

## Chapter 4: Audited Statements and Related Financial Information

This chapter contains the audited financial statements of the municipality and any municipal entity, the audit report of the Auditor-General for each financial statement and other disclosures required by legislation, either through direct reporting or notes to the accounts.

Further to the inclusion of the financial statements, it is critical that a budget to actual comparison is provided in the annual report, with a narrative for material variances. This comparison must be done against the original budgeted figures (as approved by council in the budget resolution) as this was the basis for consultation with stakeholders and used to justify the rates and charges raised. Material adjustments required to the original budget must be shown as a variance with appropriate narrative. This budget to actual comparison should be provided in the same format as the approved budget.

The financial statements must include a statement of financial position (balance sheet), statement of financial performance (operating statement), cashflow statement, statement of changes in net assets and supporting notes to the statements. They should also disclose information on intergovernmental grants and transfers, and remuneration of councillors, officials and members and officials of municipal entities.

Municipalities should refer to Chapter 12 of the Municipal Finance Management Act (MFMA) and section 91(1)(b) of the PFMA, taking into account any recommendations of the Accounting Standards Board (using generally recognised accounting practice or GRAP) to prepare financial statements. More disclosure requirements are in sections 123 to 125 of the MFMA.

All intergovernmental grants received through the Division of Revenue Act (DoRA) or through any means as discussed in Chapter 12 of the MFMA should be listed individually in the Annual Report and provide quarterly financial information as shown in the *Quarterly information on grants*, example below, in order to align with both the national and municipal financial year. Furthermore, additional performance related information must be provided for each grant in terms of the outputs and outcomes achieved and whether any of the grant conditions were not satisfied including inability to spend the funds in a timely manner or not properly accounting for the grant funds.

CITY OF TSHWANE

CONSOLIDATED  
ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2007

AFTER AUDIT ADJUSTMENT (13 DECEMBER 2007)

## GENERAL INFORMATION:

Registered Office:	
Office of the Municipal Manager:	9 <sup>th</sup> Floor Munitoria Van der Walt Street 0002 PRETORIA
	P O Box 440 0001 PRETORIA
Office of the Chief Financial Officer:	373 Pretorius Street 0002 PRETORIA
	P O Box 408 0001 PRETORIA
Auditors:	Auditor-General Cnr Veal Street and Middel Street Brooklyn 0002 PRETORIA
Bankers:	Standard Bank Van der Walt Street, PRETORIA
Legal form:	Local Authority/Metropolitan Municipality
Jurisdiction:	See map
Operations and principle activities:	

The City of Tshwane is a local authority and renders a municipal service to the community.

Legislation governing the municipality's operations:

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)

Housing Act, 1997 (Act 107 of 1997)

Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)

Property Rates Act, 2004 (Act 6 of 2004)

Division of Revenue Act, 2007 (Act 1 of 2007)

Companies Act, 1973 (Act 61 of 1973) – in the case of Municipal Entities

Controlling entity: City of Tshwane

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 71 in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in Note 21 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

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**K.D. KEKANA**  
**CITY MANAGER**

30 September 2007

## **A. ENTITIES CONSOLIDATED**

Consistent with the prior two financial years the following municipal entities were included in the consolidated financial statements:

Housing Company Tshwane  
Sandspruit Works Association (ODI and Waste Water)  
Civirelo Water  
Enterprise South Africa (last statements 30 June 2005 – voluntary liquidation – certificate dated February 2006)  
Trade Point Pretoria (not viable – liquidation underway)  
Roodeplaat Temba Water Services Trust

**Tshwane Centre for Business Information and Support (Cenbis) –**  
*Statements were not compiled and submitted up to date of submission of these consolidated financial statements. Liquidation process to be undertaken.*

*The budgets of the abovementioned entities were not consolidated as most of the budgets were not available.*

## **B. ENTITIES NOT CONSOLIDATED**

**Deregistration of municipal entities:**

**The following companies have been deregistered in Government Gazette No 29773 of 13 April 2007:**

Biz Africa 372  
Prelight  
Greater Pretoria Metro Festival Company  
Tswaing Environmental Health Services  
Pretoria Inner City Association  
Tswaing Waste Removal Services  
National Youth Festival  
Jacaranda Carnival  
Centurion Community Protection Company  
Tswaing Crater Museum

Tswaing Water and Sanitation Services  
Moreletakloof Conservation Company  
Tswaing Civil Projects  
Rep Ba-Agi  
Greater Pretoria Metro Festival

### **Error in listing as municipal entity**

The following companies were erroneously listed as municipal entities under the control of the City of Tshwane Metropolitan Municipality; their status will be left as is in the interim, as the Gauteng Legislature is in the process of finalizing legislation for uniform regulation of all City Improvement Districts:

Arcadia City Improvement District  
Hatfield City Improvement District  
Kerkstreet City Improvement District  
Esselen Street City Improvement District

The following company was erroneously listed as a municipal entity under the control of the City of Tshwane Metropolitan Municipality whilst it was never incorporated – the error will be corrected with the new section 178(2) report of municipal entities:

- Tshwane Sport Foundation

## 1. BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless otherwise stated.

These consolidated financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of General Notice 991 and 992 of 2005. These standards are summarised as follows:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GAMAP 4	The Effects of Changes in Foreign Exchange Rates
GAMAP 6	Consolidated Financial Statements and Accounting for Controlled Entities
GAMAP 7	Accounting for Investments in Associates
GAMAP 8	Financial Reporting of Interests in Joint Ventures
GAMAP 9	Revenue
GAMAP 12	Inventories
GAMAP 17	Property, Plant and Equipment
GAMAP 19	Provisions, Contingent Liabilities and Contingent Assets

Accounting policies for material transactions, events or conditions not covered by the above GRAP and GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such Statements issued by the Accounting Practices Board.

The Minister of Finance has, in terms of General Notice 522 of 2007 exempted compliance with certain of the abovementioned standards and aspects or parts of these standards. Details of the exemptions applicable to the Municipality are listed below:

<b>Standard no.</b>	<b>Standard Title</b>	<b>Extent of exemption from standard</b>	<b>Exemption period</b>
GRAP 3	Accounting policies, changes in accounting estimates	Identification and impact of GRAO standards that have been issued but	For 2006/07 and 2007/08 financial years

	and errors	are not yet effective and changes to accounting policies [paragraph 14, 19 and 30-31]	
GAMAP 17	Property, plant & equipment (PPE)	Review of useful life of items of PPE recognized in the annual financial statements [paragraph 59-61 and 77]	For 2006/07 and 2007/08 financial years
GAMAP 17	Property, plant & equipment (PPE)	Review of depreciation method applied to PPE recognized in the annual financial statements [paragraph 62 and 77] Impairment of non-cash generating assets [paragraph 64 – 69 and 75(e)(v)-(vi)]	For 2006/07 and 2007/08 financial years

<b>Standard no.</b>	<b>Standard Title</b>	<b>Extent of exemption from standard</b>	<b>Exemption period</b>
		Impairment of cash generating assets [paragraph 63 and 75(e)(v)-(vi)]	
IAS 39 (AC 128)	Impairment of assets	Entire standard	For 2006/07 and 2007/08 financial years
GAMAP 12	Inventories	The entire standard as far as it relates to immovable capital assets inventory that is accounted for in terms of GAMAP 17	For 2006/07 and 2007/08 financial years
		The entire standard to the extent that it relates to water stock that was not purchased by the municipality	For 2006/07 and 2007/08 financial years
IAS 40 (AC 135)	Investment property	The entire standard to the extent that the	For 2006/07 and 2007/08 financial



		property is accounted for in terms of GAMAP 17	years
		Disclosure of the fair value of investment property if the cost model is applied and where the municipality has recognised the investment property in terms of this standard [paragraphs 79(e)(i) – (iii)]	For 2006/07 and 2007/08 financial years
IAS 17 (AC 105)	Leases	Recognising operating lease payments/receipts on a straight-line basis if the amounts are recognised on the basis of the cash flows in the lease agreement. [SAICA circular 12/06 paragraphs 8-11 and paragraphs 33, 34, 50, 51 of IAS 17 (AC 105)]	For 2006/07 and 2007/08 financial years
IAS 38 (AC 129)	Intangible assets	The entire standard except for the recognition, measurement and disclosure of computer software and website costs (SIC 32/AC 432) and all other costs are expensed	For 2006/07 and 2007/08 financial years
IAS 19 (AC 116)	Employee benefits	Defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information [paragraphs 29, 48-119, 120A(c)- (q)]	For 2006/07 and 2007/08 financial years

<b>Standard no.</b>	<b>Standard Title</b>	<b>Extent of exemption from standard</b>	<b>Exemption period</b>
GAMAP 9	Revenue	Initial measurement of fair value discounting all future receipts using an imputed rate of interest (SAICA circular 09/06 and paragraph 12)	For 2006/07 and 2007/08 financial years
IAS 39 (AC 133)	Financial instruments: Recognition and measurement	Initially measuring financial assets and financial liabilities at fair value. (SAICA circular 09/06, paragraph 43, AG 70, AG 64 and AG 85 of IAS 39/AC 133)	For 2006/07 and 2007/08 financial years
IFRS 5 (AC 142)	Non-current assets held for sale and discontinued operations	Classification, measurement and disclosure of non-current assets held for sale [paragraphs 6 – 14, 15 – 29 (in so far as it relates to non-current assets held for sale), 39 – 42]	For 2006/07 and 2007/08 financial years
IFRS 7 (AC 144)	Financial instruments: Disclosure	Entire standard to be replaced by IAS 32 (AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1998	For 2006/07 and 2007/08 financial years
IAS 14 (AC 115)	Segment reporting	Entire standard	For 2006/07 and 2007/08 financial years
IFRS 8 (AC 145)	Operating segments	Entire standard	For 2006/07 and 2007/08 financial years
IAS 11 (AC 109)	Construction contracts	Entire standard	For 2006/07 and 2007/08 financial years
IFRS 3 (AC 140)	Business combinations	Entire standard	For 2006/07 and 2007/08 financial years
IAS 20 (AC 134)	Accounting for government grants	Entire standard excluding paragraph 24	For 2006/07 and 2007/08 financial

	and disclosure of government assistance	and 26, paragraph 25 of GAMAP 17 and paragraphs 42 – 46 of GAMAP 9	years
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The principle accounting policies adopted in the preparation of these consolidated annual financial statements and which have been consistently applied, except where an exemption has been granted are disclosed below.

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP or GRAP.

The annual financial statements of the municipal entities are prepared in accordance with South African Statements of Generally Accepted Accounting Practice (GAAP).

## **2. BASIS OF CONSOLIDATION**

Investments in associates, subsidiaries and joint ventures are carried at cost in the financial statements of the Municipality. Separate consolidated financial statements are prepared to account for the Municipality's share of the net assets and post – acquisition results of these investments.

The consolidated annual financial statements incorporate the financial statements of the Municipality and Municipal Entities controlled by the Municipality.

The results of municipal entities acquired or disposed during the year are included in the consolidated Statement of Financial Performance from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the annual financial statements of municipal entities to bring the accounting policies used into line with those used by the Municipality and other municipal entities included in the group.

## **3. PRESENTATION CURRENCY**

These consolidated annual financial statements are presented in South African Rand and are rounded to the nearest rand.

#### **4. GOING CONCERN ASSUMPTION**

These consolidated annual financial statements have been prepared on a going concern basis, except for those municipal entities which are currently being liquidated.

#### **5. PROPERTY, PLANT AND EQUIPMENT (PPE)**

##### **5.1 Fixed assets are stated:**

- ◆ At cost less accumulated depreciation, or
- ◆ At fair value (market value) at date of acquisition less accumulated depreciation where assets have been acquired by grant or donation.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified. Due to the exemptions granted on 29 June 2007 no impairment exercise was undertaken by the municipality.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally best estimate of the expected useful life of the asset, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

##### **5.2 Depreciation**

Depreciation is calculated on cost, using the straight line method, over the estimated useful lives of the assets. The depreciation rates are based on the following estimated useful lives (unless a technical assessment of an individual asset concludes that a material variation is necessary):

	Years		Years
<b>Infrastructure</b>		<b>Other</b>	
Roads and Paving	30	Buildings	20 - 30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
Housing	30	Watercraft	15
		Bins and containers	5
<b>Community</b>		Specialized plant and equipment	10-15
Improvements	30	Other plant and equipment	2-5
Recreational facilities	20-30		
Security	5		
<b>Leased assets</b>	22		

The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007 with regard to the review of the useful life of property, plant and equipment and the depreciation method.

The gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

### 5.2.1 Heritage assets

These are assets that are defined as culturally significant resources and are not depreciated as they are regarded as having an infinite life. However, if improvements to heritage assets are conducted and registered as sub-assets and the useful life of the improvements can be determined, the depreciation charge of the relevant property, plant and equipment category is used for the depreciation of the sub-asset which was capitalised against the heritage asset.

### 5.2.2 Land

Land is not depreciated as it is regarded as having an infinite life.

### **5.2.3 Incomplete construction work**

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is commissioned into use.

### **5.3 Disposal of property, plant and equipment**

- ◆ The book values of assets are written off on disposal.
- ◆ The difference between the carrying amount of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the Statement of Financial Performance.

## **6. INVESTMENT PROPERTY**

Investment property, which is property held to earn rental revenue or for capital appreciation, is stated at cost less accumulated depreciation and accumulated impairment losses.

Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied properties from investment properties.

A gain or loss arising from a change in fair value is included in the Statement of financial performance for the period in which it arises.

Depreciation is calculated on cost, using the straight-line method over the useful life of the property, which is 30 years. The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007 to the extent that the property is accounted for under GAMAP 17.

## **7. INVENTORY**

Consumable stores, raw materials, work in progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average cost of commodities. If inventories are to be distributed at no charge or for a nominal charge they are valued at the lower of cost and current replacement cost.

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs are accumulated for each

separately identifiable development. Cost also includes a portion of overhead costs.

Cost of inventory comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.

Redundant and slow moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. Consumables are written down with regard to their age, condition and utility.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007.

## **8. CREDITORS**

### **8.1 Trade creditors**

Trade creditors are stated at their nominal value.

### **8.2 Accrued Leave Pay**

Liabilities for annual leave are recognised as they accrue to employees. Provision is based on the potential liability (value of leave credits as at 30 June) of the Municipality.

## **9. RESERVES**

The municipality creates and maintains Reserves in terms of specific requirements.

### **9.1 Capital Replacement Reserve (CRR)**

In order to finance the provision of infrastructure and other items of property, plant and equipment amounts are transferred from the Statement

of Financial Performance to the Capital replacement reserve in terms of the implementation guidelines on GAMAP/GRAP. These transfers from the net surplus may only be made if they are backed by cash. The amount transferred to the CRR is based on the Municipality's need to finance future capital projects included in the Integrated Development Plan. The following provisions are set for the creation and utilisation of the CRR:

- The cash which backs up the CRR is invested until it is utilised. The cash may only be invested in accordance with the investment policy of the municipality.
- Interest earned on the CRR investment is recorded as part of total interest earned in the Statement of Financial Performance.
- The CRR may only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and may not be used for the maintenance of these items.
- Whenever an asset is purchased out of the CRR an amount equal to the cost price of the asset purchased is transferred from the CRR into a future depreciation reserve called the Capitalisation reserve (CR). This reserve is equal to the remaining depreciable value (book value) of assets purchased out of the CRR. The Capitalisation reserve is used to offset depreciation charged on assets purchased out of the CRR to avoid double taxation of the consumers.
- If a gain is made on the sale of assets previously purchased out of the CRR the gain on these assets sold is reflected in the Statement of Financial Performance.

## **9.2 Capitalisation Reserve**

On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/(deficit) in terms of a directive (budget circular) issued by National Treasury. The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).



The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/ (deficit).

### **9.3 Government Grant Reserve**

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grant Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit). When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/ (deficit).

### **9.4 Self Insurance Reserve**

A Self Insurance Reserve has been established and, subject to external insurance where deemed necessary, covers claims that may occur. Premiums are charged to the respective services taking into account claims history and replacement value of the insured assets.

- Contributions to and from the reserve are transferred via the Statement of Changes in Net Assets to the reserve in line with the amount provided for in the operating budget.
- The total amount of insurance premiums paid to external insurers are regarded as expenses and must be shown as such in the Statement of Financial Performance. These premiums do not affect the Self insurance reserve.
- Claims received from external insurers are utilised in the calculation of a profit or loss on the scrapping of damaged assets and are

therefore effectively recorded in the Statement of Financial Performance.

- Claims received to meet repairs of damages on assets are reflected as income in the Statement of Financial Performance.

The Self Insurance Reserve is based on recognized insurance industry principles. In determining the level of capacity required an agreed methodology has been adopted. The calculation of the required capacity of the Self Insurance Reserve is consistently applied annually based on the following methodology:

- Determination of the forecast surplus (free) capacity within the Self Insurance Reserve.

The following liabilities are taken into account in determining this surplus capacity:

- Reported known outstanding claims;
- Statistically forecast losses for the remainder of the underwriting period (IBNR = claims incurred but not yet reported)
- Probability and quantification of a catastrophe loss.
- Comparison of the surplus (free) capacity to the declared value of the highest service delivery asset to determine the shortfall that exist based on the assumption that sufficient capacity will be built up to cover that asset through the Self Insurance reserve over an agreed period of time.
- Spread the shortfall over a 5-year period (in terms of the Long Term Insurance Strategy).
- Adjust for inflation with the agreed relevant indices.
- Determine the annual premium contribution to reach the target capacity over a 5-year period.
- Apply a probability and affordability factor to the ideal premium contribution to determine the budgeted premium contribution over a 5-year period.

#### **9.4.1 Self Insurance Future Depreciation Reserve**

An amount equal to the carrying value of items of property, plant and equipment that had historically been utilised for the acquisition of property, plant and equipment from the Self Insurance Reserve have been transferred to a Self Insurance Future Depreciation Reserve instead of the accumulated surplus/(deficit). The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/ (deficit).

The balance on the Self Insurance Future Depreciation Reserve equals the carrying value of the items of property, plant and equipment financed from the former Self Insurance Reserve. When items of property, plant and equipment are depreciated, a transfer is made from the Self Insurance Future Depreciation Reserve to the accumulated surplus/(deficit). When an item of property, plant and equipment is disposed, the balance in the Self Insurance Future Depreciation Reserve relating to such item is transferred to the accumulated surplus/(deficit).

## **9.5 COID Reserve**

The Municipality has been exempted from making contributions to the Compensation Commissioner for Occupational Injuries and Diseases (COID). In terms of this exemption the Municipality has established a COID reserve to offset claims from employees.

Amounts are transferred to the COID reserve from the accumulated surplus based on the statutory rate of contributions set out in the Compensation for Occupational Injuries and Diseases Act, 1993 (Act 130 of 1993) as well as additional amounts deemed necessary to ensure that the balance of the reserve is adequate to offset potential claims.

Contributions to the COID reserve is based on 1 % of the annual remuneration of employees that qualify for COID benefits. All employees earning more than R189 840 are reinsured by what is called a "COID Wrap Around" policy.

Claims are paid as determined by the Compensation Commissioner and are reflected in the Statement of Financial Performance. Claims are settled by transferring a corresponding amount from the COID reserve to the accumulated surplus in the Statement of Changes in Net Assets.

## **9.6 Donations and Public Contributions**

Revenue received from donations and public contributions may be transferred to the Capital Replacement Reserve (CRR) and utilised via the CRR to finance items of property, plant and equipment.

## **9.7 Capital Reserve Account**

The Capital reserve account is to be created by the borrower and to be held in the capital reserve account for the payment of costs of upgrades, etc required by the Operating agreement.

## **9.8 Debt Service Reserve Account**

The debt service reserve is to be created by the borrower and to be held in the debt service reserve account. If the required level is exceeded the excess can be deposited in the Distribution account. The amount in the account will be utilised for purposes of the repayment of the Term Loan.

## **9.9 Operating reserve account**

The operating reserve is to be created by the borrower and be held in the operating reserve account for the payment of operating costs in respect of the Water project.

## **10. HOUSING DEVELOPMENT FUND**

Section 15(5) and 16 of the Housing Act, (Act 107 of 1997), which came into operation on 1 April 1998, requires that the municipality maintain a separate housing operating account. This legislated separate operating account will be known as the Housing Development Fund.

The Housing Act also requires in terms of Section 14(4)(d)(iii)(aa) read with, *inter alia*, Section 16(2) that the net proceeds of any letting, sale of property or alienation, financed previously from government housing funds, be paid into a separate operating account and be utilised by the Municipality for housing development subject to the approval of the Provincial MEC responsible for housing.

The following provisions are set for the creation and utilisation of the Housing Fund:

- The Housing Fund has its own separate bank account/allocated investments and is backed by cash.
- Any contributions to or from the fund are shown as transfers in the Statement of Changes in Net Assets.
- Interest earned on the investments backing up this fund is recorded as part of interest earned in the Statement of Financial Performance and can be transferred via the Statement of Changes in Net Assets to the Housing Development Fund.
- Any cash backed surplus/deficit on the Housing Statement of Financial Performance must be transferred to the Housing Development Fund.

## **11. PROVISIONS**

Provisions are recognised when the Municipality has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the provision can be made.

Provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

### **11.1 Clearing of alien vegetation**

Currently a backlog exists with regard to the clearing of alien vegetation and a provision was established with effect from the 2005/06 financial year. This provision will be phased in over a period of time.

### **11.2 Cleaning up of illegal dumping**

Currently the Municipality is cleaning up illegal dumping on an ongoing basis as part of maintenance; therefore there is no backlog cleaning that needs to take place. No provision is currently made for the cleaning up of illegal dumping.

### **11.3 Landfill sites**

The Municipality has an obligation to rehabilitate its landfill sites in terms of its licence stipulations. However, a provision only needs to be created if and when backlogs exist. Currently the Municipality is rehabilitating its landfill sites on an ongoing basis as part of maintenance and therefore there is no backlog rehabilitation that needs to take place. No provision is currently made for the rehabilitation of landfill sites.

## **12. RETIREMENT BENEFITS**

### **12.1 Pension, Provident and Retirement Funds**

The Municipality and its employees contribute to various Pension, Provident and Retirement Funds and its councillors contribute to the Pension Fund for Municipal Councillors.

The retirement benefits are calculated in accordance with the rules of the funds. Full actuarial valuations are performed by the relevant funds on a regular basis. The City of Tshwane accounted for pension funds in terms of the exemptions granted in Government Gazette No 30013 of 29 June

2007 where in no provision was created but only the contributions disclosed.

Current contributions are charged against the operating account of the Municipality at a percentage of the basic salary paid to employees, or allowances in the case of councillors.

Pension contributions in respect of employees who were not members of a pension fund are recognised as an expense when incurred.

A provision is raised as the best estimate of the current cost of paying future pensions to employees who have become disabled as a result of injuries sustained whilst on duty.

## **12.2 Medical Aid: Continued Members**

The Municipality provides certain post retirement medical benefits by funding the medical aid contributions of certain retired members of the Municipality. According to the rules of the medical aid funds, with which the Municipality is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the Municipality is liable for a certain portion of the medical aid membership fee. The City of Tshwane accounted for medical aid in terms of the exemptions granted in Government Gazette No 30013 of 29 June 2007 where in no provision was created but only the contributions disclosed.

## **13. ACCOUNTS RECEIVABLE**

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified. Amounts with regard to arrangement of consumer debtors are classified as long-term receivables.

### **13.1 Provision for Bad Debt**

Provision for bad debt is made by means of an annual contribution of electricity and water levies, debtor's revenue from Fire Brigade Services and Rentals excluding housing schemes and the Tshwane Market.

The annual contribution is determined by calculating the estimated non payment by debtors for the financial year. The percentage contribution is calculated during the budget process each year and reviewed at year end.

## **14. LEASES**

The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007.

### **The Municipality as Lessee**

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the finance lease cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases which do not fall within the scope of the above definition. Payments made under operating leases are charged against the statement of financial performance on a straight-line basis over the period of the lease.

The Municipality will not incur a foreign currency lease liability other than that allowed by the Municipal Finance Management Act, 2003 (Act 56 of 2003).

### **The Municipality as Lessor**

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

## **15. FINANCIAL INSTRUMENTS**

The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007.

A regular way purchase or sale of a financial asset shall be recognised and derecognised, as applicable using trade date accounting.

**Hedging:**

Hedging is not applicable to the accounting treatment of financial instruments in the City of Tshwane.

**Offsetting of financial assets and liabilities:**

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when and only when:

- (a) The City of Tshwane has a legally enforceable right to set off the recognised amount; and
- (b) The City of Tshwane intends either to settle on a net basis, or realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the City of Tshwane will not offset the transferred asset and the associated liability.

**Derecognition:**

If a financial asset is transferred and this transfer qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, either a servicing asset or a servicing liability will be recognised for that servicing contract.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the obtaining of a new financial asset or assuming a new financial liability, or a servicing liability, the new financial asset, financial liability or servicing liability will be recognised at fair value.

On derecognition of a financial asset in its entirety, the difference between:

- (a) the carrying amount and
- (b) sum of
  - (i) the consideration received (including any new asset obtained less any new liability assumed) and
  - (ii) any cumulative gain or loss,shall be recognised in profit or loss

**Derivative financial instruments:**

Derivative financial instruments, principally interest rate swap contracts, are used by the City of Tshwane in its management of financial risks. Derivative financial instruments are initially measured at fair value on the contract date and are remeasured to fair value at subsequent reporting dates. Payments and receipts under interest rate swap contracts are recognised in the statement of financial performance on a basis consistent with the corresponding fluctuations in the interest payment on floating rate financial liabilities. The carrying amounts of interest rate swaps, which



comprise net interest receivables and payables accrued are included in assets and liabilities respectively.

Initial measurement of financial instruments is at cost, which is the fair value of the consideration given. The fair value is usually the transaction price or market price.

Transaction costs are included in the initial measurement of financial assets. Transaction costs include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges; and transfer taxes and duties. Transaction costs do not include debt premium or discount, financing costs or allocations of internal administrative or holding costs.

Subsequent measurement of financial instruments:

HTM financial instruments originated by the entity and not held for trading is subsequently recognised at amortised cost using the effective interest rate method. Amortised cost is the amount at which the financial asset was measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount, and minus any write-down for impairment or uncollectability.

## **15.1 INVESTMENTS**

The municipality may have the following types of investments.

- Held to maturity (HTM) investments are financial assets with fixed or determinable payments and fixed maturity where the entity has the positive intent and ability to hold the investment to maturity.
- Available-for-sale investments are those financial assets that are designated as available for sale or not classified as held-to-maturity investments or financial assets at fair value through profit or loss

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

The Municipality limits its counterparty exposure arising from money market by only dealing with well established financial institutions confirmed by the rating agency appointed by the Chief Financial Officer. The credit ratings of these institutions are reviewed quarterly and investments are spread across different types of approved investments and institutions.

Investments are reviewed and approved by the Loans and Investment Advisory Committee,

## **15.2 INTEREST BEARING BORROWINGS**

Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Financial Performance over the period of the borrowings on an effective interest basis.

The interest risk is managed by maintaining an appropriate mix between fixed and variable rate borrowings. The Municipality borrows more than 50 % of funds at a fixed rate to reduce the risk of interest fluctuations. Refer to Appendix A for details.

## **15.3 Investment in Municipal Entities**

Municipality - Investments in municipal entities under the ownership control of the Municipality are carried at cost in the Municipality's unconsolidated annual financial statements.

Group - The results and assets and liabilities of municipal entities are incorporated in the group annual financial statements using the equity method of accounting.

Where the Municipality transacts with its municipal entities or its municipal entities transact with each other, unrealised gains and losses are eliminated to the extent of the Municipality's interest in the relevant municipal entity, except where unrealised losses provide evidence of an impairment of the asset transferred.

Where the Municipality is no longer able to exercise control over the municipal entity, the equity method of accounting is discontinued. Such entity will either be accounted for as an associate, if the municipality is able to exercise significant influence, or an investment. The carrying amounts of such investments are reduced to recognise any decline, other

than a temporary decline, in the value of individual investments.

## **16. FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are initially accounted for at the rate of exchange ruling on the date of the transaction. Trade Creditors denominated in foreign currency are reported at the Statement of Financial Position date by using the exchange rate at that date. Exchange differences arising on the settlement of creditors or on reporting of creditors at rates different from those at which they were initially recorded during the period are recognised as revenue or as expenses in the period in which they arise.

Where the transaction is covered by a forward exchange contract, the rate specified in the contract is used. The Municipality will not incur a foreign currency liability other than that allowed by the Municipal Finance Management Act, 2003 (Act 56 of 2003).

## **17. REVENUE RECOGNITION**

Revenue is derived from a variety of sources which include rates levied, grants from other tiers of government and revenue from trading activities and other services provided.

Revenue is recognised when it is probable that future economic benefits or service potential will flow to the municipality and these benefits can be measured reliably. The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007 with regard to the initial measurement of fair value at a discounted rate.

### **17.1 Revenue from exchange transactions**

#### **17.1.1 Service charges relating to Electricity, Water and Sanitation**

Service charges relating to electricity, water and sanitation are based on consumption. Meters are read and billed on a monthly basis and revenue is recognized when invoiced.

Estimates of consumption are made monthly when meter readings have not been performed. The estimates of consumption are recognized as revenue when invoiced. Adjustments to estimates of consumption are made in the invoicing period when meters have been read. These adjustments are recognized as revenue in the invoicing period.

#### **17.1.2 Services provided on a prepayment basis**

Various services are provided on a prepayment basis in which case no formal billing takes place and income is accrued when received. Revenue is recognized at point of sale.

### **17.1.3 Interest earned on outstanding debtors**

Interest on outstanding debtors is recognized on a time proportionate basis.

### **17.1.4 Dividends**

Dividends are recognised when the right to receive payment is established.

### **17.1.5 Income from agency services**

Income from agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

### **17.1.6 Housing rental and instalments**

Income in respect of housing rental and instalments are accrued monthly in advance.

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportionate basis.

### **17.1.7 Sale of goods**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

### **17.1.8 Interest earned on investments**

Interest earned on investments is recognised on a time proportionate basis that takes into account the effective yield on the investment.

### **17.1.9 Collection charges**

Collection charges are recognized when such amounts are incurred.

## **17.2 Revenue from non-exchange transactions**

### **17.2.1 Revenue from rates**

Revenue from rates is recognized when the legal entitlement to this revenue arises. A site rating system is applied. In terms of this system assessment rates are levied on the land value of property and rebates are granted subject to certain conditions. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers.

### **17.2.2 Regional Establishment Levy and Regional Services Levy**

Regional establishment levies and regional services levies are recognised at the time of receipt of the RSC4 return submitted by all registered levy payers. Due to the reliable measurement of the amount and stage of completion of the transaction at the reporting date the income received from 1 July to 20 July of the following financial year will be accrued as income of the previous financial year. Although these levies were abolished with effect from 1 July 2006, revenue still received are recognised upon receipt.

### **17.2.3 Fines**

Revenue from the issuing of fines shall be recognised when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality
- (b) the amount of the revenue can be measured reliably, and
- (c) the stage of completion of the transaction at the reporting date can be measured reliably.

Therefore:

- (i) Income in respect of traffic fines, spot fines and certain licenses is accrued when received.
- (ii) Revenue from the issuing of summonses is only recognised when notified by the public prosecutor of the amount actually collected.

#### **17.2.4 Donations and contributions**

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment are recognised when such items of property, plant and equipment are brought into use.

