

MAKANA MUNICIPALITY



ANNUAL REPORT **2008/2009**

*"We strive to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy environment,
which promotes social and economic growth for all".*

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PART 1

1 INTRODUCTION AND OVERVIEW

1.1 Executive Mayor's Foreword

It is a humbling honour for me to be afforded this opportunity to present the Annual Performance of Makana Municipality for the 2008/09 Financial Year to this Council. This report therefore, gives an account of the performance of Makana Municipality during the period under review.

The past financial year has seen some challenges for the Municipality, as well as an array of achievements in our efforts of trying to deliver a better and prosperous life for all our citizens in municipal area of jurisdiction. It is worth mentioning that despite political and administrative instabilities, the Municipality was able to achieve the milestones highlighted hereunder. On the other hand the Municipality has not been spared of the global financial strain that is being felt worldwide but beyond that, we strived to continue delivering services to our people in an effort of crafting a better life for all of Makana citizens.

Having operated for a considerably long period without a Municipal Manager, the Municipality has been able to appoint an Accounting Officer commencing in September 2008. Over and above this, the committee structure for political governance was further strengthened by realigning the composition of Portfolio Committees through clustering activities of similar nature under the political leadership of five portfolio heads. This necessitated the review of the actual sitting of committees was extended to a six weekly cycle in order to provide substantive accounting of service delivery programmes.

In accordance with statutory requirements, the Municipality conducted itself in a transparent and accountable manner and has improved its public consultation. Community engagement meetings were held in conducting the IDP Review, and a review of the budget was also tabled to the community during Mayoral Imbizos held in May and June 2009. The Municipality has fared well in trying to meet the needs and aspirations of the residents of Makana as espoused in the Integrated Development Plan of the Municipality adopted in 2007.

Strengthening of relations between all spheres of government with the Municipality has seen improvement in the implementation of partnership projects such as the installation of Traffic Lights at the Church Square and construction of the Fingo Library. The Municipality has partnered with the local Departments of Social Development, Justice, Agriculture, Sport, Recreation Arts and Culture, Public Works and SASSA to implement programmes that are aimed at developing certain sectors within the Makana Municipal area.

The same collaborative efforts were made with a wide range of NGOs and CBOs that are involved in different sectors championing the developmental agenda. Typical examples are the Jabez AIDS Centre and the Raphael Centre which are involved in HIV/AIDS, GADRA which is involved in issues regarding Persons Living with Disabilities, especially the blind; and Umthathi Development Project which champions food security.

Through the Special Programmes Unit, the Municipality implemented the Rural Outreach Development Programme, which focused on rural communities providing them with agricultural implements and support. Continued support was extended to the successful Rockhurst Ostrich Farming Project, whilst on the other hand concerted efforts were made to save the ailing Makana Goat project.

The Municipality continued to assist local artists and organisations to participate in the National Arts Festival as part of embracing the wealth of arts and culture prevalent in this area. In promoting youth affairs, the municipal Youth Advisory Centre has organised a Career Exhibition, attended by learners from the local schools, where all universities in the Eastern Cape were invited to inform learners about career opportunities on offer. Young Entrepreneurs were also invited to share information and their expertise with the learners.

As mentioned above the Municipality has had its share of daunting challenges hence it would be amiss not to reflect on the few mentioned herein. In September 2008, the Grahamstown area was hit by tornado destroying a substantial number of houses and the Municipality is still contending with the rectification of such. The aging infrastructure continues to cause intermittent disruption of water services to our communities. Delays in constructions at Fingo Village have been due to beneficiary identification problems and the discovery of human remains.

In closing, I wish to call upon all residents of Makana Municipality to work with the Municipal Council in shaping the development of this Municipality because it is only when we work together that we can achieve more. I take this opportunity to thank the Speaker of Council, members of the Mayoral Committee, Councillors and all staff for their support during the period under review.

COUNCILLOR VG LWANA

EXECUTIVE MAYOR

2 MUNICIPAL MANAGER'S STATEMENT

Notwithstanding the fact that I took on the reins of this Municipality in September 2008 as its administrative head, I take this opportunity to present the 2008/2009 Annual Report of Makana Municipality.

I must forthrightly acknowledge that there are enormous challenges confronting the Municipality which inhibit its efficiency and responsiveness. The community of Makana is aware that its Municipality has operated for an extended period without a Municipal Manager thus contributing negatively to its municipal administration and has led to a huge regression in as far as service delivery is concerned.

Notwithstanding the above, this report serves to record progress made by the Municipality in fulfilling its statutory mandate, service delivery achievements as well as to indicate where our shortcomings have been. I am pleased to indicate that various policies and by-laws that have assisted in instilling the principles of good governance have been approved within the statutory framework and the majority of these are in the process of being finalised.

In ensuring good corporate governance, focus in the year under review has been on streamlining the administrative matters, systems and processes. Through its outsourced Internal Audit Unit, the Municipality ensured that matters of internal controls and risk management, accounting procedures and practices; performance management and other corporate governance matters were addressed adequately as depicted in the Internal Audit Plan for the period under review.

As part of improving its organizational environment, the Municipality has established management structures creating platforms to advance the strategic direction of the Municipality as well as dealing with issues of generic nature that contribute to sound administration. Emphasis has been placed in creating a conducive working environment which had a ripple effect in boosting staff morale hence a number of human resources related policies were reviewed. It is for that reason that the development and implementation of an integrated HR Strategy with a corresponding Skills Development Plan have been prioritized for the following financial year.

In promoting administrative responsiveness, focus has been entrenching the Performance Management System at Senior Management level and streamlining Contract and Legal Services Management, improving the turnaround time on community issues, especially in crucial service delivery directorates within the Municipality such as Technical and Infrastructural Services and Community and Social Services and the service levels of frontline staff.

Ensuring a credible IDP for the ensuing year was a priority in that the Municipality has reinforced active communication with its communities such that extensive and intensive public participation was evident. The introduction of validation of quarterly performance reports periodically conducted by the municipal Internal Audit is a significant step aimed at ensuring service delivery programmes committed are implemented in accordance with the Service Delivery & Budget Implementation Plan. This has had a ripple effect on the performance management system as the validated audit reports are used as testimony during performance evaluation and appropriate measures are taken to improve performance. Simultaneously, this institutional performance review enhances the accountability in that it evaluate the adequacy and effectiveness of key internal controls and highlights underperformance; non-alignment of performance targets and/or inaccurate reporting of performance amongst other things. An array of challenges that need urgent addressing still exist, but the Municipality is committed to improving these through proper and transparent engagement with its communities.

I would like to express my sincere gratitude to the Executive Mayor, the Speaker of Council, Mayoral Committee and Councillors at large for providing guidance during this period. The dedication and support from Management and staff in general, have made it possible to achieve the milestones covered thus far.

MS NL BAART
MUNICIPAL MANAGER

3 MUNICIPAL OVERVIEW

The Makana Municipality is situated in the western part of the Eastern Cape Province falling under the Cacadu District Municipality. It is located 120km from Port Elizabeth on the west and 180km from East London on the east. It is the home of the National Arts Festival and the seat of the Rhodes University in and other prominent and internationally acclaimed primary and high schools found in Grahamstown.

Population Profile:

According to the Stats SA's Community Survey 2007 based on census 2001 statistics, the total population of Makana was 74 561 in 2007. Since 1996, the population of Makana has decreased at an average annual rate of -0.5% per annum. In 2007, Makana was 78, 9% urbanised as compared to 71, and 4% for the Cacadu District. The percentage of people in poverty has increased from 41, 1% in 1996 to 45, 1% in 2007 representing a total population of 33 636 living in poverty. The level of education composition reveals that there has been an increase in higher levels of schooling within Makana. 24, 26% of the population had a minimum of a matric (grade 12) in 1996 whereas 28, 33% of the population had a minimum of a matric (grade 12) in 2007. Considering the skills shortages that currently exists greater emphasis must be placed on the delivery of educational services. In 1996, 2001 and 2007 the percentage of the population of Makana who were HIV positive was 2, 73%, 9, 75% and 12, 21% respectively.

For some time, these statistics have been contested and are regarded as being flawed in the light of the broad survey conducted by the Cacadu District Municipality as part of its water and sanitation backlog study that estimated the population within Makana Municipality to be approximately double than that of the Census 2001 Survey. This is as a result of the significant amount of informal settlements established due to general urbanisation and farm evictions. There is demonstrable evidence that the erstwhile Rhini's population has increased from 1995 to 2007 and the need for an acceptable census depicting the population numbers remains a daunting challenge. This remains a concern as it has a direct negative impact on the government grant allocations.

Employment/Unemployment Trends:

The percentage of people unemployed within Makana in 2007 is 43, 3%. There has been a gradual increase in the unemployment rate from 1996 which originally stood at 34, 5%. Total employment within Makana is dominated by the community services sector comprising 25, 2%. The highest levels of employment in the formal sector are in the Community Services sector (40%) and the Agricultural sector (20%).

Socio-Economic Indicators:

The dominant sector in the informal sector is day to day trading which accounts for 51% of informal sector employment. Makana's economy registered positive growth during the past decade. Given the widespread poverty, Makana will have to maintain its growth rate to have a significant improvement in welfare indicators.

4 EXECUTIVE SUMMARY

This Annual Report has been compiled in accordance with the guidelines and format set by the Eastern Cape Department of Local Government and Traditional Affairs.

A detailed account of the Five Key Developmental Issues set out in the adopted 2008/09 IDP as well as the in the 2008/09 Service Delivery and Budget Improvement Plan (SDBIP) is given in the Annual Performance Report which is annexed hereto. Such a narrative report is highlighting the actual performance achievements per five Key Performance Areas (KPA) set by National and Provincial Government which corresponds to the agreed upon Key Performance Indicators.

For the year in review, the Municipality adopted a customized Performance Management System (PMS) Framework and PMS Policy similar to the one applicable to the public service which at this stage is implemented only for Section 57 Employees. With the stability in the municipal administration by filling the positions of the Municipal Manager and the LED Director, all Sections 57 Employees have signed Performance Agreements albeit in the second quarter of 2008/09 financial year due to the fact that the Municipal Manager was appointed on 1 September 2008. The limitation is experienced in cascading the system throughout the institution however, strategic interventions to be realised during the ensuing financial year are made to cascade the system to middle and junior management levels.

Notwithstanding the fact that the Internal Audit Plan was commissioned during the second quarter for the reasons already stated above, the introduction of the validation of quarterly performance reports was a significant step in assessing the adequacy of the institutional performance evaluation process.

