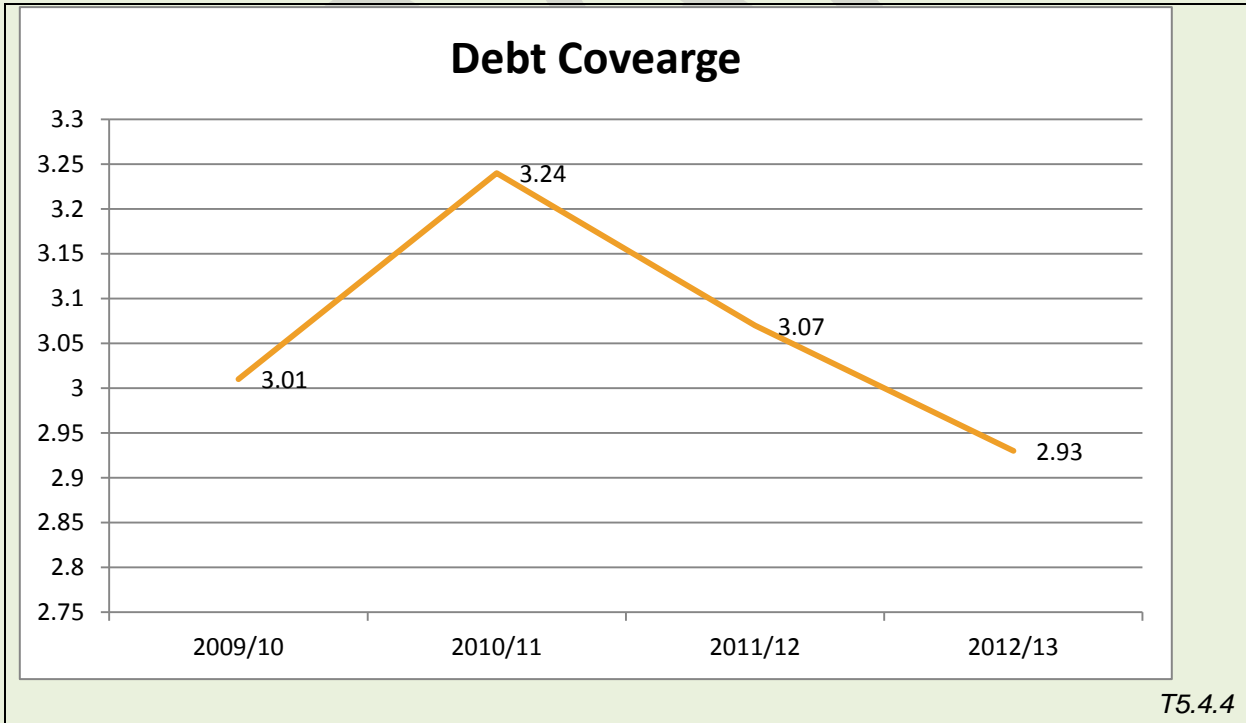


Figure 6: Debt Coverage

Chapter 5

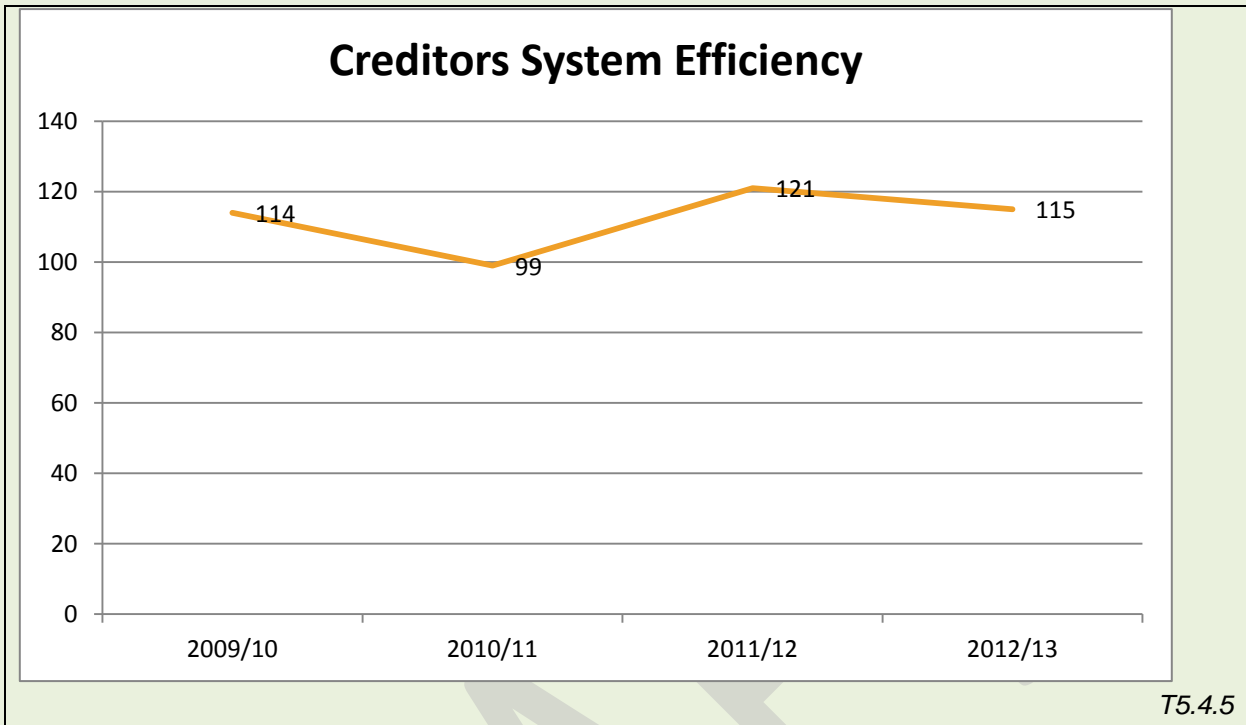


Figure 7: Creditors System Efficiency

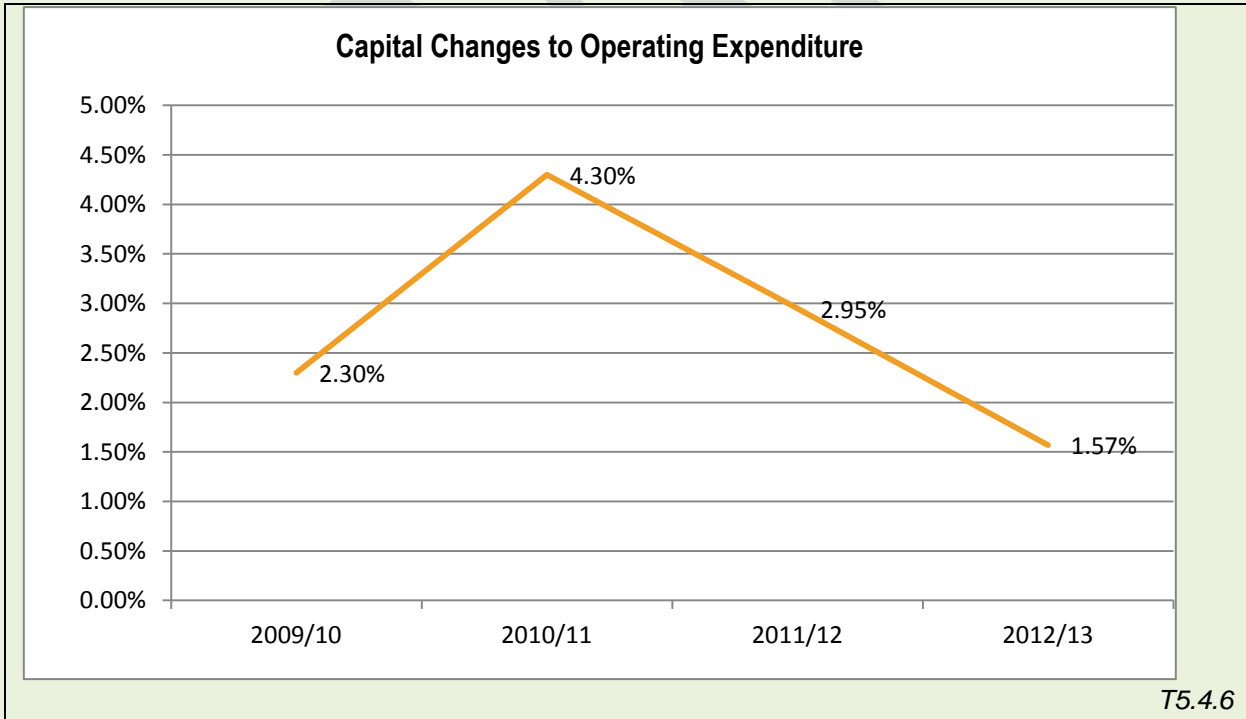


Figure 8: Capital Charges to Operating Expenditure

Chapter 5

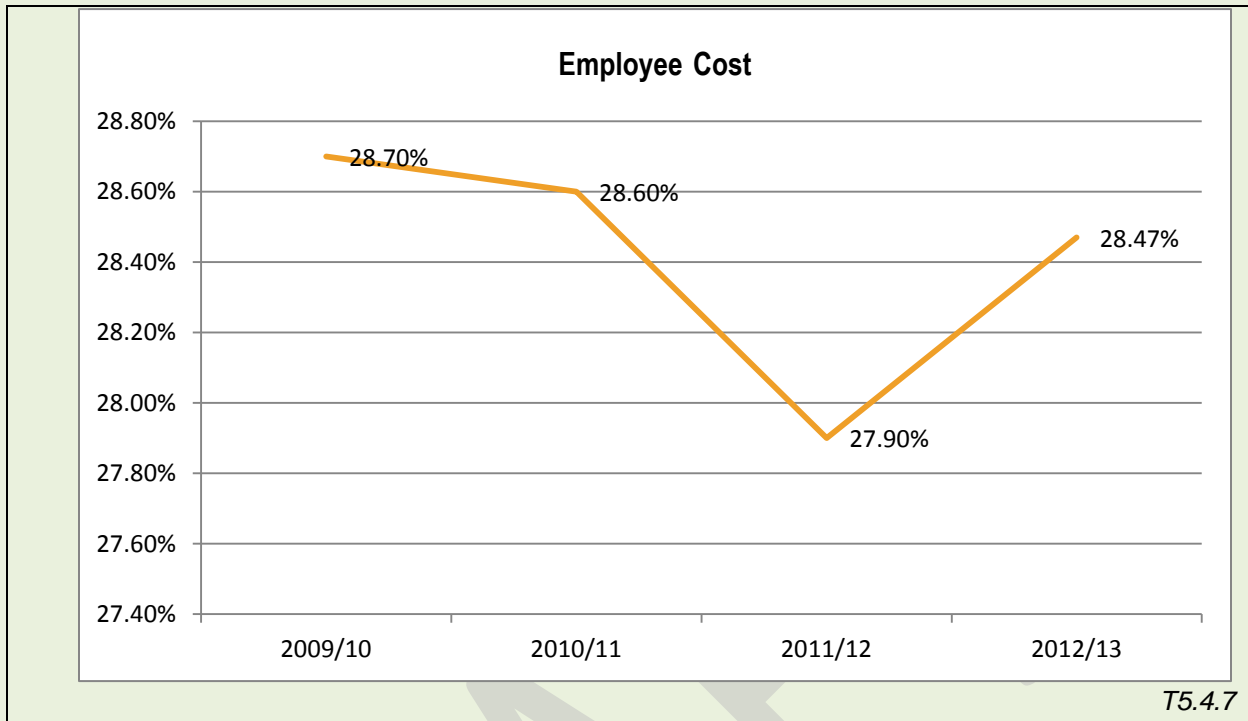


Figure 9: Employee Costs

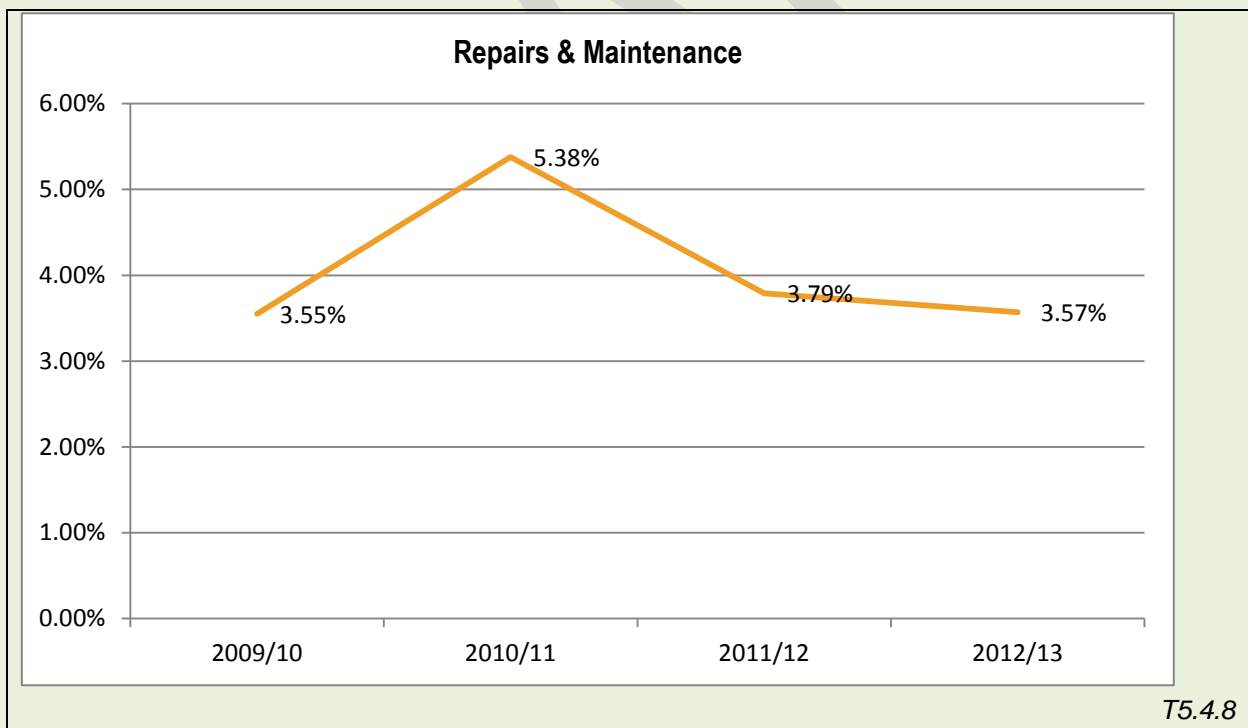


Figure 10: Repairs and Maintenance

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COMMENT ON FINANCIAL RATIOS:

Liquidity Ratio: It improved from 0.3 in 2009/2010 to 0.91 in 2012/2013.

Cost Coverage: The ratio decrease from 0.13 months in 2011/2012 to 0.09 months in 2012/2013. It is a major decrease. Contributing factors are contracts such as the hiring of equipment, Inkokheli, Isuntu and the Security and decreasing of cash and cash equivalents available .

Total outstanding service debtors: The outstanding debtors (after impairment) are improving as it decreases from 25.4% in 2011/12 to 21.06% in 2012/2013.