#### **17.2.5 Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure**

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act, 2003 (Act 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

### **18. CONDITIONAL GRANTS AND RECEIPTS**

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. A liability is recognised when the criteria, conditions or obligations have not been met. The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007.

### **19. BORROWING COSTS**

Borrowing costs are recognised as an expense in the Statement of Financial Performance, except for the Roodeplaat Temba Water Services Trust where the borrowing costs are capitalised.

### **20. VALUE ADDED TAX**

The Municipality accounts for Value Added Tax on the cash basis.

### **21. SEGMENTAL INFORMATION**

The City of Tshwane adopted the exemptions granted in Government Gazette No 30013 dated 29 June 2007.

The principle segments have been identified on a primary basis by service operation and on a secondary basis by the classification of income and expenditure.

The primary basis is representative of the internal structure for both budgeting and management purposes.

The secondary basis classifies all operations based on the classification of income and expenditure.

## **22. GRANTS-IN-AID**

The Municipality annually awards grants to individuals and organisations based on merit. When making these transfers, the municipality does not:

- Receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- Expect to be repaid in future; or
- Expect a financial return, as would be expected from an investment.

These transfers are recognised in the financial statements as expenses in the period that the events giving rise to the transfer occurred.

## **23. AGRICULTURAL/BIOLOGICAL ASSETS**

Agricultural/biological assets, which are defined as living animals or plants are recognised on the Statement of Financial Position of the Municipality, if the Municipality:

- Controls the asset as a result of a past event
- Regards the inflow of future economic benefits from the use of the asset to be probable.
- Is able to measure the fair value of the asset reliably. This implies that an active market has to exist for the agricultural asset

Agricultural/biological assets are measured at fair value at each year end reporting date, less estimated point- of- sale costs.

## **24. CASH AND CASH EQUIVALENTS**

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking

institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

## **25. UNAUTHORISED EXPENDITURE**

Unauthorized expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **26. IRREGULAR EXPENDITURE**

Irregular expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **27. FRUITLESS AND WASTEFUL EXPENDITURE**

Fruitless and wasteful expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **28. COMPARATIVE INFORMATION**

### **28.1 Current year comparatives**

Budgeted amounts have been included in the consolidated annual financial statements for the current financial year in respect of the municipality only.

### **28.2 Prior year comparatives**



When the presentation or classification of items in the consolidated annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

The comparative figures (2005/06 accounting policies and disclosure) may not be consistent with the current year accounting policies and disclosures due to the application of the exemptions granted in Government Gazette No 30013 dated 29 June 2007.

## **29. TAXATION**

The City of Tshwane Metropolitan Municipality is exempt from tax in terms of section 10(1)cB(i)(ff) of the Income Tax Act.

## CHAPTER 5: FUNCTIONAL SERVICE DELIVERY REPORTING BASED ON THE GOVERNMENT FINANCE STATISTICS (GFS) FUNCTIONAL CLASSIFICATION SYSTEM

### 5.1 General Information

The City of Tshwane Metropolitan Municipality has been classified as a Category A, Grade 6 urban municipality by the Municipal Demarcation Board in terms of Section 4 of the Local Government: Municipal Structures Act, 1998. It was established on 5 December 2000 through the integration of various municipalities and councils that had previously served the greater Pretoria and surrounding areas.

The new municipality was formed through the amalgamation of the following local authorities:

- The Greater Pretoria Metropolitan Council
- The City Council of Pretoria
- The Town Council of Centurion
- The Northern Pretoria Metropolitan Substructure
- The Hammanskraal Local Area Committee
- The Eastern Gauteng Services Council
- The Pienaarsrivier Transitional Representative Council
- The Crocodile River Transitional Council
- The Western Gauteng Services Council
- The Winterveld Transitional Representative Council
- The Temba Transitional Representative Council
- The Mabopane Transitional Representative Council
- The Ga-Rankuwa Transitional Representative Council
- The Eastern District Council.

#### 5.1.1 Demography

##### 5.1.1.1 Total population

Year	Number	Growth %
*2001	1 985 982	-
2002	2 029 670	2,2
2003	2 074 320	2,2
2004	2 119 960	2,2
2005	2 172 960	2,5
2006	2 227 284	2,5

Source: \*Stats SA (Census 2001)

Note: The Economic Development Department indicates 2 403 000 as the estimated population for 2005

supplied by the Global Insight Study

### 5.1.1.2 Indigent population

The City of Tshwane's social package policy allows for citizens to register as indigents, provided that:

- the total gross monthly income of all the members of the household does not exceed the joint pensions of 2 old age state pensioners,
- the applicant as well as any other member of the household does not own
- other fixed property than the one on which they reside,
- the improved municipal value of the property on which the household resides does not exceed R150 000

During the financial year 2006/7 46 800 households were registered as indigent.

### 5.1.1.3 Total number of voters

1 069 945 citizens were registered as voters in the 76 ward, using the municipal ward delimitation of the Municipal Demarcation Board for the 2005/6 local elections.

### 5.1.1.4 Age breakdown

Age				
Persons	2001	%	1996	%
0 to 4	155 757	7,8	153 381	9,2
5 to 14	331 106	16,7	297 471	17,9
15 to 34	806 811	40,6	660 365	39,7
35 to 64	603 816	30,4	473 503	28,5
Over 65	88 492	4,5	78 714	4,7
<b>Total</b>	<b>1 985 982</b>	<b>100,0</b>	<b>1 663 434</b>	<b>100,0</b>

### 5.1.1.5 Population groups

Population Groups				
Persons	2001	%	1996	%
African	1 442 579	72,6	1 144 200	68,5
Coloured	38 720	1,9	29 613	1,8
Indian	30 130	1,5	24 716	1,5
White	474 553	23,9	471 258	28,2
<b>Total</b>	<b>1 985 982</b>	<b>100,0</b>	<b>1 669 787</b>	<b>100,0</b>

See estimated total population of Tshwane for 2002 to 2005

### 5.1.1.6 Household income<sup>1</sup>

#### Monthly household income

No income	85 811
R1 - R400	20 356
R401 - R800	60 301
R801 - R1 600	84 747
R1 601 - R3 200	86 642
R3 201 - R6 400	76 033
R6 401 - R12 800	66 194
R12 801 - R25 600	50 099
R25 601 - R51 200	21 361
R51 201 - R102 400	5 494
R102 401 - R204 800	2 784
R204 801+	1 951
Unspecified	35 748
<b>TOTAL</b>	<b>597 520</b>

The general household survey of StatsSA for 2006 provides the following estimates on expenditure for households in the City of Tshwane:

<b>General Household survey 2006 (StatsSA)</b>	
<b>Estimated Expenditure City of Tshwane Households</b>	
R 0 - R 399	95 921
R 400 - R 799	126 212
R 800 - R 1 199	95 921
R 1 200 - R 1 799	80 776
R 1 800 - R 2 499	55 533
R 2 500 - R 4 999	65 630
R 5 000 - R 9 999	50 485
10 000 or more	25 242
Don't know	5 048
Refuse o provide information	0
Unspecified	25 242
<b>Total</b>	<b>626 010</b>

<sup>1</sup> StatsSA Data of Census 2001 adjusted to new demarcation, 2005.

## 5.1.2 Geography

Figure 5: Provincial Context

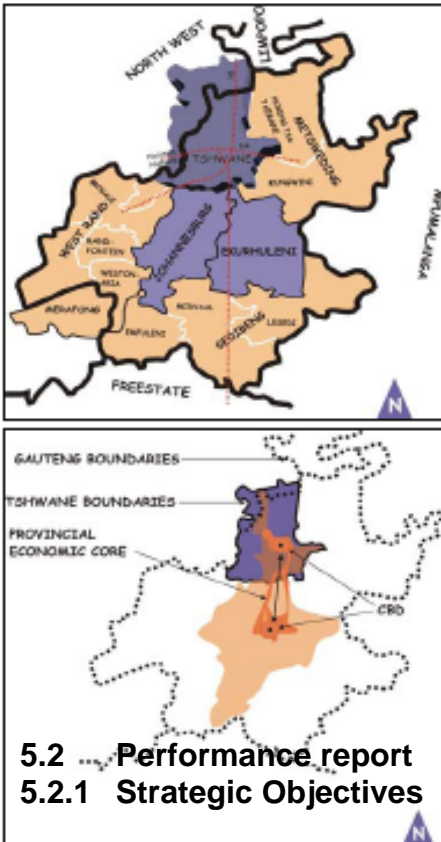
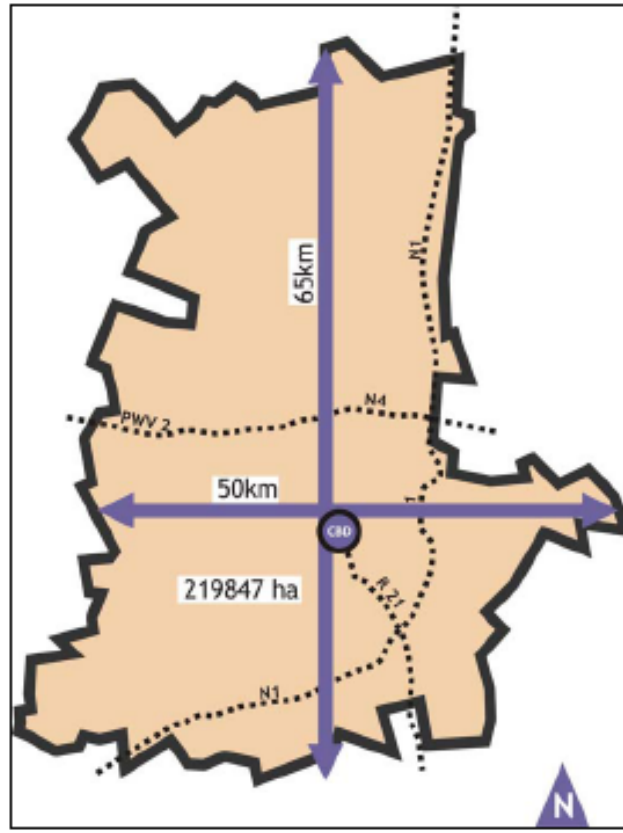


Figure 6: Tshwane Size and Dimensions



Source: The City of Tshwane Metropolitan Municipality

Council approved the following strategic objectives as the basis for its 5 year programme:

- Provide quality basic services and infrastructure
- Accelerate higher and shared economic growth and development
- Fight poverty, build clean, healthy, safe and sustainable communities
- Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service
- Ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate

## 5.2.2 Key Performance Areas

### PROGRESS BY THE END OF JUNE OF THE 2006/07 FINANCIAL YEAR

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
Eradication/reduce of infrastructure backlogs	The percentage of households <sup>2</sup> with access to basic levels of (water, sanitation, electricity, solid waste removal), roads and stormwater and housing (NKPI)	Backlogs  In view of this indicator being an aggregated indicator, the backlogs per type of service differs and is discussed below per service	Eradicate basic services backlogs equal to or earlier than national targets	Targets set per function		
		146 664 households are living in informal settlements of which 93% (136 397) are South African citizens  240 969 informal dwelling units that should be formalised	Housing: 80% of 136 000= 112 000	6000 top structures	7609  Of the 146 644 h/h living in informal settlements at the beginning of the financial year, 139 055 still live in informal settlements, which equals 22.4% of the population of 620210.  Of the 620210 h/h 481 155 (77.6%) of households have access to formal housing	
		23,6% of the total households live in informal	65 settlements <sup>3</sup> that can be formalised By 2009, all informal	20% of 65 settlements that can be established = 13	18 areas were proclaimed	It needs to be understood that there is a difference between

<sup>2</sup> For purposes of the 2006/7 financial year the total number of households in the City of Tshwane is estimated at 620 210 as per StatsSA General Household survey 2005.

<sup>3</sup> As per HCPPEM departmental detail report for the 4<sup>th</sup> quarter 2006/7

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
		settlements	settlements that can be established as townships are established and the rest established by 2014			establishing a settlement <sup>4</sup> , proclaiming a township <sup>5</sup> and formalising informal settlements. <sup>6</sup>
		Water: 20 263 <sup>7</sup> 600( Functional analysis)  Housing: 112 000	Universal basic water by 2008  Upgrade the 20 263 households with a below basic level of water service to at least a basic level before December 2008  Provide services to the houses as they are built by the Housing Department.	11 430  (1430 = Water Sanitation Department)  ( 10 000 = Housing Department)	20 198 water connections  Households with access to basic or higher water: Tshwane report card survey (HSRC, 2006) indicate 89% of households have access to piped water  Water Department functional Analysis: 396,419 citizens have access to piped water inside dwelling  109 206 have access to piped water from a tap < than 200m from dwelling  82% of citizens have access = 505625 h/h	Planning (land-use) process to be finalised  The network pipelines together with the house connections were installed but not connected due to the process of identifying the beneficiary list of the people who will in future occupy the relevant stands (1816) once the area is formalized. ( MAJANENG / MOROKOLONG / GREATER TEMBA )  The difference between the HSRC figure and the lower figure might be attributed to citizens

<sup>4</sup> Established township = Township approved by Council

<sup>5</sup> Proclaimed township = Township proclaimed in the Provincial Gazette after is was approved by Council

<sup>6</sup> Formalizing townships (Housing Dept) = township that was pegged and ready for the installation of services – thus a township where stands can be identified.

<sup>7</sup> The Water backlog was estimated at 28 869 per reviewed IDP 2006-2011 but is now estimated at 20 263 as per information provided by the Department of Public Works and Infrastructure for the analysis of backlogs, see Chapter 2 of this report

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
						with access to piped water but within a distance greater than 200m from the dwelling
		<p>The Electricity Department will electrify houses delivered by the Housing department in terms of the Housing backlog.</p> <p>Other than the Housing backlog there is no backlog, excluding figures in the Eskom supply</p>	Electricity equals the Housing backlog (112 000) <sup>8</sup> (excluding figures in the Eskom supply areas)	<p>6000</p> <p>6941 in Winterveldt</p>	<p>11 131</p> <p>13 110 in Winterveldt</p> <p>47 964 Eskom consumers<sup>9</sup> + 445 053<sup>10</sup> CoT households = 493 027. This forms 79.5% of the total 620210 h/h with access to electricity.</p> <p>The HSRC Tshwane Citizen's report card survey done in 2006 reports 82% access</p>	<p>Note: The annual report of 2005/6 indicated an estimated backlog of 8 746 connections, p. 204 of CoT annual report 2005/6</p> <p>The target was exceeded due to additional connections provided in ESKOM areas</p>

<sup>8</sup> It was decided (see 5-year programme: detailed city plan) that 112 000 (82%) of 136 000 top structures will be electrified.

<sup>9</sup> Figure provided by the CoT Electricity Department in the 4<sup>th</sup> quarter report

<sup>10</sup> 420 812 CoT households with Electricity as per City of Tshwane annual report 2005/6, p.16 + 11 131 + 13 110 (achievement of the year under review)



KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
		areas				
		Sanitation: 38 760 <sup>11</sup> Housing 112 000	Contribute towards the national target of universal basic sanitation by 2010	12 963 (Housing Department as well as Water and Sanitation)	20 849 sewer connections  Households with access to basic or higher sanitation:  Flush toilets: 72% VIP toilets: 23%  95% with access <sup>12</sup>	
		<ul style="list-style-type: none"> <li>An estimated 402 km of class 4 roads (bus routes) which currently are gravel roads</li> <li>An estimated 2357 km class 5 roads (internal roads) which currently are grave roads<sup>13</sup></li> </ul>	To reduce the current backlogs of roads by 14% by 2011, with 25% by 2016 and by 60% by 2020 <sup>14</sup>  14% = 327.6km by 2011	Upgrade and construct:  41.7km of roads; and          25.7km of Stormwater	40.46km of road  There is a total of 7863km of road in the CoT of which 5536 is tarred       39.7 km of stormwater	All work on roads planned in Block HH in Soshanguve did not materialise, due to lack of capacity by the Contractor on short notice   The Stormwater target was exceeded due to fund re-allocation during project execution
		146 664 (Households in informal	Universal access to solid waste removal by 2011	10 000	7 500  84,6% of households with access to	Awaiting final resolution from Council regarding 85/240 litre containers

<sup>11</sup> Previously estimated at 96 426 (CoT reviewed IDP 2006-2011) now estimated at 38 760. Figure provided by the Department of Public works and infrastructure for the analysis of backlogs; see Chapter 2 of this report.

<sup>12</sup> HSRC, 2006, Tshwane Citizen's report card survey

<sup>13</sup> Figures from a report that served before Council on 25 January 2007: Defining service levels

<sup>14</sup> Note: The current estimated cost of backlogs on roads are R6200 million and on stormwater R1 200 million

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
		settlements) – 44 162 <sup>15</sup> (Households provided with skips and refuse removal by plastic bags) = 102 502			basic or higher waste removal services  90% households in formal areas with access to full (kerb side waste removal) <sup>16</sup> 36% in informal areas have weekly refuse removal <sup>17</sup>	
Provide quality infrastructure for growth	Provision of infrastructure per type as a proportion to new demand/need (growth)		Provide infrastructure that meets growth demands and prevent the creation of new backlogs. <sup>18</sup>	Targets set per function	The infrastructure prioritised to deliver in the new demand for services in the city was the following: <ul style="list-style-type: none"> <li>• Electricity</li> <li>• Housing top structures</li> <li>• Waste service points</li> <li>• Parks</li> <li>• Water infrastructure</li> <li>• Roads</li> <li>• Stormwater drainage</li> <li>• Sewer infrastructure</li> </ul>	
			Provide 11 131 new electricity infrastructure developments per projected annual growth	2132	Electricity  6305 infrastructure developments were added to the network.  3839 of these were provided by private developers.	Additional funding made available and private developers provided additional developments.

<sup>15</sup> CoT annual report 2005/6, p. 187

<sup>16</sup> HSRC, 2006. Tshwane Citizen report card survey.

<sup>17</sup> HSRC, 2006. Tshwane Citizen report card survey

<sup>18</sup> A decision was taken at the end of the second quarter 2006/7 financial year to focus on the eradication of backlogs (see 2<sup>nd</sup> quarter organizational performance report, Annexure A 1.2.2) rather than providing infrastructure for growth, due to resource constraints. This decision specifically relates to Housing but will consequently impact on Water and Sanitation, Electricity and the other infrastructure Departments

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
Provide quality infrastructure for growth	Provision of infrastructure per type as a proportion to new demand/need (growth)		Provide 10 000 top structures per annum per projected annual growth	10 000	<p><b>Housing</b></p> <p>Could not be achieved due to resource constraints. Focus on eradication of backlogs first as approved in the second quarter report of 25 January 2007.</p> <p>Top 20 projects will not provide any additional funding. The intention of the Premiere was clarified - projects in the current IDP's should be identified and reported ( In the 3 major townships – Atteridgeville, Soshanguve and Mamelodi)</p>	<ul style="list-style-type: none"> <li>• Due to funding limitations only the eradication of the backlog is currently being dealt with – external funding is determined by Province</li> <li>• Provincial delivery is much lower than projected due to outstanding registration by Province with NHBRC to act as developer</li> <li>• Provincial Delivery is included in the achieved target under backlogs above</li> </ul>
Provide quality infrastructure for growth	Provision of infrastructure per type as a proportion to new demand/need (growth)		Provide 112 294 new waste service points <sup>19</sup>	16 000	<p><b>Waste service</b></p> <p>Total of 13 078 new service points provided excluding 851 containers which was 0.</p>	
			1000km of water pipes provided for growth	100km	<p><b>Water infrastructure</b></p> <p>Water: 110 ,7 km Bulk water and water network pipes provided</p>	
Provide quality infrastructure for	Provision of infrastructure per type as a proportion		Provide 70km of new road for growth	13,5km	<p><b>Roads</b></p>	Township developers completed more work

<sup>19</sup> Baseline is 715 356 service points with approximately 3% annual growth

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
growth	to new demand/need (growth)				37,5 km of roads for growth	than expected due to the boom in the economy
			Provide 28 km of new stormwater drainage systems	3,2 km	Stormwater drainage  34.48 Km of stormwater drainage for growth provided	Township developers completed more work than expected due to the boom in the economy
			Provide 1500km of sewer pipes to cater for growth	45 km	Sewer infrastructure Sanitation: 31.,08 km Bulk sewer and sewer network pipes provided	06/07 budget depleted
Ensure maintenance of existing infrastructure	% expenditure on infrastructure maintenance (R)		Expenditure on infrastructure maintenance is in line with national norms and standards by 2011	13,2%	Repairs and Maintenance to Total operating income 9,13% <sup>20</sup>  R725 763 000	<u>Housing:</u>  Funding constraints only allows for day- to-day maintenance
Ensure optimal resource utilization	% unaccounted for water and electricity		% unaccounted for water and electricity losses to be in line with internationally accepted benchmarks by 2011	Water  The annual programme target is: "Reduce unaccounted for water from 26% to 23%. (3% reduction per year)"	Water:  27.8%	The percentage reduction in UAW on an annual basis is revised to 1% until such time that the billing information on SAP have been stabilized as resolved per special report to the MM dated 20/04/2007. Baseline however, was 26% and becomes 29.8% on a recalculation
Ensure optimal resource utilization				Electricity 9%	8,36%	The figure for losses depends on the billing

<sup>20</sup> Information as per Finance Department report, dated 27 July 2007 on the Provisional Financial Statements

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
						and purchases figure. If billing figure is not accurate, the losses figure will not be reliable.
Optimise labour intensity and community involvement	Nr of service delivery initiatives with local labour content as a proportion of the total		By 2011 all labour intensive initiatives of COT have 90% local labour	OMM (COO)	All infrastructure Departments achieved 100%  <i>Economic Development</i> <ul style="list-style-type: none"> <li>8 of the 10 capital projects initiated at Wonderboom Airport were done with a large contingent (50% to 80%) of local labour.</li> </ul>	
Leverage growing and strategic sectors in the City in a way that optimize investment opportunities and focus on establishing an integrated economy	The number of COT LED initiatives (incl. capital projects) that focus on strategic and growing sectors as a proportion of the total		All COT local economic initiatives should focus on growing and strategic sectors with strategic partners by 2008  The sectors where the COT can influence growth directly are <sup>21</sup> : <ul style="list-style-type: none"> <li>Knowledge-intensive industries</li> <li>Information &amp; Communications technology</li> <li>Biotechnology</li> <li>Electronics</li> <li>Advanced materials</li> </ul>	Baseline to be established	<ol style="list-style-type: none"> <li>Knowledge-intensive industries <ul style="list-style-type: none"> <li>SMART CITY initiative with the Office of the Executive Mayor, Electricity, City Planning and IMD</li> </ul> </li> <li>Information and Communications <ul style="list-style-type: none"> <li>ICT SECTOR with IMD and City Planning</li> </ul> </li> <li>Biotechnology <ul style="list-style-type: none"> <li>Bio-tech Sector with Agriculture</li> </ul> </li> <li>Automotive cluster <ul style="list-style-type: none"> <li>Auto sector with Infrastructure and Public Works, City Planning</li> </ul> </li> <li>Aerospace cluster <ul style="list-style-type: none"> <li>The entire Wonderboom Airport capital budget was</li> </ul> </li> </ol>	

<sup>21</sup> Presentation made by the SEO: Economic Development, Dr Wiese at an Economic Development Planning Lekgotla during February 2007.

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
			manufacturing <ul style="list-style-type: none"> <li>• Defence spin-off technologies</li> <li>• Aerospace cluster</li> <li>• Automotive cluster</li> <li>• Logistical cluster</li> <li>• Urban agriculture</li> <li>• Tourism</li> <li>• 2<sup>nd</sup> economy</li> </ul>		earmarked to influence growth of the Aerospace cluster.  Over and above the initiatives mentioned above, the Economic Development Department had 12 approved capital projects of which the sectors focused on were as follows: <ul style="list-style-type: none"> <li>• 7 on urban agriculture</li> <li>• 2 on the second economy</li> <li>• 2 on tourism (i.e. 11 out of 12 projects focused on growing and/or strategic sectors)</li> </ul>	
	% growth in the CoT GVA <sup>22</sup>		6% growth of GVA <sup>23</sup> per annum	6%	The GVA per capita for CoT in 2006 was R48 399.  CoT achieved 7,8% GVA growth for the period 2006-2007 according to Global Insight <sup>24</sup> (based on information provided by Stats SA and other economic data) Gauteng achieved 6,1 % ; and SA 4,9%	
	Decrease in the Gini coefficient		Decrease Gini coefficient <sup>25</sup> by 0.1 p/a (baseline (0.75) (2001)	Reduce by 0.1	The household Gini-coefficient was 0.57 <sup>27</sup> for CoT in 2006	

<sup>22</sup> Page 180 of cities network 2004- The % growth of GVA (gross value added) in Tshwane (2002) was 5%, but its contribution to National GVA for 2002 was 10%. These are 2 separate measures.

<sup>23</sup>  $GVA = GDP - \text{taxes on products} + \text{subsidies on products}$ . Therefore  $GVA = (C+I+G+(X-M)) - T_c + TP_c$ .

<sup>24</sup> Information provided by the Economic Development Department for the 4<sup>th</sup> quarter report

<sup>25</sup> The nearer to 1 the more unequal a society is.

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
			The household Gini-coefficient <sup>26</sup> (PDG method) as used by the SACN was 0.72 for CoT in 2005. Other methods in use, e.g. Global Insight show the Gini around 0.64 for South Africa in general and 0.59 for Gauteng province (i.e. for individuals)		The Gini in South Africa for the same period was 0.64.  This means that CoT achieved greater equality between the highest paid and lowest paid individuals, as compared for the country as a whole.	
Increase participation and broaden the contribution in growing the city's economy through the development of SMME's, co-operatives, the informal sector and the role of black people, women and youth	Nr of SMME's and/or cooperatives that empower black people, women and the youth supported and developed		At least 8000 SMME's and or cooperatives by 2011, of which 75% are to be black person/women/youth owned	Electricity: 10  Economic Development: 1500	20 were supported by Electricity  3 091 were supported by Economic Development	In order to achieve the 5-year target, 1600 SMME's must be developed p.a.
Establish strategic partnerships to ensure a focused common vision and good economic governance	Rand value of investment in Tshwane as a direct result of strategic partnerships		The baseline for current rand value should be determined in 2006 and then a target set	R100 million	R106 million was invested in total	

<sup>26</sup> The closer the Gini-coefficient moves to 1 the more unequal the income distribution

<sup>27</sup> Global insight report as provided by the Economic Development Department for the 4<sup>th</sup> quarter report

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
value system						
	% of business in Tshwane indicated that the CoT's efforts to create an enabling business environment have improved over the past year		80% of business indicated satisfaction with the CoT's efforts to create an enabling business environment by 2009	Baseline to be established	45% of businesses surveyed rated the CoT's efforts as 'average' to 'very good' in creating an enabling environment for business development. <sup>28</sup>  62% of formal businesses 28% of informal businesses	Results of survey indicated that the Council is not meeting the needs of the smaller businesses. A strategy needs to be developed to address these perceptions
Implement job creation initiatives	The number of jobs created through a municipality's (local economic development) initiatives, including capital projects (NKPI)		Create at 5000 permanent jobs with strategic partners per annum from initiatives (LED), including capital projects	5000	100- LED	A total of 61 319 jobs were created in the CoT economy <sup>29</sup>
			Create at least 53000 short term jobs <sup>30</sup> from initiatives (LED), including capital projects (NKPI)	10 600	3 663 – LED 100 – Transport 143 – Agricultural trading 1730 - Water & Sanitation 832 - Roads & Stormwater 802 – Electricity TOTAL: 7270	
Intercept the cycle of poverty by investing in human resource development programme that optimise the wellness and potential of our	Departmental level KPA				The StatsSA General Household survey for 2006 gives an estimated 318 054 households with expenditure levels of less than R1200-00 per month, out of an estimated 626 011 households, i.e. 50,8% of households in the city	There is no city level indicator for the KPA – therefore it is impossible to report progress on the interception of poverty

<sup>28</sup> Marketing Surveys and Statistical Analysis (MSSA), 2007. Tshwane Business satisfaction survey.

<sup>29</sup> Global Insight, Information provided by the Economic Development Department for the 4<sup>th</sup> quarter report

<sup>30</sup> Number of short term jobs created in the execution of projects (CoT Standard is 1 Job = 240 man days)



KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
people from birth throughout life						
Reduce the burden of poverty through an effective indigent policy that enhances the access for all those who qualify and link indigent families to targeted poverty alleviation programmes that would improve household income	% of households earning less than R1700 <sup>31</sup> per month with access to free basic services (NKPI)		100 % of households earning less than R1100 per month have access to free basic services (NKPI)	100%	For the financial year 2006/7 a policy was in place ensuring free basic services (water, sanitation & electricity) to all households in formal areas.	Social Development reported that the total number of indigent <sup>32</sup> , 46 800 receives free basic services.
			100% receive free Electricity	100% in the Tshwane supply area	100% in the Tshwane supply area.  31 611 of 42 337 (77%) in Eskom supply areas	
			100% receive free waste removal services	Establish a baseline	90 000 households have access to free basic services by the placing and emptying of 90 skips in informal areas per month  Of the 90 000 households 39 609 receive free plastic bags  24, 75%	
			100% receive free basic water	100% of formal areas	100% of formalised households receive free basic water 391,227 households receive free basic water (Detailed departmental analysis)  100% of informal settlements receive water via JOJO tankers	
			100% receive free basic	100% in formal areas	100% in formal areas	

<sup>31</sup> Approximately twice the pension amount per month- and will change as pensions change

<sup>32</sup> Social package policy: Inter alia: If the total gross monthly income of all the members of the household does not exceed the joint pensions of 2 old age state pensioners

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
			sanitation			
Promote viable communities by establishing mixed human settlements closer to economic opportunities with social, cultural and economic development programmes that enable celebration of diversity and foster social inclusion.	% of settlements close to economic opportunities		70% of settlements close to economic opportunities either through being located there or by having opportunities developed in their area	A target of 1% was set for the 2006/7 financial year.	The Department reported that a total of 27 applications for development close to economic opportunities were approved.  80% of these applications were within 5 km of economic opportunities.	In order to increase the measurability of this indicator the following is used:  “Close” is defined as within a 5 km radius “Economic opportunity” is identified economic nodes and corridors as per the Tshwane Spatial Development Strategy  That the indicator be changed to:  Number of new settlements developed / townships established within a 5 km radius of economic opportunities (nodes and corridors identified in the Tshwane Spatial Development Strategy)
Decrease the vulnerability of	% increase in the Tshwane CDI (standard		Raise the current Tshwane CDI from 62.0 to 64.0 <sup>33</sup>	Establish baseline	HDI <sup>34</sup> reported by Global Insight <sup>35</sup> of 0.71 for the period under review	The CoT falls in the above average

<sup>33</sup> The current Benchmark is Cape Town with a CDI of 73.2. The standard of living of the people is better the closer the figure to hundred.

<sup>34</sup> The 2006 SACN report has started the use the human development index. The HDI is a composite index of economic and social wellbeing, based on life expectancy, educational attainment and a decent standard of living. An HDI value of between 1 and 0,8 is regarded as a high level, 0,799-0,5 medium and 0,499-0 low.