The completion of upgrading the Community hall at Riebeeck East is one way of ensuring public accessibility to communities is enhanced. Furthermore, training of Community Development Workers in skills required to promote community participation is worth mentioning.

Completion of the eradication of bucket toilets project implemented at Old Cemetery and Newtown: Eradication of bucket toilets is a significant step in reducing the backlog for eradicating the bucket system. However, a substantial amount of funding is required to address the aging water services infrastructure as depicted in the Water Services Master Plan and development of a an Electrical Services Master Plan to determine the electrical infrastructure backlog.

Having the Fingo Library being functional have ensured that the local residents have access to up to date information through this library. Also, the completion of construction of Dlukulu Clinic enhanced primary health care accessibility to local residents. The Municipality prides itself for having completed the upgrading the Makana Resort, a public amenity with the added benefit of generating income.

Drastic steps were taken in resuscitating the implementation of service delivery projects funded under the Neighbourhood Development Partnership Grant (NDPG) and this has benefited local communities.

The Municipality continued to be frustrated in obtaining approval for formal township establishment applications which are crucial for outstanding various housing developments and addressing the housing backlogs.

In ensuring effective spatial planning and development, the Spatial Development Framework was approved during the year under review whilst on the other hand an Integrated Waste Management Plan was adopted by Council for effective waste management.

The budget allocation for the 2008/09 comprised of a Capital budget amounting to R52, 7m and an Operating budget amounting to R212,6m. The Annual Financial Statements enclosed herewith provides in detail the operating results for the year ended June 2009. The 2008/09 Annual Financial Statements are in accordance with the GRAP/GAMAP requirements as compared to the old IMFO standards used in the previous financial year.

The non-payment of debts by government departments continued being a sore point as they owed R11,6m out of the total debt amounting to R144,6m constituting 8% of the total debt as at end June 2009.

Concerted efforts have been made to ensure that the status of the 2008/09 financial year's audit improves from the adverse audit opinion received in 2007/08. Audit Action Plan was drawn and approved by Council, and constant reports thereon are submitted to relevant Portfolio Committees and Council regarding the progress on its implementation. At the time of preparing this report, the audit opinion for 2008/09 was still awaited from the Office of the Auditor-General.

The municipal computer information technology control environment; unstable technology infrastructure and lack of IT expertise continue to thwart alignment between IT and business processes and as a result the strategic direction to be taken from a systems and technical point of view are negatively affected. This state of affairs has a detrimental effect on financial and risk management and internal controls.

PART 2 – KPA ACHIEVEMENT REPORTS

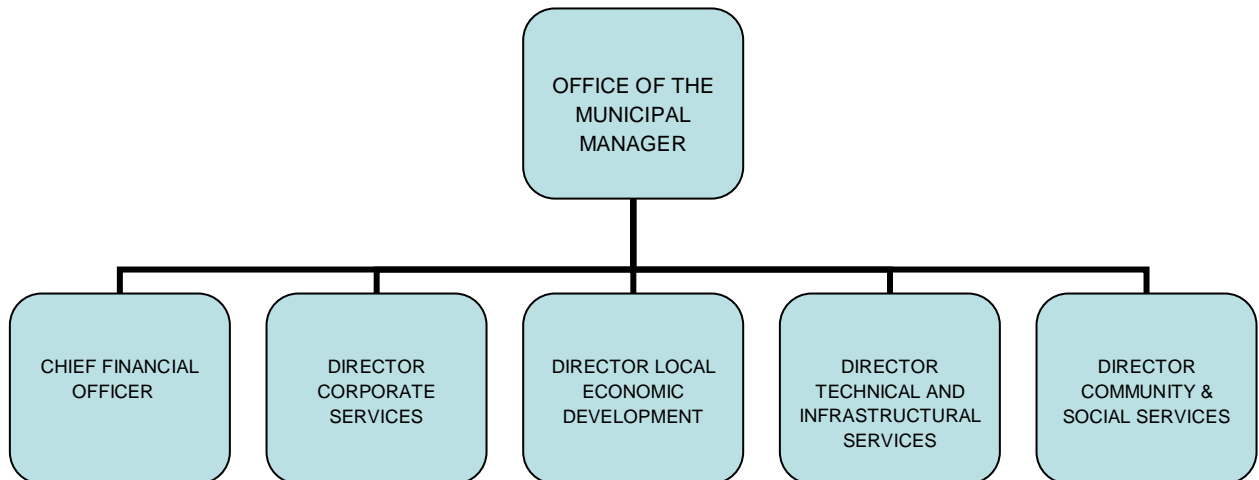
CHAPTER 1 –

5 ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (KPA 1)

5.1 PRESENTATION OF THE ORGANISATIONAL STRUCTURE

During the year under review the Makana Municipality undertook a review of its organisational structure. There are 823 approved positions in the organizational structure of which 569 are filled, resulting in a 28% vacancy rate and 35 vacant posts are earmarked to be filled during 2009/10 financial year. All the Senior management positions (Section 57 Posts) have been filled. The Municipal Manager and the Directors have also signed Performance Agreements and Employment Contracts and these were submitted to the Department of Local Government and Traditional Affairs as required by Legislation.

5.2 ORGANISATIONAL STRUCTURE



Municipal Manager	- Ms N Baart
Director Corporate Services	- Mr T Klaas
Chief Financial Officer	- Mr MJ Ngcelwane
Director Local Economic Development	- Ms R Meiring
Director Community & Social Services	- Mr M Planga
Director Technical & Infrastructure Services	-Mr D Njilo

5.3 STAFF DEVELOPMENT INITIATIVES

During the financial year under review the Makana Municipality developed and adopted the Work Place Skills Plan which was forwarded and approved by the Local Government SETA (LGSETA). A training committee comprising of Councillors , Officials and Labour was constituted. However it must be pointed out that the functionality of the Training Committee did not live up to expectation. A need to review Terms of Reference of the Training Committee is required.

The following training programs were undertaken with regard to staff development, these are i.e. :

DETAILS	TRAINING UNDERTAKEN
STAFF:	Key basis to succeed in Human Resources Practice. K53 Examiner of Driving License. Division of Revenue Act 2009/10 Grant Management Workshop. Water Sector Partners. Eastern Cape pre invention. First Aid course Level 1 and 3. Fire prevention Safety Strategies. Assessment on Grader. Level 4 midyear with Abet. First Aid Level 1 course. Maintain Supervision Workshop Microsoft Vision Workshop Local Government Performance Management Workshop Super MIS Training The use of statistics to measure and monitor Sustainable Development Training. Elementary Breathing Apparatus Course Municipal Supply Chain Management Course Electrical Arcflash safety Training. The Hand of Safety Workshop
COUNCILLORS	Certificate in local govt law and administration

5.4 Full time staff complement per functional area

5.4.1 EXECUTIVE MAYOR'S OFFICE

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Communications Officer	1	1	0
Events Coordinator	1	0	1
Senior Admin Officer	1	0	1
PA to Mayoral Committee	1	0	1
Coordinator: Disabled	1	0	1
Coordinator: Youth	1	0	1
Typist Clerk	1	1	0
Driver Security	1	0	1
Special Programmes Officer	1	1	0

5.4.2 MUNICIPAL MANAGERS OFFICE – MS NL BAART

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Manager: Support Services	1	1	0
PA to Municipal Manager	1	1	0
IDP/PMS Manager	1	1	0
Clerk PMS/IDP	1	0	1

5.4.3 OFFICE OF THE SPEAKER - MS MADINDA

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Executive Secretary PA	1	0	1
Constituency Development Officer	1	1	0

5.4.4 LOCAL ECONOMIC DEVELOPMENT – MS RIANA MEIRING

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Director: LED	1	1	0
Manager: Trade/Inv	1	1	0
Clerical Assistant	1	1	0
Secretary to Director	1	1	0
Manager Agriculture	1	1	0
Cleaner	1	0	1

5.4.5 CORPORATE SERVICES DIRECTORATE – DIR T KLAAS

Advertised Posts	Number of Approved posts	Number of Filled Posts	Vacant Posts
Executive Director (Contract)	1	1	0
Assistant Director	1	1	0
Senior Admin Officer	1	1	0

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Senior Committee Clerk	1	1	0
Committee Clerk	1	1	0
Replicator Driver	1	1	0
Senior Typist	1	0	1
Typist	1	0	1
Chief Clerk	1	1	0
Registry Clerk	1	0	1
Records Clerk	2	2	0
Switchboard Operator	1	1	0
Civic Amenities Clerk	1	0	1
Senior Civic Hall Caretaker	2	2	0
Civic Hall Caretaker	3	0	3
Caretaker Assistant	3	3	0
Cleaner	2	1	1

5.4.6 HUMAN RESOURCES DIVISION

CITY HALL	APPROVED POSTS	FILLED POSTS	VACANT POSTS
Assistant Director	1	0	1
HR Practitioner	1	1	0
Senior Admin Officer	1	1	0
Personnel Clerk Grade 1	1	1	0
Personnel Clerk Grade 2	1	1	0

CITY HALL	APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Industrial Relations Officer	1	1	0
EAP Officer	1	0	1
Skills Development Officer	1	1	0
Secretary	1	1	0
ALICEDALE	APPROVED POSTS	FILLED POSTS	VACANT POSTS
FOREMAN	1	1	0
Trade Worker	1	1	0
Waterworks / sewerage Operator	2	0	2
Driver	1	0	1
General Worker	6	1	5
Clerk Grade 1	1	0	1
Caretaker	1	1	0
Office Cleaner	1	0	1
RIEBECK EAST	APPROVED POSTS	FILLED POSTS	VACANT POSTS
Administration Officer	1	0	1
Supervisor Driver	1	1	0
Commonage Ranger	1	1	0
Tractor/ Trailer Driver	1	0	1
Waterworks Sewerage Operator	2	0	2
General Worker	6	2	4
Office Cleaner	1	0	1

5.4.7 FINANCIAL SERVICES DIRECTORATE – DIR J NGCELWANE

APPROVED POSITION	NUMBER OF APPROVED POSTS PER POSITION	FILLED POSTS	VACANT POSTS
Executive Director	1	1	0
Secretary	1	1	0
FINANCIAL ACCOUNTING			
Accountant	1	1	0
Principal Clerk	1	0	0
Supply Chain Officer	1	1	0
Buyer	1	0	1
Clerk	1	1	0
Storeman	1	1	3
Assistant Storeman/Clerk	1	1	0
Assitant Storeman	1	0	1
Clerk Gr 2 (Fuel)	1	0	1
Stores Attendant	1	1	0
EXPENDITURE			
Deputy Director	1	1	0
Administrative Officer	1	1	0
Senior Clerk (Creditors)	1	1	0
Clerk Gr 1	1	1	0
Clerk Gr 2	1	1	0
Creditor Clerk	2	2	0
Driver/Operator	1	1	0