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

Creditors System Efficiency: The liquidity of the municipality influence the payment of creditors within 30days..

Capital Charges to Operating Expenditure. The finance leases were restructure in the 2012/13 financial year

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

Repairs & Maintenance: Repairs and maintenance slightly decreased.

FINANCIAL POSITION

Total assets grew by R47m to R1,1 billion, with property plant and equipment having increased by R34m.

The balance of payables from exchange transactions at year end totaled R132m with cash and cash equivalents at only R9m. This poses huge cash flow challenges to the municipality. Cash flow projections and cash management will be critical going forward.

T5.4.9

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

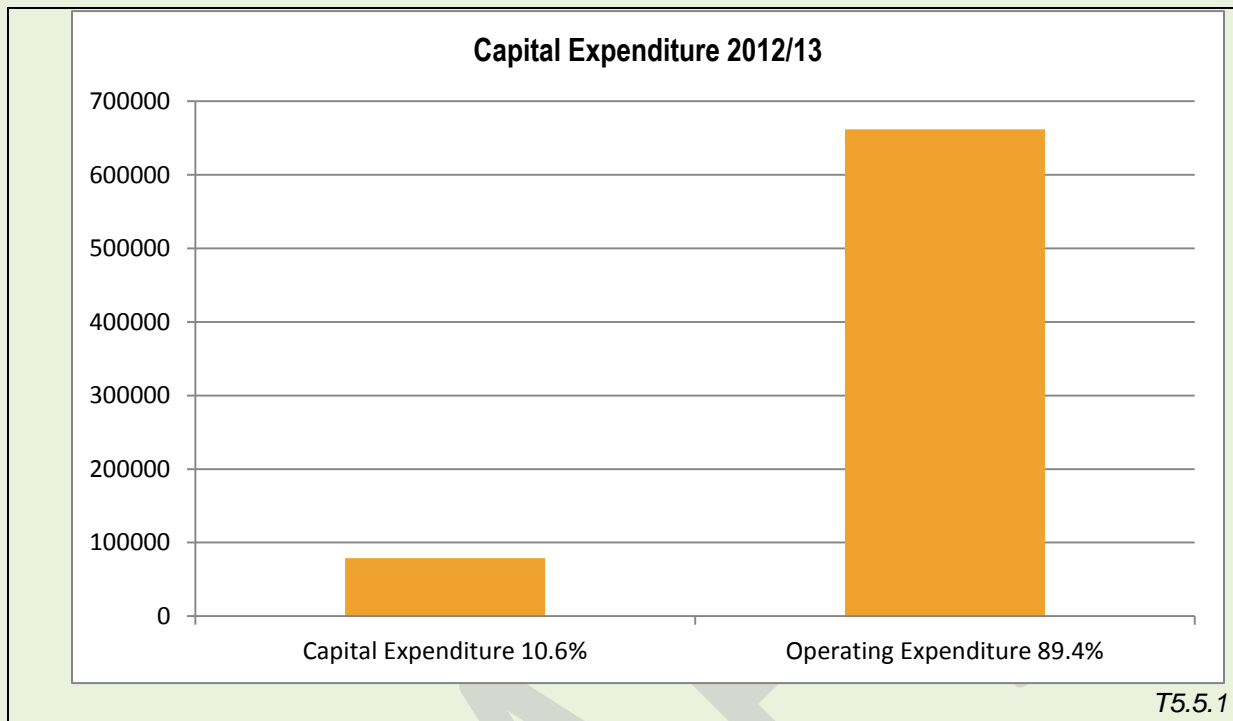
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