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
targeted groups at risk through mainstreamed programmes for children, youth, women, disabled and elderly	of living) as measured by the SACN.					category of higher than 0, 69.  In view of the SACN change, this indicator needs to be reviewed and adjusted to the Human Development Index (HDI), used internationally.
Promote a culture of competitive and professional sports activities and prepare the city to host the Africa and World Soccer cups in 2009 and 2010 respectively	Nr of world class sports events taking place in Tshwane		10 world class sports events by 2011 (i.e. 2 p.a.)	2	6 events were held	
Ensure the safety of our communities, businesses and roads through fostering a culture of respect for the rights of all	% of residents in Tshwane that indicated that the municipality's efforts to promote a safe environment by enforcing laws have improved over the past year.		95% of residents surveyed by 2009 indicated that the municipality's efforts to promote a safe environment by enforcing laws have improved over the past year	Baseline to be established	The Residents' and business satisfaction survey (2006) <sup>36</sup> indicated that 57 % of Business managers/ owners and one third of households reported seeing a metro police officer in their area at least once a day, while a further quarter saw an officer at least once a week. One in five households (20%) indicated that they never saw an officer in their area.	
Promote a clean,	% of uninsured population who have access to		100% of uninsured population have access to	98%	98% of households have access to PHC within a radius of 5km.	This indicator measures "municipal health

<sup>35</sup> Information provided by the Economic Development Department.

<sup>36</sup> City of Tshwane Customer Care Division 2006.

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
healthy and sustainable environment and reduce the burden of preventable diseases on our people and our economy including Chronic illnesses, TB, HIV and AIDS.	municipal health services (as a factor or availability of clinics, health care practitioners and essential drugs)		municipal health services			services” not Primary Health Care – the reporting also includes access to primary health care via provincial clinics, health care practitioners and essential drugs provided and does therefore not reflect only the municipality’s achievement singularly.
Ensure that the city has a disaster prevention and management plan as well as optimal capacity to respond to emergencies.	The preparedness of CoT to prevent and manage a disaster or emergency as reflected in interdepartmental cooperation structures, availability of people, procedures, equipment and information per type of emergency and disaster.		CTMM is prepared for 70% of possible disasters in line with the disaster management plan, and 90% prepared for emergencies in terms of the emergency management plan.	Baseline to be established  Disaster Management: 90%.	The Department achieved a score of 129% which means that it had over achieved against its targets for the financial year against the index for preparedness for emergencies and disasters.	This KPI actually represents an index. <sup>37</sup> This means that it actually consists of a number of indicators that are weighted and then calculated.  <ul style="list-style-type: none"> <li>• A policy document for Disaster Risk Management namely a Disaster Risk Management Framework for City of Tshwane has been developed and submitted to the Mayoral committee for approval;</li> <li>• A Disaster Risk</li> </ul>

<sup>37</sup> This index comprises the indicators on the Departmental scorecard for the financial year 2005/6 and includes inter alia response to fire incidents etc.

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
						<p>Management Plan for City of Tshwane has been developed and submitted to the Mayoral committee for approval and permission to commence with the establishment of interdepartmental planning clusters for the development of generic and risk specific contingency plans.</p> <p>A macro disaster risk assessment for the City of Tshwane geographical area has been executed, resulting in the identification of 10 priority risks for Tshwane. The results have been included in the Disaster Risk Management Plan for City of Tshwane</p>
Optimise effective community participation in the ward committee system by strengthening the	Nr of initiatives implemented to strengthen ward committees		The number of initiatives implemented is in line with needs identified	1 induction session, 2 training, 1 conference	1 induction programme 2 Housing Consumer education workshops for councillors and ward committees	

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
capacity and effectiveness of the ward committees to support the ward councillors' capacity to engage in sectoral activities.						
Strengthen ward committees capacity to engage in sectoral activities linked to the national, provincial and city-side programs through amongst others the support of the involvement of the Community Development Workers (CDW) programme.	% of ward committees functioning actively performing the functions of ward committees in the system of participatory democracy		100% of ward committees fulfilling their functions	100%	7 out of 76 wards not fully functional 92.8% of ward committees function actively.	
Entrench a customer focused approach to citizenry and business by setting standards that we achieve guided by the Batho Pele principles	Degree of compliance of CoT service delivery to Batho Pele norms and standards		All areas of service delivery comply by 2010	Standardize procedures by developing norms and standards	A norms and standards document has been submitted for approval by the Customer Care Division.  Report of the Office of the Municipal Manager: Setting Customer Care Service Standards was approved by the Municipal Manager on 22 May 2007.	It was not clear if this applied only to CRM or all other departments in the Municipality, hence the delay. Training for all departments on how to set and implement norms and standards will be done in consultation with the city's Training facility.

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
Good governance	The % of residents of Tshwane who have indicated that CoT governs well		95% of CoT residents surveyed indicated that CoT governs well	Establish a baseline	The Tshwane's Residents & Business satisfaction survey for May 2007 <sup>38</sup> indicated the following:  1. Less than half (46%) of total sample (n = 1200) felt that the CoT is doing a good job in delivering the service needed. 2. 8% (Eight percent) of business respondents and 4% of households claim to have been offered a bribe from a city official in the past 12 months. This statistic may be regarded as high depending on the weighting of the severity of a bribe.	There was no significant difference between both the household and business segment respondents on the perception of the municipality doing a good job.
Sustainability management	% of municipal debt over 90 days		Reduce municipal debt over 90 days from 78% to 68% by 2011.	76%	75%	
	Efficiency gains in Rand value due to the implementation of alternate service delivery mechanisms		A comparison of expenditure prior to and after implementation of alternate service delivery mechanisms shows savings by 2011	Cost of organisational structure as on 1 July 2006 to be maintained or reduced (taking the municipal cost index into account) Cost of remuneration financial year 2005/6 = R2 369 366 000 (12 979 positions filled) Average salary per employee = R 182 553.81 p.a.	Cost of remuneration financial 2006/7 = R2 412 004 371 (12 331 positions filled) Average salary per employee = R196 604.92 p.a.)	An increase in total employee costs of only 1.8% for the year despite an agreement with SALGA and Unions to increase salaries. This is an excellent achievement in managing the remuneration costs.

<sup>38</sup> City of Tshwane. Customer Care Division. 2007 (Research report for City of Tshwane Metropolitan, June 2007, page 98)

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
	Remuneration as a % of the total operating budget		In line with Restructuring Grant targets (i.e. 28%)	32.6%	27.97%	
Prudent financial management	Financial viability as expressed by : i. $A=(B-C)/D^{39}$		The financial viability is to be achieved in terms of the restructuring grant targets	Debt coverage of 8,2	8 <sup>40</sup>	
	Financial viability as expressed by : ii. $A=B/C^{41}$ (NKPI)			Outstanding service debtors to revenue of 20%	23.7%	
Prudent financial management	Financial viability as expressed: iii. $A=(B+C)/D^{42}$ (NKPI)			Cost coverage of 1.0	Cost coverage of 0.9	
	% of a municipality's capital budget actually spent on capital projects identified for a particular financial year as per the IDP (NKPI)		The % of budget spent is in line with the restructuring grant conditions with 99% achieved by 2009	95%	85.9% <sup>43</sup>	
Local government responsiveness to residents	% of residents surveyed who indicated satisfaction with CoT responsiveness		80% of residents surveyed annually indicate they are satisfied with CoT responsiveness	Establish baseline	Respondents to the Tshwane residents' and business satisfaction survey 2006 rated the city's responsiveness <sup>44</sup> at 49.8% 22% of respondents to the above survey have lodged complaints	

<sup>39</sup> A= Debt coverage, B= total operating revenue received, C= operating grants, D= debt service payments due within the financial year

<sup>40</sup> Financial viability figures for the NKPI taken from the Finance Department 2<sup>nd</sup> provisional report to Mayoral Committee

<sup>41</sup> A= outstanding service debtors to revenue, B= total outstanding service debtors, C= annual revenue actually received for services

<sup>42</sup> A= cost coverage, B= all available cash at a particular time, C=investments, D= monthly fixed operating expenditure

<sup>43</sup> Finance Department 2<sup>nd</sup> Provisional report 27 June 2007.

<sup>44</sup> I.e. promptness



KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
					during the previous 12 months of which 79% felt that their complaints have not been dealt with satisfactorily	
Performance monitoring and evaluation	The degree to which CoT programmes, projects and initiatives respond to the needs and priorities of its communities		Improve service delivery such that all programmes, projects and initiatives make a positive impact on the communities as per their identified needs and priorities	All programmes, projects and initiatives must be planned for developmental impact (incorporates developmental targets: namely to e.g. increase the % of local vendors used by the municipality in order to support job creation in the local (Tshwane) area Baseline to be established	R&SW: 73.6% Legal & Secretarial 76% Electricity 62% Social Development 100% Sport, Recreation, Arts & Culture 100% Water & Sanitation: 85.9% Emergency Management Services 37,65% Tshwane Metro Police Department: 100% Corporate Services 70% Local Economic Development: 85% Tourism 94% Agricultural Trading Division 90%	“Impact” is understood to be the difference between the outcome for a sample exposed to The City’s activities and the outcome that would have occurred without the intervention  Therefore the reporting is indicative of the city not having reached maturity to assess the impact of using local vendors on the city’s employment levels but is only able to measure an assumed input.
Ensure cooperative governance (IGR)	Degree of integration between the CoT and other spheres of government in the delivery of critical programmes or initiatives		Achieve full integration of the delivery of critical programmes by 2011	Integrate critical programmes in the CoT planning	All Critical National programmes were considered in the planning for the 2006/7 Medium Term Revenue & Expenditure Framework	See the development of detail departmental business plans as described in the 2006-2011 reviewed IDP (Chapter 3 and 4 of the IDP)
Perform risk management	The degree to which COT risk management practices reflect international best practice, norms and		All COT risk management practices in line with international best practice and norms and standards by end 07/08	100% implementation of risk management practices as per Strategic Risk Register	The target was not achieved by all departments:  Proof of achievement on action plans were submitted by Economic	

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
	standards				Development (82%), Emergency Management (100%), Electricity (100%), Finance (87%), Corporate Services (56%), Governance (71%), Metro Police (80%), Office of the Municipal Manager (0%), Water and Sanitation (83%), Social Development (95%), Housing (100%), and Roads and Storm Water (89%), Legal and Secretarial Services and Municipal Courts (0%).	
Sound human resource management	% of human resource practices that reflect best practice and compliance with legislation		75% of all COT human resource practices are in line with international best practice, norms and standards, and 100% comply with legislation		<p>This KPI actually represents an index. This means that it actually consists of a number of indicators that are weighted and then calculated. Compliance to the following pieces of legislation is currently monitored by Corporate Services:</p> <p>Compliance to the following applicable legislation:</p> <p>Basic Conditions of Service Act - 100%  Labour Relations Act- 100%  Skills Development Act -100%  Occupational Health and Safety Act- 90%  Employment Equity Act- 80 %</p> <p>Current Human Resources Practices have not formally been</p>	

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
					benchmarked against best practices and such exercise will be undertaken in 07/08	
E-governance	Degree of response of ICT to organisational service delivery needs		Ensure integrated systems that support service delivery and ensure accountability by 2008.	Engage with role players to ensure system integration for development process	<p>This KPI requires an evaluation of the systems support to the organisational service delivery needs.</p> <p>The design of an integration database (to integrate data between SAP, GIS and IBIS) is in progress</p> <p>Various interfaces developed to enhance integration to other systems</p> <p>The following integration was done:</p> <ol style="list-style-type: none"> <li>1. Interface between SAP and Valuation system</li> <li>2. Interface between GIS, LIS and SAP</li> <li>3. Interface Management tool implemented to facilitate interface files between SAP and external systems</li> <li>4. SAP asset management integrated with the inventory control system.</li> <li>5. Interfaces between IBIS and SAP</li> <li>6. Electronic payment interfacing between Standard Bank and SAP</li> <li>7. Interfacing between Cashbook, Cashiers and SAP enhanced</li> </ol>	
Establish a public	Timeframe for the			Finalisation of the	The committee was established and	

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
accounts committee	establishment of a public accounts committee			establishment of the public accounts committee.	approved by council.	
Customer relations management	% of residents surveyed who indicated satisfaction with COT responsiveness		80% of customers surveyed annually indicate that they are satisfied with COT responsiveness		The Tshwane residents' and business satisfaction survey 2006 indicated respondents thought "always true" or "most of the time true" for the following statements on service delivery in the city:  Consultation: 28% Service standards: 18% Access: 41% Courtesy: 36% Information: 31% Openness and transparency: 24% Redress: 19% Value for money: 26%	Also see the KPA above "Local government responsiveness to residents" where exactly the same indicator was used.  It is recommended that the two KPA's be merged for the 07/08 financial year reporting.
Skills audit: recruitment, retention and succession planning	% of rare and essential skills retained per job category		Ensure that 70% of rare and essential skills per job category are retained by 2011		A thorough skills audit will be done during FY 07/08 that will establish rare and essential skills retention strategies aligned to the ASD  R6m worth of bursaries was offered to employees and non employees.	
Ensure employment equity	The number of people from employment equity target groups employed per organisational level in compliance with the municipality's EE plan (a national KPI)		Annually achieve the targets set out in the municipality's EE plan thereby achieving 100% of the EE plan by 2011	Improve EE levels where positions are advertised externally	208 employees 38% (25.9% male) (12.% female) of levels 1-4 are African 18 employees 3.3% (2.6% male) (0.7% female)of levels 1-4 are Coloured 16 employees 2.9%(2% male) (0.9%	

KPA	KPI	BACKLOG	5-YEAR PROGRAMME TARGET	2006/7 target	ACHIEVED 2006/7 (Reported against the indicator(KPI) / measure)	COMMENTS ON VARIANCE
					female) of levels 1-4 are Indian 306 employees 55.8%(40% male) (15.9% female) of levels 1-4 are White	
Human resource development plan	% of a municipality's budget spent on implementing its workplace skills plan (a national KPI)		Achieve national norms and standards by 2011 in terms of the % of the budget to be spent on implementing the workplace skills plan.	1% of the remuneration budget	The COT is paying 1% of the remuneration budget as levies to the SETA, which is an estimated amount of R18 024 404, 00. <ul style="list-style-type: none"> <li>• Skills levies paid 2006/07 R8,729 737.55m</li> <li>• Grants Claimed R4, 485 109.75m</li> <li>• Training Budget for 2006/07 R 31 598 914 m</li> </ul>	

### 5.3 Issues for Province to report on:

UNIT OF FOCUS	WHAT HAS BEEN COMPLETED  No of Households with access to at least basic service	WHAT IS CURRENTLY BEING ADDRESSED Households with below basic service	WHAT HAS NOT BEEN DEALT WITH AT ALL, WHY, AND WHAT ARE FUTURE PLANS	WHAT ARE FINANCIAL IMPLICATIONS AND WHERE ADDITIONAL FUNDING IS NEEDED	WHAT ARE LEGAL IMPLICATIONS
Water (Access to potable water, backlogs)	537100	Water and Sanitation: 20263 Housing: 36289 Total:56552	0	Water and Sanitation only: Total required: R125m Shortfall: R13m	National target of Dec 2008 may be missed if funds are insufficient
Sanitation (hygienic sanitation) backlogs	455500	Water and Sanitation: 38760 Housing: 136394 Total:175154	0	Water and Sanitation only: Total required: R380m Shortfall: R115m	National target of Dec 2010 may be missed if funds are insufficient
Electricity ( access to electricity) backlogs	493017	Electricity: 7,500 Housing:136, 394 Total:143,894	0	Electricity funds required R490m.Shortfall:R121,7m	National target of Dec 2011 may be missed if funds are insufficient
MIG ( status and Number of projects and expenditure trends)	Total of 14 Projects for current financial year. Total Budget for 2007/08: R79 200 000	Water: 20263 Housing: 36289 Total:56552 Sanitation: 38760 Housing: 136394 Total:175154	0	Water only: Total required: R125m Shortfall: R13m Sanitation only: Total required: R380m Shortfall: R115m	National target of Dec 2008 may be missed if funds are insufficient National target of Dec 2010 may be missed if funds are insufficient

## 5.4 Functional analysis per Government Finance Statistics (GFS) Classification

### 5.4.1 Executive and Council

#### a) Overview and Description of key issues

The City of Tshwane is a municipality with a mayoral executive system combined with a ward participatory system in accordance with Section 2(g) of the Gauteng Types of Municipality Act, 2000, and Section 2(1) (c) (vii) of the North-West Municipal Structures Act, 2000.

The Council comprises 152 council members, of whom 76 are ward councillors and 76 are proportionally elected councillors. The African National Congress (ANC) is the ruling party in the Council with the Democratic Alliance (DA) as the official opposition.

Tshwane's political leadership is headed by the Executive Mayor and the Mayoral Committee, which comprises ten members (MMC's) charged with executing the political mandate with regard to the upliftment of the socioeconomic conditions of residents.

#### i. **Optimise effective community participation in the ward committee system by strengthening the capacity and effectiveness of the ward committees to support the ward councillors' capacity to engage in sectoral activities.**

The Office of the Speaker manages the effectiveness of Ward Committees through three (3) Regional offices and nine (9) zonal offices where liaison officers provide administrative assistance Councillors and Ward Committees in their respective zones. The following activities took place during 2006/7:

- Induction Workshops for the newly elected Ward Committees members were held from the 22<sup>nd</sup> July 2006 until the 20<sup>th</sup> August 2006 throughout the City of Tshwane.
- Ward committee meetings  
A total number of Ward Committees held for the period under review is 500 on record. The following breakdown gives an in depth understanding of how the different Wards fared:

<b>WARDS</b>	<b>NUMBER OF MEETINGS</b>
74	16 meetings
12/ 31/ 48/ 61/ 63/ 68/ 71	11 meetings each
43/ 62/ 66/ 70	10 meetings each
8/ 13/ 27/ 32/ 40/ 42/ 51/ 53/ 57/ 64/ 65/ 72/ 75/ 76	9 meetings each
6/ 7/ 14/ 19/ 22/ 28/ 46/ 47/ 56/ 73	8 meetings each
1/ 9/ 20/ 30/ 38/ 41/ 44/ 54/ 60/ 69	7 meetings each
35	6 meetings
3/ 21/ 23/ 25/ 34/ 52/ 59/ 67	5 meetings each
10/ 11/ 26/ 33/ 36/ 45	4 meetings each
15/ 16/ 17/ 18/ 37	3 meetings each
24/ 29/ 58	2 meetings each
2/ 4/ 5/ 39/ 49/ 50/ 55	No meetings

The Office of the Speaker effectively engages in various public participation / consultation Programmes through its zonal offices. The following were programmes arranged in the year under review:

- Bontle ke Botho (BKB) is a provincial lead programme intended at poverty alleviation and focuses on the following key points for which the community participates
- Language Policy
- Credit Control Policy
- Fresh Produce by – law
- Zero Carbon City
- Establishment of Health Sub Committees
- National Skills Development Strategy (NSDS)
- Freedom Park Celebrations
- Regional Electricity Distribution section 78 process
- Gauteng Commuter Organization
- Debt Collection Policy
- Post Floods Disaster Assessment
- Distribution of Cleaning and Washing material
- Bus Fares Policy
- World Aids Day for 2006
- ABOT Housing Low Cost Houses
- Town Planning Scheme
- Development of Northern Areas Workshop
- Budget 2007/2008
- Izimbizo

Mayoral Izimbizo entails activities whereby the Executive Mayor provides a platform for engagement with the residents of Tshwane either at regional, zonal and/or ward level. The objectives of the izimbizo are:

- To provide a platform for face-to-face interaction with the community;
- To expose the Executive Mayor and Members of the Mayoral Committee to living conditions of the Tshwane residents in various wards;
- To provide a platform for members of the community and various stakeholders to raise issues affecting their well-being;
- To give the community and other stakeholders an opportunity to interrogate leaders on the City of Tshwane's programmes;
- To create a platform for the municipality also to showcase its service delivery programmes;
- To report back on the service delivery programmes and progress of the municipality; and
- To strengthen the ward Councillors and Ward Committees in the respective wards through the encouragement of public participation in municipal affairs.

A number of the Izimbizo were held in the period 1 July 2006 – 30 June 2007:

- Garankuwa: The Office of the Speaker mobilized the community in ward 24.
- Mamelodi: The Office of the Speaker mobilized the residents of Mamelodi, which was also addressed by Minister Geraldine Fraser Moleketi.
- 16<sup>th</sup> August 2006, Temba
- 15<sup>th</sup> November 2006, Atteridgeville



- 22<sup>nd</sup> November 2006 Akasia; Soutpan; Laudium and Danville these Izimbizo's were addressed by the MEC's and the City's MMCs and the Executive Mayor.
- 13<sup>th</sup> April 2007, Ga-Rankuwa
- 21<sup>st</sup> June 2007, Ga-Rankuwa
- 26<sup>th</sup> June 2007, Mamelodi
- Mamelodi: The Office of the Speaker mobilized the residents of Mamelodi, which was also addressed by Minister Geraldine Fraser Moleketi.
- Public Launch of Provincial Health Plague in Soshanguve
- Greening Project Public Launch in Mamelodi
- Freedom Day Celebration at the Union Buildings
- Cooperatives Summit
- Drug By – Law Consultation
- Citizen's Report Card Survey
- Launch of Quality Health Care Campaign
- Launch of the Tshwane Youth Structure

## ii. Local government responsiveness to residents

During the period under review, the following petitions were received and considered during the year under review:

NR	DATE RECEIVED	DATE CONSIDERED	SUBMITTED BY	SUBJECT OF PETITION RECEIVED / REPORT CONSIDERED
169		12/7/2006	Cr P Gohl	Deterioration of the municipal bus service
209		8/11/2006	Cr MGW Aucamp	Objections against the taxi rank in De Villebois Mareuil Drive, Moreletta Park
225		12/7/2006	Cr Dr CJ Napier	Public Participation Process during the 2005/2006 Budget and IDP process
226		12/7/2006	Cr P Gohl	Public Participation Process during the 2005/2006 Budget and IDP process
228		12/7/2006	K Selelo	Utilization of a sports field in Unit 5, Temba
239		8/8/2006	Mr MB Lebopo	Concerns of residents of Annlin X36
254		12/9/2006	Cr DJ Erasmus	Traffic calming measures and pedestrian walkways in Karel Trichard & Dorp Street, Suiderberg, Mountain View
256		8/8/2006	Cr Dr EF Landman	Condition of the road reserve at the intersection of Station Ave with Botha and Unie Streets, Lyttelton
258		8/8/2006	Cr JD Feldman	Request for traffic control at the c/o Tiptol and Berghaan Street, Silverton X5
262		8/8/2006	Cr AW Campbell	Proposed traffic calming in Bleshoender and Flamink Street, Silverton X5
264		8/11/2006	Cr PE Millar	Crime prevention in Kilner Park
269		8/11/2006	Cr PML Mdhului	Concerns regarding the Central View Development Project Steering

NR	DATE RECEIVED	DATE CONSIDERED	SUBMITTED BY	SUBJECT OF PETITION RECEIVED / REPORT CONSIDERED
				Committee
276		12/9/2006	Cr LM Modumaela	Concerns of residents of Block PP, Boikhutsong, Orange Farm
272		12/7/2006	Mr A Moloji	Request for Apollo lights in Block B, Mabopane
278		8/11/2006	Cr C Spoelstra	Upgrading of the road system around Main Road, Irene
283		12/9/2006	Mr P Mabuza	Provision of houses in Soshanguve South Extension 2
283		4/10/2006	Mr P Mabuza	Provision of houses in Soshanguve South Extension 2
286		12/9/2006	Cr J Engelbrecht	Request for the cutting of grass in Hendrik Ave, Wierda Park
292		12/9/2006	Cr AW Campbell	Agreement between the COT and Dr W Hood regarding the construction of houses in Eersterust
293		8/11/2006	Cr AW Campbell	Management and allocation of graves in the Eersterust Cemetery
294		12/9/2006	Mr F Nkoana	Concerns regarding houses in Soshanguve South Extension 3
294		4/10/2006	Mr F Nkoana	Concerns regarding houses in Soshanguve South Extension 3
295	3/7/2006		Cr Dr CJ Napier	Objection against the development of Erf 393, Doringkloof
296	3/7/2006		Ms MM Twala	Cleaning of streets in Ward 7
297	3/7/2006		Cr M Essop	Electrical power failure in Vrolikspruit Street, Erasmia
298	3/7/2006		Cr M Essop	Fencing off of Eskom Erf in Himalaya Street, Laudium
299	3/7/2006		Mr S Mapula	Speeding problems in Dlangamantla Street, Mamelodi East
300	3/7/2006		Cr Ndoko	Condition of roads in Block AA, Soshanguve
301	10/7/2006		Cr TM Ngwenya	Safety concerns of the residents of Block DD, Soshanguve
302	10/7/2006		Cr TM Ngwenya	Request for the tarring of roads in Block DD, Soshanguve
303	10/7/2006		Mr TP Mabima	Objections against the allocation of accommodation in the Saulsville Hostels
304	12/7/2006		SANCO Union Branch	Request for speed calming measures in Soshanguve Block P and SS on Soutpan Road (K53)
305	31/7/2006		Cr D Baker	Request for traffic calming measures at the c/o Ashton Street & Brompton Road, Lynnwood Manor
306	22/8/2006		Cr DP Theron	Condition of Zita Park. Garsfontein

NR	DATE RECEIVED	DATE CON-SIDERED	SUBMITTED BY	SUBJECT OF PETITION RECEIVED / REPORT CONSIDERED
307	6/9/2006		ST Sithole	Complaints against street parties held in Block U, Mabopane
308	6/9/2006		N Dlepuma	Request from Sediba Community Church for the allocation of property in Phillip Nel Park
309	6/9/2006		Cr DG vd Merwe	Request for the removal of the taxi problem outside 52 Selati Street, Alphen Park
310	6/9/2006		Cr K Meyer	Concerns of residents regarding the open field on Petrick, Mayo and Tipperary Roads, Faerie Glen
311	6/9/2006		Cr Dr CJ Napier	Request for the upgrading and improvement of the alley between Kruger and DF Malan Ave, alongside Trichard Road, Kloofsig
312	6/9/2006		Cr PJ Fourie	Noise Pollution from LA Bush Restaurant, Myburg Street, Capital Park
313	6/9/2006		Cr S Rens	Request for the reallocation of Constable Hendricks from Metro Police to Crime Prevention Unit
314	6/9/2006		Middle Village Community Representative Council	Request for confirmation of demarcation of Midas Square-Hebron
315	23/10/2006		Cr Prof DC Baker	Request for improvement of the parking area at Glenwood Centre, Lynnwood Glen
316	23/10/2006		Cr SD Rens	Illegal Road over Erf 4468/9 Kudube Ext 4
317	23/10/2006		Cr E Linde	Twister's Pub. c/o 24th Avenue & Hertzog Street
318	23/10/2006		Cr Dr CJ Napier	Security concerns at Fleur Park, Lyttelton Manor East
319	23/10/2006		Cr MGW Aucamp	Traffic safety between Rigel turn-off and the R21 turn-off on the N1
320	23/10/2006		Cr M Essop	Conditions on Erf 2486, Laudium (608 Bengal Street)
321	23/10/2006		Cr M Essop	Alienation of Erf 1320, Laudium
322	23/10/2006		Mr M van Niekerk	Request for traffic calming measures in Elsiesrivier and Eastside Street, Eersterust X6
323	13/12/2006		Mr LE Mathole	Grievance regarding an eviction of tenant of Flat A1901, Schubart Street Flats
324	13/12/2006		Ms HM Kekae	Request for municipal services in Block F4 and F2, New Eersterust

NR	DATE RECEIVED	DATE CON-SIDERED	SUBMITTED BY	SUBJECT OF PETITION RECEIVED / REPORT CONSIDERED
325	13/12/2006		Mr W Maifadi	Concerns over the building specifications of toilets in Soshanguve Ext 38
326	13/12/2006		Mr P Sekoba	Request for a new clinic in Majaneng
327	13/12/2006		Cr AW Campbell	Request for the re-instatement of Silverton 1 Bus at 6:50
328	13/12/2006		Cr AW Campbell	Complaints regarding the unsatisfactory bus service in Eersterust
329	13/12/2006		Mr A Mathibe	Business plan for Sechaba-Sizwe Social Housing

**iii. Intercept the cycle of poverty by investing in human resource development programme that optimise the wellness and potential of our people from birth throughout life**

The Special Programmes Unit is a business unit institutionalized Council Resolution of 26 June 2003 to ensure alignment of the policy and strategies' development, co-ordination, mainstreaming and monitoring functions into the political office in line with provincial and national spheres: the Premier and the Presidency respectively on matters of targeted group (Women, Youth and Children, the disabled and elderly).

The Key Performance Areas of the Special Programmes unit are to provide to Council an effective and efficient service support to fulfil its political mandate of addressing the needs and roles of the Targeted Groups by means of:

- i. Policy and Strategies development
  - a. A Five-Year Integrated Youth Development Programme was launched to guide youth development programmes within departments;
  - b. Finalization and approval by Mayoral Committee and Council of a By-Law report on the establishment of a youth structure in Tshwane after Youth Consultative Processes on Proposed Model for Youth Development Institutionalisation in the CoT throughout Tshwane
  - c. Development of a 5 Year Integrated Childhood Development Strategy (ICDS) to guide departments and city-wide work creating a child-friendly city
- ii. Mainstreaming
  - a. An Interim Youth Advisory Council (IYAC) was established entrusted with the objectives of, research, consultation and recommendations of model (s) for the institutionalization of youth development
  - d. The co-hosting of Gauteng Youth Commission (GYC) Youth Economic Fair and Career Expo to expose young to economic and career opportunities, services and information that would empower them trough exhibitions.
  - e. Launch of the Tshwane Youth Service Programme (TYSP) in partnership with Gauteng Youth Commission, Umsobomvu Youth Fund & National Youth Service Unit to enrol youth is volunteer service, skills development and life skills orientation as part of the 2007 Youth Month programme

- f. Expanded Public Works Programme (EPWP) labour intensive construction 30% youth intake
  - g. Sebenza Youth Programme launch: Training of unemployed & indigent youth in partnership with Mankind For Humanity and Letsema business conglomerates and appointment of 50 youth on the Resident Programme all from the Youth Database
  - h. Youth In Council Session affording the youth to engage with the CoT politicians in on a variety of issues
  - i. Educational Assistants Training Program for school children visits to museums
  - j. Launch CoT 2006 Women's Month Programme in Mabopane in tribute to the late Sister Francis Baard by conducting a Door-To-Door Campaign in Mabopane empowering local women with information.
  - k. National Women's Day Commemoration, Union Buildings and Re-enactment of 1956 Women's Anti-Pass Law march to Union Buildings marking its 50<sup>th</sup> Anniversary
  - l. Tshwane Woman of the Year Award Ceremony profiling women excellence in education, business, health and social welfare in partnership with Tshwane North College (TNC) and PUTCO bus company
  - m. Tourism Certificate Award to women trained in the Tourism business sector
  - n. Hand over of Home of Hope Girls' Shelter to the CoT Multi-party Women's Caucus as part of the 16 Days of Activism Campaign
  - o. Launch of the Gauteng Progressive Women's Movement of South Africa (PWMSA), a civil society women's organisation lobbying and championing women development and gender equity issues across all spectre of society
  - p. Take-A-Girl Child To Work Campaign in partnership with Cell C Company to create an enabling environment, through hosting, for young women at schools to be exposed to the opportunities in the corporate world and role models in their future careers as part of our contribution to the skills development
  - q. Training of 60 Informal Fresh Produce Retailers/Handlers (85% women) in partnership with University of Pretoria
  - r. Women Cleaning Services at CoT Transport Public Facilities
  - s. The World Aids Day event was held at Temba, Hammanskraal, where the City of Tshwane Executive Mayor, Dr Gwen Ramokgopa, delivered the keynote address
- iii. Planning and Co-ordination
    - a. The development of a framework for a Local Plan of Action (LPA) for Children for approval by the Mayoral Committee and Council
    - b. The development of a framework for a Local Plan of Action (LPA) for Children for approval by the Mayoral Committee and Council
    - c. Multisectoral Seminar on HIV and Aids. The seminar which took place on Thursday, 21 September 2006.
  - iv. Monitoring and Evaluation by setting performance targets (indicators)
  - v. Reporting
  - vi. Advocacy for targeted groups
    - t. Coordination of visit to schools as part of child safety week
    - u. 2<sup>nd</sup> Tshwane Regional Women's Dialogue and report back on the implementation of the 2005 Gauteng Provincial Dialogue
    - v. 2006 launch of 16 Days of Activism, a national campaign aimed to stop abuse of women and children takes place annually on the 25th November (International Day of No Violence against Women) to the 10th December (International Human Rights Day).