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Senior Clerk (Salaries)	1	1	0
Clerk Gr 1	1	0	1
REVENUE & DATA CONTROL			
Deputy Director	1	0	1
Senior Data Capturer	1	0	1
Senior Meter Reader	1	0	1
Meter Reader	6	6	0
Data Capturer	2	2	0
Administrative Officer	1	1	0
Senior Clerk	1	1	0
Clerk Gr 1	3	3	0
Indigent Clerk	3	3	0
Senior Clerk	1	1	0
Clerk Gr 1	3	3	0
Cashier	4	2	2
Cashier/Typist Clerk Gr1 (Alicedale & Riebeeck East)	2	1	1

5.4.8 TECHNICAL AND INFRASTRUCTURAL SERVICES DIRECTORATE – DIR D NJILO

5.4.8.1 HOUSING AND ESTATE

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Housing Manager	1	0	1
Senior Admin Officer	1	0	1
Admin Officer	1	1	0
Clerk Grade 1	3	3	0
Data Capturer	1	0	1
Messenger/Driver	1	0	1

5.4.8.2 TOWN PLANNING

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Town Planning			
Town Planning Assis	1	0	1
Clerk Grade 1	1	0	1
Building			
Building Control Officer	1	1	0
Building Inspector	3	3	0
Typist Clerk Grade 3	1	0	1

5.4.8.3 CIVIL ENGINEERING

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Deputy Director	1	0	1
Assistant Dir: Roads	1	1	0
Assistant Director Water	1	1	0

Senior Mechanic	1	1	0
Administrative Assistant: Fleet	1	0	1
Mechanic	3	2	1
Trade Worker Special Grade	3	0	3
Trade Worker Grade	3	0	3
Technician: Roads	1	0	1
Foreman: Roads	1	1	0
Operator: Special Grader	2	1	1
Operator Grade 2/1	4	4	0
Truck Driver	6	6	0
Supervisor Driver: Roads	6	1	5
Operators Grade 3	2	0	2
General Workers: Roads	52	47	5
Supervisor: Stormwater	2	2	0
Handyman	2	1	1
General Worker: Stormwater	10	10	0

5.4.8.4 WATER AND SANITATION

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	0	1
Senior Technician	2	0	2
Technicians	4	0	2

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Waterworks/ Wastewater Operators	13	4	9
Waterworks/Wastewater Shiftsman	16	12	4
General Worker	18	5	13
Artisan Plumbers	7	2	5
Trade Worker Grade 4/3/2/1	9	0	9
Supervisor Driver	8	3	5
Sewerage Worker	36	25	11

5.4.8.5 ELECTRICAL DEPARTMENT

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Deputy Director	1	1	0
Senior Superintendant	1	1	0
Electrician	1	1	0
Artisan Assistant	1	1	0
Electrical Technician	1	1	0
Electrical Trade Worker	1	1	0
Technical Officer	1	1	0
Technical Assistant	1	1	0
Revenue Protection Office	1	0	1
Typist Clerk Grade 1	1	1	0
Messenger Cleaner	1	1	0

5.4.8.6 DISTRIBUTION

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0
Senior Foreman: Distribution	1	1	0
Electricians	9	7	2
Artisan Assistant	11	5	6
Supervisor: HighMast	1	0	1
Light Fitter: HighMast	1	1	0
Artisan Assistant	1	1	0
Street Lighter	2	2	0
Supervisor: Trenching	1	1	0
Senior Worker	9	7	2
Storeman	1	1	0
General Worker	1	1	0

5.4.8.7 PROJECT MANAGEMENT UNIT

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Project Manager	1	1	0
Senior Technician	2	1	1
Data Capturer	1	0	1

5.4.9 COMMUNITY & SOCIAL SERVICES DIRECTORATE – DIR M PLANGA

5.4.9.1 PRIMARY HEALTH CARE

APPROVED	NO OF APPROVED POST PER VACANT	FILLED	VACANT POST
Assistant Director	1	1	0
Admin Sec-Clerk grade1	1	1	0
Typist Clerk Grade 2	1	0	1
Social Worker	1	0	1
Clinic 2 Chief Prof Nurse	2	0	2
Senior Prof Nurse	8	5	3
Professional Nurse	29	7	22
Nursing Assistant	8	6	2
Health Advisor	8	4	4
Cleaner	8	7	1

5.4.9.2 FIRE & RESCUE

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0
Senior Clerk	1	1	0
Platoon Commander	4	1	3
Senior retain fire fighter	4	0	4
Control room operator	4	4	0
Senior fire Fighter	4	4	0
Retain fire fighter	4	7	0
Firefighter/Junior heaver	20	15	5
Asst Director	1	1	0

5.4.9.3 TRAFFIC DEPARTMENT

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0
Asst. Super la enforcement	1	1	0
Senior Traffic officer	3	2	1
Traffic officer grd 2/3	7	7	0
Asst Superintendent (Licensing)	1	0	1
Examination testing & Technical Foreman	1	0	1
Road signs(Driver/Supervisor)	1	0	1
General worker	4	4	0
Vehicle examiner	1	0	1
Examiner Assistant	1	0	1
Driver testing Officer	2	2	0
Senior Licensing Officer	1	1	0
Licensing officer	1	0	1
Clerk grade 1	2	2	0
Senior Clerk	1	0	1
Data Clerk Grade 2	2	0	2

5.4.9.4 HEALTH DEPARTMENT

APPROVED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Senior Environmental Health Officer	1	1	0
Environmental Health Officer	5	2	3
Licensing clerk	1	0	1
Admin Clerk Grade 1	1	1	0
Assistant Superintendent	1	1	0
Driver Compaction	3	2	1
Senior Worker	23	10	13
Driver operator(tractor/trailer	1	1	0
General Worker	25	23	2
Driver (CM 10)	1	1	0
Operator Front end	1	1	0
Driver Tipper Truck	4	3	1
Tractor Driver(skips)	1	0	1
Supervisor Driver	1	2	0
Bulldozer Driver	1	1	0
Gatekeeper	1	1	0
Pest Controller	2	0	2
Driver/Supervisor	1	1	0
Street Cleaner	13	7	6
Toilet Cleaner	7	3	4

5.4.9.5 PARKS DEPARTMENT

APPROVED POSITIONS	NO OF APPROVED POSTS PER VACANCY	FILLED VACANCY	VACANT POST
Assistant Director	1	1	0
Superintendent	1	1	0
Sport & Recreation Officer	1	1	0
Clerk Grade 3	1	1	0
Typist/Clerk Grade1	1	1	0
Foreman	1	1	0
Driver Operator	1	1	0
Lumber Worker	5	5	0
General Workers	24	12	12
Tractor Driver	4	2	2
Horticultural Assistant	1	0	1
Caretaker	3	2	1
Machine operator	20	19	1
Caretaker Assistant	2	0	2
Cemetery Attendant	1	1	0
Supervisor Operator	1	0	1
Supervisor Driver	3	1	2
Leading Hand	2	2	0
Commonage Technician	1	0	1
Artisan Assistant	1	0	1
Senior Worker	3	3	0

5.4.9.6 LIBRARY

	APPROVED POSTS	FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0
Librarian	5	4	1
Librarian Assistant	9	7	2
Library Cleaner	5	2	3
Security Guard	1	1	0
Senior Librarian	1	1	0
Junior Librarian Assistant	1	0	1
Librarian Helper	1	1	0

5.5 ALL STAFF REGISTERED WITH PROFESSIONAL BODIES

TECHNICAL SERVICES	TOTAL NUMBER OF TECHNICAL SERVICE MANAGER	TOTAL NUMBER REGISTERED IN ACCREDITED PROFESSIONAL BODY	TOTAL NUMBER PENDING REGISTRATION CONFIRMATION IN THE ACCREDITED	TOTAL NUMBER NOT YET REGISTERED IN THE ACCREDITED PROFESSIONAL BODY
WATER	1	0	0	1
ELECTRICITY	3	2	0	1
TECHNICAL	3	3	0	0
TOWN PLANNING	2	0	0	2
PROJECT MANAGEMENT UNIT	1	0	0	1

5.6 LEVELS OF EDUCATION AND SKILLS

TOTAL NUMBER OF STAFF	NUMBER OF STAFF WITHOUT GRADE 12	NUMBER OF STAFF WITH SENIOR CERTIFICATE ONLY	NUMBER OF STAFF WITH TERTIARY/ACCREDITED PROFESSIONAL TRAINING
558	292	198	67

5.7 TRENDS ON TOTAL PERSONEEL EXPENDITURE

FINANCIAL YEARS	TOTAL NUMBER OF STAFF	TOTAL APPROVED OPERATING BUDGET	PERSONEEL EXPENDITURE (SALARY RELATED)	PERCENTAGE OF EXPENDITURE
2006-2007	529	116 910 650	5 290 8328	45.26%
2007-2008	558	13 396 6870	620 222 68	45.26%
2008-2009	569	17 7375 950	78 292 587	44.14%

5.8 LIST OF PENSION AND MEDICAL AID TO WHOM EMPLOYEES BELONG

NAMES OF PENSION FUND	NUMBER OF STAFF	NAME OF MEDICAL AIDS	NUMBER OF STAFF
Cape Joint Pension Fund	9	BONITAS	134
Cape Joint Retirement	169	LA HEALTH	19
SALA Pension Fund	23	SAMWUMED	94
SAMWU Provident Fund	360	KEY HEALTH	24
		HOSMED	4

5.9 EMPLOYEE RELATED COSTS (SECTION 56 / 57 EMPLOYEES, OTHER STAFF MEMBERS AND ALSO COUNCILLORS)

The total costs incurred for all payroll related transactions are disclosed in notes number 25 and 26 of the 2008 / 2009 Annual Financial Statements. It must be indicated that salary increments for all employees (both Section 56 / 57 and non-section 56/57 employees) were set at 8.33% year-to-year (in terms of SALGBC' agreement) whilst Councillor's allowances increased by 11% (in terms of the National Gazette determining Upper limits for this category). It must also be indicated that the employer does not contribute to allowances such as Medical Aid / Pension Fund / Housing Subsidy for Councillors and Section 56 / 57 employees but only contributes to the UIF of these two categories.