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

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Chapter 5

5.6 SOURCES OF FINANCE

Table 152: Capital Expenditure – Funding Sources

Capital Expenditure - Funding Sources: 2011/12 to 2012/12							R' 000
Details	2011/12	2012/13					
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
Source of finance							
External loans	43 000	11 200	9 000	(73)	(79)	43 000	
Public contributions and donations			500	100	100		
Grants and subsidies	59 768	62 486	64 139	5	7	59 768	
Other	35 134	21 951	4 474	(38)	(87)	35 134	
Total	137 902	95 637	78 113			137 902	
<i>Percentage of finance</i>							
External loans	31	12	12	(61)	(61)	31	
Public contributions and donations							
Grants and subsidies	43	65	82	51	91	43	
Other	26	23	6	(73)	(77)	26	
Capital expenditure							
Water and sanitation	23 387	67 866	49 524	48 855	(1)	(28)	
Electricity	13 632	20 225	14 662	7 550	(49)	(63)	
Housing	35 300	0	0	0			
Roads and storm water	9 827	24 370	14 801	10 042	(32)	(59)	
Other	4 190	25 441	17 248	11 666	(32)	(54)	
Total	86 336	137 902	96 415	78 113			
<i>Percentage of expenditure</i>							
Water and sanitation	27.1	49	51	63	24	29	
Electricity	15.8	15	15	10	(33)	(33)	
Housing	40.9	0	0	0			
Roads and storm water	11.4	18	15	13	(13)	(28)	
Other	4.9	18	18	15	(17)	(17)	

T 5.6.1

COMMENT ON SOURCES OF FUNDING:

Only R9 million of the DBSA loan was taken up in 2012/2013 financial year. The grant from COGTA of R5.4 million only R2.4 million was spent. T5.6.1.1

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5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Tab1153: Capital Expenditure on 5 Largest Projects.

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: 2012/13			Variance: 2012/13	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A –Augmentation of water plant and 9ML reservoir	20 500 000		20 712 469		
B –Amelia Sanitation and pump station	24 500 000		24 266 105		
C –Gortin road for 7,4 km block paving	10 000 000		10 042 419		
D –Amelia Electrical Substation 11/88kV	10 000 000		7 264 453		
E –Electrification of 368 stands in Metsimaholo Ext 6	3 000 000		3 000 000		
Name of Project - A	Augmentation of water plant and 9ML reservoir				
Objective of Project	To increase and ensure sufficient water bulk supply of purified water to the Existing township and future townships				
Delays	Delays in approving the business plans by DWA				
Future Challenges	Lack of funds for the provision of water reticulation in new townships				
Anticipated citizen benefits	Purified water balance and sufficient pressure on high areas.				
Name of Project - B	Amelia Sanitation and pump station				
Objective of Project	To provide descent sanitation to all households				
Delays	None				
Future Challenges	Lack of electricity in the township				
Anticipated citizen benefits	Decent sanitation facilities				
Name of Project - C	Gortin road for 7,4 km block paving				
Objective of Project	To broaden access to improve ease of access to areas by commuters And road users				
Delays	Delays to approve budget maintenance request by Cogta				
Future Challenges	High stormwater run-off				
Anticipated citizen benefits	Easy access by commuters and road users				
Name of Project - D	Amelia Electrical Substation 11/88kV				
Objective of Project	To ensure access to electricity by all communities				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Effective and efficient electricity supply to households				
Name of Project - E	Electrification of 368 stands in Metsimaholo Ext 6				
Objective of Project	To ensure access to electricity by all communities				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Effective and efficient electricity supply to households				
A –Augmentation of water plant and 9ML reservoir					

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COMMENT ON CAPITAL PROJECTS:

The unit costs approved for Municipalities should be based on conditions and its own merits of each municipality, and should not be done on a one-size fits all approach. Metsimaholo local Municipality's geotechnical conditions are bad and good materials for construction projects must be sourced from commercials, which is very costly. The management of grants is good and only variances due to prevailing conditions to the project value are a challenge.

T5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS– OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The need and cost of backlogs are the result of migration into an area due to people seeking work opportunities in Sasolburg and that it is in the border to Gauteng, and Gauteng is an economic hub. Therefore people find Metsimaholo as the best feasible place to live in. This trend affects the net demand and the supply is insufficient as most bulk infrastructure must be upgraded, and people cannot afford to pay for them. The municipality is relying on grants for infrastructure and internal budget is strained.

T5.8.1

Table154: Service Backlogs

Service Backlogs as at 30 June Year 0				
	Households (HHs)			
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	38770	93.81%	2557	6.19%
Sanitation	26882	65.05%	14445	34.95%
Electricity	34730	83.06%	7300	16.94%
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

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Table155: MIG Expenditure

Municipal Infrastructure Grant (MIG)* Expenditure 2012/13 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments	
				Budget	Budget	
Infrastructure - Road transport				%	%	
<i>Roads, Pavements & Bridges</i>	6 010	5 020		%	%	
<i>Storm water</i>	6 010	4 000		%	%	
Infrastructure - Electricity				%	%	
<i>Generation</i>				%	%	
<i>Transmission & Reticulation</i>				%	%	
<i>Street Lighting</i>	250	250		%	%	
Infrastructure - Water				%	%	
<i>Dams & Reservoirs</i>				%	%	
<i>Water purification</i>	18 706	14 717		%	%	
<i>Reticulation</i>	490			%	%	
Infrastructure - Sanitation				%	%	
<i>Reticulation</i>	4 810	11 810		%	%	
<i>Sewerage purification</i>				%	%	
Infrastructure - Other				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
Other Specify:	625	1 104		%	%	
				%	%	
				%	%	
Total	36 901	36 901		%	%	

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

T 5.8.3

COMMENT ON BACKLOGS:

The Municipality has been prioritizing sewer and water projects in the past five years, and a lot has been done in the water services infrastructure with only 6.19% backlog, and 16,94% backlog in electricity. In Metsimaholo Local Municipality roads and stormwater infrastructure is a major concern and with a high need to invest in the roads infrastructure. MIG grant cannot be the only grant to rely to in order to attend and address the roads backlogs. Sanitation backlog which is at 34,95% will be attended to by MIG funds, District funds and Human Settlement funding in the next financial year

T5.8.4

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COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

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

T5.9

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Chapter 5

5.9 CASH FLOW

Table156: Cash Flow

Cash Flow					R'000
Description	2011/12	2012/13			
	Audited Outcome	Original Budget	Adjusted Budget	Actual	
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts	493 623	693 104	687 093	593 994	
Ratepayers and other	343 368	509 428	518 224	416 025	
Government - operating	91 482	107 206	104 489	97 822	
Government - capital	37 213	59 768	62 480	64 704	
Interest	21 560	16 702	1 900	15 443	
Payments	(426 609)	(624 644)	(610 830)	(528 286)	
Suppliers and employees	(423 297)	(572 053)	(575 217)	(527 112)	
Finance charges	(3 312)	(21 076)	(4 318)	(1 174)	
Transfers and Grants		(31 515)	(31 295)		
NET CASH FROM/(USED) OPERATING ACTIVITIES	67 014	68 460	76 263	65 708	
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	1 123	9 000	9 000	29	
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables	6 379			3 513	
Decrease (increase) in non-current investments		7 500	7 500		
Payments					
Capital assets	(86 336)	(114 409)	(83 686)	(79 066)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	(78 834)	(97 909)	(67 186)	(75 524)	
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans					
Borrowing long term/refinancing	(59)	32 000	11 200	8 017	
Increase (decrease) in consumer deposits		1 000	0		
Payments					
Repayment of borrowing	(15 631)	(11 688)	(19 000)	3307	
NET CASH FROM/(USED) FINANCING ACTIVITIES	(15 690)	21 312	(7 800)	11 324	
NET INCREASE/ (DECREASE) IN CASH HELD	(27 510)	(8 137)	1 277	1 508	
Cash/cash equivalents at the year begin:	35 186	30 248	7 676	7 676	
Cash/cash equivalents at the year end:	7 676	22 111	8 953	9 184	

Source: MBRR A7

T 5.9.1

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COMMENT ON CASH FLOW OUTCOMES:

The 2011/2012 financial year did not closed with a bank overdraft. The municipality did not make use of the overdraft facility. The Accumulated surplus is not cash backed and did increase slightly.