#### **iv. Good Governance**

The Governance and Secretariat function provides secretariat and political support for the Executive Mayor, the Speaker, the Chief Whip, the Mayoral Committee and the Council. It advises these incumbents on policy matters, procedures, conflict resolution and local government legislation. A compliance unit in the function ensures that legislation, policies, procedures and by-laws are adhered to.

The Executive Mayor finalised delegated functions and authority to the Members of the Mayoral Committee and to the City Manager in line with the approved system of delegations. Whilst this system goes a long way in enhancing accountability, more needs to be done to restructure and resource to enable Council to perform its oversight role optimally. To enhance the accountability of the Executive, a section 79 Public Accounts Committee was established.

In line with MFMA section 166 the city has established the Audit Committee. The function of the Committee amongst others is to review the procedure the City has identified to deal with the business risks that can impair the achievement of the city strategic objectives and its management thereof. To that end this committee also managed to review and discuss the audited annual financial statements to be included in the annual report with the Auditor-General and Accounting Officer. The Audit Committee chair reports directly to the Mayoral Committee.

Furthermore, in line with Municipal Systems Act the City has established the Performance and Remunerations Committee that will be dealing with the City performance evaluations.

In terms of anti-fraud and corruption mechanisms the city has established the Toll Free Hotline Number which will be operational with effect from 01 September 2007.

Our customer care services can be accessed free of charge at the Hotlines we introduced last year in the Mabopane, Temba, Soshanguve and Winterveld municipal offices or on the toll-free number 080 111 1556. Otherwise use the number 012 358 9999. The eighteen customer care centres are well positioned to support the regional offices and to continuously improve our services in a caring and efficient manner.

#### **5.4.2 Finance and Administration**

##### **5.4.2.1 Finance**

###### **a) Overview and description of key issues**

The Financial Services Department's main aim is to manage the corporate financial affairs of the Municipality and to ensure that financial resources are generated and utilised optimally. It provides the municipal departments with financial services and performs a strategic financial management function in the organisation. Its responsibility includes drawing up the municipal budget and implementing and maintaining a control system to ensure accurate information about the Municipality's financial position.

i. Revenue Management

Details	Number	R
Debt of less than R3 000 and older than 90 days written off		397, 311. 73
Property rates (total): number and value of rateable properties	472 740	20,701,235,272. 36
Number of value of residential properties	422 375	12,873,764,098. 36
Number of value of other properties	50 365	7,827,471,174. 00
Rates collectable for the financial year 2006/2007		1,668,006,954.00
Regional Services Council (RSC) levies: Number of registered levy payers	51 612	
Total establishment levy		61,747,985.23
Total services levy		27,741,848.44
Levies collected for the year 2006/2007		89,489,833.66
Policy on the indigent:		
Quantum (number of household affected)	47 474	
Quantum (total value across Tshwane)	109,000	1,147,770.00
Basic social package quantum (total value across Tshwane)		50,000,000.00

ii. Debtor billings

Details	Average number of debtors per month	Value of the year R
Water	282 322	964,450,451.00
Electricity	282 122	2,485,646,609.00
Sanitation	274 633	231,831,720.00
Waste	324 503	224,493,982.00
Assessment rates	363 247	1,668,006,954.00
<b>Total</b>	<b>1 526 827</b>	<b>5,574,429,716.00</b>

iii. Debt collection

Total levied	Total collected	% collection
5,574,429,716.00	5,479,664,410.82	98.3%

#### iv. Analysis of Debt

Current outstanding	30 days outstanding	60 days outstanding	More than 90 days outstanding	Total outstanding
359,051,887.85	177,937,763.24	81,300,644.09	1,851,362,288.12	2,469,652,603.30

#### b) Key Performance areas

Key performance Area	Performance during the year and actual achievements against targets	Actual 2003/04	Actual 2004/05	Actual 2005/06	Target 06/07	Actual 2006/07	Target 07/0
Sustainability Management	Collection rate	Average collection rate of 98.4%	Average collection rate of 98%	Average collection rate of 98.6%	98%	Average collection rate of 98.3%	98%
	Read 85% of meters					85.09%	
	% expected vs. actual accounts billed				90%	98%	92%
	% of actual meters read				85%	85.09	87%
	improve response times to customer enquiries				42 days	33 Days	25 days
	% of municipal debt over 90 days				76%	66%	65%

#### 5.4.2.2 Human Resources

##### a) Overview and description of key issues

The Strategic Human Resource Management Division's activities are related to the management of human resources in the City of Tshwane, including recruitment, selection, induction, training and movement of employees. It is responsible for performance management systems, the code of conduct and strategic decision-making systems. This Division is also responsible to make sure that the CoT complies with the latest legislation to ensure the occupational health and safety of all employees.

##### i. Salary Administration Sub-section:

- Appointed 954 employees during 2006 of which 18 were section 57 employees;
- Head counted two risk departments;
- Started with negotiations on:
  - Grading scheme for Emergency Management; and
  - Standardisation of conditions of service for bus drivers.
- Changed employment contracts for Metro Police Officers in order to make provision for integration with the South African Police Services;
- Implemented new regulations on Section 57 employees; and



- Successfully implemented the annual salary increase.

## **ii. Benefits Sub-section:**

### *Housing allowance / Homeowners allowance:*

Co-ordinated the submission of annual statements by employees who participated in the homeowners allowance scheme to ensure they adhered to policy rules and regulations. Annual statements had to be submitted at the end of April 2007. The exercise was completed at the end of June 2007.

### *Transport allowances:*

Received and approved applications according to policy rules and regulations; and investigated irregularities. Advised management on ad-hoc tariff increases that had to be implemented. Implementation was finalised at the end of September 2007.

Requests for transport allowance couplings are continuous and therefore the goal of the sub-section is to be as effective and sufficient as possible in approving them. The sub-section also assists in grievances relating to transport allowances or couplings. Data on the SAP system is maintained regularly and problems on the system are improved when necessary.

### *Bursaries:*

Bursary agreements are compiled and Bursary Administrators are assisted with the administration of bursaries. This is a continuous process. This Sub-section also assists the Career Management Sub-section with the process of awarding bursaries as and when required.

### *Funds, benefits and leave administration:*

The objectives are: To render service and give advice on benefits and leave to all the employees through information sessions, workshops and users forums.

- Bonitas Medical Aid Fund refunded over a million rand to the City in respect of overpayments and write-offs;
- An increase in contributions by Hosmed from 1 July 2007 was put on hold after negotiations.
- There were arrears owed to Hosmed, dated from 2002 to date. They have agreed to pay only from 2005 since the other debt had lapsed.
- Arranged with LA Health to let their administration personnel visit the City for an account discussion and reconciliation, which was held in May 2007. A sum of R33 714.20 was refunded to the City as a result of incorrect billing.
- Reconciled medical aid files in preparation for the tax year end. Resignation file was opened to update all exits for medical aid, pension fund and group life insurance.
- Implemented group insurance to all employees who did not belong to a group life insurance scheme.
- Met with the City's group insurance to address the contribution discrepancies and as a result the problem was rectified on the system.
- Submitted leave credit report or year end report to the Finance Department.
- Attended to the audit query on leave policy implementation by the system.

## **iii. Human Resource Development Section**

Training needs and priorities were identified by various City of Tshwane Departments and captured on the electronic learner management system (on the SAP system) as pre-bookings. These needs were critically analysed by the Human Resource Development Operations Sub-section and a capacity schedule was compiled indicating all the training needs that would be addressed by the various learning programmes, taking into account the available resources. A quality management system is in place to ensure quality training and value for money when certificates are issued for learner achievements.

#### **iv. Labour Relations Section**

- Collective Bargaining Strategy was formulated for Alternative Service Delivery.
- Collective Agreements concluded:
  - Divisional Conditions of Service was extended;
  - EMS fixed allowance was implemented; and
  - Migration and Placement was finalised.
- Training:
  - Disciplinary Procedure Training was given to the City's Departments;
  - Induction was compiled and presented to new employees;
  - Grievance procedure was compiled and presented to new employees.

#### **v. Occupational Health and Safety**

The Occupational Health and Safety Section continuously strives to improve the assistance provided to the Municipal Manager as section 16(1) appointee under the Occupational Health and Safety Act 1993 (Act 85 of 93) as well as to all Departmental Heads as section 16(2) appointees under abovementioned act.

- During the year under review the procedure on reporting of Occupational Diseases, a guideline on the management of absenteeism due to illness or injury as well as a guideline to employees on sick leave was developed.
- Comprehensive occupational health, occupational safety and occupational hygiene services are provided and include amongst others the following services:
  - Medical surveillance including biological monitoring of 3500 employees
  - Initial and exit medical examinations of 968 employees
  - Evaluation of medically incapacitated employees of 107 employees
  - Specialized and general health and safety training provide to 10 062 employees
  - Development of occupational risk profiles of 420 positions in CoT
  - Immunization of 1123 employees against hepatitis B
  - General medical services provided during 12 094 clinic visits
  - Legal compliance audits of 147 workplaces
  - Inspections of 220 workplaces
  - 858 accident recorded, investigated and legally required documentation produced
  - 88 tenders evaluated in terms of health and safety requirements
  - 360 Health and Safety Committee meetings attended as co-opted members
  - Occupational hygiene surveys performed 46
  - Assessment of 29 stressors done

#### **vi. Staffing Services and Management**

The Recruitment and Selection Section placed 73 different Job Forums. 1555 (98%) of the 1653 advertised positions were filled. Only 103 (2%) of the advertised positions are still outstanding.

Productivity was improved with 7%, despite sporadic moratoriums that were placed on the filling of posts. During the mentioned period the Section managed to appoint 350 Metro Police Officers in one recruitment action. The Section is also assisting in the filling of managerial positions that became vacant as a result of the ASD process.

### vii. Employee wellness management

The following statistics are available for the mentioned period in this regard:

New cases received: 348

Follow up sessions re existing cases: 725

Total number of sessions: 1073 (348 + 725)

Workshops presented: 150. (These workshops cover a variety of topics including Personal Stress Management, Emotional Intelligence, Management of Change, Conflict Management etc. and focus on development.)

Reports and/or feedback letters prepared: 1684

Enquiries (telephonic and/or personal): 1067

### b) Analysis of the Function

Details	2005/6		2006/07	
	<i>Number</i>	<i>R</i>	<i>Number</i>	<i>R</i>
Number and cost to employer of human resource staff employed:				
- Professional (Managerial/Specialist)	25	12 526 496	25	13 744 812
- Field (Supervisory/Foremen)	0	0	0	0
- Office (Clerical/Administrative)	220	17 372 095	215	18 872 337
- Non-professional (blue collar, outside workforce)	14	980 725	17	1 252 436

### c) Key Performance Areas

Departmental Key Performance Areas	Departmental Indicators	5-year programme targets	2006/07 annual targets	Cumulative actual performance in 2006/07 financial year	Reasons for performance/ under-performance on planned target
Implement a HR transformation plan by 2009	%implementation of HR transformation plan in line with legislation and best practice	100% implementation of HR transformation plan by 2009	40%	50%	HR Strategic Framework and Shared Service Delivery Model was approved at the Portfolio Committee of 25 October 2007.

Departmental Key Performance Areas	Departmental Indicators	5-year programme targets	2006/07 annual targets	Cumulative actual performance in 2006/07 financial year	Reasons for performance/ under-performance on planned target
Employee grievance management	% decrease in grievances	50% decrease in Grievances by 2011	10% decrease in Grievances	28% decrease in grievances	Grievances about issues relating to the previous restructuring have tapered down.
Skills Development	% of CTMM employees trained on customer relations management	60% of employees trained on CRM by 2011	% of CTMM employees trained on customer relations management	HRD: Total number of employees trained in 2006/2007 in customer care = 220	
	Nr of learners completing learnership programmes with the relevant SETA's	An average of 20 learners per department complete learnership programmes with the relevant SETA's by 2011	80	122	
	Nr of employees that have been taken through the RPL process	RPL at least 1000 employees in the CTMM	200	Policy is in place	No directives from SETA
	% improvement in organisational skills capacity per annum	Improve organisational skills capacity by at least 5% per annum	5%  80% of 5501	7554 trained = 137%	<p>The indicator is not clear and measurable and therefore to report on this indicator is problematic. To determine existing capacity requires development of Personal Development Plans for all employees. A relevant skills audit as well as job profiles with allocated competencies needs to be completed in order to determine the improvement of skills capacity.</p> <p>Steps required to achieve this indicator:</p> <ul style="list-style-type: none"> <li>• Skills audit</li> <li>• Personal Development Plans</li> <li>• Competency matrix for all job levels</li> </ul> <p>Proposed indicator: % implementation and compliance to targets set in approved COT Skills Development plan – measurement of improvement in skills capacity not possible.</p>
Implement Alternative Service Delivery options	Timeframe for completion of detailed organisational design	The detailed organisational design should be complete by December 2006	100% completion of organisational design up to level 5 by end of December 2006	<p>Resolve consultants did provide proposals to the Council end November 2006. The Council approved in principle</p> <p>The City Manager established an ASD project office to take the process forward.</p>	

Departmental Key Performance Areas	Departmental Indicators	5-year programme targets	2006/07 annual targets	Cumulative actual performance in 2006/07 financial year	Reasons for performance/ under-performance on planned target
Implement the new ASD structure	Timeframe for the implementation of new organisational structure	The new structure should be fully implemented within 1 financial year	% implementation of organisation structure up to level 3 by end June	Resolve consultants did provide proposals to the Council end November 2006. The Council approved in principle  The City Manager established an ASD project office to take the process forward.	
Implement an organisational culture change programme	Aspects of culture change achieved	Achieve a change in culture that addresses critical bottlenecks in service delivery	None – dependent on finalisation of ASD	Dependent on finalisation of ASD	
Performance management	Levels to which the individual performance management system is cascaded	Cascade the performance management system to all levels of the organisation by 2010	Cascade up to level 6	Each HOD is responsible for implementing policies, procedures and systems as communicated by HR. HR therefore plays a facilitative role. Each HOD is measured on his/her individual score card regarding implementation. Level 6 in this case refers the pre ASD structure, meaning former Deputy Manager level. Great effort was taken to discuss the policies with the Unions in detail to reach a collective agreement for two policies. The Unions are currently seeking a mandate from their members. Agreements for two policies have therefore not been concluded yet, however the system has been implemented on a trial basis in 06/07 FY down to level 6.	

### 5.4.2.3 Other Administration

#### a) Overview and description of key issues

##### i. Procurement

In terms of the regulations of the Municipal Finance Management Act (No 56 of 2003) the supply chain management unit has five components:

- Demand management  
Demand management ensures that the resources required are well planned in advance so that it can be delivered at the correct time, at the right price, quality and quantity.
- Logistics management  
Logistics management addresses the setting of inventory levels, receiving and distribution of material, stores and transport management and vendor performance.

- Disposal management  
Disposal management is responsible for obsolescent planning, maintenance of the redundant material database, the disposal strategy and physical disposal process.
- Performance management  
This monitoring process undertakes retrospective analysis to determine whether proper processes have been followed and analyse cost efficiencies.
- Acquisition management  
Acquisition management establishes the total cost of ownership of a particular type of asset, evaluate bids in accordance with published criteria and ensure proper contract documents are signed.

In terms of the Supply Chain Management Policy (SCMP) of the CoT, three (3) committees have been established in October 2005 to regulate the competitive bidding process, i.e. the Bid Specification Committee, Bid Evaluation Committee and the Bid Adjudication Committee (see section 26 of the SCMP.)

In terms of section 26(2), the Accounting Officer did appoint the members to these three (3) committees.

The details of tender /procurement activities for 2006/7 are as follows:

Details of tender/procurement activities:	
Total number of times that tender committee met during the year	3 Times a month for Bid Evaluations Committee and twice a month for Bid Adjudication Committee
Total number of tenders considered	250
Total number of tenders approved	235
Average time taken from tender advertisement to award of tender	90 days

The following targets were set by Gauteng Province and the municipality will align itself to achieve by 2009:

- 50% of the municipal procurement will be from BEE enterprises
- 15% from small and micro enterprises
- 20% on black women owned enterprises
- 10% on youth
- 5% on disabled

Tenders awarded to BBBEE for 2006/7:

AMOUNT	BEE MEN	BEE WOMEN	WHITE WOMEN	WHITE MEN	ORGAN OF STATE
R 2,648,187,167.72	R 1,109,134,343.27	R 201,638,452.65	R 145,930,096.24	R 1,182,642,911.83	R 8,841,363.73
100%	41.88%	7.61%	5.51%	44.66%	0.33%

## ii. Customer Care

The Customer Care Division has established 23 customer care centres to serve the Tshwane Community. These centres are able to deal with personal, written and telephonic enquiries. Residents of Tshwane are welcome to contact us by e-mail, post or telephone or by visiting the centre closest to your residential area. Key performance areas for 2006/7 were:

KPA	PRIORITIES/PROGRAMMES	TARGET	R'000
Develop a policy on CoT employee awards to foster Batho Pele Principles	Industrial Theatre	1 per annum during 3 <sup>rd</sup> Quarter  1 Awareness programme per annum during 3 <sup>rd</sup> quarter	Industrial Theatre was deleted from the GM Scorecard and action by former Customer Care 05/06 FY
To increase the accessibility of the CoT by establishing a Call Centre in the North	Construction and renovation of Call Centre in the North.	Call Centre by 4 <sup>th</sup> Quarter. (Construction and renovation only)	City Manager held matter in abeyance for further consideration.
Management of regional customer care centre and support services	Ring fencing of Client Services (Finance) and Switchboard	Finalisation of Ring Fencing by 1 <sup>st</sup> Quarter	Finalisation of Ring Fencing of Client Services Oct 2005. No cost to CRM – salaries etc covered by Finance
Develop a Perception Survey Policy to assess Batho Pele compliance within the CoT	Internal and CoT Perception Survey	Policy developed by 1 <sup>st</sup> Quarter  One annual perception survey (internally and CoT)	R 250 969
Insure compliance with Batho Pele Principles and Service Quality Principles, Norms and Standards within the CoT	Develop Batho Pele Policy and Programmes	Approve Norms and Standards Policy by 4 <sup>th</sup> Quarter  Policy on Quality Assurance by 3 <sup>rd</sup> Quarter	Norms & Standards approved. Action to be implemented 2008/2009 FY. No cost involved  No funds made available to purchase software (R4 Million)
To introduce and develop capacity of the CRM	Develop, introduce and implement a corporate quality assurance system.  Develop a training programme in conjunction with Human Resources	Tender on Quality Assurance system by 3 <sup>rd</sup> Quarter  One training programme by 4 <sup>th</sup> Quarter	Abandoned 05/06 FY  Abandoned 05/06 FY
Address 87.6% of calls on time	In-house training contributed to exceeding the set target as a Division. The setting of norms and standards will address the promptness of other departments.	Total calls for Fin Year 06/07 = 391 056 calls received of which 366 125 were answered immediately which represents 93.62%	No cost

## iii. Corporate Services

In support of the Five Year Strategic Plan (2006-11) of the City of Tshwane, the Corporate Services Department has provided corporate support functions at the strategic and operational levels. The support functions provided include (i) Human Resources Management (ii) Information and Technology Management; and (iii) Corporate Administration Services (Facilities / Property Management, Fleet Management, and Language Services). The operating budget for the Department was 678 million Rand, and the Capital Budget was 65 million Rand.

**b) Key Performance Areas**

Departmental KPA	Key Performance Indicators	Target 2006/7	Achieved 2006/7
Support good governance through effective and efficient corporate management policies and practices	% Compliance to all relevant legislation, policies and procedures	100%	100%
Sustainability management	% increase in revenue collection	2%	2%
	Number of properties valued as a ratio to total number of properties over a period of 3 years	100% split over 3 years	Achieved
Prudent Financial management	Completed evaluation of the Fleet Study and the implementation of the findings by 12/2007	100% complete	100% complete
Support corporate human resource management policies and practices	HIV/AIDS Awareness and VCT: Number of Peer Educators / HIV/AIDS counsellors	10	10
	HIV/AIDS Awareness and VCT: Number of staff who have undergone VCT	100	100
	% representation of designated groups according to Departmental EE Plan	80%	Not achieved
Support corporate risk management policies and practices	Management of assets and insurance claims: % risk reduction	Reduce by 2%	2%
	Degree compliance of Council buildings to the requirements of the Occupational Health and Safety Act and to COT building regulations	100%	100%
	OHSA compliant Council owned buildings for which the Building Maintenance Section is responsible	100%	100%
ICT services that support service delivery	% implementation of approved IT governance model	40%	
	Number of IT related initiatives implemented that take government closer to the people	2 initiatives	2
	Number of SLA's completed on internal support and maintenance	3	3
	Degree of integration of the SAP system	2 systems integrated	2
	% SAP system up and running	95%	95%
	% IT infrastructure up and running	95%	95%



Departmental KPA	Key Performance Indicators	Target 2006/7	Achieved 2006/7
Ensure that human resources practices are in line with international best practices, norms and standards and comply 100% with applicable local legislation	% implementation of SLA's	100%	100%
Human Resource development	% implementation of HR Transformation Plan and Labour Relations Strategy	100% by 2009	Achieved
	% implementation of skills development plans	70% by year 5	Achieved
	% improvement in skills capacity	5% improvement in skills capacity per annum	Not achieved
	% HR Transformation Plan implemented	40% by year 1	40%
	Develop culture change framework; cascade individual performance agreements	Cascade performance management system up to Level 4	Achieved
	% implementation of approved Skills Development Plan, Career Management Plan and competency framework	70% by year 5	Achieved
Increase participation and broaden the contribution in growing the city's economy through the development of SMME's, co-operatives, the informal sector and the role of black people, women and youth	% of BBBEE Vendors used	80%	80%
Local government responsiveness to its residents	% of telephone calls addressed on time by Customer Care	83.60%	Total calls for Fin Year 06/07 = 391 056 calls received of which 366 125 were answered immediately which represents 93.62%
Customer relations management / Batho pele principles	% of CTMM employees trained on Customer Relations Management	60% of all employees by 2011	100% of Customer Care staff trained on use of Customer Interactions Centre (CIC)
	% reduction in customer complaints relating to CTMM responsiveness	Establish a baseline	696 544

### 5.4.3 Planning and Development

#### 5.4.3.1 City Planning

##### a) Overview and description of key issues

The City Planning Division's main functions are Spatial Planning and Land-Use Management. All of the Division's functions are performed in an integrated and holistic manner to ensure functional interaction between the regions and deals with four issues of metropolitan importance, namely:

- Densification
- Movement

- Urban boundary
- Open space and conservation

The Department embarked on the compilation of one Town Planning Scheme for Tshwane. The Draft Tshwane Town Planning Scheme was unanimously approved by Council on the 23<sup>rd</sup> November 2006. Thereafter the zoning of all the land parcels (approximately 450 000) were converted into the new proposed scheme notation. The formal public participation process was completed from 14 March until 14 May 2007.

Another major project being undertaken is the audit of un-proclaimed townships. Many areas, although formally developed, do not have separate title for the individual erven as the formal township establishment process was never concluded. Once the legal status of these areas has been determined, the appropriate legislation and mechanisms can be used to reach proclamation and the transfer of properties to beneficiaries

The City of Tshwane promised to formalise 13 informal areas by June 2007. This target was exceeded with 18 areas proclaimed to date. These are:

- In Ga-Rankuwa: Skierlik informal, Mountain View informal, Spoor View informal, Unit 20, Unit 21 and Unit 22
- In Soshanguve: SS Ext 5, Block P Ext 2, Block T Ext 2, Soshanguve Ext 12, Block MM, Block N, Buffer Block X and Buffer Zone T, V and W
- In Hammanskraal/Temba: Kanana Village and Refilwe

Strategic or catalytic projects such as the Gautrain Stations Development Frameworks, The Freedom Park / Salvokop Development Framework, the Akasia CBD Redevelopment Plan, the Metropolitan Urban Cores Development Guidelines and the Eerste Fabrieke Town Centre were undertaken to implement the spatial plans and policies.

**b) Analysis of the function**

Analysis of the function		2005/06		2006/07		Planned: 2007/8	
		Total	R	Total	R	Total	R
1.	Number of City Planning staff and their cost to the Municipality	341	83 145 676	285	85 229 045	329	97 258 459
	- Senior managerial (general manager, managers)	8	4 448 264	7	4 332 116	11	7 480 546
	- Managerial (deputy managers, chiefs, assistant managers)	53	21 039 279	38	18 632 901	38	18 751 733
	- Professional (architects, consultants, project managers, etc)	146	40 136 417	151	48 662 593	156	51 006 474
	- Field (supervisors, foremen)	-	-	-	-		
	- Office (clerical, administration, secretarial, etc)	119	16 006 198	76	11 905 929	110	18 387 692
	- Non-professional (drivers, workshop assistants, etc)	15	1 515 518	16	1 695 506	14	1 632 014
	- Non-professional (clerical, administrative)						
	- Temporary	-	-	-	-		
2.	- Contract	46	2 710 565	56	3 114 776	60	3 214 076

Analysis of the function		2005/06		2006/07		Planned: 2007/8	
		Total	R	Total	R	Total	R
3.	Details and cost of incentives for business investment	Not Applicable					
4.	Details and cost of urban renewal strategies	Done in House	Indirect cost to Council				
5.	Details and cost of rural development strategies: – A multidisciplinary rural strategy to address development in the rural areas (in process of being drawn up)	Done in house	Only indirect cost to Council, strategy done in house				
6.	Number of people employed through job creation schemes: - Short term employment - Long term employment	Not applicable					
	Number of building inspectors employed and their cost to the Municipality:						
	- Chief Building Inspectors	4	1 135 298	6	1 582 129		
	- Building Inspectors	26	8 947 573	26	6 879 657		
	- Temporary			3	479 426		
	- Contracts						
7.	Details of building plans:						
	-Number of site development plans approved	1399		1362			
	- Number of building plans approved	21 494		16 674			
8.	- Value of building plans approved		12 762 536 300		10 431 463 000		
9.	Number of building related inspections conducted	73 460		80 592			
10.	Number of contravention notices served	3 135		2 654			
	Number of occupation certificates issued.	13 621		11 167			

**c) Key Performance Areas**

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07	Planned targets as per approved budget 2007/8
Metropolitan Spatial Planning					

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07	Planned targets as per approved budget 2007/8
Drafting and revision of the Metropolitan Spatial Development Framework (MSDF) <i>(see bottom at scorecards heading)</i>	A draft MSDF was finalised in June 2006.	Approved in November 2005	No additional work – MSDF will be revised in the 2007/2008 financial year	No target for FY 06/07	MSDF will be revised in the 2007/2008 financial year
Compiling strategic development frameworks		Retail strategy and Inner City Housing Strategy completed	Tshwane Spatial Development Strategy: 2010 and beyond completed.	Completion of TSDS 2010 and beyond	Completion of TSDS 2010 and beyond
Spatial planning		Rural SDF compiled	Hatfield Spatial Development Framework completed	Completion of Hatfield SDF	<p>Refine Hatfield Spatial Development Framework Target Feb 2008</p> <p>Metropolitan Planning will be responsible for the drafting of a revised and updated UDF for the entire Nelson Mandela Drive</p> <p>Play a leading role in the city's preparations for 2010 – i.e. the UDF for the Loftus Precinct &amp; others</p> <p>Closer cooperation and Liaison with the transportation Division to ensure integration of the Transport and Land use system</p> <p>Compilation of metro Wide</p>

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07	Planned targets as per approved budget 2007/8
					<p>policies – e.g. Revision of the Densification Strategy</p> <p>Liaison and Consulting with neighbouring Metro and District Authorities</p>
<b>Regional Spatial Planning</b>					
The compilations of the eight regional development frameworks	<p>The eight RSDF's were finalised in June 2006</p> <p>These RSDF's are being re-aligned to the five ASD Regions</p>	Regional Spatial Development Frameworks completed	Draft RSDF's for the 5 ASD regions completed	RSDF's for the 5 new ASD Regions to be completed	
The compilation and implementation of the local Spatial Development Frameworks (SDF's) and Policies	<ul style="list-style-type: none"> <li>• Hammanskraal SDF</li> <li>• Heatherdale, Wintersnest SDF</li> <li>• Pretoria North SDF</li> <li>• Jacqueline Drive SDF</li> <li>• Rubenstein Drive SDF</li> <li>• Pretoria West SDF</li> <li>• Rietvalleirand &amp; Waterkloof Agricultural Holdings SDF</li> <li>• Division of Agricultural Land</li> <li>• Various Other – Crèches, etc.</li> </ul>	Completed – Hammanskraal SDF -Heatherdale, Wintersnest, Hammanskraal SDF Pretoria North SDF Division of Agricultural land	<p>Hammanskraal SDF – report being drafted.</p> <p>Andeon, Kirkney and Zandfontein Urban Development Zone, Lotus Gardens Node – being compiled by the Housing Department</p> <p>Pretoria North CBD - SDF approved on 24 April 2007</p>	<p>Spatial Development Frameworks for the following areas to be developed and submitted to Council for approval:</p> <ul style="list-style-type: none"> <li>• Hammanskraal</li> <li>• Andeon, Kirkney and Zandfontein Urban Development Zone</li> <li>• Pretoria North CBD SDF</li> </ul>	April 2008
<b>Land-Use Management</b>					
Land-Use Management	<p>Approximately 2 500 land-use applications were dealt with.</p> <p>Almost 950 more applications were finalised than received. This can be contributed to the number of</p>	2503 applications were received of which 53 were administratively closed upon submission of the relevant documentation from applicants.	<p>1917 applications were received.</p> <p>2306 applications were dealt with of which 646 were administratively closed due to non compliance or awaiting further</p>		

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07	Planned targets as per approved budget 2007/8
	applications (1085) that were closed administratively due to non-compliance of the applicant	3458 applications were dealt with of which 1085 were administratively closed. Due to non compliance or awaiting further information from the applicant.  106 City Planning Reports served.	information from the applicant.  176 City Planning Reports served		
Development Facilitation	<p>Various development projects and initiatives (in line with the planning frameworks) were initiated success-fully facilitated.</p> <ul style="list-style-type: none"> <li>• Revision of Gautrain Stations Development Framework</li> <li>• Facilitation of various large developments around the Gautrain Stations</li> <li>• Urban Core Development Guidelines</li> <li>• Finalisation of the Tsosoloso Programme to re-develop the previously marginalised areas</li> <li>• Securing funds from the National Treasury for the Tsosoloso Programme</li> </ul>	Drafting and implementation of new development strategies and interventions aimed at developing the neglected northern parts of the city.			<p>Target date: April 2008</p> <p>Gautrain: Awaiting results of traffic assessment for study area</p>
<b>Land-use Legislation and applications</b>					
<p>Land-use Legislation and applications:</p> <p>The compilation and maintenance of a new zoning scheme as required by the Gauteng Planning and Development Act 2003</p>	<p>Significant progress made with the capturing and verifying of existing zonings of all the properties in the newly established metro area, specifically in those parts of the city where zoning information was lacking.</p>	<p>. Almost 96% of all land use data have been captured.</p> <p>Embarked on a process for the Compilation of one Town Planning Scheme for Tshwane.</p>	<p>The Draft Tshwane Town Planning was approved on the 23<sup>rd</sup> November 2006. The Public participation process completed.</p>	<p>Approval of the new Tshwane Town Planning Scheme</p>	

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07	Planned targets as per approved budget 2007/8
<b>Development Control Unit</b>					
Law- enforcement regarding illegal land-uses, illegal building work and illegal occupation of buildings and illegal outdoor advertising.	The eradication of illegal land-uses, illegal building erections and illegal outdoor advertising.  Increasing success has been achieved in the High Court, Municipal Court and Development Control Court.	10 bad buildings currently under investigation.  Approx 800 court cases NBR, TPS and outdoor advertising by-laws  15000 contravention notices issued for TPS transgressions  50 Contravention notices issued for outdoor advertising. Remove all illegal advertising road reserve and council property.	21 Bad buildings under investigation  Approx 1895 court cases for NBR, TPS & outdoor advertising by-laws finalised  720 Contravention notices issued for TPS transgressions  374 Contravention notices issued for outdoor advertising Removed: 44 542 Placards (include posters, boards, standing boards and banners) 254 fixed signs (pole signs) Graffiti: 135 sqm	Eradication of 10 Bad Buildings in the Inner City	
<b>Building Control</b>					
Approval of building plans	Building Plans	21494	16 674	15000	
Value of building plans approved		R1 276 253 300	R10 431 463 000	R990 055 000 000	
Approval of site development plans (SDP's)	SDP's	1399	1 362	1300	
<b>Geomatics</b>					
The rendering of a general geomatic service	Most requests with regard to surveying, the production of maps and	All requests were attended to and 100% up to date.	100% of all requests for information was	Attending to 100% of requests for information	Attending to 100% of requests for

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07	Planned targets as per approved budget 2007/8
	provision of information were attended to in the most effective and efficient manner.		attended to	received	information received
The maintenance of the Land Information System	The ongoing and accurate capturing of land information for various parts of the City.	All requests were attended to and 100% up to date.	100% of all requests for information was attended to	Attending to 100% of requests for information received	Attending to 100% of requests for information received
To provide the COT with integrated spatial information	This KPA does not exist but requires urgent attention if the city wants to improve its information integrity, availability and solution possibilities.	All requests were attended to and 100% up to date.	100% of all requests for information was attended to	Attending to 100% of requests for information received	Attending to 100% of requests for information received
<b>Streetscape Management</b>					
Management and control of outdoor advertising and the design and implementation of plans and policies to improve the quality of the city's streetscape	Total income from outdoor advertising R 14 million against a budgeted income of R9 million.	R13.1 million			

### 5.4.3.2 Economic Development

#### (a) Overview and description of key issues

The main functions of the Economic Development Department are:

1. To enhance local economic development through local economic development projects to contribute to economic growth, job creation and BBBEE, particularly through:
  - The development of enterprises and particularly to provide support to SMMEs.
  - The creation of an environment conducive to investment and job creation.
  - The creation of an awareness of the two economies that are present in Tshwane and of the need to reduce poverty and unemployment and prevent economic retardation (especially in the second economy) through economic growth and development.
  - The facilitation of economic activity in Tshwane that is characterised by innovation high-tech enterprises in globally competitive niche clusters and sectors that require semi-skilled labour
  - Structured support for black economic empowerment and the development of small, medium and micro-enterprises
  - Support for urban agriculture.
2. To develop the economic environment of the CoT through the management and enhancement of sustainable and responsible tourism development and promotion. The growth in tourism will be facilitated by establishing the Regional Tourism Organisation (RTO) and the aim is to facilitate the creation of more employment opportunities, both direct and indirect to enlarge the impact on the second economy communities through tourism promotion and linkages.
3. To provide transport services and infrastructure.