6 IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT SYSTEM (PMS):

6.1 Institutional Performance

The Service Delivery and Budget Implementation Plan is developed for the whole institution and is in line with IDP Developmental areas, Monitoring and evaluation is done continuously by means of Monthly, Quarterly performance and Annual performance Report. The performance information is validated through internal audit processes.

6.2 Individual Performance Management System:

Performance review are conducted quarterly for all Top Management, Performance management at the individual is only implemented at Top management level but there are intention to cascade to the next level of the management in this financial year still . Performance reviews are conducted quarterly by the Municipal Manager.

7 MAJOR CHALLENGES AND REMEDIAL ACTION WITH REGARD TO HUMAN RESOURCE AND ORGANISATIONAL MANAGEMENT

The Municipality is experiencing challenges in the retention of scarce skills in technical fields i.e. electrical engineers, water engineers, town planning, building inspectors, due to lucrative offers made by bigger Municipalities. The municipality is experiencing high staff turnover due to the resignation of nurses because of the upgrading of provincial salary scales. However, a process of developing a scarce skills retention policy to address this challenge is being undertaken.

Although the Performance Management System (PMS) is being implemented, it is limited only to Section 57 employees. In accordance with the 2009/10 SDBIP, it is envisaged that the PMS be cascaded to all levels of management.

Absence of a monitoring and evaluation framework hinders the assessment of the institutional and individual performance. However, this has been targeted as an area of implementation in 2009/10 financial year.

The is a greater challenge in respect of job content and the job enrichment that is necessary for the motivation, satisfaction and performance of the job incumbent. It will be useful if the council can develop and design jobs that motivate and satisfy the staff. That can be demonstrated by the table below.

MAJOR CHALLENGE	DESCRIPTION	PRACTICAL IMPLIMENTATION	INDIVIDUAL AND PERSONAL OUTCOME/ REMEDIAL ACTION
Skill variety	Degree to which the job requires the use of variety of an individuals skills and abilities	Combine tasks Introduce new more challenging tasks (increase breadth of job rotation and enlargement)	Experienced meaningfulness of work
Task identity	Degree to which job requires the completion of an identifiable piece of work, doing a job from start to finish	Combine tasks Give person a complete natural unit of work	Encourage a sense of independence in decision making

MAJOR CHALLENGE	DESCRIPTION	PRACTICAL IMPLIMENTATION	INDIVIDUAL AND PERSONAL OUTCOME/ REMEDIAL ACTION
Task significance	Degree to which the completion of the job affects other people, either in the organisation or in the community	Give a person a complete natural unit of work Assign individual specific tasks, allow them to become experts	Goal needs to be precise Give clear guide line on the job
Autonomy	Degree to which the job incumbent has independence and decision making power in scheduling work and deciding on how to complete the job	Establish client relationships Add responsibility, like planning and control called vertically loading Delegate authority	Experienced responsibility for outcomes of the work
Feedback	Degree to which the job incumbent receives feedback about the effectiveness of his or o her performance	Open feedback channels	Knowledge of actual results of the work

Evident from the table is that skill variety, task identity and tasks significance combine to result in the experience of meaningful work.

Performance related

Pay can motivate effective and productive work. How should achievement be rewarded and what role should incentive and bonus schemes play.

Acceptable to the employee

The employee should understand the pay system and feel that it is a reasonable system for the council and them. This must be clarified in the selection interview.

Equitable

Each person should be paid fairly, in line with the job requirements and his/her efforts, abilities and skills. Each job should be evaluated to determine the value of the job compare to other jobs in the organisation. The Easter Cape Division of SALGBC has not finalized this process as the financial implications are not attached to the grading.

CHAPTER 2:

8 BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS (KPA 2)

8 WATER SERVICES

8.1 Water Services Delivery Strategy and Main Role-Players:

In terms of the Water Services Act (Act No. 108 of 1997) and declaration of the Powers and Functions by the Minister of Water Affairs and Forestry in 2004 Makana Municipality is acting as both Water Services Authority and Water Services Provider. The Authority function means that the Municipality is responsible for regulation, water quality, ensuring access and monitoring and evaluation. The Provider function means that the Municipality is responsible for access, provision operations and maintenance of all water needs.

The Department of Environment and Water Affairs is responsible for policy formulation, regulation and enforcement. The Department of Corporate Governance and Traditional Affairs is responsible for funding of some water capital projects through MIG. The Municipality is having a responsibility of implementing water services projects and maintenance thereof.

8.2 Levels and Standards in Water Services:

The Municipality has met the target of providing households with quality water with the exception of farm areas and informal settlements and we are currently busy with auditing of farm areas and township establishment on informal settlements. We are currently providing the basic level of services as per the RDP standards but most of our households are having individual house connection. This section presents the municipality definition of low and high level access to water services by the population as well as the low and high quality standard of water provision. This understanding of the level and standard should be the justification for setting yearly targets and reporting achievements.

8.3 Major Challenges in Water Services and Remedial Actions

The water infrastructure is very old as we are still having asbestos pipes which are no longer manufactured in South Africa. This results to continuous pipe bursts and leaks resulting to prolonged water outages. Our water dam levels had dropped significantly hence water restrictions are being proposed for 2009/2010 financial year. Capacity on human resources especially on technical expertise in-order for us to respond effectively on issues of operations and maintenance is still a huge challenge.

During this financial year the Municipality has commissioned and completed a Water Services Master Plan. The aim of this plan is to assess all water infrastructure so as to determine its status and refurbishment costs. It is revealed by the study that the Municipality would require approximately R90 million to restore its infrastructure to an acceptable level of standard. A proposal on the drought relief fund will be submitted to Cacadu District Municipality in the next financial year. Recruitment and selection policy will be reviewed to ensure that to entail scarce skills remuneration as one part of staff retention.

9 ELECTRICITY SERVICES

9.1 Electricity Services Delivery Strategy and Main Role-Players

The Department of Minerals and Energy (DME) assisted in funding one of our major substations to the value of approximately R10 million. They are also responsible for policy formulation and enforcement. Eskom utilizing their own allocation from DME, are implementing electricity projects in certain areas of the Municipality. The Municipality is also responsible for project implementation as well as the day to day operations and maintenance. National Electricity Regulator is also responsible for policy issues and tariff determination.

9.2 Level and Standards in Electricity Services

We are providing streetlights in accordance to the standards as provided in the guidelines from DME. Where appropriate we are providing high masts that are normally funded by MIG.

9.3 Major Challenges in Electricity Services and Remedial Actions

Our Municipality is having a challenge of Electricity infrastructure that is very old and thus resulting into power outages. The challenge of high percentage of electricity losses is in existence within the Municipality. This is caused by both technical and non-technical losses. Technical losses being meter by-passing, dysfunctional meters and outages. Non-technical losses caused by non-payment of bills and theft. A task team composing of two Directorates (i.e. Infrastructure and Finance) has been formed to specifically looking at options of minimizing electricity losses.

10 SANITATION

10.1 Sanitation services delivery strategy and main role-players

In terms of the Water Services Act (Act No. 108 of 1997) and declaration of the Powers and Functions by the Minister of Water Affairs and Forestry in 2004 Makana Municipality is acting as both Water Services Authority and Water Services Provider.

The Authority function means that the Municipality is responsible for regulation, quality, ensuring access and monitoring and evaluation of basic sanitation. The Provider function means that the Municipality is responsible for access, provision operations and maintenance of all access needs.

The Department of Environment and Water Affairs is responsible for policy formulation, regulation and enforcement. The Department of Corporate Governance and Traditional Affairs is responsible for funding of some sanitation capital projects through MIG. The Municipality is having a responsibility of implementing sanitation projects and maintenance thereof.

10.2 Level and standards in sanitation services

The Municipality has met the target of providing households with basic sanitation services with the exception of an area that is still using bucket system and informal settlements. This area is having 135 buckets still not yet eradicated. In this area the contractor was appointed in September 2007 with the project completion date scheduled for March 2008. We are currently providing the basic level of services as per the RDP standards in the form of Ventilated Improved Pit latrines.

10.3 Major challenges in sanitation services and remedial actions

Sewer infrastructure is very old as we are still having asbestos pipes which are no longer manufactured in South Africa. This results to continuous sewer leaks . Our water dam levels had dropped significantly hence water restrictions are being proposed for 2009/2010 financial year. Capacity on human resources especially on technical expertise in-order for us to respond effectively on issues of operations and maintenance is still a huge challenge.

11 ROAD MAINTENANCE

11.1 Road maintenance Services Delivery Strategy and Main Role-Players

The Department of Roads and Transport is having the responsibility of classifying roads into National, Provincial, District and Municipal roads. Our Municipality is responsible for municipal roads and storm-water and currently we are having a programme of tarring/surfacing all of our gravel roads. Our Municipality will be embarking on a project of compiling a business plan that would assist the Municipality to identify roads backlog and quantify funding required for surfacing. Cacadu District Municipality is playing a pivotal role in assisting the Municipality in funding some of our roads projects. During 2009/2010 we are planning to do a road maintenance plan.

11.2 Level and Standards in Road Maintenance Services

In the project of tarring gravel roads we are focussing on major taxi routes which will accommodate loads and access to middle level capacity of vehicles. On our daily road maintenance our internal teams are re-gravel roads to provide low level access and good riding quality.

1.1.3 Major Challenges in Road Maintenance Services and Remedial Actions

Our tools and machinery such as graders and front-end loaders are very old resulting to us having hire machinery outside which is costly for the Municipality. Hiring of proper operators to operate these graders has been a challenge as well. Availability of enough funding to implement capital projects has been a problem as we are still having a backlog of approximately 185 kilometres of road still to be tarred. Capital investment should be undertaken for tools and machinery and internal project teams be formed to reduce project costs.

12 HOUSING AND TOWN PLANNING

12.1 Housing and town planning services delivery strategy and main role-players

The Municipality is having an existing Housing Development Plan which a strategic document dealing with issues pertaining to housing development. In terms of the latest information there are approximately 12 000 registered potential beneficiaries. The Department of Housing is responsible screening and approval of beneficiaries whilst the Municipality is responsible for filling application list for beneficiaries.

12.2 Level and standards in Housing and town planning services

We are currently building houses in accordance to the Housing Act and the policy stipulates a 40 square meter house has to be constructed.