T5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

A loan of R9 million was taken up at the Development Bank of South Africa for purchase of vechiles.

T5.10.1

Table 157: Actual Borrowings

Actual Borrowings: 2010/11 to 2012/13			
	R' 000		
Instrument	2010/11	2011/12	2012/13
Municipality			
Long-Term Loans (annuity/reducing balance)		0	0
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	24 835	9 209	12 517
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	24 835	9 209	21 517

T 5.10.2

T5.10.3

Chapter 5

Table 158: Municipal Investments

Municipal Investments				R' 000
Investment* type	2010/11	2011/12	2012/13	
	Actual	Actual	Actual	
Municipality				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank	38 045	7 963		433
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	8 246	9 045		10 120
Municipality Total	46 291	17 008		10 553
				T 5.10.4

COMMENT ON BORROWING AND INVESTMENTS:

Certain lease had to be re-negotiated. Investments included in note 10 of the audited financial statements plus short-term deposits in note 8.

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

Chapter 5

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

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

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

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

T5.12.1

Chapter 5

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

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

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

- Asset Register. Full compliance GRAP achieved, 30 June 2011
- Investment property guidelines implemented - 30 June 2011
- Employee benefits fully captured. 30 June 2011
- Unbundling of PPE as per guidelines 30 June 2011
- Not all stands are transferred in terms of housing scheme - 30 June 2014
- Lease: Government Garage treated as operating lease
- Debtors impaired
- Billing information to be updated to accurate information for statements.
- Debtors and creditors discounted/fair valued.

T5.13.1

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

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

The 2012/13 Annual Financial Statements to be submitted to the Auditor-General on 31 August 2013 as required by the MFMA. The financial statements are included under Volume II of this Annual Report.

The full audit report of the Auditor-General issued on 30 November 2013 is included in this Chapter under component B.

T6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2011/12

6.1 AUDITOR GENERAL REPORTS 2011/12

Table 159: Auditor-General Report on Financial Performance

Auditor-General Report on Financial Performance: 2011/12	
Audit Report Status*: Qualified	
Non-Compliance Issues	Remedial Action Taken
Revenue <i>Occurrence, completeness, accuracy, classification of other income and rental income</i>	Service income cleared, other income and rental income still remain. Design and implement systems as no system of control over the rental contracts and reconciliations not done of other income from source to ledger – some of these processes should be done daily
Provisions <i>Completeness (rehabilitation of landfill sites)</i>	Valuation and obligation of performance bonuses was cleared while the rehabilitation of landfill sites was not addressed
Trade and other payables <i>Completeness, existence, obligations and valuations of trade and other payables</i>	Payments received in advance and accrual for leave pay was cleared. Proper filing and maintenance of supporting documentation required
Losses <i>Water and electricity losses not disclosed in the Consolidated Annual Financial Statements</i>	Calculations to be made to quantify the correct losses, taking into consideration all other factors involved. Initiative with Rand Water and Eskom to have proper quantification
Trade and other receivables Limitation of scope -Existence, rights and valuation and completeness of consumer debtors (age analysis recon to ledger), unknown receipts, departmental income and suspense accounts	The limitation has been cleared. Now only an aggregation of uncorrected mistakes; The position of Manager Assets and Financial Statements to be filled as a matter of urgency

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Aggregation/Accumulation of immaterial uncorrected misstatements	The limitation has been cleared. Now only an aggregation of uncorrected mistakes affecting employee costs, general expenses, trade and other receivables, and VAT. Reconciliations between sub-systems and ledger are to be done at least monthly. All reconciling items must be investigated and corrected.
Irregular expenditure <i>Investigations of irregular expenditure and Reports to Council not done. Irregular expenditure not prevented</i>	Although no longer a qualification, many changes were required to the disclosure on the AFS. Reports on the Investigations to be submitted to Council on time to clear the expense, either through recovery or write-off. Actions needs to be taken to prevent irregular expenditure from occurring
Material Non-Compliance Issues	Remedial Action Taken
Going concern Net Loss of R59 792 439 Net cash outflow of R27 519 294	The following initiatives to be implemented to improve the liquidity position of the Municipality: Operation Patala Data Purification Credit control to be strictly enforced Losses control (Water and Electricity) Cost curtailment on non service delivery expenditure
Compliance with laws and regulations <i>Procurement and contract management Annual Financial Statements, Performance and Annual Report</i>	Compliance Officer to be appointed to monitor and enforce compliance Training for all Departments on the Supply Chain Policies and procedures
Compliance with laws and regulations <i>Expenditure management</i>	All Invoices more than 30 days outstanding will be prioritised .Reasons for late payments of invoices will be recorded and reported to Senior Management
Compliance with laws and regulations <i>Reporting</i>	Cash flow management procedures to be implemented, Budget and loss control committee to be revived.
Leadership <i>Policies not approved Adequacy of Internal controls No adequate Values and Integrity Lack of discipline Shortage of staff</i>	Risk Management Strategy to be fully implemented Fraud awareness Internal Audit to prioritise and assist all Departments to improve the internal control measures Implementation of Performance Management System to all levels of staff Filling of critical vacancies to be prioritised All reviewed Policies to be submitted to Council for approval

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Table 160: Auditor-General Report on Service Delivery Performance

Auditor-General Report on Service Delivery Performance: 2011/12	
Audit Report Status *:Qualified	
Non-Compliance Issues	Remedial Action Taken
Nondisclosure of measures taken to improve performance in cases where targets were not achieved	In the majority of cases measures taken to improve performance were disclosed, except where departments failed to provide such measures. The municipality will ensure that in future all departments disclose the improvement measures in all cases of non- or under performance.
No evidence to support variances in the performance report	The portfolios of evidence submitted by departments did not contain all the necessary supporting documents. Departmental capacity will be enhanced and training provided to the relevant officials.
Targets not consistent with the IDP	The majority of the SDBIP targets are consistent with the IDP. Any deviations will be monitored and reported accordingly.
* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance 2011/12	
** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.	
T 6.1.2	

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COMPONENT B: AUDITOR-GENERAL OPINION 2012/13

6.2 AUDITORGENERAL REPORT 2012/13

Table 161: Auditor-General Report on Financial Performance

Auditor-General Report on Financial Performance 2012/13*	
Status of audit report*:Qualified	
Material Non-Compliance Issues	Remedial Action Taken
<p>Irregular Expenditure (Basis for the Audit Qualification)</p> <p>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.</p>	<p>The whole population of payments for 2012/2013 and 2013/2014 will be reviewed to identify and record all instances of irregular expenditure.</p>
<p>Annual financial statements, performance and annual reports</p> <p>The financial statements submitted for auditing were not prepared, in all material respects, in accordance with the requirements of section 122 of the MFMA. Material misstatements of 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.</p>	<p>All documentation will be checked for 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.</p>
<p>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.</p>	<p>All directors will submit monthly reports to council on the performance of external service providers</p>
<p>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.</p>	<p>The council's oversight report on the 2012/2013 annual report will be made public within seven days of its adoption</p>

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<p>Expenditure Management</p> <p>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.</p>	<p>Controls will be put in place to ensure all invoices reach the expenditure section in time to process and pay them within 30 days.</p> <p>Cash flow constraints do pose a challenge in terms of paying all creditors within 30 days</p> <p>Cash flow forecasts will be done and cash flow management improved</p> <p>All directors to monitor spending pattern</p>
<p>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.</p>	<p>Controls will be put in place to prevent and detect unauthorised, irregular and fruitless and wasteful expenditure at source</p>
<p>Procurement and Contract Management</p> <p>Sufficient appropriate audit evidence could not, in all instances, be obtained that bid specifications for procurement of goods and services through competitive 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>	<ul style="list-style-type: none"> • The specification committee will ensure that all specifications for procurement of goods and services are in line with SCM Regulation 27(2)(a) • Training will be given where necessary. • Capacity constraints and filling of vacancies in the SCM department will be prioritised. • The appointment of a supply chain manager has become critical.
<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>