4. To develop the economic environment of the City of Tshwane (CoT) by creating an enabling trade environment for the marketing of agricultural produce and to improve the market efficiency /trading of agro-processing sector by:

- Establishing unique trade centres where price forming in and trading of agricultural products take place to the mutual benefit of suppliers (including second economy suppliers), buyers and consumers.
- The development of new agricultural marketing business opportunities nationally and internationally and managing information services to clients of the Tshwane market.
- Managing and overseeing projects and to ensure that essential business services are provided at the Market within the projects framework.
- Establishing and developing agricultural trading infrastructure and systems by means of strategic, financial, operational, personnel and general management in the interest of producers, market agents, buyers and consumers.
- Providing a financial service, cashier service, market safety service by protecting the assets and personal safety of the different role-players at the market and an electronic sales service by providing modern technology (hardware and software) that is efficient and cost-effective to the different role-players (management & staff, producers, agents, buyers, tenants, etc) on the market.

5 To provide strategic direction to the Economic Development Department and ensure good governance.

The key issues for 2006/7 were:

1) Economic growth

The CoT has enjoyed incredible growth over the past decade and is probably the city that has enjoyed the most consistent growth. According to global Insight, the CoT has a growth rate of 7,8% in 2006 (compared to 4,9% and 6,1% for South Africa and Gauteng respectively.)

Figure 1 Economic growth rates (actual and projected)

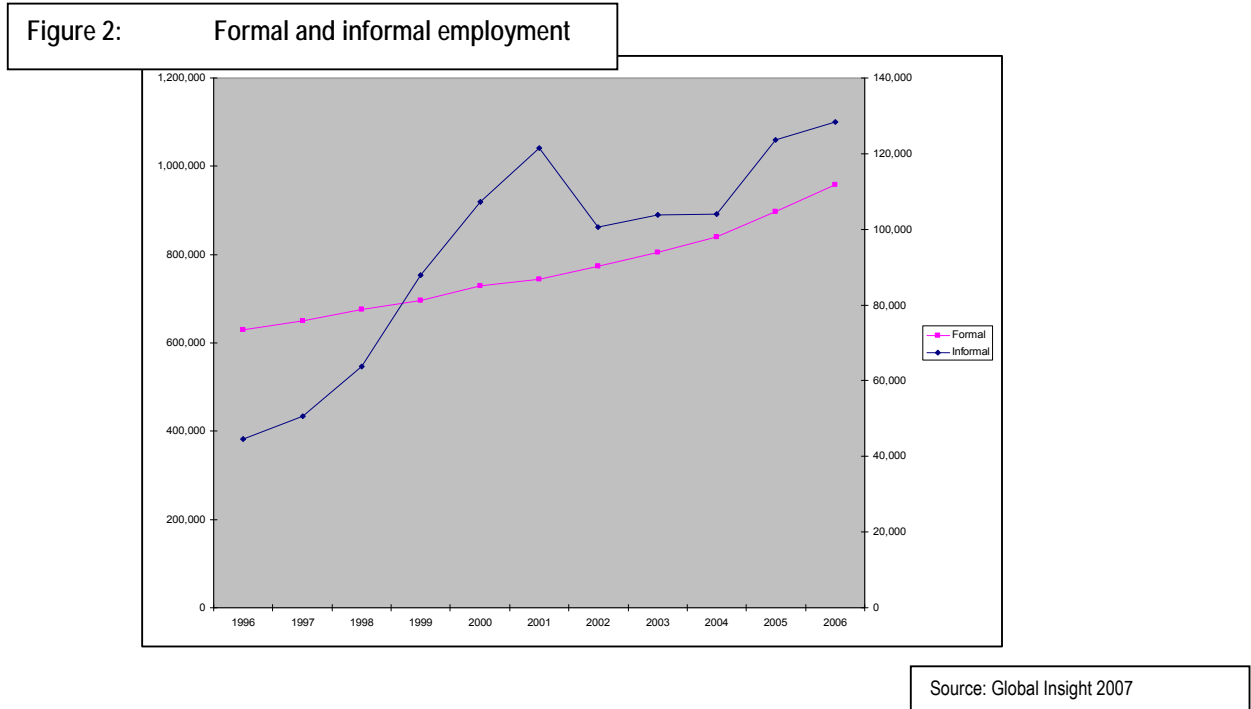


Source: Global Insight 2007

## 2) Employment Creation

The growth in CoT's economy has resulted in the unemployment rate declining and rates are approaching the levels seen in 2000. Unemployment however remains the highest in the north and the township in the east and the west.

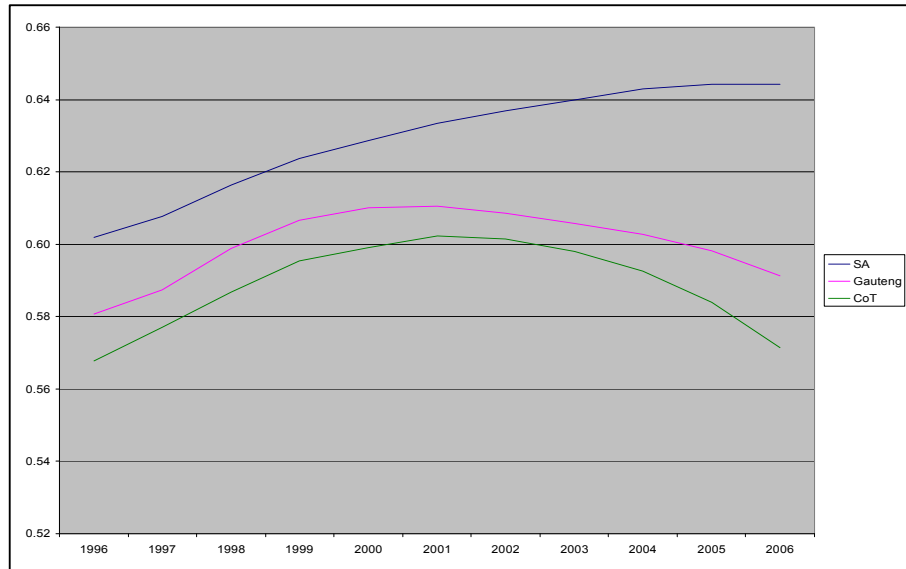
The number of formal jobs created in the City of Tshwane's economy is growing steadily but especially in the past two years. In 2005 approximately 75 000 jobs were created and another 65 000 in 2006. According to Global Insight the informal sector's employment creation ability is continuing.



## 3) Leverage growing and strategic sectors in the City in a way that optimize investment opportunities and focus on establishing an integrated economy

The job creation in the city is contributing to improving both poverty reduction and equality. The Gini coefficient is a summary statistic of income inequality, which varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income and other households earn nothing). In practice the coefficient is likely to vary from approximately 0,25 to 0,70. According to Global Insight (2007) the Gini Coefficient is increasing for South Africa as a whole but is decreasing in Gauteng and the City of Tshwane. This is graphically shown below.

Figure 3: Gini Coefficient



Source: Global Insight 2007

#### 4) SMME Development

It is estimated that the SMME sector's contribution into the city's economy is 85%. This makes it the most important component of the City's economy, and needs to be nurtured. As indicated earlier in the report, the City's Gini coefficient is improving and can improve a lot more if more formal jobs are created and new businesses are initiated.

The City committed itself to facilitating the creation of new businesses through its SMME Development Strategy. Through this strategy, the City provides responsive and targeted programmes aimed at creating an enterprising, innovative and competitive SMME sector, characterized by high levels of skills, quality, efficiency and innovation. An additional R50m per annum has been pledged by the Executive Mayor to intensify support for this valuable business sector of our economy.

In order to remain responsive and appropriate to the needs of SMMEs, the City continues to engage stakeholders on a regular basis through various forums. One such forum was the SMME Summit, which brought all stakeholders together to identify ways in which the growth of the SMME sector can be accelerated in line with the objectives of ASGISA. The Summit resulted in a number of prioritized interventions which will be implemented by both the Municipality and the stakeholders themselves.

The City is the first city to establish a forum where all government funded agencies, which operate within the boundaries of the City, come together on a regular basis to plan and find ways to create synergy in delivering services to SMMEs. This forum, coined the Tshwane Business Support Agencies (TBSA) consists of representatives from the City, SEDA, GEP, UYF as well as KHULA, and provide business development support to SMMEs in Tshwane.

One important component of the SMME sector is informal trading. This sector contributes as much as 4.5% to the national GDP, which translates into anything between R32 to R55 billion. For the City, informal trading is a positive development as it contributes to the creation of jobs and alleviation of poverty, and has the potential to expand further the City's economic base. In the final analysis, all

these will contribute immensely to the City's vision of a Leading African Capital City of Excellence.

**(b) Analysis of the Function**

<i>Statistical information and R expenditure</i>	2005/6		2006/7	
	Nr	Cost	Nr	Cost
Number and cost to employer of all economic development personnel:			319	R 45,717,256
- Professional (Directors / Managers)			54	R 16,115,551
- Non-professional (Clerical / Administrative)			202	R 23,655,459
- Temporary			25	R 1,969,595
- Contract			38	R 3,976,651
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package				
Detail and cost of incentives for business investment:				<i>R (000s)</i>
<i>TATA, Wonderboom Airport</i>				R106 million
Number of people employed through job creation schemes:				
- Short-term employment			<i>3663</i>	
- Long-term employment			<i>100</i>	
Note: total number to be calculated on full-time equivalent (FTE) basis, and should only be based on direct employment as a result of municipal initiatives				
Type and number of grants and subsidies received:				<i>R (000s)</i>
<i>Grant from Gauteng Tourism Authority (GTA) for feasibility study for Mamelodi Rondavels (Tourism Division)</i>			<i>1</i>	<i>R400 000,00</i>
<i>2010 FIFA World Cup funding received from Department of Transport (DoT)</i>			<i>R27 million (Operational) &amp; R14 million (Capital)</i>	<i>R 41,000,000</i>
Note: total value of specific planning and development grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.				

**(c) Key Performance areas**

*Local Economic Development:*

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i>Job creation through special economic development initiatives</i>	<i>Business Week Initiative</i> <i>Growth and Development Strategy</i> <i>Agricultural Summit</i> <i>SMME Summit</i>		
Creation of an enabling environment for the retention and expansion and attraction of investment	Investment promotion	Approved investment promotion strategy	Approved investment promotion strategy
	New informal trade stalls & maintenance of stalls New hawkers licenses Renewals of hawkers licenses Event licenses New trading permits Renewals of existing stand permits Formal business	59 580 361 119 66 563 361 999 16	
Support and development of SMME's	Micro MBA Advanced Entrepreneurial Training School Entrepreneurship Incubators Co-Operative Support Unzip Programme Start up Support Tshwane Business Club Information Desk Technical Skills	50 51 Feasibility Study Feasibility Study 48 715 Establish 120	

### Agricultural Trading

KPA	KPI	Actual 2005/6	Target 2006/7	Actual 2006/7	Variance	Reason for under Performance / Steps taken to improve performance	Planned 2007/8
1. To provide and improve trade centres for the marketing of agricultural produce	1. Maintenance of buildings at the market	98.43%	95%	106,6%	11;6%	Unforeseen breakages occurred during the last quarter	95%
	2. Convert part of the old housewives market into four processing facilities	Relocation of the Housewife market to new Retail Facility on	4 processing units by 30 June 2007	Amount of units reduced from 4 to 3; all three units completed	1 unit	Decided to combine the two proposed processing areas into one to accommodate a new buyer from Johannesburg and this	Project completed

KPA	KPI	Actual 2005/6	Target 2006/7	Actual 2006/7	Variance	Reason for under Performance / Steps taken to improve performance	Planned 2007/8
		western side of the market. Plan to convert part of the old housewife market into four processing facilities				resulted into three processing areas.	
2. To develop Agricultural Trade Centres	1. Growth in turnover	16.25.	<i>Better than industry growth</i>	The market achieved a growth in turnover of 14.09%	This is 5.90% better than industry	Target achieved	Better than the industry growth
	2. Growth in mass	-2.40%	<i>Better than industry growth</i>	Market achieved a growth in mass of 7.42%	This is 2.80% better than industry	Target achieved	Better than the industry growth
	3. Training Informal Traders	60	<i>60 Traders by 30 June 2007</i>	60 informal traders trained by 30 June 2007	100% class attendance	Target achieved	60 informal traders of which 15 will be youth
	4. Develop a marketing plan for the division	Activity plan was in place to promote the services of the Tshwane Market. A Marketing plan will be developed for 2006/07 financial year	<i>Marketing plan for 2006/07 by 30 August 2006</i>	The SED signed the marketing plan on 30 August 2006 and was implemented	Budget spend was according to the official marketing plan.	Target achieved	Marketing plan for 2007/8 by 31 December 2007
	5. Upgrade Tshwane market website to include historic information	Web-site exist but only current trading information is available	<i>To be completed by September 2006</i>	Historic information button was developed and implemented by 9 September 2006	Buyers, producers and industry role players are using the information as part of their management decisions.	Target achieved	Further development of the web-site. Develop this web-site to support the CoT website
	6. Strategic workshop for all role players at Tshwane market	Planned a workshop for all industry role-players at the	<i>To be completed by March 2007</i>	The workshop was held with Economic	Other role players in the industry were not involved in	Management took a decision to fund other priority projects and therefore the workshop will be carried over to	Feasibility study to be undertaken to investigate the possible establishment of

KPA	KPI	Actual 2005/6	Target 2006/7	Actual 2006/7	Variance	Reason for under Performance / Steps taken to improve performance	Planned 2007/8
		Tshwane Market		Development cluster on the 24 August 2007	the workshop	the next financial year	the Market in the North.
	7. % Market share of fresh produce markets	16.9%	16.90%	Market achieved a market share of 17.63%	This is 0.73% better than the targeted share	Target achieved	17.80%
3. To manage Agricultural Trade Centres	1. Utilization of rentable floor space-offices	92%	90%	92%	2%	Above Target	90%
	2. Utilization of rentable floor space-stores	99%	95%	99.51%	4,51%	Above Target	95%
	3. Consignment audits at the market agents	240	25 Audits per month equals to 300 per year	330 Audits	30	Above Target	350
	4. Audits on direct deliveries to tenants: recovery of market dues	Market dues recovered on a turnover of R 793 540.00	Market dues recovered on a turnover of R 850 000.00	R 1 012 896.14 direct turnover achieved	R 162,896	Above Target	Market dues recovered on a turnover of R 800 000.00
	5. Electronic sales system availability	99.5%	99.50%	99.60%	0.10%	Above Target	99.5%
	6. Ensure a safe marketing environment	64%	Successful apprehensions 66%	50%	16%	54% of all incidents are for produce theft and are the primary reason for not meeting the target. Reaction to such incidents is dependant on fast, accurate information to apprehend the perpetrator. Unfortunately this is not the case in most instances and has resulted in a low success rate.	50%

KPA	KPI	Actual 2005/6	Target 2006/7	Actual 2006/7	Variance	Reason for under Performance / Steps taken to improve performance	Planned 2007/8
	<i>7. Integrated account payment solution using smart box technology</i>	Phase 1: Planning for smart box units for market users	Implementation of two smart box units by 30 December 2006	<i>2 smart box units were implemented by April 2007</i>		FNB identified further critical back office development. As a result implementation was postponed to July 2008	Implementation of two smart boxes by 30 June 2008

### Tourism

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
1 Achieve 4,5% growth per annum in the tourism market of overnight visitors.	± 4,6% average per annum Tourism contribution to the Gauteng economy (Source: GTA)	± 4,6%	4.5%
2.1 Leverage growing and strategic sectors in the city in a way that optimise investment opportunities and focus on establishing an integrated economy	<i>1. Township Bed &amp; Breakfast - Community Capacitation</i> (To ensure that standards are adhered to)- Most of the establishment were not suitable for grading. Advises were given to establishment owners to improve the quality of their establishment in order to met the standard.	- 25 & 1 Tavern	-80
KPA 2.4 Optimise city-wide Tourism opportunities from a Cultural, Business and Capital City status	<i>2. SA Host Training- Community Tourism.</i> (Capacitation and empowerment)		
KPA 2.5 Increase participation and broaden the contribution in growing the city's economy through the development of the SMME'S, Co-operatives, the informal sector and the role of black people, woman and youth	<i>Township Tour Guide Training- Community Tourism.</i> (Capacitation and empowerment)  <i>3. Tour Operators/Guide Workshop-)-</i> Due to commitment many people did not attend the Workshop		
2.12 Review and align the organisational structure to the strategic objectives	<i>4. Clustering Process- Community Tourism.</i> (Capacitation and empowerment)	-54	-54
	<i>5. Women's Month Workshop- Recognising Women in the Tourism industry.</i>	-45	-45
	<i>6. Youth in Tourism Conference-capacitation of young people</i>	-35	-35



Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	<p>7. HIV Training –raising awareness in different Townships in Tshwane.</p> <p>8. International Pretoria Show- Creating platform for emerging Tourism Businesses</p> <p>9. Heritage Day Celebration- Creating platform for emerging Tourism Businesses</p>	<p>-18 Townships</p> <p>-120</p> <p>-180</p> <p>-Hammanskraal 23 people -Ga-Rankuwa 23 -Soshanguve 29 -Atteridgeville 33 -Inner city 51 -Stanza Bopape 35</p>	<p>-18 Townships</p> <p>-120</p> <p>-180</p> <p>-Hammanskraal 23 people -Ga-Rankuwa 23 -Soshanguve 29 -Atteridgeville 33 -Inner city 51 -Stanza Bopape 35</p>
	<p>10. Freedom Day Exhibitions - Creating platform for emerging Tourism Businesses</p> <p>11. Women 's day Exhibitions - Creating platform for emerging Tourism Businesses Tourism Businesses</p> <p>12. Feasibility Study for Mabopane, Atteridgeville and Soshanguve. - To develop Tourism infrastructure. % growth as stipulated in Tourism Master Plan</p>	<p>20 SMME's</p> <p>-200 SMME's</p> <p>-100 SMME's</p> <p>-100 SMME's</p>	<p>-20 SMME's</p> <p>-200 SMME's</p> <p>-100 SMME's</p> <p>-100 SMME's</p>
	<p>13. Tourism Signage- To develop Tourism infrastructure. % growth as stipulated in Tourism Master Plan.</p>	<p>Feasibility study for the three areas was successfully completed.</p> <p>-139 signs</p>	<p>-To unlock Tourism potential in all three areas</p> <p>-139 signs</p>
Tourism Events Implementation by hosting Tourism Month, Woman's Month, and Youth in Tourism activities in Tshwane	<p>14. Executed a tours for :</p> <p>a Swedish Representatives as participation in the International Educational and Cultural Exchange Programme with a school in Sweden in March 2007.</p> <p>b Gabon Delegation Gauteng Tourism Authority, 6 – 9 May 2007</p> <p>c Participated I National Heritage Day World Tourism Day</p>	<p>1 media tour 1 Industry tour 2 main events</p>	<p>1 media tour 1 Industry tour 2 main events</p>
Execute Tourism Events Implementation Programme by	National Library Week in Saulsville Library in Atteridgeville, on the 17th May; 2007;	+/- 6 Ad-hoc events	5 Ad-hoc events

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
ad-hoc event support and facilitation of linkage between organizers and service providers/artists	IV FASU Games at UP on 1-8 July 2006; Mandela Birthday Bash, Hammanskraal, 13-15 August 2006; Freedom day celebrations; Accommodation Conference October 2006;		
Execute Tourism Events Implementation Programme by planning and executing exhibitions and events	<ol style="list-style-type: none"> <li>1. IMEX in Frankfurt on 17 – 19 April 2007.</li> <li>2. Chinese Outbound Travel and Tourism Market from 14 – 16 May 2007.</li> <li>3. Tourism Indaba in Durban on the 12 – 15th May 2007.</li> <li>4. ITB in Berlin from 7-11 March 2007; Meetings Africa, Sandton Convention Centre 27 February 2006 to 1 March 2006</li> <li>5. SA Week in Washington 7-9 September 2006</li> <li>6. World Travel Market, 6 – 9 November 2006 at Excel Exhibition Centre in London</li> <li>7. Pretoria International Show from 23 August to 3 September 2006, at the Tshwane Events Centre</li> <li>8. SAACI Conference and expo From 13 – 15 August 2006 at the International Convention Centre in Durban</li> <li>9. International Fair on 11 November 2006 at the Union Buildings lawns.</li> </ol>	<p>6 major International/regional Exhibitions</p> <p>3 major local/domestic tourism exhibitions</p>	<p>2 regional exhibitions</p> <p>2 national exhibitions</p> <p>3 international exhibitions</p>
Execute Critical Success Factors implementation by facilitating and promoting initiatives for improvement of accessibility – Batho-Pele principle Physically challenged friendly facilities	<ol style="list-style-type: none"> <li>1. Mobility impaired A-Z Guide/Directory</li> <li>2. Pretoria Show – The Division collaborated with the Friends of the Zoo to exhibit taxidermy animal trophies for the handicapped.</li> <li>3. SA Tourism Sho't Left packages included tours for people with disabilities</li> </ol>	<p>1 Directory</p> <p>1 exhibition</p> <p>1 tour package</p>	<p>1 Directory</p> <p>1 exhibition</p> <p>1 tour package</p>
Execute Tourism Training & Skills Development Programme by coordinating the execution of the annual Tshwane Tourism Awards	Tshwane Tourism Awards on 13 April 2007, hosted at CSIR International Convention Centre, Tshwane	1 Collaborative Award	1 Collaborative Award

## 5.4.4 Health

### a. Overview and description of key issues

#### 5.4.4.1 Environmental Health

- Implementation of Municipal Health services
  - Health surveillance of premises
  - Environmental pollution control including monitoring of water quality
  - Air-quality management
  - Noise management
  - Waste management
    - The identification and monitoring of all land ensures that no health offences, risks or hazards occur on such premises and ensures the institution of corrective measures where such offences, risks or hazards occur.
  - Food management and Safety
  - Vector control
  - Disposal of the dead
    - The section manages, controls and monitors exhumations and reburials or the disposal of human remains.
  - Chemical safety
  - Client and information services

#### 5.4.4.2 Primary Health Care

- To maintain the current quality of PHC services delivered at the clinics.
- To ensure enough staff in clinics to cope with the workload.

#### 5.4.4.3 Ambulances (Emergency Medical Services)

- 47 026 patients were attended to on request, in accordance with provincial norms and standards.
- 67 selective, special standby services were attended to.
- 84 182 calls in total

#### Emergency Medical Services has received

Type	Emergency Medical Services call analysis annual report 2006/7			
	JULY TO OCTOBER	November to February	MARCH TO JUNE	TOTAL
Priority 1	276	365	271	912
Priority 2	7547	13404	13122	34073
Priority 3	6227	8222	7145	21594
Priority 4	261	345	436	1042
No service/ transport	4504	4892	5236	14632
Total	18815	27228	26210	72253

## Emergency Medical Services call analysis for 2006/7:

Percentage breakdown of specific types as a percentage of the total calls received for the following types					
		JULY TO OCTOBER	November to February	MARCH TO JUNE	TOTAL
Pedestrian 030	3.76%,	921	848	951	2720
Motor vehicle Accidents 031	7.37%	1875	1744	1713	5332
TAXI 032	0.29%,	92	124	104	216
BUS 033	.06%,	15	17	15	47
PEDIATRIC 062	3.16%	621	680	988	2289
	9.58%	1894	2478	2556	6928
Total	24.22%	5418	5891	6223	17532

### (b) Analysis of the Function

Description	2005/6		2006/7	
	Nr	R cost	Nr	R cost
Number and cost to employer of all ambulance service personnel:	189	R 36 794 545	185	R41 942 070
- Professional (Doctors/Specialists)			n/a	<cost>
- Professional (Nurses/Aides)			n/a	<cost>
- Para-professional (Ambulance officers qualified)			185	R37 881 794
- Non-professional (Ambulance officers unqualified)			1	R 160 160
- Temporary			-	
- Contract			98	R3 900 116
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package				R41 942 070
Number and total operating cost of ambulance vehicles servicing population:	3 CoT Ambulance and 30 GPG 4 primary response vehicles		1 x CoT Ambulance and 40 GPG ambulances (These are the available ambulances but not	R (000s)

Description	2005/6		2006/7	
	Nr	R cost	Nr	R cost
			manned) 6 primary response vehicles.	
- Aged less than 10 years			<total>	<cost>
- Aged 10 years or greater			<total>	<cost>
Note: this figure should be taken from the plant replacement schedule				
Total annual patient head count:	62 496		57 621	
- 65 years and over			stats n/a	
- between 40 and 64 years			stats n/a	
- between 15 and 39 years			stats n/a	
- 14 years and under			stats n/a	
Note: list total number transported			53621	
Type and number of grants and subsidies received:				R (000s)
<i>GPG Subsidy for ambulance</i>			1 GPG Subsidy	R38 967 006
Note: total value of specific health ambulance grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.				
Total operating cost of health (ambulance) function				R49 088 167

Provide statistical information on (as a minimum):>	2005/6		2006/7	
	Nr	R	Nr	R'000
Number and cost to employer of all health personnel:	467	77 171 862	257	
- Professional (Doctors/Specialists)	17		15	5 000
- Professional (Nurses/Aides)	190		181	29 000
- Para-professional (Clinic staff qualified)	25		24	5 000
- Non-professional (Clinic staff unqualified)	34		34	4 000
- Temporary	0		3	R 230
- Contract			0	0
Total operating cost of health (clinic) function				R79 mil

**(c) Key Performance Areas**

KPA	KPI	Achieved 2005/6	Achieved 2006/7	Target	Comment on variance
Provide primary health care services to uninsured population	% of households with access to PHC within a radius of 5km	80%	98%	80%	Adherence to business plans as well as continuously monitoring performance.
Increase nr of clinic users per annum to at least 1 224 355 by 2011	Nr of clinic users per annum	1 033 861	1,112,554 clinic users	1,007,280	Improvement of service at clinics and monitoring of queues contributed to the achievement of target.
Ensure EDL medicine is available at all PHC clinics	% of EDL medicine available to PHC clinics at all time	90%	99.3% EDL medicine available to PHC clinics at all time.	90%	Continuous engagement with the Province and monitoring of deliveries to Municipality ensured availability of drugs.
Ensure professional nursing staff are available at clinics	Nr of professional nurses per 100000 of uninsured population	21	21.4 of professional nurses per 100000 of uninsured population	21	Will continue to negotiate with Province for staff allocations. Provincialisation of Primary Health Care is a risk since vacancies must now be filled by Province.
Deliver HIV campaigns	Nr of HIV campaigns delivered per annum	N/A	10	10	
Implement the Legislated environmental Health functions	% implementation of identified Environmental Health functions prescribed by the National Health Act for municipal health services	N/A	25% implementation of identified Environmental Health functions prescribed by the National Health Act for municipal health services	35%	No budget to appoint Environmental Health Practitioners to extend services
Attend to patients (ambulance services) in accordance with provincial norms and standards	Nr of patients attended to per year, on request in accordance with provincial norms and standards	69 677	47 026	38 000	

**5.4.5 Community and Social Services**

**(a) Overview and description of key issues**

**5.4.5.1 Environmental Management**

The Environmental Management Division's function is to ensure that the City of Tshwane's residents are provided with safe, adequately maintained and aesthetically pleasing public

open spaces and a clean and sustainable living environment. The section is also responsible for the facilitation and coordination of the Environmental Impact Assessment (EIA) process on a local government level as well as the management of development impact on open spaces throughout the City. In this regard a monthly EIA forum is held with the Provincial Department of Agriculture Conservation and Environment (GDACE). The section delivers comment from an Open Space perspective on approximately 1000 development applications annually including townships, re-zonings, consolidations, subdivisions and second dwelling units. 95% of all applications are commented on within 30 days. In addition to this the section is also responsible for the delivery of a design service and these include the design of 9 new parks annually , as well as various master planning and beatification projects

The activities of Environmental Management include the following:

#### **5.4.5.2 Environmental Planning Section**

The Section is strategically s responsible for policy formulation with regard to open space planning (Tshwane Open Space Framework) and undertakes high order strategic planning studies such as Environmental Management Frameworks and Strategic Environmental Assessments within priority intervention areas.