12.3 Major challenges in housing and town planning services and remedial actions

The following are the challenges being experienced:

- Provincial Department of Housing is still the developer
- Co-ordination of activities between the Department and the Municipality
- Long and tedious process of approving beneficiaries
- Quality monitoring on the houses being built

13 SPATIAL PLANNING

13.1 Preparation and Approval Process of SDF:

A Service Provider was commissioned to assist the Municipality in the development of the SDF. Early in the financial year an advert was placed to invite interested and affected parties to make comments on the draft SDF. It is worth mentioning that there very few inputs made by the community. Our SDF was adopted by Council on a special Council meeting of 30 March 2009.

13.2 Land Use Management:

We have received quite a substantial number of applications in the areas mentioned below:

- Rezoning,
- Sub-division,
- Consent use,
- Removal of restrictive conditions
- Township establishments

The major challenge is the turnaround time on the approval process of applications submitted due to shortage of skilled personnel.

13.3 Major Challenges in Spatial Planning Services and Remedial Actions

The number of comments that was received from the community was disappointing. This is a living document and when the review process commences alternative ways of public participation will have to be explored by the Municipality in-order to ensure effectiveness of the whole process.

14 INDIGENT POLICY IMPLEMENTATION

14.1 Preparation and Approval Process of the Indigent Policy

As required by the Municipal Systems Act, the Finance Directorate developed an Indigent or Assistance to the Poor Policy prior to the establishment of Makana Municipality in 2000. The Policy was then reviewed in late 2007 after an intense public participation process, where all financial related policies with direct impact to the ratepayers (e.g. Rates / Indigent and Credit Control and Debt Management Policies) were tabled or discussed through Imbizos that were held across the municipal area. The same financial policies were also presented to Ward Councillors so that they can understand the same, and also tabled to the Budget, Treasury and IDP Portfolio Committee in order to solicit comments from the members of the Committee. The Policy was then tabled to the Council of the 27 November 2007 for adoption. The same process was followed in 2008/09 financial year which led to the policy being finally adopted by Council on the 28 May 2009 together with other financial related policies. The Indigent Policy also indicates the qualification criterion which is based on the household income of not more the two-state-pensions per month, as a benchmark.

14.2 Implementation of the Policy

As the qualification criterion for indigent status is through completing an application form or applying for it, strategies that are used in marketing this policy is communicating through Ward Councillors, Ward Committee members, Newsletters and also availing Indigent Register to Ward Councillors. The Finance Directorate is in possession of an electronic Indigent Register (in excel spreadsheet) which is updated on a regular basis and availed to Ward Councillors whenever required.

CHAPTER 3:

15 MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK (KPA 3)

15.1 BRIEF PRESENTATION OF LED STRATEGY/PLAN

The Municipality does not have a completed LED Strategy, however a service provider was appointed in May 2009 to undertake a five-year LED Strategy for the Municipality. It is anticipated that the strategy will be completed in September 2009.

During the year under review the Municipality focused on the following to stimulate economic growth and development:

- Creating a conducive environment
- Establishing partnerships and
- Attracting investment

The focus areas above are discussed in detail under point 3.2.

The Municipality has a fully fledged Directorate. The expertise in the Directorate is reflected in detail in the table below.

Position	Expertise
Director LED	Highest qualifications – Masters in Business Administration and Masters in Social Work and 27 years of experience in local government, strategic planning, community development and public relations
Manager Trade, Tourism and Investment	Highest qualification – National Diploma (Tourism Management) and 6 years experience in Tourism Management and Local Economic Development
Manager: Agriculture and SMME Development	Honours Degree in Agricultural Economic and a Post Graduate Qualification in Education and 6 years experience in agricultural development
Project Manager: Kaolin	B.Tech Degree in Ceramic Design and 38 years experience in ceramic design and manufacturing
Secretary	Diploma: Human Resource Management and seven years experience
Administrative Assistant	Secretarial Diploma and six years experience

A Local Economic Development Leadership Conference (LEDLEC) took place on the 31st of March 2009 and was attended by 70 delegates. Many of the recommendations taken at LEDLEC are dependent on the conclusion of the LED Strategy. It was thus resolved that the following quick wins be implemented as soon as possible:

- a) Exploring the possible competitive advantage of Rhodes University through a brain storming session between the Municipality and Rhodes University

- b) Organising the stakeholders and interest groups in the business sector through among others support and facilitation to the Business Chamber to maximise the impact of the business sector on economic growth and development in Makana

Both the above-mentioned quick wins are scheduled to take place at the end of July 2009.

Funding was received for the following projects/programmes coordinated or implemented by the Directorate.

Project	Funder	Amount
Neighbourhood Development Partnership Grant	National Treasury	R93,000,000.00
Institutional Capacity Building	Thina Sinako	
Edu-Tourism	Thina Sinako	
Umthathi Project	Thina Sinako	R4,000,000.00

15.2 PROGRESS TOWARDS ACHIEVING THE LED KEY OBJECTIVES

15.3 Improve Public and Market Confidence

The Municipality has an approved SDF and is considering undertaking a Urban Renewal Strategy to focus development in the City Centre and Grahamstown East. An application was submitted to Thina Sinako to draft an investment incentive policy. A service provider was appointed to undertake a five-year LED Strategy and it is anticipated that the strategy will be completed by the end of September 2009

A Local Economic Development Leadership Conference took place on the 31st of March 2009. It was attended by 70 stakeholders from the business sector in Makana and government and government agency representatives in the Eastern Cape. Following the conference, a brain storming session with Rhodes University to explore its competitive advantage and a conference with the business sector to facilitate the organisation of the business sector in the Municipality are scheduled for the end of July 2009

A strategic partnership was established with the National Arts Festival to ensure that the Grahamstown Arts Festival stimulate economic growth and development.

The Directorate provided expert advice to the Alicedale Development Fund to facilitate the release of funding to the tune of R1,000,000.00 provided by ECDC to projects geared at economic growth and development.

Extensive networking took place during the year under review with organisations such as the Makana Research Group, Rhodes University, Business People and Government departments and agencies to create a conducive environment for economic growth and development.

A master plan for the provision of water services is in place and a strategy to address aging infrastructure in the Municipality will be compiled in the next financial year.

15.4 Exploit Comparative and Competitive Advantage for Industrial Activities

Competitive and comparative advantage is explored in the LED Strategy that is being finalised. Pillars for economic growth, namely tourism, kaolin mining, SMME development and agriculture were identified previously. These pillars will be confirmed or adjusted after the completion of the LED Strategy.

15.5 Intensify Enterprise Support and Business Development

A SEDA satellite office was established in Makana Municipality to provide support and advice to emerging SMMEs in the year under review. As from the 1st of July 2008, 86 clients are registered on SEDA's database. Up to date SEDA has assisted 43 clients in terms of business registration. On the 29th of July 2008 SEDA held a workshop at Noluthando Hall, where SEDA's products and services were presented to the public and 17 people attended. A Small Business Start-up course was attended by SMMES and Entrepreneurs on the 1st – 5th of December 2008 and 28 clients attended. On the 02nd – 06th of March 2009 SEDA provided a Co-Operation Basic Concept course, attended by 35 Co- op members (from 9 different Co- ops). The registration of Co- ops was discussed and 7 Co-ops are in the process of registering.

In the implementation of the NDPG project, Strowan Kaolin Mining is providing the bricks for the development of Node 2 as part of their Social and Labour Plan.

The following public private partnerships were established during the year under review:

Organisation	Purpose of Partnerships
Students in Free Enterprise (SIFE)	The students would like to become involved in initiatives managed by the Municipality. A student is already assigned to the Goat Co-op to assist the Co-op with financial management
COMSEC	Co-operation with Comsec in offering training to the following: Kaolin Mining groups, Construction Groups and ADF
Jendamark, Aquaponics Systems Development (ASD)	<ul style="list-style-type: none"> • The establishment of a pilot project in possibly Alicedale where protein and vegetable are cultivated simultaneously. • This project is backed by DEDEA • In the process of gathering base line data and exploring the entity in the community that should manage the project • Investigating the possibility of duplicating the project in Makana Municipality as a pilot Municipality in co-operation with DEDEA
Zenzele and ECDC (Kaolin)	<ul style="list-style-type: none"> • Numerous workshops and meeting were held to confirm Council's approach to Kaolin Mining

Organisation	Purpose of Partnerships
	<ul style="list-style-type: none"> The MOU was revised and is awaiting comment from ECDC and Zenzele Investor probing to start benefiting the Kaolin is the next step

15.6 Support Social Investment Programme

Negotiations are underway to ensure that in establishing the entities for the Wind Electricity Farm and the beneficiation of Kaolin, the community benefit as shareholders. Through the satellite offices of SEDA in the Municipality, SMME's receive business support. Access to fax machines and internet are also negotiated with a service provider through SEDA. Training events in business management were offered to SMME's by COMSEC and SEDA. A SMME database was completed and once the business sector is organised, a mentorship programme in collaboration with established businesses will be initiated.

15.7 Annual Performance as per Key Performance Indicators in LED

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Percentage of LED Budget spent on LED related activities.	100%	R2,294,046.00 Operating budget R62,595.00 Capital budget	Operating budget 61%, Capital budget 81%
2	Number of LED stakeholder forum held	2	1	50%
3	Percentage of SMME that have benefited from a SMME support program	n/a	n/a	n/a
4	Number of job opportunities created through EPWP	n/a	n/a	n/a
5	Number of job opportunities created through PPP	n/a	n/a	n/a

15.8 Challenges regarding LED Strategy Implementation

During the conference to organise the business sector the following expectations were identified by the business sector:

- More money and transformation for tourism
- Something (support) for 2010
- Preview and update on projects and opportunities
- More transparency and direct communication (not press please)
- Proper infrastructure services: water & electricity
- User-friendly staff
- Local preference in procurement
- Political stability

The table below indicates what steps the Municipality intends to take to address these expectations:

Expectation	Intended steps to address expectations
More money and transformation for tourism	<ul style="list-style-type: none"> • The Feasibility study on Edu-Tourism is completed • A funding application to implement the findings of the feasibility study was submitted to Thina Sinako • R33 million was secured from National Treasury and the Department of Economic Affairs and Tourism to build the Egazini Memorial • A strategic partnership was established with the National Arts Festival
Something (support) for 2010	<ul style="list-style-type: none"> • Makana Municipality is one of the Municipality's that secured a Public Viewing Area
Preview and update on projects and opportunities	<ul style="list-style-type: none"> • The Economic Development Tourism and Heritage Development Portfolio Committee resolved to establish a Mayoral business forum once the organisation of a business sector has been facilitated
More transparency and direct communication (not press please)	<ul style="list-style-type: none"> • A Mayoral Business Forum will be established to promote transparency and direct communication with the business sector • The IDP Review for 2009/10 provides for the: <ul style="list-style-type: none"> ○ Effective and efficient institutionalization ○ Ensure involvement and participation of all stakeholders ○ Creating a conducive environment for economic growth and development
Proper infrastructure services: water & electricity	The 2009/10 IDP Review provides for the establishment of a plan to address aging infrastructure and the provision of services
User-friendly staff	The 2009/10 IDP provides for the establishment of a help desk and the implementation of the Batho Pele Principles
Local preference in procurement	The Task Team appointed at the business conference will investigate the establishment of a business chamber. It is envisaged that the business chamber and the municipality will address ways in which to enhance local preference in procurement
Political stability	

In addition to the expectations identified at the business conference, the projects inherited by the Directorate takes up a lot of valuable time by the staff in the Directorate. It is envisaged that these projects would be assisted to become self sufficient during 2009/10 in order for the Directorate to focus its time of the promotion of LED as envisaged in the National LED Framework.