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<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. All delegations and appointments onto committees by the Municipal Manager will be in writing.</p>
<p>Human Resource Management and Compensation</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 disclosure of financial interests prior to appointment, as per the requirements of Municipal Performance Regulations, regulation 4 of GNR 805.</p>	<p>Proof of previous employment and disclosure of financial interests will be requested prior to appointment</p>
<p>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.</p>	<p>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</p>
<p>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.</p>	<p>The plan set out to reach the competency has been developed and implemented. Progress has been made in this regard.</p>
<p>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.</p>	<p>A report on compliance will be submitted to National Treasury and the Provincial Treasury.</p>

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<p>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.</p>	<p>Information on compliance with the prescribed minimum competencies will be included in the annual report.</p>
<p>Liability Management</p> <p>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.</p>	<p>A report will be taken to council to ratify the debt agreement</p>
<p>Internal Control</p> <p>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</p>	<p>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.</p> <p>Senior managers will set a standard for sound corporate governance to prevent irregular expenditure</p> <p>All procurement for which tenders need to be in place is to be reviewed and the situation will be rectified.</p>
<p>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.</p>	<p>Municipal Manager will address the lack of discipline in the SCM section and monthly reporting from the SCM unit will be required.</p> <p>Filling of critical vacancies in the SCM department need to be fast tracked</p>
<p>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.</p>	<p>The whole population of payments for 2012/2013 and 2013/2014 will be reviewed to identify and record all instances of irregular expenditure</p>

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<p>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.</p>	<p>Internal policy and procedures for performance information management and reporting will be done</p>
<p>Financial and Performance Management</p> <p>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.</p>	<p>Staff training will be done. Policies and procedures will be reviewed and implemented to enhance the internal control framework.</p>
<p>The financial statements were subjected to material corrections resulting from the audit process, which are attributable to weaknesses in the design and implementation of internal control in respect of financial management and financial reporting and weaknesses in the information systems of the municipality.</p>	<p>Staff training will be done. Policies and procedures will be reviewed and implemented to enhance the internal control framework.</p>
<p>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.</p>	<p>The accounting officer will address the shortcomings in the performance management and reporting process</p>
<p>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.</p>	<p>A proper record system will be implemented</p>
<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>	

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Table 162: Auditor-General Report on Service Delivery Performance

Auditor-General Report on Service Delivery Performance: 2012/13*	
Status of audit report*: Qualified	
Non-Compliance Issues	Remedial Action Taken
<p>Usefulness of information</p> <p>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.</p>	<p>The IDP and performance measures will also be reviewed and submitted to council together with the tabling of the draft budget to council.</p>
<p>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.</p>	<p>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</p>
<p>Reliability of information</p> <p>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 - 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>All directors will prepare a file throughout the year as a portfolio of evidence on performance to be available for audit</p>
<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 2012/13</p> <p>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</p>	

T 6.2.2

Chapter 6

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2012/13

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

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Metsimaholo Local Municipality set out on pages (1 to 120 of volume II), which comprise the statement of financial position as at 30 June 2013, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, the statement of comparison of budget and actual amounts, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

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

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estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for qualified opinion

IRREGULAR EXPENDITURE

6. 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.

Qualified opinion

7. In my opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Metsimaholo Local Municipality as at 30 June 2013 and its financial performance and cash flows for the year then ended in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

Predetermined objectives

9. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages xx to xx of the annual report.
10. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned development objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury's *Framework for managing programme performance information*(FMPPI).

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

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accurate and complete).

11. The material findings are as follows:

Usefulness of information

12. Section 46 of the Municipal Systems Act, 2000 (Act no 32 of 2000)(MSA) requires disclosure in the annual performance report of measures taken to improve performance where planned targets were not achieved.
- 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.
 - 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, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the reliability of the measures taken to improve performance.

Reliability of information

13. The FMPPI requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets.
14. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of information presented with respect to KPA 2 - 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.

Compliance with laws and regulations

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

Strategic planning and performance management

16. The municipality did not have and maintain effective, efficient and transparent systems of financial and risk management and internal controls, as required by section 62(1)(c)(i) of the MFMA.

Annual financial statements, performance and annual reports

17. The financial statements submitted for auditing were not prepared, in all material respects, in accordance with the requirements of section 122 of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided

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subsequently, but the supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

18. 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.
19. 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.

Expenditure management

20. 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.
21. 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.

Procurement and contract management

22. Sufficient appropriate audit evidence could not, in all instances, be obtained that bid specifications for procurement of goods and services through competitive 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).
23. 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).
24. 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.
25. 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).

Human resource management and compensation

26. 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 disclosure of financial interests prior to appointment, as per the requirements of Municipal Performance Regulations, regulation 4 of GNR 805.
27. 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.
28. 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.

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29. 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.
30. 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.

Liability management

31. 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.

Internal control

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

Leadership

33. 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.
34. 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.
35. 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.
36. 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.

Financial and performance management

37. 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.
38. The financial statements were subjected to material corrections resulting from the audit process, which are attributable to weaknesses in the design and implementation of internal control in respect of financial management and financial reporting and weaknesses in the information systems of the municipality.

Chapter 6

39. 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.
40. 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.

Bloemfontein

30 November 2013



COMMENTS ON AUDITOR-GENERAL'S OPINION 2012/13:

The municipality's Audit Opinion has stayed unchanged as a Qualification in the 2012/13 financial year. Only one qualification was received and will be cleared during the 2013/14 financial year to enable the Municipality to obtain a Clean Audit by 2013/14. The qualification is on the completeness of irregular expenditure. Our Asset Register was for the third time in succession, given a thumb up by the Auditor General for the 2012/13 financial year. It is worth mentioning that we are one of the few municipalities in the Free State with a GRAP compliant asset Register to the satisfaction of the Auditor General.

The following interventions will be made to ensure that the Audit Outcomes for the 2013/14 financial year are further improved:

- Compile and cost where applicable, a clean Audit Action Plan for implementation. This plan will be properly monitored to ensure full implementation.
- Procedures will be put in place to record and rectify irregular expenditure.
- An interim Audit will be conducted for the 2013/14 financial year. This will allow the Municipality to address deficiencies identified by the Audit process timeously, viz the irregular expenditure of 2012/13
- Interim financial Statements will be produced for the first six months of the financial year. This will be used as a basis for the Interim Audit as indicated above

Chapter 6

Capacitation and Training for the Supply Chain Unit will be prioritized, including all Committees and non-financial managers dealing with Procurement. Treasury will be approached for assistance
-A dedicated Official will be appointed to deal with Contract Management and Document Management in the Supply Chain Unit

The support given to the various Supply Chain Committees will be improved, especially regarding the administration and scheduling of meetings, reports and minutes

T6.2.4

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

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

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

T6.2.5

Chapter 6

COMMENTS OF THE ACCOUNTING OFFICER IN TERMS OF SECTION 121 (3) (e) OF THE MFMA:

The growth in the debtors' book in relation to service charges grew by R68 million from R333 million to R401 million. The allowance for impairment increased from R258 million to R320 million.

The balance outstanding in respect of rates decreased by R12 million from R73 million to R61 million. The allowance for impairment reduced from R56 million to R48 million.

The growth in the debtors' book is also influenced by the interest levied for the year totaling R14 million.

The allowance for impairment stands at 80% of the gross debtors' book.

Credit Control and debt management will be enforced going forward. A revenue enhancement campaign will also be implemented in the 2013/14 financial year.

The tough economic climate and high unemployment rate also has a bearing on payment levels which declined from 90% to 84%

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” 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.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	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.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	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.
Basic municipal service	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.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	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.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	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.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	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

Outputs	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.
Performance Indicator	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)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	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.
Performance Targets:	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.
Service Delivery Budget Implementation Plan	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.
Vote:	<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;</i></p> <p><i>and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Table 163: Councillors, Committees and Attendance

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Ms Matsedisio Alina Tamane	PT	Technical Services LED, Tourism & Agriculture	1	95	100
Mr Malebo Daniel Nthebe	PT	Urban Planning and Human Settlements Public Safety	2	45	50
Mr Mosiuoa Solomon Poho	PT	Finance and Audit Sports, Arts & Culture	3	95	100
Mr Dawid Ntja Motloung	PT	Finance and Audit Technical Services	4	90	95
Ms Selina Moreki	PT	Urban Planning and Human Settlements	5	95	100
Ms Masontaga Nomsa Sejaki	PT	Urban Planning and Human Settlements Public Safety	6	100	
Mr Thabo Emmanuel Mosia	PT	Finance and Audit Technical Services	7	95	95
Mr Lebohlang Samuel Semonyo	FT	Finance and Audit	8	95	100
Ms S S Mofokeng	PT		9	95	100
Ms M N Mtshali	PT	Cleansing, Parks & Cemeteries	10	100	
Mr Thabo Kenneth Mabasa	FT	(MPAC)	11	95	100
Ms Sophia Bulelwa Khunou	PT	Corporate Services Sports, Arts & Culture	12	100	
Ms Julia Masetlhare Phepheng-Lelahla	PT	Urban Planning and Human Settlements Finance and Audit	13	75	100
Mr Jan Daniel Viljoen	PT	Finance and Audit	14	75	100
Mr Jacobus Johannes Grobbelaar	PT	Sports, Arts & Culture	15	90	100