#### **5.4.5.3 Cemetery Services**

The Cemetery Services section is responsible for supplying effective, affordable and appropriate services in terms of aesthetically acceptable burial space, the rendering of a cremation service, the administration of a destitute funeral policy, and the administration of 41 cemeteries and 1 crematorium.

#### **5.4.5.4 Parks and Horticultural Services**

This Section is responsible for the horticultural development and maintenance of parks and traffic islands, approximately 233,000 street trees, sport facilities, council facilities and undeveloped open spaces.

#### **5.4.5.5 Nature Conservation and Resorts**

This section supplies, promotes and maintains urban conservation, outdoor leisure, visitor facilities and water related activities to residents and tourists in the Tshwane Metro boundaries.

In pursuing the aim of the City to become an internationally acclaimed jazz capital, the Environmental Management Division committed itself to the re-design and planning of Moretele Park Recreation Resort in Mamelodi to become a world-class venue for music festivals and has to date invested R3 660 000 to improving the facility. The city is very excited at the long term vision for the facility encapsulated in the Master Development Plan. This plan was developed in conjunction with the local community and jazz fraternity and aims to promote Moretele Park as the premier location for music festivals.

#### **5.4.5.6 Environmental Resource Management**

This section's functions include amongst others annual reporting on the State of the Environment, an environmental policy and legislation service, environmental management systems and programmes in the CoT, environmental risk assessment and management,

execution of environmental audits and monitoring the enforcement of mitigation conditions within EIAs (Environmental Impact Assessment) as well as designing and implementing general awareness and job specific environmental training programmes for employees of the CoT.

Since there is an increasing trend and demand for Municipalities to demonstrate transparency and accountability beyond the domains of social and financial performance, the CoT has decided to disclose its environmental performance through, for the first time, the inclusion of the following environmental indicators.

**(b) Analysis of the function**

Details	2005/06		2006/07	
	Total	R	Total	R
Number of staff associated with cemetery services and their cost to the municipality:				
- Total	35	6 419 315	35	6 419 315
Total operating cost of community and social services function:	632	916 000	294	1 212 973

Details	2005/06		2006/07	
	Total	R	Total	R
Number of staff associated with Parks and Horticultural Services and their cost to the municipality:				
- Total	1049	R13 367 695	1053	R13 767 695
Total operating cost of Parks and Horticultural Services function:		R147 606 719		R149 835 887

Details	2005/06		2006/07	
	Total	R	Total	R
Number of staff associated with Nature Conservation and Resorts Services and their cost to the municipality:	467	9 109 951	474	9 789 717
Total operating cost of function:		48 375 940		33 353 137

Details	2005/06		2006/07	
	Total	R	Total	R
Number of staff associated with Environmental Resource management and their cost to the municipality:	11	4 967 430	13	5 217 621
Total operating cost of function:		5 738 886		6 041 398



**(c)Key Performance Areas**

Key performance area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07
Development and maintenance of decorative and play parks	New parks were developed in the northern areas  Infrastructure and depots were upgraded to ensure the rendering of an effective service.	6 new parks were developed as new projects and 16 existing parks were upgraded as second phase projects	6 new parks were developed in the North.  The parks depot at Garsfontein was successfully relocated to Pretorius Park.	3 Existing parks upgraded 25 existing parks upgraded as second, third & fourth phase projects  R4.500,000
Development and maintenance of decorative and play parks	New parks		The Proposed Open Space Prioritization Strategy document was finalised  12 new parks were developed as new projects and 12 existing parks were upgraded as second and third phase projects	12
	Upgraded Parks (Maintained parks)	245 Developed Parks and 300 undeveloped Parks were maintained throughout Tshwane	Maintenance of:  339 Developed Parks, 397 Undeveloped Parks, 7 Decorative Parks, 111 Developed traffic islands, 47 Undeveloped traffic islands, 28 Cemeteries, 106 Council Facilities, and 160 Sports Facilities.	339 developed parks  397 underdeveloped parks 7 decorative parks 111 developed traffic islands 47 underdeveloped traffic islands 28 cemeteries 106 Council facilities 160 sports facilities
Provision of an urban forestry service	Approximately 10 000 trees were planted	10972 trees	10830 trees	10000 trees
Provision of a nursery and training service	To propagate and provide enough plants to be planted in Tshwane on parks, traffic islands, squares and boulevards:			

Key performance area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07
	Plants issued	104 755 plants issued. Value: R2,071,770	104401 plants issued. Value:R2,613,865	120 000
	Indoor plants maintained	1400 indoor plants maintained Value: R393,227	1472 indoor plants maintained. Value: R389,153	1 400
	Plants sold	32 947 Plants sold Value: R445,834 (income)	44 236 Plants sold Value R628,140 (income)	R321 466 + 25% =
Generate income through decorations and hiring out of plants	To do decorations and hire out plants to generate an income for the Municipality		31 Decorations Value: R48,622	
	Decorations and hiring (Rand value)	35 loads of plants hired out Value: R19,046 (income)	48 loads Value: R51,880 (income)	
	Decorations done for Free and value thereof	21 Decorations created (income value R52,000, but discounted to R29,728)  29 Decorations built for mayoral or official purposes (income value R100,977 however discounted 100%)	30 Decorations created  Income value R112,459, but discounted by 100%	

Key performance area	Performance during the year and targets	Actual 2005/06	Actual 2006/07	Target 2006/07
Management and Administration	General	3 208 253	2 150 385	5 596 298
Swimming Pools	Maintain and manage 23 municipal swimming pools	13 510 378	10 272 433	12 264 896
Resorts	Maintain and manage 9 Resorts, 3 Caravan Parks and several camping sites	14 381 434	10 674 384	14 390 110

Key performance area	Performance during the year and targets	Actual 2005/06	Actual 2006/07	Target 2006/07
Nature Conservation	Maintain and manage 5 Nature Reserves, 3 Bird sanctuaries, general urban nature areas (rivers, ridges, mountains and wet lands)	15 315 283	12 384 768	16 264 456
Total income	Entrance fees and hiring of facilities (activities)	5 524 091	5 612 770	6 735 324

Key performance area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07
Development of Hatherley and Honingnestkranz cemeteries.	Phase 2 completed for both cemeteries. Construction of infrastructure (phase 3) to be undertaken in next financial year.	R1,144,928 + R923,978 = R2 068,906	R919.056  R997.438	R 1,000,000 R1,000,000
Eersterust	Landscaping and paving of internal roads	R960,263	R387.725	R750.000
Lotus Gardens	Upgrade of a water pressure systems, admin.block, building a guardhouse and paving of 2x internal roads.	R744,385	R	R
Upgrading of existing cemeteries: Atteridgeville and Saulsville Cemeteries	Atteridgeville Cemetery Concrete pathways, resurfacing of asphalt roads. & repairs of pedestrian gates Saulsville Cemetery Upgrade of electrical work, new main electrical connection to property, upgrade of new entrance/exit gates, landscaping & concrete grave markers plus repair & installation of new irrigation system.		R 561.772  R18.206	R 750.000  R610.00
Winterveldt Cemetery	5 And 10 Acres & New Winterveldt Cemeteries. Fencing & paving of internal roads Internal roads			

Key performance area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07
Ga-Rankuwa Cemetery	Fencing and internal roads		R44.779	R1.000.000
Soshanguve Cemetery	Fencing, Water connection, New entrance/exit gates. upgrade of Admin building, landscaping & paving of internal roads.		R865.803	R1.316.000
Dilopye Cemetery	Internal roads, fencing Grave markers, repair of building & water connections		R80.716	R154.000
Other cemeteries	Suurman – Geotech studies Grave markers Various roads		R859.277	R1.163.256
Mamelodi Cemeteries	Fencing Water Connection East Internal roads		R1.942.866	R2.000.000

Key performance area	Performance during the year and targets	Actual 2005/06	Actual 2006/07	Target 2006/07	Target 2007/08
Environmental Training and Awareness	10 programs implemented	12	13	10	10
Environmental Risk management	5 programs implemented	5	5	5	5
Corporate Environmental Compliance	25 programs implemented	25	30	40	30
Environmental Policies and Strategies	Development of 7 environmental strategies/policies	7	19	19	3

Fifteen (15) environmental targets to be achieved by June 2011:

TARGET	ACHIEVED 30 JUNE 2007
4 Ensure that at least 25 different product categories procured by the City of Tshwane are identified and procured at least partly in an environmentally friendly manner.	4.2 Programme established 4.3 10 product categories identified
2 Reduce the environmental impact of municipal activities through reduction by	<ul style="list-style-type: none"> <li>Paper consumption programme established and project in process</li> </ul>

TARGET	ACHIEVED 30 JUNE 2007
10% in non recycled internal paper consumption, water consumption and energy consumption per capita employee.	<ul style="list-style-type: none"> <li>• Consultant appointed to execute water consumption audit and make water saving recommendations for various municipal buildings</li> <li>• Energy consumption programme established and project in planning phase to retrofit selected municipal buildings in the 07/08 financial year</li> </ul>
3 Incorporate appropriate environmentally responsible technologies into all City of Tshwane provided infrastructure, facilities, new municipal buildings sub-economical housing projects.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Green infrastructure and facilities guidelines and supporting MIS finalized</li> <li>• Environmental considerations included in project plan for the new Munitoria</li> <li>• Energy consumption programme established and project in planning phase to retrofit selected municipal buildings</li> <li>• Project to replace geysers with Solar Panels in process at Rooiwal Power station</li> </ul>
4 Establish an incentives scheme for developers which integrate environmental best practices into their project planning.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Project brief finalized</li> <li>• Quotation obtained</li> <li>• Process initiated for bid committee approval</li> <li>• To be implemented in 07/08 financial year</li> </ul>
5 Incorporate bicycle routes for at least 5% of Tshwane's roads.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Pilot project in process in Atteridgeville</li> </ul>
6 Establish an incentives scheme for commuters who use public transport.	<ul style="list-style-type: none"> <li>• Baseline study of CoT ITP finalized</li> <li>• Programme established</li> </ul>
7 Reduce unaccounted water losses in Tshwane by 5%.	<ul style="list-style-type: none"> <li>• Incorporated into scorecard of the Water and Sanitation division</li> <li>• Water and Sanitation operational matter</li> </ul>
8 Rehabilitate 3% of existing, degraded wetlands in Tshwane.	<ul style="list-style-type: none"> <li>• Programme in process</li> <li>• Baseline study conducted and 2 wetlands identified for rehabilitation</li> <li>• Negotiations in process to initiate rehabilitation</li> </ul>
9 Ensure that the City of Tshwane's contribution to levels of criteria air pollutants in Tshwane do not exceed South African air quality standards for more than 10 days per annum.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Target contained and managed in the Tshwane Air Quality Management Plan</li> </ul>
10 Provide one hectare socio-economic space per 1000 people in Tshwane.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Target contained in the Tshwane Open Space Framework and operations of the Environmental Planning section</li> </ul>
11 Diversify energy supply and increase renewable and cleaner energy sources by 3%.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Target contained and managed in the Sustainable Energy and Climate Change Strategy</li> <li>• Project initiated in terms of methane gas utilization</li> </ul>
12 Eradicate 100% of alien invasive species in Municipal Nature Reserves.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Part of operations of Nature Conservation and Resorts section</li> </ul>
13 Promote urban greening through the establishment of at least 4000 new indigenous trees in Tshwane.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Part of operations of Parks and Horticulture section</li> </ul>
14 Reduce per capita waste disposal to landfill by 15%.	<ul style="list-style-type: none"> <li>• Programme established</li> <li>• Council report in process</li> </ul>

TARGET	ACHIEVED 30 JUNE 2007
	<ul style="list-style-type: none"> <li>• Building rubble and garden waste recycling tenders still outstanding</li> </ul>
15 Undertake reasonable measures to ensure that emergency incidents, attended to by the City of Tshwane, are undertaken in an environmentally responsible manner.	<ul style="list-style-type: none"> <li>• Programme established and in process</li> <li>• Council report in process</li> </ul>

#### 5.4.5.7 Sport, Recreation, Arts and Culture

##### (a) Overview and description of key issues

Community Libraries and Information Services act as an agent for community development and education by providing services to all people in Tshwane in their need for life long learning, cultural expression and recreation. Services include:

- Provision of information
- Development and maintenance of a reading culture
- Presentation and facilitation of developmental outreach programmes
- Management and development of an Electronic Information Network
- Establishment of consultative structure with stakeholders e.g. Government and communities.

Culture is promoted by:

- The development of Arts, Culture and Heritage in the CTMM areas.
- The cultural diversity of Tshwane.
- Ensuring access at cultural facilities by all communities of Tshwane.
- Providing the necessary culture infrastructure for the development of arts and culture.
- Upgrading of Museums
- Construction of the Suurman Community Hall
- Indigenous Dance and Music Development
- Classical Dance Development
- Visual Arts Development
- GEBRASA Cross Cultural Exchange Programme
- Cultural Heritage and Legacy Programme
- Museum Educational Assistants and Tour Guide Training Programme

Sport management entails:

- Effective maintenance of sport and recreation facilities in the City
- Develop sport and recreation related infrastructure in areas with the greatest need
- Upgrading of sport and recreation infrastructure in line with changing community needs
- Presentation of world class sport events
- Presentation of sport development programs
- Partner with the Provincial Government to ensure the success of their Mass Participation Program
- Provide a sport and recreation related information service to the community at all service points.

- Intensive participation in all matters related to the readiness of the City for the 2010 Soccer World Cup.
- Continuous support for, and interaction with Local Sport Councils to ensure the success of the Tshwane Sport Council as the primary stakeholder liaison structure for the sub-division.
- Effective client interaction to ensure the optimal use of sport and recreation facilities.

**(b) Analysis of the function:**

Nature and extent of facilities provided:	2006/7		
	No of facilities:	no of users:	R operational cost
- Library services	38	2 201 524	10 940 968
- Museums and art galleries	3 museums and 1 art gallery	32000	
- Other community halls/facilities	16 sport facilities ,6 culture facilities	14 892 bookings per year (sport) and 120 000 users per year (Culture)	
- Sporting facilities (specify)	<ol style="list-style-type: none"> <li>1. Multi-Purpose Courts 16 Courts</li> <li>2. Rugby 28 Fields</li> <li>3. Cricket 30 Pitches</li> <li>4. Netball 31 Courts</li> <li>5. Basketball 32 Courts</li> <li>6. Tennis 313 Courts</li> <li>7. Soccer 88 Fields</li> <li>8. Scraped Fields 117 Fields</li> <li>9. Bowling 40 Greens</li> <li>10. Korfball 20 Courts</li> <li>11. Athletics 11 Tracks</li> <li>12. Disabled Hall 1 Hall</li> <li>13. Tug of War 1 Field</li> <li>14. Squash 16 Courts</li> <li>15. Softball 15 Diamonds</li> <li>16. Hockey 8 Fields</li> <li>17. Pigeon Clubs 2 Clubs</li> <li>18. Wrestling 1 Club</li> <li>19. Gymnastics 1 Club</li> <li>20. Juskel 38 Pits</li> <li>21. Golf 2 Golf Courses</li> <li>22. Pitch 'n Putt 2</li> <li>23. Radio Yacht Club 1</li> <li>24. Driving Range 2</li> <li>25. Runners Club 3</li> <li>26. Sport Centres 5</li> </ol>	± 28 925 bookings per year	
Number and cost to employer of all personnel associated with each community services function:			R(000s)
- Library services	193		32 800 000
- Museums and art galleries	21		5 700 000

Nature and extent of facilities provided:	2006/7		
	<i>No of facilities:</i>	<i>no of users:</i>	<i>R operational cost</i>
- Other community halls/facilities	29		2 720 000
- Sporting facilities	95		14 900 000

**(c) Key Performance Areas**

Key Performance Area	Actual performance for 05/06	Cost of events for 05/06	Actual events 06/07	Target monetary value 06/07	Planned events 07/08
1. Enhance customer relation's management and service delivery levels through Batho Pele principles	1.1. Antique and Crafts fairs 16 December and 1 May 1.2. International Museum Day May 2006	Not available	1. 1.Antique and Crafts fairs 16 Dec and 1 May 1.2. International Museum Day May 2007	R 670 713.16	1.1. Antique and Crafts fairs 16 Dec and 1 May 1.2. International Museum Day May 2008
2. Cultural Development: Performing arts / Visual arts			2.1. Olievenhoutbosch Visual Arts programme 2.2. Contemporary Dance programme 2.3. Indigenous classical African drumming programme		2.1. Youth Cultural Dance Showcase June 2008 2.2. Education Assistants Development programme 2007/08
3. Facility management: Development – new facilities / Upgrading – existing facilities / Maintenance – heritage sites / Management of existing facilities (Operations including rentals)	3.1. Upgrading of museums – installation of emergency generator Pretoria Art Museum 3.2. Construction of the Mabopane Dance Hall 3.3. Construction of the Chief Tshwane statue		3.1.Upgrading of museums - implementing of Audio guides Melrose House 3.2. Construction of Temba Community Hall 3.3. Construction of Suurman Community Hall 4.1. Reconciliation Day 4.2. Official unveiling of the Chief Tshwane Statue		3.1. Upgrading of museums - upgrading of Fort Klapperkop
4. Event management: Cultural programmes / Community projects / Exhibitions	4.1. Freedom Day 4.2. Women's Day 4.3. Official unveiling of the Solomon Mahlangu statue - 17 Sept 2005 4.4 Official opening of the Saulsville Arena - 15 Dec 05 4.5. Official launch of the COT Mayoral Choir 16 Dec 05 4.6. Official opening of the Mabopane Dance Hall 20 June 06 4.7. Sasol New Signatures exhibition		4.4. Heritage Day 4.5. Freedom day 4.6. 120 years celebration of Melrose House 4.7. Archaeology of time Exhibition 4.8. Sasol New Signatures Exhibition 4.9.Hiding behind simple things 4.10. Confluence 2007 (collaboration Ekurhuleni and Johannesburg)		4.1.Capacity building programme Dec 07 4.2. Symposium Feb 08 4.3. Human Rights Programme Mar 08 4.4. Solomon Mahlangu Day 06 April 08 4.5. Freedom Day Celebrations Apr 08 4.6. Croatian Graphic Art 14 Mar to 30 Apr 07



Key Performance Area	Actual performance for 05/06	Cost of events for 05/06	Actual events 06/07	Target monetary value 06/07	Planned events 07/08
4. Event management: Cultural programmes / Community projects / Exhibitions					4.7. Solomon Mahlangu Day 22 Apr 07 4.8. Freedom Day 27 Apr 07 4.9 Nelson Mandela Celebrations – July 07
4. Event management: Cultural programmes / Community projects / Exhibitions					4.10. Sasol New Signatures Exhibition Aug to 9 Sept 07 11. Women's Day 09 Aug 2007 12. Feast of the Clowns 25 Aug 2007 13. Soul of Africa Exhibition Sept to Nov 07 14. Launch of the Audio guides – 05 Sep 2007 15. Pale Ya Rona Carnival 08 Sept 07 16. 2010 1000 Days Countdown – 15 Sep 2007 17. African Literature Workshop 19 Sept 07

Key Performance Area	Actual performance for 05/06	Cost of events for 05/06	Actual events 06/07	Target monetary value 06/07	Planned events 07/08
Enhance customer relation's management and service delivery levels through Batho Pele principles	1. National Library Week 2. Opening of Winterveld Library 3. Launch of Halala Computer centre 4. ABET training started in Ga-Rankuwa	Not available	1. LIASA Conference September 2006 2. Official launch for the ABET program for Temba, Hammanskraal and Ga-Rankuwa centres was made on 26 October 2006.	R 207 832	1. Opening of KT Motabatse 2. Opening of Nellmapius 3.SA Library Week

Key Performance Area	Actual performance for 05/06	Cost of events for 05/06	Actual events 06/07	Target monetary value 06/07	Planned events 07/08
Enhance customer relation's management and service delivery levels through Batho Pele principles	5. Program started for youth attending council meetings 6. Youth training on job hunting, interview skills 7. Tshwane reading awards 8. Authorship program		3. Launch of SA Library Week took place 17 March 2007 at Saulsville library. 4. Youth development training took place April 2007 5. Computer training took place at 3 facilities and certificates was handed 25 June 6. Learners' attending council meetings 7. Opening of Winterveld		4. ABET Literacy training 5. computer training 6. learners attending council meetings 7. Tshwane Reading Awards 8. Authorship program
Enhance customer relation's management and service delivery levels through Batho Pele principles	1. The opening of Super Stadium on 6 August '05. 2. Tshwane Sport Day on 9 September '05. 3. City to City Heritage Marathon on 25 September '05. 4. National Business Relay on 8 October '05. 5. Sport Day for the Disabled on 10 June '06. 6. Six (6) Development programmes were presented in the following sporting codes: Athletics, Soccer, Basketball, Netball, Tennis and Cricket. 7. The establishment of the Sport Councils in all six demographic areas. 8. Implementation of the HUB Programme. 9. Establishment of three new HUBS	R443,099.33	1. CoT Sport Day on 6 September '06. 2. City to City Heritage Marathon on 25 September '06. 3. National Business Relay on 7 October '06. 4. Mayoral Golf Day on 20 October '06. 5. O.R Tambo Games on 20 October '06. 6. Sport Day for the Disabled on 5 May '07. 7. Seventeen (17) Development programmes were presented. 8. Monthly Sport Council Meetings in all six (6) geographical areas. 9. The establishment of one new HUB in Tshwane. 10. Completion of Soshanguve Block X multi-purpose sport facility. 11. Completion of Klipkruisfontein Community Centre. 12. Presentation of sport related workshops on the following topics: - how to establish a club -how to manage a	R 415,866.89	1. National Life Saving Championships 2. Netball Indaba 3. Sport Day for the Disabled on. 4. International Korfbal Tournament 5. Dlala Ntombazana on Dlala Ntombazana on 7. 1000 Days to 2010 8. International Street Soccer Match 9. COT Sport Day 10. International Karate Championships 11. National Cricket Club Championships. 12. International COSAFA matches 13. OR Tambo Games. 14. Basil Mutual Learning Project – Student Exchange Programme. 15. Street Soccer League Finals. 16. Telkom Satellite Broadcast at the State Theatre on

Key Performance Area	Actual performance for 05/06	Cost of events for 05/06	Actual events 06/07	Target monetary value 06/07	Planned events 07/08
	in Tshwane.		club		17. National Bulls Championships. 18. Sport Day for the Disabled 19. Completion of Block K Sport Facility in Soshanguve. 20. Establishment of 2 new HUBS in Tshwane. 21. Presentation of sport related workshops on the following topics: - how to establish a club - how to manage a club - safety in sport - marketing sport - HIV and sport

#### 5.4.5.8 Social Development

##### (a) Overview and description of key issues

##### Community Training initiatives and youth development:

##### Saturday school classes

Premos training centre, in partnership with the Department of Education, presented various computer based skills programmes to youth learners. This program is in its second year running and a total of 135 students have gone through this initiative. Dedicated council employees volunteered to present these programmes.

##### Entrepreneur youth training project

The Executive Mayor, in partnership with Mankind4humanity and Premos, has launched an initiative that will see 25 000 youths trained in various entrepreneurial programmes. These programmes have been strategically aligned to address and reduce the indigenous register, in providing sustainable skills for communities.

##### Computer literacy programme

An initiative to train 1 000 employees per annum in the computer literacy programme is being finalised. The programme seeks to support the overall Smart City concept and to improve the use of technology as an enabling tool amongst Tshwane communities.

##### (b) Analysis of the function

Provide statistical information on (as a minimum):>	2006/7
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	Nr	R
Nature and extent of facilities provided:		
- Child care (including crèches etc)	10	
- Aged care (including aged homes, home help)	1	
Number and cost to employer of all personnel associated with each community services function:		
- Child care (including crèches etc)	60	13.8 Million
- Aged care (including aged homes, home help)	0	
Total operating cost of community and social services function		23 million

**(c) Key Performance Areas**

Key Performance area	2005/6	2006/7			2007/8
	Achieved	Achieved	Target	Explanation of variance	Planned targets as per approved budget
Nr of essential skills development initiatives implemented in communities in partnership with key role-players such as the SETA's, and in line with sector skills plans.	1	6	1		6
Maintenance of an Indigents database	2000	46800	52 097		The Department is still awaiting the appointment of a Service Provider. Tender documents are being processed.
Nr of indigent households evaluated	Not applicable	100% of forms received from finance evaluated	100% of forms received from finance evaluated		Not applicable
Nr of indigent households linked to exit programmes	Not applicable	133	100		180
Nr of projects implemented for the youth	4	6	5		Not applicable
Nr of projects implemented for women	3	4	4		Not applicable
Nr of projects implemented for the disabled	2	3	3		Not applicable
Nr of projects implemented for the elderly	4	4	5		Not applicable
Nr of projects implemented for the homeless	Not applicable	1	1		Not applicable
Nr of projects implemented for children	3	7	4		Not applicable
Nr of initiatives	Not	15	15		20

Key Performance area	2005/6	2006/7			2007/8
	Achieved	Achieved	Target	Explanation of variance	Planned targets as per approved budget
implemented that benefit vulnerable groups	applicable				
% increase in the expenditure on programmes that benefit vulnerable groups	Not applicable	0%	5%	Few Departments responded to our Proforma Template which made it difficult to determine progress on this KPI.	Not applicable

## **5.4.6 Housing**

### **(a) Overview and description of key issues**

Housing is responsible for the provisioning of adequate housing opportunities for all residents of the City of Tshwane and performs the following functions:

- Rental housing administration
- Hostel redevelopment
- Housing sales and transfers
- Informal settlement and land invasion management
- Waiting list and beneficiary administration
- Institutional housing facilitation
- Housing development and provision
- Project management

These functions include the role of “developer”, but not the management of the entire subsidized housing programme for Tshwane which currently falls within the jurisdiction of provincial government. The Municipality has a mandate to fulfil the role of a developer and to implement all provincially approved subsidized housing projects.

### **Strategic Objectives**

The strategic objectives of the Housing Division are to:

- Curb land invasion and manage informal settlements in order to limit the growth of the existing housing backlog;
- Perform a community liaison function to ensure that development is informed by and meets the needs of the target communities;
- Provide low-cost housing opportunities for households earning less than R7 000 a month;
- De-stigmatise hostels by redeveloping them into family units;
- Provide a wide range of rental housing options;
- Transfer Municipality-owned rental properties to beneficiaries through the discount benefit scheme;
- Run an effective waiting list, beneficiary administration system and consumer education program;
- Empower communities through housing support centres and the Peoples Housing Process by educating them on the importance of savings and by equipping them with building-related skills;
- Facilitate the provision of institutional housing opportunities in order to integrate and densify the city; and
- Identify sites for new subsidized housing projects, source subsidy funding from the provincial government and implement the projects.