CHAPTER 4 –

16 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

OVERVIEW

Firstly it is important to note that Makana Municipality converted its Annual Financial Statements for the first time in the 2008 / 09 financial year, from the old IMFO method / standards to the required Grap / Gamap format. As we are aware the conversion exercise is quite a process “not just a once-off event” and the municipality is in the process of being “fully converted” by June 2011, as it exercised exemptions on certain Accounting Standards.

I must indicate that converting the AFS from IMFO to Grap / Gamap format has been a great success “though it was painful”. One main contributor to that painful exercise has been the accounting system that is currently being used and human resource capacity challenges. It is hoped that these challenges will be addressed going forward.

Lastly, I must also indicate that Makana Municipality does not have a municipal entity hence there will be no reference to a municipal entity in this Chapter.

16.1 The Audited Financial Statements

Attached to this Annual Report are the 2008 / 2009 Annual Financial Statements which inter-alia include the following: -

- Statement of financial position (balance sheet),
- Statement of financial performance (operating statement),
- Cash flow statement,
- Statement of changes in net assets
- Supporting notes to the financial statements.
- Employee related costs including remuneration of councillors, Section 57 Directors and other members of staff (See note 25 of the Annual Financial Statement).

It must also be indicated that the Municipality recorded a net surplus during the 2008/09 financial year amounting to **R18 771 443** (2008: R20 209 016) (see Income Statement / Statement of Financial Performance) prior beefing up other provisions, such as provision for bad debts, etc.

16.2 Budget to Actual Comparison

Included in the set of Annual Financial Statements 2008 / 09 are Appendix E (1) which gives variances for the Operating Budget and also Appendix E (2) giving variances for the Capital Budget. It must be indicated that Capital and Operating Budgets were revised once during the financial year around February – March 2009

and there are also amendments that continuously get processed through virement system approved by the Accounting Officer or approved by Portfolio Committees (depending on the size of the transfer). Budget related matters are dealt with in terms of the Council's Budget Policy.

As 2008/09 financial year has been the first year of implementing Grap/Gamap there were variances that resulted to the implementation of the new method and have resulted to some unauthorised expenditure, due to some book entries that are required to be processed, whilst they were not budgeted for (e.g. Depreciation figures and also all grant expenses that **must be included in the operating expenses and income**, amongst others). Such instances will be reported to Council and condonation will be applied from Council accordingly.

16.3 Grants and Transfers' Spending

Attached to the Annual Financial Statements (2008/09) is Appendix F which details all Grants / Subsidies or any other external funding received by the municipality with balances brought forward, any movements (receipts, expenses and interest earned, etc.) for the current financial year as well as balance as at end June 2009. This disclosure is in terms of Section 123 of the Municipal Finance Management Act No. 56 of 2003.

16.4 Meeting of Donors' Requirements in Respect of Conditional Grants

It can be confirmed that all conditional grants received during the 2008 / 09 financial year were spent as **per their original intent**, and the municipality ensured that it reports to the funding Departments as required in terms of the Division of Revenue Act. The details of the Conditional Grants for 2008/09 financial year are as follows: -

GRANT NAME	AMOUNT RECEIVED	AMOUNT SPENT	BALANCE	VARIANCE EXPLANATION
Finance Management Grant	R500 000	R768 160	R480 829	Due to unspent portions in prior years dating back to 2005/06 financial year.
Municipal Systems Improvement Grant	R400 000	R424 808	R32 610	Due to unspent portions in prior years dating back to 2005/06 financial year.
Municipal Infrastructure Grant (MIG)	R11 916 000	R11 535 905	R380 095	The municipality performed well in the MIG spending, however, it must be noted that National Government took a decision of reducing the allocation by R3.9m in March 2009 citing the under-spending.
National Electrification Grant	R10 000 000	R3 261 025	R6 738 975	The material that is being used for this project is ordered overseas and the time it takes to acquire this material directly impacts on spending.
Neighborhood	R2 000 000	R1 882 910	R117 090	This is a multi-million project that is funded

GRANT NAME	AMOUNT RECEIVED	AMOUNT SPENT	BALANCE	VARIANCE EXPLANATION
Development Programme Grant (NDPG)				by National Government. The quick win projects have just commenced towards the end of the financial year, and it is envisaged that about R20m will be incurred / spent in the 2009/10 financial year.

16.5 Long Term Contracts Entered into by the Municipality

Amongst contracts that are entered across the municipality's various Directorates the Finance Directorate manages the E-Kard or Prepaid Vending contract with the service provider, namely Syntell. The E-Kard system was just upgraded in February 2009, as the old version was not responding to the needs of the Directorate, including financial controls.

The Directorate also appointed Mubesko Africa for the process of converting the Annual Financial Statements from the IMFO to Grap / Gamap standard. It is envisaged that the municipality will be fully compliant on or before 30 June 2011.

16.6 Annual Performance as Per Key Performance Indicators in Financial Viability

	Indicator name	Target set for the year R(000) / %	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	(100%) R(34m)	R37m	110.7%
2	Salary budget as a percentage of the total operational budget	(35% or less) R(60.1m)	40% R(69.1m)	45%
3	Total trade creditors as a percentage of total actual revenue	Less than 10% of the total / actual revenue	R15m	7.46%
4	Total municipal own revenue as a percentage of the total actual budget	Greater than 60%	R135.9m	67%
5	Rate of municipal consumer debt collection	Not less than 85%	R111.3m	81%
6	Percentage of MIG budget appropriately spent	100%	R11.5m	97%
7	Percentage of MSIG budget appropriately spent	100% (or R400 000)	R424 000	106%
8	Percentage of FMG budget appropriately spent	100% (or R500 000)	R768 160	153%

16.7 The Audit Committee Functionality

The Audit Committee operated accordingly in the 2008/09 financial year, as the municipality joined a shared service under Cacadu District Municipality with effect from March 2008. The Audit Committee holds its meetings at least once a quarter and the members of Internal Audit (namely PwC or PriceWaterHouseCoopers) as well as the Auditor General are invited to be part of these meetings. The minutes of the Audit Committee are tabled at a full Council meeting once they are signed or confirmed by the Chairperson of the Audit Committee (Mr B Reid).

The Audit Committee is formed by three members who do not have any relationship with the municipality, who play their advisory role in various areas, as in terms of the relevant pieces of legislation.

16.8 Arrears in Property Rates and Service Charges

The following table Municipal area of illustrates the arrear debt as at end June 2009 split into various categories: -

What hampers the Municipality in collecting the above-mentioned debt also results from high rate of unemployment in the Makana jurisdiction. What is more sad to note is the fact that out of the abovementioned debt amounting to R144m an amount of R11.7m is owed by state institutions as at end June 2009. The outstanding debt owing by Government Departments and other categories is broken down into its aging from 30 to greater than 120 days.

Attached as a separate Annexure to this annual report is the arrear debt report indicating the age from 30 to greater than 120 days, split into categories (e.g. water, electricity, rates, etc.) as well as kinds or types of Debtors (e.g. residential, government, businesses, etc.).

16.9 Anti Corruption Strategy

The Municipality, as part of addressing issues relating to the prevention of fraud and corruption in the workplace approved a Fraud Prevention Policy which was tabled to all Portfolio Committees / Local Labor Forum / Mayoral Committee, prior to being tabled to Council for final adoption. The Municipal Manager and her team will work tirelessly in ensuring that the policy is implemented in the 2009/10 financial year to its fullest, after the intended awareness workshops have been conducted across the municipality.

Also attached to this Annual Report is a copy of a spreadsheet indicating "other statistical information" disclosing various financial information. The information disclosed in this spreadsheet includes electricity and water losses in distribution during the 2008/09 financial year.

16.10 Strategy on Dealing with the Audit Report – 2008/09

It is the intention of this Directorate that as soon as the Audit Report is made available by the Auditor General, an Audit Action Plan be developed and the full report be tabled to the Audit Committee, together with the Audit Action Plans, so that the Audit Committee can advise on the suitability of the recommended strategies on how to deal with the issues raised by the Auditor General. After tabling the report and Audit Action Plan to the Audit Committee the same documents will be presented to the full Council, which must approve the Audit Action Plans as well as considering and approve the Audit Report. Each relevant Director will then be responsible to monitor the implementation of the Audit Action Plans and as such will be required to report to his / her Portfolio Committee on the status of the implementation of the Audit Action Plan. It must also be highlighted that issues relating to the External and Internal Audit form part of the 2009/10 Performance Plans of each and every Director.

CHAPTER 5 –

17 GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

17.1 OVERVIEW OF THE EXECUTIVE AND COUNCIL FUNCTIONS AND ACHIEVEMENTS

The Council with Speaker as its Chairperson is the highest decision making structure with twenty four (24) councillors. It has an Executive Mayoral System with a full time Mayoral Committee comprises of the Executive Mayor and Chairpersons of Portfolio Committees. The Mayoral Committee reports to Council.

17.2 COMMITTEES OF COUNCIL

Application was made to the MEC for Local Government and Traditional Affairs for six (6) full time Chairpersons of Portfolio Committees but only five (5) full time Chairpersons were approved and promulgated by the MEC. This was announced by the then Executive Mayor on 5 August 2008. This implied that with effect from 1 September 2008 there would only be five (5) Portfolio Committees and that certain Portfolio Committees would be given added responsibilities. It further implied that the Mayoral Committee would only consist of the five (5) Chairpersons and the Executive Mayor.