APPENDICES

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Mr Hans Jurie Moolman	PT	Public Safety	16		
Ms Maria Cecilia Van der Walt	PT	Cleansing, Parks & Cemeteries	17		
Mr David Mac Millan Oswald	PT	Finance and Audit Technical Services	18	70	100
Mr Alexis Khomolileng Mare	PT	Public Safety Cleansing, Parks & Cemeteries	19	90	100
Ms Nombulawa Lucy Mdola	PT	Urban Planning and Human Settlements LED, Tourism & Agriculture	20	80	100
Mr Lefu Richard Chebase	PT	Cleansing, Parks & Cemeteries Sports, Arts & Culture	21	90	95
Mr Brutus Tshepo Mahlaku (Executive Mayor)	FT	Mayoral Committee	ANC	95	100
Ms Thandiwe Linah Soetsang (Chief Whip)	FT	-	ANC	10	100
Mr Sello Zacharia Matena (Speaker)	FT	-	ANC	90	100
Ms Nomsa Josephina Kubheka	FT	Technical Services	ANC	80	100
Mr Malefane Johannes Msimanga	PT	Cleansing, Parks & Cemeteries LED, Tourism & Agriculture	ANC	100	
Ms Anna Ndutula Radebe	FT	Sports, Arts & Culture	ANC	90	100
Ms Dikeledi Ellen Mokoena	PT	Public Safety Sports, Arts & Culture	ANC	100	
Mr Serame Isaac Ramathesele	PT	Corporate Services LED, Tourism & Agriculture	ANC	95	100
Mr Mnyamezeli Welcome Khonto	FT	Public Safety	ANC	100	100
Ms Sylvia Lindiwe Tshongwe	FT	Corporate Services	ANC	70	100
Mr Frans Christiaan Coetzer	PT	LED, Tourism & Agriculture	DA	95	100
Mr Jacobus Johannes Geysers	PT	Technical Services	DA	95	100
MrTsietsi Johannes Mofokeng	PT	Urban Planning and Human Settlements	DA	90	100
Ms Suraya Holt	PT	Finance and Audit	DA	100	
Mr MakoneFithallsMachaea	PT	LED, Tourism & Agriculture	DA	95	100
Mr Velly Johannes Maseko	PT	Sports, Arts & Culture	DA	70	95
Mr Mabaka George Ntoane	PT	Corporate Services	DA	95	100
Mr Pretty Jacob Mahlangu	PT	Cleansing, Parks & Cemeteries	DA	90	100
Mr Johannes du Plessis	PT	Corporate Services	DA	80	95

APPENDICES

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Ms Mmabatho Martie Mosia	PT	Urban Planning and Human Settlements Public Safety	DA	70	90
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					<i>TA</i>

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 164: 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 165: Third Tier Structure

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Technical Services	Director R Thekiso Manager: Electrical and Mechanical Services H van Wyk Manager: Civil Engineering Services MC Botha Manager: PMU M Ndaba
Financial Services	Chief Financial Officer (Vacant) Manager: Revenue Mr C Scheepers Manager: Budget and Financial Planning Ms A Vorster Supply Chain Manager Dispute Resolution Mr. B Motloug
LED and Planning	Director: S Monyaki Manager: Urban Planning (Vacant) Manager: Housing and Property Management Services G Steenkamp Manager: LED (Vacant)
Corporate Services	Director: M Maseola Manager: Legal and Administration T Mosuoane Manager: Human Resources (Vacant) Manager: ICT G Nhlapo
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
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 166: Municipal Functions

MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
Constitution Schedule 4, Part B functions:	
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)*
Constitution Schedule 4, Part B functions:	
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>	

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APPENDICES

Table: 167:Functionality of Ward Committees

APPENDIX E –WARD REPORTINGTABLE 57: 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	Yes	6	0	6
Ward 2	Cllr M.D Nthebe and 9 WC members	Yes	2	1	2
Ward 3	Cllr Ms.Poho and 10 WC members	Yes	0	2	2
Ward 4	Cllr D. Motloung 10 WC members	Yes	0	1	2
Ward 5	Cllr S. Moreki and 10 WC members	Yes	0	0	3
Ward 6	Cllr N. Sejake and 10 WC members	Yes	0	1	2
Ward 7	Cllr T. Mosia and 8 WC members	Yes	7	0	4
Ward 8	Cllr L.S Semonyo and 9 WC members	Yes	7	1	0
Ward 9	Cllr S.S Mofokeng and 10 WC members	Yes	7	1	2
Ward 10	Cllr M N Mtshali and 10 WC members	Yes	2	3	1
Ward 11	Cllr T.Mabasa and 10 WC members	Yes	1	1	5
Ward 12	Cllr B.S Khunou and 7 WC members	Yes	5	2	2
Ward 13	Cllr JM. Lelahla-Phepheng and 10 WC members	Yes	1	1	1
Ward 14	Cllr J.D Viljoen and 10 WC members	Yes	4	3	3
Ward 15	Cllr J.J. Grobbelaar and 10 WC members	Yes	5	4	2
Ward 16	Cllr J Moolman and 10 WC members	Yes	3	2	2
Ward 17	Cllr M.R Van der Walt and 9 WC members	Yes	2	2	2
Ward 18	Cllr D.M Oswald and 10 WC members	Yes	4	6	3
Ward 19	Cllr K.A Mare and 10 WC members	Yes	4	7	2
Ward 20	Cllr N.M Mdola and 10 WC members	Yes	1	3	4
Ward 21	Cllr R.L. Chebase and 10 WC	Yes	0	0	0

APPENDICES

members

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 2012/13

Table 58: Municipal Audit Committee Recommendations

Name of members

Mr. Seth M Radebe (Chairperson)

Mr. Zola Fihlani

Ms. Dikomo Selina L

Table: 171: Municipal Audit Committee Recommendations

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2012/13	Recommendations adopted (enter Yes) If not adopted (provide explanation)
29 August 2012	That the records management department need urgent management attention as this unit play a key role in the administration of the municipality	Partially addressed.
29 August 2012	Disaster Recovery Plan be developed and implemented as a matter of urgency	Outstanding. Still in progress
29 August 2012	All outstanding policies and strategies must be approved by the council for the for better administration and to achieve 2014 clean audit target	Partially addressed.
17 August 2012	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.	In progress
17 August 2012	The committee further 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 and	Partially addressed.
29 August 2012	that the performance assessment should be done at least 10 days after the end of each quarter and submit assessment report to internal auditors for audit and verification purpose	Partially addressed.
17 August 2012	that the council must appoint an independent, competent Risk Committee chairperson as part of the good governance system to comply with Public Sector Risk Management Framework	Yes
29 August 2012	council must ensure that the fleet management unit is fully functional and usage of all vehicles belongs to the municipality and government garage are monitored to prevent private usage	Outstanding. Still in progress
29 August 2012	Servicing of vehicle must be done regularly as required in order to avoid loss of service warranty.	Outstanding. Still in progress
14 March 2013	LED department needs to draw up an action plan to resolve all the audit queries raised, and for the efficient functioning of the unit, outstanding policies to be developed and implemented especially the allocation policy, LED strategy and housing sector plan.	Partially addressed.

APPENDICES

14 March 2013	Performance management system must be improved by regular and timely performance assessment, quarterly submission of report to council and policy be approved and implemented	Partially addressed.
14 March 2013	All outstanding policies and strategies must be approved by the council for the for better administration and to achieve 2014 clean audit target	Partially addressed.
14 March 2013	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)	Partially addressed.
14 March 2013	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)	Partially addressed.
14 March 2013	The performance assessment should be done at least 10 days after the end of each quarter and submit assessment report to internal auditors for audit and verification purpose. (It was reported previously)	Partially addressed.
28 May 2013	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.	Partially addressed.
14 March 2013	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.	Outstanding
14 March 2013	Security management policy, plan and strategy be developed, approved and implemented for better management of the security system.	Outstanding
28 May 2013	Urgent management intervention is needed to improve the Dashboard of Key controls as there are still outstanding issues that need to be addressed.	Partially addressed.

APPENDICES

Table 173: PPPs entered into

Public Private Partnerships Entered into during 2012/13					
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	R' 000 Value 2008/09
The municipality did not enter into any PPPs during 2012/13					
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APPENDICES

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

The Municipality does not have any operational entities except for the dormant Mayoral Trust which is currently in the 2012/13 financial year being dissolved.