### **Key Issues**

The following were the key issues for the 2007/08 financial year:

- Provide on-line information on National Home Builders Registration Council (NHBR) requirements, the landlord and tenant tribunal process and the housing subsidy
- Put in place a consumer education program
- Provide housing opportunities for the low income families of Tshwane including affordable rental

- accommodation (hostel redevelopment)
- Land identification and acquisition
- Set up labour base construction projects to create employment opportunities for the unemployed within the CoT (approximately 100 jobs)
- Provide a shelter for the homeless
- Appoint security companies to ensure that no land and/or building invasion takes place
- Promote staff development
- Financial Management
- Implementation of Informal Settlement Management Plan

**(b) Analysis of the Function**

Description	2004/05		2005/06		2006/07	
	Total	R	Total	R	Total	R
Number and cost of all personnel associated with the provision of municipal housing:					280	41 548 861
- Senior managerial (general manager, managers)	7	4 224 579	7	4 550 000	5	3 058 859
- Managerial (deputy managers, chiefs, assistant managers)	7	2 997 884	6	2 760 600	7	3 410 689
- Professional (architects, consultants, project managers, etc)	34	10 235 736	47	15 560 500	15	4 862 095
- Field (supervisors, foremen)	-	-	-	-	-	-
- Office (clerical, administration, secretarial, etc)	118	18 732 340	97	16 610 000	110	21 538 609
- Non-professional (drivers, workshop assistants, etc)	7	695 800	9	963 000	143	6 678 609
- Workers	135	10 935 427	108	6 400 000	113	8 245 550
- Temporary	-	-	-	-	36	1 326 000
- Contract	36	1 200 000	36	1 300 000	-	-
Number and total value of housing projects planned:						
- The 2006/2007 financial year						
Serviced stands	10 000	120 000 000	12 000	157 656 000	12000	168 000 000
Top-structures	5 000	94 000 000	6 000	112 752 000	6000	112 800 000
- Future years						
Serviced stands (complete by 2010)	150 052	1 800 624 000	150 052	2 255 131 508	150 052	2 255 131 508
Top-structures (complete by 2015)	160 052	3 008 977 600	160 052	3 440 957 948	160 052	3 440 957 948
Total of type, number and value of housing provided (2006/2007):	Gauteng Provincial Government (RPT) subsidies allocated directly to a regional professional team i.e. not provided for on CoT budget)					
- Residential stands serviced	12 729	152 748 000	20 473	527 555 706	Water 19 256 Sewer 19 376	156,609,579
- Low-cost housing top-structures	4 853	91 236 400	5 949	119 312 240	RPTs = 1,725 CoT =	133,162,615

Description	2004/05		2005/06		2006/07	
	Total	R	Total	R	Total	R
					5,884 7,609	
- People's Housing Process	206	3 872 800	0	0	0	0
- Hostels redeveloped (i.e. number of family units developed)	226	15 820 000	320	48 000 000	360	35 629 314
- Rental units available (no new units developed)	2 309	-	2 312	-	2312	-
- Rental units in Schubart Park and Kruger Park	1 182	-	1 134	-	1134	-
- Institutional housing units Planning Process (Private funds)	Plannin g & design HCT = 767 units Yeast = 381 units		Planni ng & design HCT = 767 units Yeast = 460 units		Planning & design HCT = 767 units Yeast = 460 units	
Total number and value of rental received from Municipality-owned rental units	A total of 66.96% was received from all units (flats, houses, etc)	5 152 596	A total of 53.85 % was received from all units (flats, houses, etc)-	5 452 921	A total of 53.98% was received from all units (flats, houses, etc – 2312 units)	5 919 478
Estimated backlog in number of housing units (and cost to build them):						
From aerial photographs taken during February 2005 and counted in March 2005 (number of families)	160 052	4 929 601 600	160 052	5 846 379 500	133 811	4 873 530 431
Type of habitat breakdown (estimates):						
- Number of people living in a house or brick structure	5	-	5	-	5	-
- Number of people living in a traditional dwelling	5	-	5	-	5	-
- Number of people living in a flat in a block of flats	5	-	5	-	5	-
- Number of people living in a town, cluster or semi-detached group dwelling	5	-	5	-	5	-
- Number of people living in an informal dwelling or shack	5	-	5	-	5	-
-Number of people living in a room or flat let	3	-	3	-	3	-



Description	2004/05		2005/06		2006/07	
	Total	R	Total	R	Total	R
Type and number of grants and subsidies <u>received</u> :			Service s & Top structur es MIG	166,966,32 7.11 <u>21,284,358.</u> 00 188,250,68 5.11	Top Structures Services	71,475,510.00 <u>85,129,903.21</u> 156,605,413.2 1
- Hostel redevelopment (July 2006 to June 2007) <u>received</u>	0	0	226	R48 000 000	360	Saulsville Hostels 8,835,000  Mamelodi Hostels 3,336,802
- Gauteng Provincial Government (subsidies allocated directly to a regional professional team i.e. not provided for on COT budget)	19 634	147 255 000		Services R 55 863 201  Houses R 155 625 386  Total R 211 488 587		Services R246 066 677  Houses R104 977 398  Hostels R16 960 000  Total R368 004 075
- North West Provincial Government	0	0	0	0	0	0
Total operating cost of housing function (total from medium term budget 2006/2007)	-	105 596 739	-	426 112 979	-	R130 636 568 (Excluding top-structures)

### (c) Key Performance Areas

KPA	KPI	5-YEAR PROGRAMME TARGET	Achieved 2006/7)	Planned 2006/7	Explanation of variance
Establish informal settlements as townships	% of settlements established as townships / land development application	By 2009, all informal settlements that can be established as townships are established, and the rest established by 2014.	12 of 65 settlements that can be established were established	13	
Provide top structures	Nr of top structures provided	112 000	7609	6000	
Develop at least 700 family units at hostels per annum	Nr of completed family units at hostels	3 500	360	366	Target not met by 6 units due to budget constraints – dependant on external funding by

KPA	KPI	5-YEAR PROGRAMME TARGET	Achieved 2006/7)	Planned 2006/7	Explanation of variance
					Province
Provide roads and stormwater in order to formalise informal settlements	Nr of residential stands provided with roads and stormwater drainage	6000 per annum	12 450	6000	
Provide water connections in order to formalise informal settlements	Nr of residential stands provided with water connection	112 000	19 256	10 000	
Provide sewer connections in order to formalise informal settlements	Nr of residential stands provided with sewer connection	112 000	19 376	12 000	

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2004/05	Actual 2005/06	Actual 2006/07	Target 2006/07
<b>Hostel Redevelopment</b>	262 family units were developed in Saulsville. Redevelopment of Mamelodi hostels proceeded in May 2005 and 98 units were constructed in the 2006/07 financial year	226	320	360	366
<b>Housing Provision</b>	Residential stands serviced and top-structures built: - Houses (Structures)	5 059	5 949	7 609	6000
	- Serviced stands <ul style="list-style-type: none"> <li>• Water</li> <li>• Sewer</li> </ul>	12 729	20 473	19 256 19 376	10 000 12 000
<b>Rental administration</b>	The 5th year of implementation of a cost-recovery policy (to be implemented over a five-year period). Collection was measured against the 4th increased rental amount	66.96%	The 4 <sup>th</sup> phase of Full Cost Recovery was implemented to run concurrently with the financial year. Rentals increased from 1 July 2006	The 5 <sup>th</sup> phase of Full Cost Recovery was implemented to run concurrently with the financial year. Rentals increased from 1 July 2007	Full cost recovery reached rentals implemented from July 2007
<b>Land Invasion Management</b>	In order for the Municipality to address the current housing backlog of 133 070 families by delivering that number of serviced stands by the year 2010 and top-structures by the year 2015, the influx of people to the city needs to be measured and controlled. Counts from Aerial photo were	Continue to implement policy and do socio-economic survey	104 509 Shacks marked 39 303 Shacks registered	26 982 Shacks marked 12 059 Shacks registered	2 600 Shacks marked 10 000 Shacks

Key Performance Area	Performance during the year and actual achievements against targets	Actual 2004/05	Actual 2005/06	Actual 2006/07	Target 2006/07
	completed in February 2007.		289 500 Data captured	13 339 Data captured	registered 13 000 Data captured
<b>Institutional Housing</b>	In order to contribute to the integration and densification of the city, the Housing Division facilitates and provides support for the initiatives of all social housing institutions in Tshwane.	Planning & design HCT = 767 units Yeast = 381 units	0	0	0

## 5.4.7 Public Safety

### 5.4.7.1 Metropolitan Police Services

#### (a) Overview and description of key issues

The Metropolitan Police Services is responsible for rendering of specialized functions and coordination with internal as well as external partners.(e.g. Regions, Province, RTMC....) with the primary focus on enhancing Road Safety. Close working relationships exist with the South African Police Service, the Provincial Departments of Community Safety and The Gauteng Department of Transport. Continuous efforts are also made to ensure community involvement and to give execution to the CoT's Safer City Policy which prescribes the involvement of all other departments in creating a safer city for all.

The Tshwane Metropolitan Police Department has the following strategic objectives

- Crime Prevention,
- By-Law Policing
  - Illegal trading
  - Enforcement of By-laws in conjunction with other role-players to identify and address contraventions in regard to promulgated by-laws
- Road Policing

#### Key Issues for 2006/7

- Decentralization of Policing in eight regions throughout Tshwane to ensure accessibility, availability and visibility combined with integrated policing methods ensuring equitable services
- Resourcing of the eight TMPS Regions to improve on service delivery, response times, law enforcement and visibility and to ensure the implementation of the Safer City Policy
- Use of advanced technology e.g. CCTV, Morpho Touch, camera speed law enforcement, a new parking meter system and hand held transgression law enforcement equipment
- Community participation focusing on Social Crime Prevention including community upliftment, youth programs, education and awareness campaigns, social responsibility by-laws e.g. Prevention of Drug and Substance Abuse By-law, etcetera

#### (b) Analysis of the Function

Statistical Details	2005/6		2006/7	
	Number	R '000	Number	R

Number and cost to employer of all personnel associated with policing and traffic control:				
- Professional (Senior Management)	111	73 738 827	14	1 388 304.6
- Field (Detectives/Supervisors)	35		275	49 016 308
- Office (Clerical/Administration)	336		437	13 123 713.06
- Non-professional (visible police officers on the street)	986	248 944 775	1025	46942294
- Volunteer	0		0	<cost>
- Temporary	0		0	<cost>
- Contract	179	14 588 062	129	1 454 469.84
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package. Office includes desk bound police and traffic officers, non-professional includes aides				
Total number of call-outs attended:	Not available		12.242	
Average response time to call-outs:	Not available		2 minutes	
Total number of targeted violations e.g.: traffic offences:	Camera speed 565 073		Camera speed 631 966	
	Section 341 165 811		Section 341 185 843	
	Section 56 133 92		Section 56 122 140	
Type and number of grants and subsidies received	Licensing services: Refund: Motor vehicle	R1 200 000	Licensing services: Refund: Motor vehicle	R44,940,000
	Government Grants: Safety Services	R756,565		
Total operating cost of police and traffic function		R375,949,265		R405,448,794

**(c)Key Performance Areas: Metropolitan Police Services**

Key Performance area	2005/6		2006/7				2007/8		
	Achieved		Achieved		Target		Explanation of variance	Planned targets as per approved budget	
	Nr	R	Nr	R	Nr	R		Nr	R
Road Policing Operations & Auxiliary Services rendering specialized functions and coordination with internal as well as external partners.(e.g. Regions, Province, RTMC....) with the primary focus on enhancing Road Safety. The municipality has a mandate to: To enforce the National Road Traffic Act and Applicable Bylaws to regulate traffic to enhance Road Safety within the boundaries of Tshwane.	14% reduction in fatal accidents	23 039 326	Achieved 12.6% reduction in fatalities per 10000 registered vehicles. Current death rate 3.08 per 10000 registered vehicles per annum. Reduction realised through the following interventions: 1. Freeway Patrol 600 Prosecutions 2. Speed Law Enforcement 62892 prosecutions 3. Public Vehicle Law Enforcement and Coordination 950 prosecutions 4. Events Management and Coordination: 1284 events 5. Internal and External Operations Coordinated: Internal 184 and 37 External 6. Escort of local and International Dignitaries 110 days 7. Road	27 678 000	Reduction of fatal Accidents per 10000 registered vehicles by 5% per annum.	26 512 000	All road policing interventions and operations in Tshwane e.g. speed law enforcement, overload control, road blocks, drink and drive road blocks, Arrive Alive Campaign, the pedestrian in traffic campaigns, etcetera are aimed at reducing fatalities on the roads of Tshwane The value lost to the community for every life lost according to the CSIR is R1m. This amounts to R264m for 2005/6 and R245m for 2006/7. The reduction amounts to R19m. The estimated damage to the roads of Tshwane amounts to ± R63m per annum.	8% p.a. The key issues for 2008/09 are: 1. To reduce accidents by a further 8% per 10000 registered vehicles. 2. To reduce speed offences rate by at least 2% 3. To reduce overloading of goods vehicles by at least 5%. 4.100% Success rate in coordination of Events. 5. 100% Success rate in coordinating Internal and External Operations.	29 096 924

Key Performance area	2005/6		2006/7				2007/8		
	Achieved		Achieved		Target		Explanation of variance	Planned targets as per approved budget	
	Nr	R	Nr	R	Nr	R		Nr	R
			Infrastructure Interventions and actions 6067 8. Overload Law Enforcement 596 prosecutions						
Crime Prevention through Environmental Design and Re design by means of the application of sound design strategies and management principals to the physical environment aimed at reducing the causes of and the opportunities for criminal events as well as addressing the fear of crime. Crime Prevention through Social Crime Prevention by means of the development, co-ordination and integration of projects and programs based on contributing and causal factor analysis, research, community needs assessment and continuous liaison with internal departments as well as external governmental and non-governmental institutions as well as educating the	1. 351 Environmental design and re-design interventions 2. 257 Specialised Crime prevention operations 3. 186 social crime prevention interventions	12 642 400	1. 305 Environmental design and re-design interventions 2. 214 Specialised Crime prevention operations 3. 232 social crime prevention interventions	14 309 700	% below the Gauteng average decrease in crimes identified as a priority in Tshwane by 30 June 2007: Housebreaking Theft of motor vehicle through: 1. Number of (200) projects and programs developed as well as education and awareness interventions 2. Number of (200) Law enforcement and co ordination of Operations (own/joint) 3. Number of (200) environmental design and re-design interventions and design out crime at a number of priority locations/hotspots Number of (200)	13 996 400	Targets exceeded by far as partnerships were formed and joint ventures embarked on.	1. 392 internal policing operations executed to contribute to the 1% decrease in reported crime levels per type of crime 2. 200 social crime prevention interventions (e.g. projects/ programs) performed/ executed to contribute to the 1% decrease in reported crime levels per type of crime 3. 200 of environmental design and re-design interventions performed to contribute to the 1% decrease in reported crime levels per type of crime 4. 392 joint	16 527 200

Key Performance area	2005/6		2006/7				2007/8		
	Achieved		Achieved		Target		Explanation of variance	Planned targets as per approved budget	
	Nr	R	Nr	R	Nr	R		Nr	R
community and creating an awareness of crime and crime prevention in order to address the causes of crime ant to prevent crime Mandated by the White paper for safety and security, National, Provincial and Local Crime Prevention Strategies as well as the Tshwane Safer City plan, to render a sufficient Crime Prevention function					joint operations embarked upon in partnership with key strategic partners such as SAPS and the business communities to fight crime			operations embarked upon in partnership with key strategic partners such as SAPS and the business communities to fight crime	
By-law Policing in the City of Tshwane is effected through a centralised strategic directorate and operationalised through a regionalised model. The By-law Policing Directorate covers the strategic component of the portfolio. The above is executed through two main channels firstly operational coordination which relates to all functions regarding the coordination of internal and external by-law policing operational activities. The second	1. 160 operations (Jointly between BLP Directorate and Regional Policing) 2. A needs assessment 100% conducted for short term on street parking facilities in the City of Tshwane	<b>8 162 982</b>	1. 34% from the annual target (calculated accumulatively from July 2006.) 2. 24 291 actual notices issued.	<b>4 149 100</b>	90% increase in the number of notices issued for by-law transgressions by 30 June 2007	6 672 300	Transgressors warned verbally. Minimal resources in regional policing utilized for other priorities. New officers need more exposure. Community first given an opportunity to rectify, current system (TRAFMAN) does not allow for capturing hereof	1. 300 of operations to result in a reduction of by-law transgressions 2. 7 % of by-law complaints attended to 3. 22 479 of notices issued for by-law transgressions	<b>6 519 800</b>



Key Performance area	2005/6		2006/7				2007/8		
	Achieved		Achieved		Target		Explanation of variance	Planned targets as per approved budget	
	Nr	R	Nr	R	Nr	R		Nr	R
is strategic processes which relates to all functions regarding the formulation and administering of By-Law Policing policies, procedures and strategies as well as the engineering of by-laws. The aforementioned provides for foundational elements to policing which occurs at the eight Metro Policing regions.									

### 5.4.7.2 Emergency Management Services

#### (a) Overview and description of key issues

Departmental strategic objectives are directly related to its core business and these are:

- To provide a fire brigade service;
- To render a disaster management service;
- To provide an integrated & inclusive support service.

The following issues were attended to during the financial year under review:

- A policy document for Disaster Risk Management namely a Disaster Risk Management Framework for City of Tshwane has been developed and submitted to the Mayoral committee for approval;
- A Disaster Risk Management Plan for City of Tshwane has been developed and submitted to the Mayoral committee for approval and permission to commence with the establishment of interdepartmental planning clusters for the development of generic and risk specific contingency plans.
- A macro disaster risk assessment for the City of Tshwane geographical area has been executed, resulting in the identification of 10 priority risks for Tshwane. The results have been included in the Disaster Risk Management Plan for City of Tshwane

#### (b) Analysis of the function: Emergency Management Services

	Jul – Jun 2005/6	Jul – Jun 2006/7	Jul – Oct 07 2007/8
Total number of call-outs attended fire brigade (fires):	4 880	4 792	1 374
Average response time to call-outs fire brigade (fires):			
Total number of call-outs attended rescue services:	7 327	7 915	2 008
Average response time to call-outs rescue services			
Total number of call-outs attended special services:	738	652	174
Average response time to call-outs rescue services			
Total number and type of emergencies leading to a loss of life or disaster:			
Type and number of grants and subsidies received			

#### (c) Key Performance Areas

KPA	KPI	Achieved 2005/6	Target 2006/7	Achieved 2006/7	Explanation of variance / Steps to improve performance
Use local vendors to increase participation and broaden the contribution in growing the city's economy through the development of SMME's, co-operatives, the informal sector and the role of black people, women and youth	Percentage of local vendors used by the department	Not measured	22%	37.65%	Due to the specialized nature of the equipment utilized by the EMSD, it is not always possible to utilize local vendors.

KPA	KPI	Achieved 2005/6	Target 2006/7	Achieved 2006/7	Explanation of variance / Steps to improve performance
Attend to requests for disaster management information	% of requests on disaster risk management information attended to annually		95%	100%	
Attend to all fire requests	% of fire incidents attended to on request		87%	100% or 4792 fire requests attended to	
Conduct 8300 urban development control activities per annum by 2011	Nr of urban development control activities concluded		8000	13 872	
Conduct 2750 hazardous substance activities per annum by 2011.	Nr of hazardous substance activities concluded		2650	3785	
Attend to 90% of rescue, specialised and humanitarian requests by 2009/10	% of specialised and humanitarian incidents attended to on request		85%	100% or 8 567 of which 2 181 were rescues	

## 5.4.8 Waste management

### (a) Overview and description of key issues

This Section provides and manages refuse collection and removal systems, landfill sites for waste disposal, bulk container services, and decision support systems to comply with applicable legislation. Waste Management Division render a door to door service with lease vehicles on a weekly basis as well as a daily service to businesses as required. In the Northern areas there are 36 appointed contractors that render a weekly service door to door.

Recycling is promoted through buy-back centres at landfill sites and public cleansing of business and high pedestrian traffic areas is important, especially in the inner-city.

### (b) Analysis of the function

Details	2005/06		2006/07	
	Total	R	Total	R
Number of staff associated with refuse removal and their cost to the municipality:				
- Professional (Engineers, Consultants)				
- Field (Supervisors/Foremen)	66	4 620 000	66	4 827 622
- Office (Clerical/Administration)	66	6 600 000	65	6 907 622
- Non-professional (blue collar, outside workforce)	465	13 031 208	457	12 678 830
- Temporary	-			
- Contract	1206	50 524 341	1206	51 534 828
Number of households receiving regular refuse removal services, and frequency and cost of service:				
- Removed by municipality at least once a week	721 790	153 76 243	731 552	8 818 416
- Removed by municipality less often	44 162	9 252 822	45 344	
- Communal refuse dump used		n/a	n/a	
- Own refuse dump	n/a		n/a	
- No rubbish disposal	n/a		n/a	
Total and projected tonnage of all refuse disposed:				
- Domestic/ commercial	2 335 243	46 396 874	1 856 518 <sup>45</sup>	36 877 564
- Garden	268 552	8 037 986	1657 252	6 390 198
Total number of refuse disposal sites:				
- Domestic / commercial	9	46 386 874	9	36 877 564
- Garden	11	8 037 986	11	6 390 198
Anticipated expansion of refuse removal service:				
- Domestic / Commercial (number of clients)	439 012	21 599 380	336 580	17 553 337
- Garden (number of clients)	n/a		n/a	
Free Basic Service Provision:				

<sup>45</sup> Decrease due to recycling activities

Details	2005/06		2006/07	
	Total	R	Total	R
- Quantity (number of households affected)	90 000	1 656 000	90 000	1 656 000
- Quantum (value to each household)	-	18 - 40		18 - 40
Total operating cost of waste management Section		259 309 858		236 072 614

### (c) Key Performance Areas

Key performance area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07 (as at 31 March 2007)
Landfill management	Buyback centres operated	3	3
	Weighbridges operated	6	6
Refuse collection	Waste Disposed of and Treated (tons)	2 335 243	1 651 252
	Households		
	Refuse collection for un proclaimed areas (sites)	28 000	90 000
Contract Management Cleaning of public areas	Community Based Contracts	28	27 (1 contract has been cancelled due to non-performance)
	Waste removed (tons per annum)	48 000	317 000
Cleaning of vacant stands	Cutting of grass	38 800 000 m <sup>2</sup>	26 676 653m <sup>2</sup> R 3,999,338
	Removal of illegal dumping	499 968 m <sup>3</sup>	374 976m <sup>3</sup> R 5,784,004.80
Marketing and Audit	<ul style="list-style-type: none"> <li>Increased number of service points</li> <li>Income generated</li> </ul>	13 424 R21 599 379.72	9 762 R13 192 287.84

#### TSHWANE LANDFILL SITES ANNUAL REPORT FOR 2006/2007 Waste Received per Ton.

SITE / 2006	JUL	AUG	SEPT	OCT	NOV	DES	07-Jan	FEBR	MARCH	APRIL	MAY	JUNE	TOTALS
Derdepoort	54266	43771	50936	18509	16354	12293	17240	9168	11378	5908	4748	7376	251947
Garstkloof	35009	33112	26843	18848	13394	14756	17866	14790	14943	19544	8816	15809	233730
Ga-Rankuwa	17067	9708	16374	8838	10272	10625	9748	8627	9014	9066	7253	10369	126961
Hatherley	22829	28749	28434	19417	24722	23370	23096	25548	32365	21262	8618	29644	288054
Kwaggasrand	29306	21391	29368	22963	21183	28889	31929	22390	29474	23356	20282	30453	310984
Onderstepoort	75185	60734	61937	49106	45408	50596	55773	50032	55204	53963	49186	76397	683521
Soshanguve	16233	13752	19361	18245	15982	15143	18215	17552	17889	13341	13650	18310	197673

Temba	6520	5164	5601	3742	2997	2518	2903	2376	2678	2107	1832	2893	41331
Valhalla	13630	12965	13602	17876	20636	19449	18463	27558	38672	30017	23412	31359	267639
SUB-TOTAL	270045	229346	252456	177544	170948	177639	195233	178041	211617	178564	137797	222610	2401840

*Landfill yearly waste volumes received: 2001/2 – 2006/7*

<b><u>SITE / 2007</u></b>	<b><u>2001/2</u></b> <b><u>Ton</u></b>	<b><u>2002/3</u></b> <b><u>Ton</u></b>	<b><u>2003/4</u></b> <b><u>Ton</u></b>	<b><u>2004/5</u></b> <b><u>Ton</u></b>	<b><u>2005/6</u></b> <b><u>Ton</u></b>	<b><u>2006/7</u></b> <b><u>Ton</u></b>	<b><u>2007/87</u></b> <b><u>KG</u></b>
Derdepoort	199823	176724	475618	413158	431573	251947	42798818
Garstkloof	551459	229080	695481	315366	267721	233730	54739900
Ga-Rankuwa	146467	112356	79009	42248	96077	126961	38554000
Hatherley	127892	143700	157719	183646	230953	288054	83812420
Kwaggasrand	134834	169092	366416	405663	403755	310984	123750135
Onderstepoort	151046	209280	335824	331556	473511	683521	262453726
Soshanguve	85047	92964	113159	97478	96995	197673	61949000
Temba	154512	52368	25872	22871	63556	41331	9542000
Valhalla	441168	212916	494085	363490	271102	267639	121686000
SUB.TOTAL	<b>1992248</b>	<b>1398480</b>	<b>2743183</b>	<b>2175476</b>	<b>2335243</b>	<b>2401840</b>	<b>799285999</b>

#### 5.4.9 Waste Water Management

##### (a) Overview and description of key issues

Waste water collection management includes the operation and maintenance of municipal sewerage services and the facilitation of development in the City, being responsibilities of the Water and Sanitation Division. The sewerage functions of the municipality are administered as follows and include:

- Ongoing assistance to facilitate new developments and ensure that sewerage infrastructure was installed in accordance with standards and specifications. However, the personnel situation is severely impacting on this responsibility and the Section is no longer able to cope with the increasing workload.
- Analysis of all aspects of the systems to proactively identify worn-out infrastructure, problems and bottlenecks.
- The Augmentation of the Pienaars River Outfall Sewer: the construction of approximately 4 km outfall sewer and 453m of concrete lined sewer tunnel at a cost of R55 000 000.
- The Augmentation of the Moreletaspruit Outfall Sewer: Four main contracts were awarded and work started late in the financial year. Approximately 1 km of outfall sewer and pipe jacking was done at a cost of R10 000 000.
- Continuous management and control to ensure availability of service.

The Water and Sanitation Division is also responsible for waste-water management.

These services include chemical and bacteriological analyses, but do not take account of Stormwater management and drainage systems which resides within the jurisdiction of the Roads and Stormwater Division. The following were among the functions performed during the 2006/07 financial year:

- The treatment of waste water to the prescribed standards set by the Department of Water Affairs and Forestry

- Ongoing assistance to ensure that new infrastructure is developed and waste-water treatment infrastructure is built in accordance with the latest technology and specifications
- Chemical and bacteriological analyses (according to the required standards) of water in the waste-water treatment process, water in rivers and industrial effluents. The number of analyses for the period was –
  - 25 456 river analyses;
  - 2 834 Power Station analyses;
  - 18 602 industrial effluent analyses; and
  - 58 673 Waste Water Treatment and Boreholes analyses.
- Continuous management and control to ensure the optimum availability and performance of the waste-water treatment works

**(b) Analysis of the Function**

<Provide statistical information on (as a minimum):>	2005/6		2006/7	
	Nr	R (000s)	Nr	R (000s)
Number and cost to employer of all personnel associated with sewerage functions:				
- Professional (Engineers/Consultants)	11	R2,650	16	R 35,000
- Field (Supervisors/Foremen)	52	R13,500	44	
- Office (Clerical/Administration)	16	R2,770	15	
- Non-professional (blue collar, outside workforce)	150	R12,700	148	
- Temporary	3	R0,280	4	
- Contract	9	R0,630	18	
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	241	R32,538	245	R 35,000
Number of staff associated with the waste-water treatment function and their cost to the Municipality:				
- Legislators, senior officials and managers	4		4	
- Technicians and associate professionals	14		24	
- Clerks	5		5	
- Plant and machine operators and assemblers	35		25	
- Elementary workers	171		186	
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	229	R37 million	244	R32.4 million
Number of households with sewerage services, and type and cost of service:	Nr	R	Nr	R
- Flush toilet (connected to sewerage system)	370 000 <sup>46</sup>	R56,000 000	376 000	R 60,000 000

<sup>46</sup> The figure of 390 000 reported in the 2005/06 annual report was incorrect due to insufficient information at that time. No accurate system exists to measure the number of flush toilets. The above figures are however a more accurate representation of available information base on GIS data.

<i>&lt;Provide statistical information on (as a minimum):&gt;</i>	2005/6		2006/7	
- Flush toilet (with septic tank)			<i>N A</i>	<i>&lt;cost&gt;</i>
- Chemical toilet			<i>N A</i>	<i>&lt;cost&gt;</i>
- Pit latrine with ventilation	17 000	On-site: owners are responsible	8700	On-site: owners are responsible
- Pit latrine without ventilation (Includes informal areas)	93 000	On-site: owners are responsible	174 612	On-site: owners are responsible
- Bucket latrine			<i>N A</i>	<i>&lt;cost&gt;</i>
- No toilet provision			<i>N A</i>	<i>&lt;cost&gt;</i>
Note: if other types of services are available, please provide details				
Anticipated expansion of sewerage(number of households):	6 000	90 million	7 000	R95 million
- Flush/chemical toilet			<i>&lt;total&gt;</i>	<i>&lt;cost&gt;</i>
- Pit latrine			7,000	R 95,000
- Bucket latrine			<i>&lt;total&gt;</i>	<i>&lt;cost&gt;</i>
- No toilet provision			<i>&lt;total&gt;</i>	<i>&lt;cost&gt;</i>
Estimated Backlogs (Excluding Informal Areas)	96 426	560 million	38 218	R550 million
Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality				
The Municipality was mandated to –				
- replace, upgrade or construct waste-water treatment works;	20 Mℓ per day	R39.6 million	20 Mℓ per day	R20 million
Waste-water treatment works and the design capacity of each:				
• Rooiwal	245 Mℓ per day		245 Mℓ per day	
• Daspoort	60 Mℓ per day		60 Mℓ per day	
• Baviaanspoort	58 Mℓ per day		58 Mℓ per day	
• Zeekoegat	30 Mℓ per day		30 Mℓ per day	
• Sunderland Ridge	45 Mℓ per day		45 Mℓ per day	
• Sandspruit	20 Mℓ per day		20 Mℓ per day	
• Rietgat	27 Mℓ per day		27 Mℓ per day	
• Klippgat	55 Mℓ per day		55 Mℓ per day	
• Temba	12,5 Mℓ per day		12,5 Mℓ per day	
• Babelegi	4,7 Mℓ per day		4,7 Mℓ per day	
Anticipated expansion of waste-water treatment works	20 Mℓ per day	R139 million	20 Mℓ per day	R139 million
Effluent standards set by the Department of Water Affairs and Forestry for discharges into a river				
- pH	≥ 6,5 ≤ 8,5		≥ 6,5 ≤ 8,5	
- Electrical conductivity	≤ 80 mS/m		≤ 80 mS/m	
- Nitrate (as N)	≤ 6 mg/ℓ		≤ 6 mg/ℓ	
- Free and saline ammonia (as N)	≤ 1 mg/ℓ		≤ 1 mg/ℓ	
- Chemical oxygen demand (as O)	≤ 50 mg/ℓ		≤ 50 mg/ℓ	
- Orthophosphate (as P)	≤ 0,9 mg/ℓ		≤ 0,9 mg/ℓ	
- Suspended solids	≤ 10 mg/ℓ		≤ 10 mg/ℓ	



<Provide statistical information on (as a minimum):>	2005/6		2006/7	
- Free residual chloride (as Cl)	≤ 0,2 µg/ℓ		≤ 0,2 µg/ℓ	
- Faecal coliforms	≤150 CFU/100 mℓ		≤150 CFU/100 mℓ	
Free Basic Service Provision:				
- Quantity (number of households affected)	475 195	100 million	351,000	R 91,200
- Quantum (value to each household)			R 260	
Detail			Total	Cost
Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.				
Total operating cost of waste-water treatment function		R114,6 million		R122 million
Total operating cost of sewerage function		R132,3 million		R 145,000

### (c) Key Performance Areas

Key performance area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/08
Private blockage removals	Private sewer blockage complaints were dealt with on a daily basis (during normal working hours and on an overtime basis).	4 192 complaints R1,75 million	3 085 complaints R1 021 million	Dependent on complaints received
Municipal blockage removals	Municipal sewer blockage complaints were dealt with on a daily basis (during normal working hours and on an overtime basis).	18 263 complaints R11,63 million	16 568 complaints R9, 243 million	Dependent on complaints received
Logistical, fleet and stores management	The required management and control functions were performed to ensure the availability of vehicles, machinery, equipment, materials, etc.	406 works orders (R1,135 million) Material costs: R2,378 million	255 works orders. R2, 430 million (works and orders and material)	R1, 966 million
System development	New developments were managed and facilitated as and when required, but the personnel situation is having a major impact on ability to fulfil this function.			
Upgrading and replacement of worn-out sewers	Aspects of the existing waste-water collection system were analysed to proactively identify worn-out infrastructure, problems and bottlenecks to ensure that pipes are upgraded or replaced in good time. Replacement and upgrading projects were evaluated and programmed in terms of urgency and the availability of funds. The current inspection contract is focused on the northern and southern areas of Tshwane, with a view to future rehabilitation contracts in these areas. The latest contract focuses on rehabilitation of sewers in the southern area of Tshwane (Centurion, where weathered dolomite is an issue) and CCTV inspections and condition assessment in the northern areas of Tshwane.			

## 5.4.10 Road Transport

### 5.4.10.1 Transport Planning

#### (a) Overview and description of key issues

The Transport Development Division consists of 5 sections namely:

1. Transport Research, Economics and Funding.
2. Transport Planning and Information Systems.
3. Transport Operations Development.
4. Transport Facility Development.
5. Municipal Transport Services.

### **Strategic Objectives**

To identify plan, construct, operate, manage and control transport facilities (including public transport roads/routes & airports) through:

- Developing technical tools to ensure a fully integrated & sustainable transport system for the CoT & to oversee the development, implementation & monitoring of the Integrated Transport Plan (ITP).
- Eradicate transport infrastructure backlogs.
- Improving the utilisation of public transport modes.
- Leasing of new buses for Tshwane Transport according to a replacement programme.
- Managing and maintaining public transport facilities.