The Council started the year under review with five (5) Portfolio Committees and one (1) Sub-Committee. The Executive Mayoral Committee therefore consisted of the six (6) Mayoral chairpersons and the Executive Mayor. The former Economic Development and Tourism Sub-Committee was subsequently changed to a fully fledged Portfolio Committee after a Director for Local Economic Development was appointed while the name of the Finance and Service Delivery Portfolio Committee was changed to the Budget, Treasury and IDP Portfolio Committee.

The previous six (6) Portfolio Committees were as follows:

1. Economic Development and Tourism
2. Corporate Services
3. Social Services and Community Empowerment
4. Land, Housing and Infrastructural Development
5. Environment, Disaster Management and Heritage
6. Budget, Treasury and IDP

17.3 Portfolio Committees names were changed as follows:

1. Social Services, Community Empowerment and Protection Services Portfolio Committee would oversee the following Sections:
 - Parks and Recreation

- Library Services
2. The Land, Housing, Infrastructural Development and Disaster Management (LHID) Portfolio Committee would oversee the following Sections:
 - Technical Services Section (Electricity)
 3. Infrastructural Services Section (Housing and Estates, Town Planning, Roads and works, Water and Sewer)
 - Disaster Management
 4. The Economic Development, Tourism and Heritage (EDTH) Portfolio Committee received the additional Heritage function.

- The Environmental Health and Cleansing Services
- Primary Health Care Services
- Fire and Rescue Services
- Traffic Services

1. The Corporate Services Portfolio Committee remained unchanged.
2. The Budget, Treasury and IDP (BTI) Portfolio Committee remained unchanged.

Other committees that functioned during the year under review are the following:

17.3.1 Advisory Committees:

- Library Advisory Committee
- Aesthetics Committee

17.3.2 Other Committees:

- Local Labour Forum
- Tender Committee

17.4 COMMUNICATION STRATEGY

Currently the Municipality does not have a communication strategy but does have a communication policy. The district municipality has recently adopted its communication strategy and the municipalities have been invited by the district to a communication strategy workshop which will take place on 22 September 2009. The Municipality will work towards having its communication strategy adopted shortly after receiving guidelines from the district municipality.

17.5 INTERGOVERNMENTAL RELATIONS

The Municipality has as it stands has not as yet developed a fully fledged IGR Framework, but is engaging with Sector Departments through its IDP Rep Forum, the membership of which spans the Sector Departments, NGOs, CBOs and other role players.

It is the aim of this Municipality to initiate the establishment of its IGR Framework which will be coordinated from the Executive Mayor's Office and is intended to be fully functional by the end of the current financial year. The Municipality has an array of collaborative engagements both from a community engagement and a business engagement perspective, these include but are not limited to Makana Tourism, Rhodes University, etc.

17.6 LEGAL MATTERS

17.6.1 Setting up of Legal Units

The Municipality is not capacitated with the existence of a Legal Services Unit, and uses contracted service providers in this regard. Legal matters of the Municipality are outsourced to a pool of law firms which provide services to the Municipality in terms of their expertise. The Municipality is in a process of streamlining the administration of all legal matters within the Municipality by going to tender for the solicitation of a pool of firms that will be entrusted with such matters. To streamline this service, all legal matters are managed administratively from the office of the Municipal Manager in order to ensure that there is control over expenditure in such matters as well as to facilitate a much more responsive turnaround time on urgent matters.

17.6.2 Prevention Mechanisms of Current Litigations:

The Municipality has administratively streamlined the management of all legal matters by ensuring that all referrals of legal matters are approved by the Municipal Manager prior to the solicitation of such services;

The Municipality has also ensured that all legal matters are administered from the office of the Municipal Manager to ensure that there was a much faster turnaround time on summons and other time sensitive legal issues;

The office of the Municipal Manager is responsible for receipt of all legal documents to ensure better management of same and to facilitate immediate attention to such matters.

17.6.3 Criminal Matters Emanating from Corruption and Fraud

A case of fraud currently under investigation involves the former Municipal Manager of the Municipality and is pending an outcome.

17.6.4 Management of Legal Risks

The Municipality has included Legal Matters in its 2009/10 Internal Audit plan to facilitate the identification of problem areas pertaining to legal matters and to ensure that it is able to address such matters and also to ensure that there was proper planning and handling of legal matters henceforth. The Municipality has no policy in place as yet, but on the basis of the outcome of the internal audit, matters requiring immediate attention will have been identified and the level of risk faced will be know. The Municipality intends to have addressed matters relating to the lack of proper policies that govern legal matters by the end of the next financial year.

PART III :

CHAPTER 5

18 FUNCTIONAL AREA SERVICE DELIVERY REPORTING

18.1 Finance and Administration Function's Performance

Function:	Finance and Administration
Sub Function:	Finance
Reporting Level	Detail
Overview:	<p>The Finance Directorate is responsible for all financial related activities such as, creditors payments (payroll administration), credit control, indigent control, meter reading, budget and financial statements preparation, insurance, vat control, implementing financial related legislations / circulars / gazettes, supply chain management / procurement, financial management, statutory reporting to state institutions on grant spending, etc. The Finance Directorate is split into Expenditure Management, Revenue Management and Special Projects.</p>
Description of the Activity:	<p>The function of finance within the municipality is administered as follows and includes:</p> <p><i>(1) Creditors Section – for the payment of all creditors for the municipality through manual cheques or electronically, which also include Payroll Administration, (2) Credit Control Section – which is in charge of arrear debt collection for the municipality, operating within the Credit Control and Debt Collection Policy of the municipality, (3) Indigent Control – which ensures that qualifying poor households are given access to free basic services, (4) Meter Reading – the accuracy of municipal accounts depends on the Meter readers providing accurate meter readings for both electricity and water, (5) Supply Chain Management Unit – this unit is responsible for the procurement processes for the municipality. Although it is manned by about three officials it endeavours to operate smoothly. An organogram was amended in attempt to beef up the staff structure for the unit in late 2008/09 and in 2009/10 a position of an Assistant Manager: SCM will be filled, (6) Expenditure Management – under this section functions such as budget preparation / management, financial statements preparation, vat control, insurance management, etc. are attended to.</i></p>

Function: Finance and Administration

Sub Function:	Finance										
Reporting Level	Detail										
1	<p>Debtor billings: The Directorate bills more that 22 000 accountholders on a monthly basis, with total billable income of about R11,3m. R (135.9m)</p> <p>Function - <The main sources of revenue for the municipality can be illustrated as follows (and their equivalent rand values or actual income): -</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">Water,</td> <td style="text-align: right;">R20m</td> </tr> <tr> <td>Electricity,</td> <td style="text-align: right;">R48.7m</td> </tr> <tr> <td>Refuse,</td> <td style="text-align: right;">R3.3m</td> </tr> <tr> <td>Sewerage / Sanitation charges</td> <td style="text-align: right;">R8.9m</td> </tr> <tr> <td>Property Rates</td> <td style="text-align: right;">R27.5m</td> </tr> </table> <p>During the same year the municipality earned interest on investments amounting to R7.7m, whilst interest charged on arrear debtors amounted to just over R10m. The total grants / subsidies received for the same year amounted to R65.5m.</p>	Water,	R20m	Electricity,	R48.7m	Refuse,	R3.3m	Sewerage / Sanitation charges	R8.9m	Property Rates	R27.5m
Water,	R20m										
Electricity,	R48.7m										
Refuse,	R3.3m										
Sewerage / Sanitation charges	R8.9m										
Property Rates	R27.5m										
2	<p>Debtor collections: The collection rate for the municipality in the 2008/09 financial year amounted to about 81%, as against the billable income of R137m; an amount of R111.3m was actually collected as at end June 2009.</p> <p>Function - <Attached to this Annual Report as a separate Annexure is the statistical information which indicates the arrear debt, split into various services, and also indicating the collection rate per service, as at end June 2009></p>										
3	<p>Debtor analysis: Attached as a separate Annexure to this Annual Report is the Consolidated Billing analysis as at end June 2009, indicating the age of the debt and type, per different categories. R144m</p>										

Function Finance and Administration

Sub Function: Reporting Level	Finance Detail
4	<p>Write off of debts: There were no huge debts that were written off during the 2008/09 financial year. It is intended that arrear debts belonging to Indigent Households be written off in the 2009/10 financial year.</p>
5	<p>Property rates:</p> <p>Note 21 of the Annual Financial Statements give more details on the property rates, including the values of rateable properties (per different categories).</p>
6	<p>Indigent Policy: The municipality developed an Indigent / Assistance to the Poor Policy which attempts to give guidance or qualifying criteria to communities who are considered to be eligible or qualify. The measurement used for indigent households is the total household income which must be less than two state pensions per month. The household income excludes any grants that are received relating to child welfare (e.g. Child maintenance grants, Child Support grants, etc.). Qualifying households get rebates on their rates, sewerage, refuse, 10kl water and 50kwts electricity.</p>
7	<p>Creditor Payments:</p> <p><One of the failures of the current accounting system that is being used is the fact that it is unable to produce a Creditor's Age analysis. It is hoped that during the 2009/10 financial year this challenge will be addressed by either upgrading the system or acquiring a new system that will be responsive to the needs of the Directorate. It can be confirmed that the municipality is capable of meeting its financial obligation, and it is only in cases of queries against invoices or late invoices where the municipality would delay payments.</p>
8	<p>Credit Rating:</p> <p><List credit rating details here></p> <p>The rating of Makana Municipality is performed by Moody's International Rating Agent, and the last time the rating was conducted was 2007/08 financial year, where the municipality attained a Baa2.za rating, indicating a stable performance.</p>

Function: Finance and Administration

Sub Function:	Finance
Reporting Level	Detail
9	External Loans: Note number 3 of the Annual Financial Statements 2008/09 indicates the details of external loan. The only loan that the municipality raised is with INCA and currently amounts to about R2.1m . There was no new loan taken in the 2008/09 financial year, and it can be indicated that such a situation might not last long as the municipality experiences endless infrastructural challenges.
10	Delayed and Default Payments: There were no delayed payments that occurred during the 2008/09 financial year, as the municipality was in a position to meet all its liabilities timeously.