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APPENDICES

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Note: The information was not available for the 2012/13 financial year

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Table 17559: Revenue Collection by Vote

Revenue Collection Performance by Vote						
R' 000						
Vote Description	2011/12	2012/13		2012/13 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget %	Adjustments Budget %
Council Speaker Council	0	0	0	20	100	100
Municipal Manager	1 607	2 361	2 364	1 560	-34	-34
Organisational development and Corporate Services	302	513	544	545	6	1
Social services	43 626	68 428	70 184	52 217	-24	-25
Technical and Infrastructure Services	404 402	526 003	526 057	484 137	-8	-8
Financial Services	133 707	143 542	142 646	140 276	-2	-2
Local development and Urban Planning	14 540	15 945	15 965	4 037	-75	-75
Total Revenue by Vote	597 521	756 792	757 760	682 802	-10	-10

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

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APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Table 176: Revenue Collection by Source

Revenue Collection Performance by Source						
R '000						
Description	2011/12	2012/13			2012/13 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget %	Adjustments Budget %
Property rates	86 652	90 245	90 245	92 485	2	2
Property rates - penalties & collection charges						
Service Charges - electricity revenue	139 120	205 117	205 117	164 079	-20	-20
Service Charges - water revenue	141 717	151 716	151 716	159 701	5	5
Service Charges - sanitation revenue	18 996	32 518	32 518	19 990	39	39
Service Charges - refuse revenue	25 259	37 112	37 112	27 526	26	26
Service Charges - other	7 512	8 440	10 376	8 709	3	16
Rentals of facilities and equipment	4 257	4 503	4 603	4 515	-1	2
Interest earned - external investments	2 735	2 300	1 300	1 543	-33	18
Interest earned - outstanding debtors	17 799	16 002	16 052	13 900	-13	-13
Dividends received	59	0				
Fines	6 308	12 007	12 009	4 194	-65	-65
Licences and permits	66	163	163	120	-26	-26
Agency services						
Transfers recognised - operational	93 616	107 206	104 489	97 822	-9	-6
Other revenue	2 367	20 580	14 322	6 667	-68	-53
Gains on disposal of PPE	516	9 000	9 000	276	-97	-97
Total Revenue (excluding capital transfers and contributions)	549 979	616 553	695 280	601 527	-2	-13

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

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APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Table 177: Conditional Grants: excluding MIG

Conditional Grants: excluding MIG							R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	
				Budget %	Adjustments Budget %		
Neighbourhood Development Partnership Grant							
Public Transport Infrastructure and Systems Grant							
Other Specify:							
Department of Energy	10 000	10 000	10 000				
Total	10 000	10 000	10 000				

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

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COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

The only conditional grant, other than MIG, was received and spent as planned for

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

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

Table 178: Capital expenditure – New Assets

Capital Expenditure - New Assets Programme*							
Description	R '000						
	2011/12	2012/13			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2013/14	2014/15	2015/16
Capital expenditure by Asset Class							
Infrastructure - Total	380 69	112 532	59 838		105 242	67 474	66 700
Infrastructure: Road transport - Total	9 827	13 820	8 445		8 500	2 407	18 950
<i>Roads, Pavements & Bridges</i>	9 827	13 820	7 445		8 500	2 407	18 950
<i>Storm water</i>		0	1 000				
Infrastructure: Electricity - Total	10 632	18 200	10 297		40 500	40 650	40 750
<i>Generation</i>							
<i>Transmission & Reticulation</i>	10 632	18 200	10 000		40 500	40 650	38 750
<i>Street Lighting</i>		0	297				2 000
Infrastructure: Water - Total	10 539	27 495	18 126		13 323	1 613	
<i>Dams & Reservoirs</i>							
<i>Water purification</i>			2 712				
<i>Reticulation</i>	10 539	27 495	15 414		13 323	1 613	
Infrastructure: Sanitation - Total	7 070	38 942	21 695		42 419	16 055	5 000
<i>Reticulation</i>	7 070	38 942	21 695		42 419	16 055	5 000
<i>Sewerage purification</i>							
Infrastructure: Other - Total	0	14 075	1 275		500	6 750	2 000
<i>Waste Management</i>		1 775	1 275		500	6 750	2 000
<i>Transportation</i>		800					
<i>Other</i>	0	11 500					
	35 302	818	6 622		11 406	23 983	16 905
Community - Total					350	700	
<i>Parks & gardens</i>			6 422		7 456	15 000	12 500
<i>Sportsfields & stadia</i>					100		
<i>Swimming pools</i>							
<i>Community halls</i>							
<i>Libraries</i>					1 650	600	
<i>Recreational facilities</i>							
<i>Fire, safety & emergency</i>	2	818			1 000		
<i>Security and policing</i>			200		850	7 683	4 405
<i>Cemeteries</i>	35 300						
<i>Social rental housing</i>	380 69	112 532	59 838		105 242	67 474	66 700
<i>Other</i>							

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Table 60: Capital expenditure – New Assets (cont.)

Capital Expenditure - New Assets Programme*							
Description	R '000						
	2011/12	2012/13			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2013/14	2014/15	2015/16
Capital expenditure by Asset Class							
Heritage assets - Total	-	-		-	-	-	-
Buildings							
Other							
Investment properties - Total	0	-			-	-	-
Housing development							
Other	0						
Other assets	740	22 829	400		1 500	28 300	1 000
General vehicles	0	750					
Specialised vehicles		0					
Plant & equipment	418	8 054					
Computers - hardware/equipment	0						
Furniture and other office equipment	322	11 925					
Abattoirs							
Markets							
Civic Land and Buildings		2 100					
Other Buildings		0	400				
Other Land						10 000	1 000
Surplus Assets - (Investment or Inventory)							
Other		0			1 500	18 300	
Agricultural assets	-	-			-	-	-
<i>List sub-class</i>							
Biological assets	-	-			-	-	-
<i>List sub-class</i>							

Intangibles	-	-			-	-	-
Computers - software & programming							
Other (<i>list sub-class</i>)							
Total Capital Expenditure on new assets	74 111	136 179	66 861		118 147	119 757	84 605
Specialised vehicles	-				-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
<i>* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)</i>							<i>T M.1</i>

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

Table 61: Capital expenditure – Upgrade/Renewal

Capital Expenditure - Upgrade/Renewal Programme*							
Description	R '000						
	2011/12	2012/13			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2013/14	2014/15	2015/16
Capital expenditure by Asset Class							
Infrastructure - Total	11 000		10 006		17 892	27 274	16 150
Infrastructure: Road transport -Total	11 000		5 000		12 500	5 000	
<i>Roads, Pavements & Bridges</i>	11 000		5 000		12 500	5 000	
<i>Storm water</i>							
Infrastructure: Electricity - Total	–		3 500		2 050	15 600	15 350
<i>Generation</i>			1 500		1 650	15 250	15 000
<i>Transmission & Reticulation</i>			2 000		400	350	350
<i>Street Lighting</i>							
Infrastructure: Water - Total	–		594		1 065	3 924	400
<i>Dams & Reservoirs</i>							
<i>Water purification</i>			594		1 065	3 924	400
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	–		913		477	1 000	
<i>Reticulation</i>							
<i>Sewerage purification</i>			913		477	1 000	
Infrastructure: Other - Total	–				1 800	1 750	400
<i>Waste Management</i>					1 800	1 750	400
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
Community	–			400			
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							

Security and policing				400			
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	-	-		-	-	-	-
Buildings							
Other							
<i>Table continued next page</i>							

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Table 62: Capital expenditure – Upgrade/Renewal (cont.)

Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	2011/12	2012/13			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2013/14	2014/15	2015/16
Capital expenditure by Asset Class							
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	1 316	1 323	18 770		27 548	15 487	14 567
General vehicles			9 200		1 000	1 000	1 000
Specialised vehicles							
Plant & equipment		1 323	6 920		24 184	11 860	6 625
Computers - hardware/equipment			650		1 364	1 427	6 142
Furniture and other office equipment			1 000		1 000	1 200	800
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings	1 316						
Other Land							
Surplus Assets - (Investment or Inventory)			1 000				
Other							
Agricultural assets	-						-
List sub-class							
Biological assets	-						-
List sub-class							
Intangibles	-						-
Computers - software & programming							
Other (list sub-class)							

Total Capital Expenditure on renewal of existing assets	12 316	1 723	28 776		45 440	42 761	30 717
Specialised vehicles	-						-
Refuse							
Fire							
Conservancy	1 316	1 323	18 770		27 548	15 487	14 567
Ambulances							
<i>* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)</i>							<i>T M.2</i>

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APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2012/13

Tab1179: Capital Programme by Project

Capital Programme by Project: 2012/13					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
Augmentation of water purification plant and 9ML Reservoir	20 500 000		20 712 469		
Sanitation/Sewerage					
Amelia Sanitation Phase 3	25 000 000		24 266 105		
Metsimaholo Ext 6	5 400 000		2 500 000		
"Project B"					
Electricity					
Amelia Bulk Substation	10 000 000		7 264 453		
Metsimaholo Ext 6 368 stands and infills	3 000 000		3 000 000		
Housing					
"Project A"					
"Project B"					
Refuse removal					
"Project A"					
"Project B"					
Stormwater					
"Project A"					
"Project B"					
Economic development					
"Project A"					
"Project B"					
Sports, Arts & Culture					
"Project A"					
"Project B"					
Environment					
"Project A"					
"Project B"					
Health					

"Project A"					
"Project B"					
Safety and Security					
"Project A"					
"Project B"					
ICT and Other					
"Project A"					
"Project B"					
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APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD2012/13

Table180: Capital Programme by Project by Ward

Programme	Project name	Funding source	Wards	2012/13
Local democratic governance	Speaker: Loud hailer & portable translation equipment	Internal	ALL	106 000
Facilities management	Security services: Access control	Internal	ALL	250 000
	Information technology	Lease	ALL	12 300 000
				12 656 000
Programme	Project name	Funding source	Wards	2012/13
Revenue and cash flow management	Upgrading pay points	Internal	ALL	100 000
Programme	Project name	Funding source	Wards	2012/13
Facilities management	Furniture & Equipment (various)	Internal	ALL	1 509 500
	Parking shelter	Internal	ALL	400 000
Customer care	Call centre	Internal	ALL	200 000
				2 109 500

Programme	Project name	Funding source	Wards	2012/13
Waste management/ Clean communities	Environmental Impact Assessments (EIAs)	Internal	ALL	1 000 000
	Recycling plants	Internal	ALL	0
	Rehabilitation of dumping site	Internal	5	0
	Capital works-landfill sites	Internal	ALL	775 000
	Vehicles (water tanker, tipper truck)	Internal	ALL	0
	Furniture & equipment	Internal	ALL	53 500
	Refuse bins and containers	Internal	ALL	75 000
				1 903 500
Safe communities	Fire protection services (fire & rescue equipment and vehicles)	Internal	ALL	169 500
	Deneysville fire station (MIG)	MIG	3-5, 20	0
	Disaster provision	Internal	ALL	0
	Traffic (equipment, traffic calming measures, testing centre-paving)	Internal	ALL	280 000
				449 500

Community facilities	Parks and playgrounds	Internal	ALL	1 994 000
	Abrahamsrust	Internal	ALL	1 338 000
	Day visitors areas	Grants	ALL	Fezile Dabi
	Etienne Rousseau theatre	Internal	ALL	452 600
	Community halls	Internal	ALL	0
	Stadiums	Internal	ALL	3 000
	Multi-Purpose Centre	Public donation	ALL	Anglo Coal
	Swimming pools	Internal	ALL	494 000
				4 281 600
Community facilities (Cemeteries)	Equipment and fencing	Internal	ALL	471 000
Community facilities (Libraries)	Equipment	Internal	ALL	31 970
				7 137 570
Programme	Project name	Funding source	Wards	2012/13

Electricity	Network strengthening Phase 3	Internal	15-17	1 000 000
	Bulk supply (Amelia, Gortin & Moodraai)	DoE	1	10 000 000
	Electricity in light industrial area (Zamdela)	Internal	8	
	Electricity Minnaar Street (Vaalpark)	DBSA	14&18	0
	Investigation main substation (Sasolburg)	Internal	15-17	500 000
	Upgrading main substation (Sasolburg)	Internal	15-17	0
	Review master plan	Internal	ALL	500 000
	Upgrading network Phase 2 (Deneysville)	Internal	5,20	500 000
	Upgrading network Phase 2 (Oranjeville)	Internal	5	500 000
	Upgrading of streetlight network (O/Ville)	Internal	5	200 000
	Replace redundant streetlight fittings	Internal	ALL	250 000
	Replace distribution pillars	Internal	ALL	250 000
	Replacement of sub-station (Gortin & Leirim)	Internal	1	450 000
	Water and electricity AMR	DBSA	ALL	5 500 000
	Equipment and Works (various)	Internal	ALL	575 100

		20 225 100	30 570 000	37 320 000
Roads and storm water	Construction of new roads and storm water (DBSA Loan)	DBSA	1,3,4,5,7,8,9,14&18	10 500 000
	Upgrading and resealing of roads	Internal	ALL	10 000 000
	Storm water channel (Chris Hani)	Internal	8	500 000
	Storm water channel (Refenggotso)	Internal	3&4	500 000
	Construction of interlocking paved roads and storm water channels (MIG)	MIG	ALL	1 320 000
	Vaal Park Taxi rank	Internal	14,18	1 500 000
	Integrated Transport Plan	Internal	ALL	0
	Equipment & Vehicles (various)	Internal	ALL	50 000
			24 370 000	20 000 000
Sanitation	Replace gravitational outfall sewer	Internal	15,16,17	0
	Sewer network and toilets: 3257 stands Amelia (MIG)	MIG	1	21 092 450
	Construction of sewer for 368 erven and upgrade plants - Metsimaholo x6 (MIG)	CoGTA	5	5 011 460

	Gortin – Phase 4	MIG	1	6 547 500
	Vaalpark stands	DBSA	14&18	5 000 000
	Purchasing of various pumps, motors, fencing & equipment	Internal	ALL	2 613 900
		40 265 310	28 355 550	22 774 970
Water	Water demand management and conservation plan	Internal	ALL	1 000 000
	Water and electricity AMR	DBSA	ALL	5 500 000
	Pressure red valves	Internal	ALL	500 000
	Ringfeed residential	Internal	ALL	0
	Augmentation of bulk supply-upgrading of purification works-6 500stands	MIG	3,4,5,20	15 796 650
	Bulk water supply: Refengkgotso 2 537 stands	MIG	5	0
	Vaalpark stands	DBSA	14&18	5 500 000
	Purchasing various equipment & pumps	Internal	ALL	303 820
		28 600 470	14 070 000	12 958 910
Buildings		Internal	ALL	1 200 000

Mechanical workshop		Internal	ALL	42 000
				114 702 880
Programme	Project name	Funding source	Wards	0
Human settlements	Acquisition of 31 Vaaldam Small Holdings	CoGTA	1,3,4	0
	Acquisition portion of sub 3,4, 6 & 7Lauterwater	Land Affairs	ALL	0
	Demolition of outstanding old units - hostel 2 (Zamdela)	CoGTA	9	0
	Infrastructure for 70 units – hostel 2 (Zamdela)	CoGTA	9	0
	Building of 70 rental units – hostel 2 (Zamdela)	CoGTA	9	0
	Demolition of 112 old hostel units – hostel 4 (Zamdela)	CoGTA	12	0
	Infrastructure for 420 CRUs – hostel 4 (Zamdela)	CoGTA	12	0
	Building of 420 CRUs – hostel 4 (Zamdela)	CoGTA	12	0
	Acquisition of land for agricultural use (Zamdela)	Land Affairs	8	0
	Acquisition of land for agricultural use	Land	3,4,5 & 20	0

	(Refenggotso/Metsimaholo)	Affairs		
	Building of 74 CRUs rental (Sasolburg Extension)	CoGTA	17	0
	Demolition of 389 old units – hostel 3 (Zamdela)	CoGTA	11 & 12	0
	Infrastructure for 800 CRUs – hostel 3 (Zamdela)	CoGTA	11 & 12	0
	Building of 800 CRUs – hostel 3 (Zamdela)	CoGTA	11 & 12	0
	Acquisition of land for agricultural use (Zamdela)	Land Affairs	11 & 12	0
	Transfer of 8 stands to municipality for social housing project	CoGTA	16	0
Spatial development	Planning and surveying 2000 stands (Vaaldam small holdings)	CoGTA	5	Human Settlements
	Surveying of 2000 stands (Mooibraai)	Internal	1	750 000
	Surveying 3000 stands (Mooiplaats)	CoGTA	1	Human Settlements
	Planning and surveying of 1000 erven (Amelia)	CoGTA	1	Human Settlements
	Planning and surveying Vaalpark to R59 provincial road	Internal	14 & 18	0

	Planning and surveying agricultural small scale farming (Amelia)	Internal	1	0
				750 000
				1 500 000
Programme	Project name	Funding source	Wards	2012/13
Local economic development/ Sustainable livelihoods	Brick and paving manufacturing plant	Public donations	ALL	Sasol
	Poultry and piggery farming	Public donations	ALL	Sasol
				0

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

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

Table180 : Service Backlogs – Schools and Clinics

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

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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 2012/13 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.

Table183 : 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.		

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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.

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