### **Key Issues**

The Strategic Public Transport Network (SPTN) was approved by Council, and it provides important guidelines for the provision of an integrated public transport service. It is used as basis for the Departmental strategy for the elimination of backlogs on the Roads, Stormwater and Transport infrastructure networks. With this plan, Council committed itself to transform the entire public transport system for the city. The city will have to make the necessary resources available to provide a service of such a standard that it can confidently be marketed to current and potential users.

The SPTN highlighted the need for a Road Based Mass Rapid Transit System. Subsequently, a Public Transport Implementation Framework that identifies a Bus Rapid Transit (BRT) system for Tshwane was developed. BRT is a high-quality bus-based transit system that delivers fast, comfortable, and cost-effective urban mobility through the provision of segregated right-of-way infrastructure, rapid and frequent operations, and excellence in marketing and customer service. BRT essentially emulates the performance and amenity characteristics of a modern rail-based public transport system. It does so, however, at a fraction of the cost.

BRT 1st Phase: From Mabopane through the CBD past Hatfield via Menlyn into Mamelodi. The Mabopane area suffers from some of the region's heaviest peak hour traffic congestion. Thousands of commuters face serious delays each morning and afternoon. The Tshwane BRT system will provide commuters with an exclusive priority lane to move passengers without delay to the city's CBD. Additionally, another route will take customers from the Mabopane area through Rosslyn, Wonderpark Shopping Centre and then on towards the city's east, including the Menlyn shopping area, without the need for a difficult transfer in the city centre."

### **(b) Key Performance Areas**

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	2005/6	2006/7	Target
1)Public Transport Operations Development	Strategic Public Transport Network: Completed and utilised in the implementation of the Bus Rapid Transit: Tshwane rapid transit implementation framework 1st phase of bus rapid transit. The Integrated Transport Plan (ITP) was approved in January 2007 and is in the process of implementation. Planning for the overall review will be done in 2007/2008.	n/a		
Public Transport Facilities Development	A list of formal & informal public transport facilities is being updated regularly.			
Transport Economic Research & Funding	Scoping study for BRT system has been completed. Funds received from DOT and French Development Agency.		Introduction of Big Tree system resulted in 55% saving on travel time on Moloto/Pretoria route.	Reduce time to travel between homes and work in line with Gauteng province targets, and in partnership with key role-players.  Determine baseline and targets in line with policy
<i>Transport Planning &amp; Information Systems</i>	Develop a strategic public transport plan.		Report submitted to Council.	100% Complete by June 2007.
Maintain and cleanse all public transport facilities per annum	47 public transport facilities maintained.		47	48

**5.4.10.2 Public Buses**  
**(a) Overview and description of key issues**

The strategic objectives of this function are:

- Provide safe, reliable, effective, affordable and sustainable bus service to the residents of Tshwane
- Expand services to the currently unserved areas within the Tshwane area

The Municipality currently operates a bus fleet of 296 buses. An additional 100 buses will be leased by the end of the current financial year (2007/8). Additional 200 buses will be procured during the two outer years.

The public bus service responsibilities of the municipality are administered as follows and include:

- Transportation of residents
- Special Bus Hire
- Bus Contract Services
- Repair and Maintenance of buses
- Route Planning
  - Route and Time Scheduling.
- Ticket sales at ticket outlet points

In order to improve efficiency in the bus service, the municipality is considering alternative institutional arrangements for the bus service. This process will go through all the legislative requirements as contemplated in the MFMA and other relevant legislation.

In the meantime, the municipality is working toward installing an electronic fare collection which will encompass ticketing, surveillance cameras, tracking system, communication system and fleet management system. It is envisaged that the installation of this system will boost revenue by approximately 30% as a result of efficient ticket usage.

**(b) Analysis of the function**

Statistical information and R expenditure	2005/6		2006/7		
	Total Nr	Cost	Total Nr	Target	Cost R
1. Number and cost to employer of all public bus service personnel:	464	71 379 361	334		R52 859 691
- Professional (Engineers/Consultants)			2		
- Field (Supervisors/Foremen including inspectors)			24		
- Office (Clerical/Administration)			9		
- Non-professional (blue collar, outside workforce including drivers)			272		
- Temporary			27		
Contract			0		
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package					
2 Number and total operating cost of public buses servicing population:		109 370 450			
- Aged less than 10 years			0		0
Aged 10 years or greater	296		296	R33 647 802	R49 530 000
Note: this figure should be taken from the plant replacement schedule					
3 Total kilometres of all buses travelled:	8 200 000		8 369 123		
Note: total number of kilometres travelled by entire fleet for year					
4 Total number of passengers:	13 100 000		14 279 126		
Note: total number of paying passengers travelling for year					
5 Total number of bus related complaints received:	1 663		40 per annum		
Note: total number of complaints received by paying customers for year					
6 Type and number of grants and subsidies received:					
1. Contribution from the Municipal Tax Fund		24 387 700			R 24 000 000
Note: total value of specific bus transport grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year					
7 Total operating cost of public bus service function		149 643 171			R83 437 690

**(c) Key Performance Areas**

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Investigate the expansion of municipal bus services to the northern/southern region of Tshwane	New routes identified and services will be commissioned after obtaining permits for the new routes	Submission made to DoT permits	Mar-08
Introduction of a Fleet Management System	Framework completed, having three phases. The first phase is in the process of implementation and evaluation	First phase implemented and evaluated	March-08
Review the organisational structure to meet the needs and goals of a separate entity	Realign the approved structure with best practices of separate entity	Review the purpose of portfolio	March 08
Acquisition of 100 new buses on a full maintenance lease basis	Supplier has been appointed. First batch of 16 buses to delivered in March 2008	Implement agreed objectives of the tender with the supplier	March 2008
Introduce the Electronic fare collection System	Tender document submitted to Specs Committee	Awaits tender to be advertised in Nov/Dec 07	Dec-07
Bus rentals			

**5.4.11 Roads**

**(a) Overview and description of key issues**

The planning, provision and maintenance of roads, stormwater and traffic signalling infrastructure are the responsibility of the Roads and Stormwater Division of the Municipality's Service Delivery Department. The Roads and Stormwater Division comprises of the following Sections:

**Infrastructure Planning and Management**

Responsible for the planning and management of the roads and stormwater infrastructure of the City of Tshwane Metropolitan Municipality

**Infrastructure Provision**

Providing a roads and stormwater infrastructure to support and facilitate economic growth.

### **Infrastructure Maintenance Management**

Keep the roads and stormwater infrastructure maintainable and serviceable through proper management systems.

### **Traffic Engineering and Operations**

Responsible for the optimisation of traffic control systems to improve traffic flow; and to alleviate traffic congestion and improve safety.

### **Project Management**

Project management of projects

### **Operational Services**

Operational construction and maintenance of roads, stormwater systems and traffic control systems.

### **Divisional Support**

The rendering of generic support services for human resource management, financial management and generic support services.

To render a management support function in relation to business planning, performance management and monitoring and risk management.

### **Strategic Objectives**

The strategic objectives of the Roads and Stormwater Division are to –

- plan for and provide roads and stormwater infrastructure to support and facilitate economic growth and to promote social development;
- keep roads and stormwater infrastructure maintainable and serviceable
- promote traffic safety;
- optimise traffic control systems to improve traffic flow;
- alleviate traffic congestion; and
- provide the management and support services needed.

The following were the key issues for the 2006/07 financial year:

- Eradication of Infrastructure backlogs
- Provide Infrastructure for Growth
- Maintain existing infrastructure
- Optimise the use of local labour in labour intensive initiatives
- Provide new infrastructure in local economic nodes that meet the growth demands
- Optimise the implementation of contracts through EPWP guidelines and learner-ships
- Optimise the use of local vendors
- Optimise the creation of short term jobs in the execution of construction and maintenance works
- Provide and maintain infrastructure and traffic/pedestrian safety measures that will ensure the safety of our roads environment
- Foster participatory governance and Batho Pele principles through caring, accessible and accountable services
- Ensure good governance by addressing all audit findings
- Apply prudent financial management principles and procedures

- Apply risk management principles that are in line with international best practice, norms and standards
- Apply sound human resource management practices
- Ensure that responsiveness to client needs are effective and on time
- Apply integrated performance management principles and reporting
- Strive for the achievement of employment equity targets
- Maintain, update and implementing the divisional work place skills plans

**(b) Analysis of the Function**

<i>&lt;Provide statistical information on (as a minimum):&gt;</i>	2005/6		2006/7	
	Nr	R	Nr	R
Number and cost to employer of all personnel associated with road maintenance and construction:				
- Professional (Engineers/Consultants)	134	142,196.345	183	R 150,544,000
- Field (Supervisors/Foremen)	106		212	
- Office (Clerical/Administration)	202		84	
- Non-professional (blue collar, outside workforce)	532		463	
- Temporary			1	
- Contract			0	
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	974	142,196,345	954	R162, 078, 953
	Nr <kms>	R <cost>	Nr <kms>	R <cost>
Total number, kilometres and total value of road projects planned and current:	36	R 112,92 million	34	R 101,6 million
Upgrading of roads (number)	33	R 98,92 million	8	R 23,84 million
New collector and access roads (number)	3	R 14 million	26	R 77,76 million
Feasibility studies and/or detailed designs of roads (number)	22 projects	R3,2 million	8	R 6,5 million
- New bituminised (Km) (Intermediate standard)	14.1	R 2,617	26.7	R 6,400
- Existing resurfaced (Km)	294	R 31,444	166.8	R 35,028
- New gravel (Km)	161	R14,483	106.8	R 16,020
- Existing re-sheeted (number)				
Total kilometres and maintenance cost associated with existing roads provided				R
- Tar (Km)	5,333	R 32,713	5,536	R 23,800
- Block Pavement (Km)	64.1		69	
- Concrete and other types of surfaces (Km)	18.1		18	
- Gravel (Km)	2,276	R 15,994	2,240	R 11,700
-Road markings repainted (in kilometres)	387km	R 7, 0 million	277km	R5.17m
-Traffic signs replaced/ installed (number of signs)	13 681	R 10,7 million	12606	R7,38m
Note: if other types of road provided, please provide details				
Average frequency and cost of re-tarring, re-sheeting roads				R



<Provide statistical information on (as a minimum):>	2005/6		2006/7	
	- Surfaced	1:19 Years	R 84 623/km	1:30 Years
- Gravel	1:5Years	R50 357/km	1:20 Years	R150,000/km
Note: based on maintenance records				
Estimated backlog in number of roads, showing kilometres and capital cost				R (000s)
- Surfaced (Km)	2,276	R7,030,000	2,265	R 7,000,000
- Gravel (Km)	1,747	R262,050	1,720	R 300,000
Total:	4,023	R7,292,050	3985 km	R 7,300,000
Detail			Total	Cost
Note: total number should appear in IDP, and cost in future budgeted road construction programme				
Type and number of grants and subsidies received:	Nr	R (000s)	Nr	R (000s)
MIG	13 (Budget R67,449,642)	R66,274,000 spent	10 (Budget R58,000,000)	R 50,626,000 Spent
<ul style="list-style-type: none"> <li>• Consolidated Municipal Infrastructure Programme</li> <li>• Gauteng Department of Public Transport, Roads and Works (Gautrans)</li> <li>• South African National Roads Agency</li> <li>• Public Transport Infrastructure and Systems Fund (PTIF) Conditional Grant from Department of Transport</li> <li>• Public Works Department</li> </ul>	10 projects 2 projects  None  1 project	R 58 million  R 4,3 million  None R5,3 million	25 projects 0 projects  0 projects None  1 project	R 58 million    R0,7 million
Total operating cost of the road construction and maintenance function (operational teams, depots, vehicles, machinery and equipment of the Operational Services Section)		R 249 million		R 256 million
Total operating cost of road construction and maintenance function	Total OPEX and CAPEX expenditure	Opex R410,612 Capex R229,009	Total OPEX and CAPEX expenditure	Opex R 421,423 Capex R251,795
		Total R639,621		Total = R673,218

### (c) Key Performance Areas

Key Performance Area	Achieved 2005/6	Achieved (2006/07)	Target 2006/7	Explanation of variance	Target (2007/08)
Eradication of Roads Backlogs by upgrading, sealing and construction	49.9 km	40.46 Km	41.7Km	Work that was planned for Block HH in Soshanguve did not materialise, due to lack of capacity by Contractor on short notice	88.1 Km
Eradication of Stormwater Backlogs	63.71 km	39.7 Km	25.7 km	More Stormwater systems were constructed than anticipated, especially in Mabopane Block C, New Eersterust and Ramotse.	81.2 Km
Number of short term Jobs created (1 Job = 240 person days)	730	832	502	Number of local labour used on reactive Maintenance exceeded the targets	890

Key Performance Area	Achieved 2005/6	Achieved (2006/07)	Target 2006/7	Explanation of variance	Target (2007/08)
Number of contracts implemented through the EPWP Programme (with EPWP learnerships or according to EPWP guidelines)	Not measured	37	36	Target achieved	59
Number of Road safety devices provided to enhance the safety of the roads (Speed humps, raised pedestrian crossings, mini circles, chokers, etc)	194	277	87	The actual measurement was inclusive of all elements of the devices, and these were not envisaged during the planning exercise.	250

## **5.4.12 Water**

### **(a) Overview and description of key issues**

Water provision services extend to include Bulk water supply from service providers and own sources such as boreholes and fountains and distribution to end users, but do not take account of meter reading and billing which sits within the jurisdiction of the Chief Financial Officer and the Finance Department of the City of Tshwane. Water provision furthermore involves the purification of raw water or the bulk purchase of water and its storage and distribution, which is managed and carried out by the Water and Sanitation Division.

The municipality has a mandate to:

- Perform planning, monitor the operation, maintenance and upgrading of water systems and new infrastructure developments
- To monitor, operate and maintain the water purification plants and to conduct chemical analyses on water samples in terms of SANS 241:2005
- To ensure the operation, maintenance and management of metering, billing and distribution systems
- To ensure the operation and maintenance of water distribution systems to deliver affordable water
- To perform investigations regarding the implementation and optimisation of more efficient and cost-effective service delivery options

### **Strategic Objectives**

- Provide Quality Basic Services; and Infrastructure
- Accelerate higher and shared economic growth and development;
- To fight poverty, build clean, healthy, safe and sustainable communities;
- To Foster participatory democracy and Batho Pele Principles through a caring, accessible and accountable service;
- To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate

### **Key Issues**

- Eradication of service delivery backlogs in accordance with National targets
- To ensure the provision of free basic services in accordance with Council Policy
- To reduce the amount of unaccounted for water in line with best practice

**(b) Analysis of the Function**

<i>Statistical information:</i>	2005/6		2006/7	
	Nr	R(000's)	Nr	R (000s)
Number and cost to employer of all personnel associated with the water distribution function:				
- Professional (Engineers/Consultants)	22		19	R 54,400
- Field (Supervisors/Foremen)	17		22	
- Office (Clerical/Administration)	15		14	
- Non-professional (blue collar, outside workforce)	274		254	
- Temporary	4		5	
- Contract	3		2	
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.	335	R48, 826	316	R 54,400
Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer	Megaliter per day	R per Megaliter	Megaliter per day	R per Megaliter
<i>Total for All Sources</i>	263 162 Mℓ	R2.77 per kℓ	771.84	R 2.94 per kℓ
- Category 1 Rand Water (Megaliter per day)			574.314	R 2.940
- Category 2 Magalies Water			9.53	R 3.000
- Category 3 Rietvlei (Internal Source)			39	R 1.050
- Category 4 Fountains and boreholes (Internal source)			59	R 1.050
- Category 5 Temba (Internal Source)			47.39	R 2.936
- Category 6 Roodeplaat (internal Source)			49.8	R 2.936
Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:		R (000s)		R (000s)
All Categories	163 633 MI	R907, 890	197 692	R 1 047, 000
Total year-to-date water losses in kilolitres and rand				R (000s)
27.8% Water Losses of total volume supplied, i.e. 771.84 Megaliter per day	19% of total volume supplied	R1,774	214.57 Megaliter per day	R 1,700
Number of households with water service, and type and cost of service:	Nr	R(000's)	Nr	R (000s)
- Piped water inside dwelling	388 419	R 29 000	396,419	<cost>
- Piped water inside yard			<total>	<cost>
- Piped water on community stand: distance < 200m from dwelling (Including Informal settlements)	97 000	R18 000	109,206	<cost>
- Piped water on community stand: distance > 200m from dwelling	27 000	R1 800	55 968 (including	<cost>

<i>Statistical information:</i>	2005/6		2006/7	
			informal areas)	
Note: if other types of services are available, please provide details				
Number and cost of new connections:	Nr	R(000's)	Nr	R (000s)
<b>TOTAL</b>	<b>5,170</b>	<b>R10,000</b>	<b>5,550</b>	<b>R 12,000</b>
Number and cost of disconnections and reconnections:				R (000s)
<i>Restricted Supply</i>	39 080	R9,700	62,806	R 17,800
<i>Reconnections</i>	14 733		24,514	
Number and total value of water projects planned and current:				R (000s)
- Current (financial year after year reported on) (2007/08)	12	R38,000	35	R 335,000
- Planned (future years) (2008/09)			24	R 284,000
Note: provide total project and project value as per initial or revised budget				
Anticipated expansion of water service:				R (000s)
- Piped water inside dwelling	73,000	R21,000	80,000	R 30,000
Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality				
Estimated backlog in number (and cost to provide) water connection:	Nr	R(000's)	Nr	R (000s)
- Piped water inside dwelling	27 000	R301,000	20 263	R 263 000
-Piped water inside yard				
-Piped water on community stand, distance < 200 m from dwelling				
<b>TOTAL</b>			<b>20 263<sup>47</sup></b>	
Note: total number should appear in IDP, and cost in future budgeted capital housing programmes				
Free Basic Service Provision:				
- Quantity (number of households affected)	539 772	R120,000	391,227	R 138,800
- Quantum (value to each household) 6 Kiloliter per month at R2.936 per Kiloliter	6 kl	R120,000	6 kl	R 172.12
Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.				
Type and number of grants and subsidies received:				R (000s)

<sup>47</sup> The Water backlog was estimated at 28 869 per reviewed IDP 2006-2011 but is now estimated at 20 263 as per information provided by the Department of Public Works and Infrastructure for the analysis of backlogs, see Chapter 2 of this report

<i>Statistical information:</i>	2005/6		2006/7	
	<i>Provincial Grants</i>	1	R12,000	4
<i>MIG</i>	4	R11,053	14	R 79,200
Note: total value of specific water grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.				
Total repairs and maintenance cost of the water distribution function:	R97 51 million		R97.8 million	
• Total income (W&S)	R944 470 000		R1 456 million	
• Total expenditure (W&S)	R726 332 000		R1 253 million	
• Surplus (W&S)	R218 136 000		R211million	
Total operating cost of water distribution function			R 97,800	

### (c) Key Performance Areas

Key Performance Area	Achieved 2005/6		Actual for 2006/7	
	Nr	R	Nr	R
<i>&lt; List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.</i>				
Operating, monitoring, maintaining and repairing bulk water systems	114	R25.1 million	115	R25.58 million
Number of Bacteriological and Chemical test per day at internal bulk water sources	330 tests/day	R1.15 million	350 tests/d	R1.20 million
Length of Bulk Supply pipelines replaced and installed (in Km)	5,38 km	R12.5 million	11,566km	R46 million
Length of redundant Pipelines in the network replaced (in Km)		40,2 km		35.56
Length of pipelines installed to extend the network into new areas (in Km)		22,2 km		44.41
Number of new metered Water connections supplied		5,170		5,550
Purifying water daily:				

Key Performance Area	Achieved 2005/6		Actual for 2006/7	
	Rietvlei	41.88 Mℓ/ day	R1,03/ kℓ	41.90 Mℓ/d
Temba	45.69 Mℓ/ day	R2,77/ kℓ	47.03 Mℓ/d	R2.936/kℓ
Roodeplaat	51.84 Mℓ/ day	R2,77/ kℓ	50.15 Mℓ/d	R2.936/kℓ
<b>Maintaining, replacing and repairing defective components (Bulk Water &amp; Water Distribution):</b>				
Replacing/upgrading pump stations			1	R290 000
Upgrading of reservoir inlet/outlet systems			1	R3.09 million
Replacing, repairing and calibrating telemetry and measuring equipment	1 360 items	R1.5 million	Telemetry operation on contract	R2.2 million/y
Annual average cost of metering	344 779 connections	R20,5 million	349 912	R22.5 million
Annual average maintenance cost for networks	35 396 incidents (9550 km)	R73.3 million	31 779 incidents	R75.4 million
Replacing redundant pipe networks	40.2 km	R23 million	36.6 km	R27.2 million
Extending networks into new areas	22.2 km	R4.2 million	41.65 km	R19.2 million
Supplying water to informal areas (piped)	1 216 Mℓ	R5.04 million	3 041 Mℓ	R9.1 million

## 5.4.13 Electricity

### 5.4.13.1 Distribution

#### (a) Overview and description of key issues

The electricity purchase and distribution functions of the municipality include the provision of electricity and other alternative energy to the residents of Tshwane and other areas in terms of the National Energy Regulator of SA (NERSA) license of supply.

These services extend to include all areas in terms of the NERSA license of Supply for the Tshwane Energy and Electricity Department, but do not take account of Eskom areas of supply within the City boundaries in terms of the NERSA license of supply for ESKOM which resides within the jurisdiction of ESKOM. The municipality has a mandate to generate electricity, develop the

energy business, distribute Electricity to end users and operate and maintain the networks.

There are two main divisions in the department:

- Energy Generation and Development, and
- Energy Distribution Operations.

### Strategic Objectives

The strategic objectives of this function are to:

- Provide access to electricity to all residing within the CoT boundaries
- Implement infrastructure investment programs that address new needs
- Provide integrated maintenance for all infrastructure
- Target procurement programs that supports BBBEE and local economic empowerment
- Provide free basic energy and social support package for the indigent
- Consolidate the consumer base and support maximum revenue collection
- Develop the department's human capital through training, consultation with employee/representatives, participation and implementing programs that promote equity and gender representation.

### Key Issues

The key issues for 2007/08 are:

- The eradication of Infrastructure Backlogs by 2012 by providing electricity connections to end users;
- Maintaining the current electricity generation and distribution infrastructure to ensure reliable and continued supply (limiting the number of outages);
- Promoting the usage of electricity by the general public, businesses, and industry

### **(b) Analysis of the function**

<i>Statistical information</i>	2005/6		2006/7	
	Nr	<i>R (000s)</i>	Nr	<i>R (000s)</i>
Number and cost to employer of all personnel associated with the electricity distribution function:				
- Professional (Engineers/Consultants)			184	<i>R 402,007</i>
- Field (Supervisors/Foremen)			172	
- Office (Clerical/Administration)			71	



<i>Statistical information</i>	2005/6		2006/7	
- Non-professional (blue collar, outside workforce)			1,338	
- Temporary			<total>	<cost>
- Contract			849	R45 600
<b>TOTAL</b>	<b>1 880</b>	<b>340 324</b>	<b>1 879</b>	<b>R378 386</b>
Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.				
Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer	Nr	R (000s)	Nr	R (000s)
- Residential			3,853,927,548	R 708,916
- Commercial			1,288,041,432	R 208,118
- Industrial			4,520,055,798	R 540,029
- Other			<volume>	<cost>
<b>TOTAL</b>	<b>9146,8 GWh</b>	<b>R 1 446 310</b>	<b>9 662 GWh</b>	<b>1 457 063</b>
Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:	Nr	R (000s)		
- Household	3 206, 4 GWh	R1 155 390	3 442,9 GWh	1 309 062
- Commercial	1 271,6 GWh	R 406 843	1 150,6 GWh	387 102
- Industrial	3 717 GWh	R 864 223	4 038,0 GWh	997 199
- Other (Smallholdings)	149, 5 GWh	R 56 997	<volume>	<cost>
<b>TOTAL</b>	<b>8344.5 GWh</b>	<b>R2, 483, 453</b>	<b>8 631,5 GWh</b>	<b>2 693 363</b>
Total year-to-date electricity losses in kilowatt hours and rand	Nr	R (000s)	Nr	R (000s)
<b>TOTAL</b>	<b>712 767 327</b>	<b>R113 330</b>	<b>807,6 GWh</b>	<b>142 194</b> Cost of losses
Number of households with electricity access, and type and cost of service:				R (000s)
<b>Detail</b>	<b>Nr</b>	<b>R (000s)</b>	<b>Total Nr</b>	<b>R(000's)</b>
- Electrified areas				
- Municipal	343 245	1 605 178	360 564 Including bulk residential connections	2 379 367
- Eskom	54 210	N/A	47,964	N/A
- Alternate energy source	City does not provide alternate energy			
- Gas	Not available	Not available	Not available	Not available
- Paraffin	Not available	Not available	Not available	Not available
- Solar	Not available	Not available	Not available	Not available

<i>Statistical information</i>	2005/6		2006/7	
- Wood	<i>Not available</i>	<i>Not available</i>	<i>Not available</i>	<i>Not available</i>
- Non electrified	<i>Not available</i>	<i>Not available</i>	<i>Not available</i>	<i>Not available</i>
Note: if other types of services are available, please provide details				
Number and cost of new connections:	Nr	<i>R (000s)</i>		
Number and cost of new connections (private developments)	<i>3 654</i>	<i>R 4 747</i>	<i>3 839</i>	<i>R 23,400</i>
<b>Total (all developments)</b>			<b><i>8,623</i></b>	<b><i>R 22,662</i></b>
Number and cost of disconnections and reconnections			<i>196 415</i>	<i>R32 928</i> <i>Including the 328</i> <i>280 Final</i> <i>Demands</i> <i>delivered and the</i> <i>51 101 illegal</i> <i>connection</i> <i>inspection done</i>
<b>Total</b>	<b><i>118 972</i></b>	<b><i>R23 543</i></b>	<b><i>196,415</i></b>	<b><i>R32 928</i></b>
Number and total value of electrification projects planned and current:				<i>R (000s)</i>
- Current (financial year after year reported on) (2007/08)			<i>32</i>	<i>R 368,335</i>
- Planned (future years) (2008/09)			<i>27</i>	<i>R 409,651</i>
Note: provide total project and project value as per initial or revised budget				
Anticipated expansion of electricity service:	<i>Nr</i>	<i>R (000s)</i>	<i>Nr</i>	<i>R (000s)</i>
<b>Total</b>	<b><i>11 265</i></b>	<b><i>R112 000</i></b>	<b><i>12 000</i></b>	<b><i>R63 600</i></b>
Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality				
Estimated backlog in number (and cost to provide) electricity connections:				<i>R (000s)</i>
<b>Total</b>	<b><i>8 746</i></b>	<b><i>R35 500</i></b>	<b><i>12 000</i></b>	<b><i>R63 600</i></b>
Note: total number should appear in IDP, and cost in future budgeted capital housing programmes				
Free Basic Service Provision:	<i>Nr</i>	<i>R (000s)</i>	<i>Nr</i>	<i>R (000s)</i>
- Quantity (number of households affected)	<i>376 721</i>	<i>R86 354</i>	<i>394 168</i>	<i>89 372</i>

Statistical information	2005/6		2006/7	
	- Quantum (value to each household)	50 kWh /month	R19,34 per month	50 kWh per month
Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.	50 kWh per month per residential premises in the demarcated area of Tshwane (CoT license area and Eskom license area with CoT boundaries)			
Type and number of grants and subsidies received:	Nr	R (000s)	Nr	R (000s)
MIG	2	R38 000		8065 houses to be electrified R25,000
DME				11,500 houses to be electrified R 28,600
Note: total value of specific electricity grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.				
Total operating cost of electricity distribution function				R 2,486,

### (c) Key Performance Areas

Key performance area/Functional information	2005/06		2006/07			2007/08
	Achieved	R	Target	Achieved	Variance Explained	Planned (as per budget)
1.1. Eradication/reduction of infrastructure backlogs	2 819 4 719		6 000 6 941 Winterveldt & Eskom areas	11 131 13 110	Target exceeded due to additional connections provided in Eskom areas	12 000 R78 million 7 200 R54 million
1.2. Provide quality infrastructure for growth	3654	4 747 393	2 132	6 305 3 839 – new connections by private developers	Demand driven	2 333
1.3. Ensure maintenance of existing		144 841 000	195 226 000	197 332 000	Serious needs for maintenance	221 190 000

Key performance area/Functional information	2005/06		2006/07			2007/08
	Achieved	R	Target	Achieved	Variance Explained	Planned (as per budget)
infrastructure						
1.4. Ensure optimal resource utilisation (unaccounted Electricity)	8%		9%	8.36%		9%
1.7 Optimise labour intensity and community involvement	100%		20%%	100%	All labour intensive projects utilise local labour	100%
2.5. Increase participation and broaden the contribution in growing the city's economy through the development of SMME's, co-operatives, the informal sector and the role of black people, women and youth	Not measured		10	20	Target exceeded because we have appointed 9HDI companies for labour and maintenance contracts and 11 HDI companies to supply various materials to the department.	20
2.8. Implement job creation initiatives	Not measured		583	802	More jobs created through capital projects (EPWP)	600
3.2.1. Reduce the burden of poverty through an effective indigent policy that enhances the access for all those who qualify and link indigent families to targeted poverty alleviation programmes that would improve household income	Not measured		100%	100% for Tshwane supply area and 32 270 of 47 964 at Eskom areas. 100% of Eskom configured		Free basic to all discontinued. Only registered indigents to receive.
3.2.2. change at least 6000 residences to prepaid meters	Not measured		2000	4 681	Target exceeded due to more applications received. KPI is application driven.	1 000

#### 5.4.13.2 Street Lighting

##### (a) Overview and description of key issues

Street lighting responsibilities of the municipality are administered as follows and include:

- Lighting up public roads and public areas for safety and security reasons in the disadvantaged communities.
- Maintenance of existing street lighting and area lighting (high masts) and the expansion of services , but do not take account of arks and public places which resides within the jurisdiction of the national or provincial government, the private sector or other municipal departments.

#### Key issues

- Cable theft,
- Vandalism,
- Procurement policies and procedures,
- Late delivery of materials, escalation of materials
- Continuous increase on copper price.

#### (b) Analysis of the Function

Analysis of the Function:	<Statistical information:>	2005/6		2006/7	
1	Number and total operating cost of streetlights servicing population:	Nr	R (000s)	Nr	R (000s)
	<i>Number of street lights and high mast lights.</i>	52 022 (South)	R 2 464	222,750	R 162,000
	Note: total streetlights should be available from municipal inventory				
2	Total bulk kilowatt hours consumed for street lighting:				
	<i>Gigawatt hours</i>	56 096 200 kWh	16,060	18.2	R 14,100
	Note: total number of kilowatt hours consumed by all street lighting for year				

#### (c) Key Performance Areas

Key performance area	Performance during the year and actual achievements against targets	Actual 2005/06	Actual 2006/07	Target 2006/07
Maintenance of existing infrastructure	Street lights were maintained and complaints were dealt with within an average of five days.	New complaints within 5 days	95 % of new complaints within 5 days	New complaints within 5 days

<b>Key performance area</b>	<b>Performance during the year and actual achievements against targets</b>	<b>Actual 2005/06</b>	<b>Actual 2006/07</b>	<b>Target 2006/07</b>
Acquisition of Consolidated Municipal Infrastructure Programme (CMIP) funding	Funding was obtained from the CMIP/MIG.	R13 069 000	R11 500 000	R11 500 000
Installation of additional street lights	Additional street lights were installed.	824	1400	1200
Installation of additional high-mast lights	Additional high-mast lights were installed.	182	118	112