18.2. Planning and Performance Management function's performance

Function:	Planning and Performance Management	
Sub Function:	Integrated Development Planning	
Reporting Level	Detail	Total
Overview:	Includes all activities relating to the formation and monitoring of the implementation, evaluation and review of strategic plan of the Municipality the Integrated Development Plan	
Description of the Activity:	The function of Integrated Development planning is administered by the IDP and PM section under the office of the Municipal Manager	
	The main activity is to formulate a five year strategic plan, monitor and review the plan annually, in terms of Chapter 5 of the Municipal Systems Act 32 of 2009 (include notice R796 regulations) and in terms of the Municipal Finance Management Act 56 of 2003.	
	The strategic objectives of this function are to:	
	Manage and coordinate the Development and reviewing of Integrated Development Annually: Strategic objective for 2008-2009 for this function was to promote a representative, accountable and performance driven local government This includes the development and coordinate the review sector plans	
	The key issues for 2008-2009 are: The timely review of Municipality Integrated Development Plan which the following	
	<ul style="list-style-type: none"> ▪ Development of the IDP Process Plan that was adopted by Council and used to guide the process of review the IDP ▪ Compilation of the IDP and Budget Schedule in conjunction with the Finance Directorate, in line with the MFMA. ▪ Facilitate the of various meeting and workshop with following stakeholder, Internal stakeholder through steering committee meeting, provincial sector departments , private business, NGOs and CBSs and public entities through Stakeholder representative forum. ▪ Analysis of development priorities ▪ Review and, where required, amendment of strategies, objective and projects ▪ Review and develop of sector plan and operational strategies ▪ Development of new plans in areas where plans were not in place ▪ Strengthen and improving public participation ▪ Preparation of IDP review document and submission thereof to Council for approval. ▪ The IDP was reviewed without assistance from external service. This resulted in increase staff participation and increased strategic planning capacity within the Municipality ▪ Integration of IDP and PM function also assisted to improve monitoring of IDP implementation. 	

Function: Planning and Performance Management

Sub Function:	Integrated Development Planning
Analysis of the Function:	<ul style="list-style-type: none"> ▪ Commence with Analysis Phase July 2007 ▪ IDP Process Plan Table to Council for Approval August 2007 ▪ Ward Committee meeting to integrate Needs September 2007 ▪ Steering Committee to consider Information generated by analysis phase October 2007 ▪ IDP Rep forum, to determine developmental priorities October 2007 ▪ Meeting with departmental to identify strategic objective for development priorities November 2007 ▪ Meeting with NGO to identify projects Nov-Dec 2007 ▪ Confirmation of projects with HOD's 20 March 2008 ▪ First Draft IDP 2008-2009 Table to Council May 2008 ▪ Final Draft IDP 2008-2009 Table to Council June 2008
	Municipality receive grants form District municipality R 90 000
	Total operating cost R 81 480
	<i>Number of people associated with planning</i> 3 <ul style="list-style-type: none"> ▪ <i>Municipal manager</i> ▪ <i>IDP Manager</i> ▪ <i>IDP assistant administrator</i>
Function:	Planning and Performance Management
Sub Function:	Performance Management
Reporting Level	Detail
Overview:	Includes all activities related to monitoring the organisational and individual performance of the Makana Municipality
Description of the Activity:	<ul style="list-style-type: none"> ▪ The function of Performance Management within the Municipality is performed in the Office of the Municipal Manager, and include the implementation of the Integrated Development Plan (IDP) through SDBIP and the performance of all section 57 employees as is not cascaded to next level yet. ▪ Legislation states that key performance indicators and targets must be implemented to enable continual monitoring of the municipality and its administration ▪ These indicators pinpoint areas of focus for each financial year as developed through the process of public participation and are listed in the IDP

Function: Planning and Performance Management

Sub Function:	Performance Management	
Description of the Activity	<ul style="list-style-type: none"> ▪ Once approved, the IDP is aligned with the budget in a document called the SDBIP (Service Delivery Budget and Implementation Plan) which provides a workable management tool from which to operate under and monitor progress ▪ SDBIP is then used to develop a personalised performance plan system for each and every Section 57 employee, through delegation of activities included in the SDBIP, and agreed upon individual performance plans. ▪ The SDBIP and performance plans of the Municipal Manager and Directors are published on the Municipal Website. ▪ Through quarterly monitoring performance of each Directorate and performance review for individual Directors, is tracked to ensure that progress remains in line with what was originally planned. The final results are included in this report. <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> ▪ To monitor and evaluate service delivery as required by the Performance Management Regulations <p>The key issues for 200X/0Y are:</p> <ul style="list-style-type: none"> ▪ Fully implementation of PMS in the for Top Management ▪ Ensure performance reviews are conducted for all section 57 ▪ Development of Performance Management Systems Policy & Procedures ▪ Ensure the aligning IDP, PMS 	
Analysis of the Function:	<ul style="list-style-type: none"> • Formal performance review where conducted for all Section 57 employees. 	2
Key Performance Area	<ul style="list-style-type: none"> • Total operating cost 	R100 000
	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	
	See Service Delivery and Budget Implementation Plans for 2008-2009, as well Target as and attachment to this chapter	

18.3 Local Economic Development

Function: Local Economic Development

Sub Function:	Economic Development
Reporting Level	Detail
Overview:	Includes all activities associated with economic development initiatives
	<ul style="list-style-type: none"> a) Strategy Planning b) Sourcing funding c) Identifying strengths, weaknesses, opportunities and threats to economic development d) Project and programme management e) Co-operative governance and support f) Oversight g) Facilitating training opportunities for economic development h) Research i) Facilitating workshops j) Public participation k) Organising the sectors in the economic environment l) Establishing partnerships m) Networking n) Facilitate access to funding o) Advocacy p) Organisational development q) Marketing r) Feedback and reporting
Description of the Activity:	<p>The function of economic planning / development within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> a) Director LED Serves on IDP Rep Forum, engage with the community through various workshops and conferences that are arranged from time to time. Fora are established such as the Kaolin Forum, Tourism and various project steering committees do exist. b) Manager Trade Tourism and Investment Workshops and meetings are arranged for public participation, e.g. tourism strategy, edu-tourism, national arts festival c) Manager Agriculture and SMME Project steering committees exist for specific projects. Rural development strategy and agricultural development strategy are going to be crafted in the next financial year through a public participation process

Analysis of the Function:	d) Project Manager: Kaolin Engaged with all the entities that exist in the Small Scale Mining Industry an inclusive Kaolin Mining Forum was established		
	e) Secretary Deal with walk inn clients and manage enquiries		
	f) Administrative Assistant Deal with walk-inn clients and manage querries		
	The strategic objectives of this function are to:		
	a) To stimulate and facilitate economic growth and development		
	The key issues for 2008/09 are: During the year under review the Municipality focused on the following to stimulate economic growth and development:		
	a) Creating a conducive environment b) Establishing partnerships and c) Attracting investment		
	<i><Provide statistical information on (as a minimum):></i>		
	1	Number and cost to employer of all economic development personnel:	R (000s)
		- 1 Director	578,250.00 110,139.96
	- 2 Managers	425,750.64 207,395.16	
	- 1 Secretary	109,356.00 3112.24	
	- 1 Admin Assistant	90,012.00 1,596.97	
2	- Contract: Project Manager Kaolin	250,000.00 Nil	
	- Contract: Cleaner	47,072.52 470.64	

18.4 Community and Social Services Function's Performance

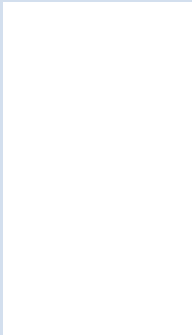
The purpose of the Community and Social Services is to provide accessible and affordable services as well as a healthy environment to residents and businesses operating in the Makana municipality.

For the year under review, a new Environmental Management department was established, adding to the six existing departments.

Presented hereunder is an account of how the Directorate has performed in attaining its strategic priorities and projects as captured in the Integrated Development Plan. Notwithstanding financial constraints, there have been notable achievements. In the same vein, the report also acknowledges some of the challenges that are making it difficult to achieve our objectives.

18.4.1 Environmental Health and Cleansing

Function: Environmental Health and Cleansing Services
Sub-Function: Environmental Health

Reporting Level	Detail	
Overview:	<p>Three Environmental Health Practitioners are responsible for the provision of this Service to a catchments population of far over 77 000, a population ration of 1 Officer: 25 000 people. The national norm is 1 officer 15 000 people. This means we are 2 offices short of the accepted norm. The workload of the Environmental Health Practitioners has increased by taking over the Dairy farms and monitoring all water sources in Makana.</p>	
Description of activity:	<p>All three Environmental Health Practitioners were also involved in different programs / projects, outbreak response, T.Q.M.S. and safety that also contributed to reduction in inspection. Focus has also been on priority areas such as food handling premises compliance with certificate of acceptability and less focus on general dealers. More education took place. Senior EHP post is vacant for the last 12 months.</p>	4976
	<p><i>Inspections</i> Structural and hygienic requirements, Storage, handling and preparation of foodstuffs, Temperature control, Storage of refuse and refuse area, Pest control, Transportation of foodstuffs, Condemnation of foodstuffs, Labels of foodstuffs and expired foodstuffs.</p>	113
	<p><i>Complaints</i> Overgrown properties, dumping, keeping of animals, poultry and other nuisances.</p>	
	<p><u>Admin.</u> Writing of notices and prosecutions</p>	
	<p><i>Education</i> Education at schools (Personal hygiene, work of the Environmental Health Officer, Litter and Litter related issues, Aids) Education to food preparation personnel (Personal hygiene, Preparation of food, Storage of food, Temperature control , Pest control and Food poisoning)</p>	
	<p>Education to the public(hygienic food handling, the do and don'ts of food, Rabies, Cholera,</p>	169

Personal Hygiene , Aids , TB and Litter related issues)

Other

Festival,

Inspections(houses , problem areas , nuisances, 68
keeping of pigs and cattle and health hazards)

Taking Food samples (water, milk and food)

Food poisoning - inspections and follow-ups

Surveys, Attending meetings and courses.

Application of legislation where necessary

Inspections of all Dairy farms

Monitoring all water in Makana area (farms ,dams,
rivers and streams)

Prevention is better than cure

Challenges:

Monitor all water sources at all farms in the
Makana area. (staff)

- (i) Success in the eradication of keeping of pigs - we still have problems with the keeping of pigs in Alicedale.
- (ii) Relative success with the management of informal traders - the Traffic Department has taken over the law-enforcement side.
- (iii) Successful partnership initiative with other public and private sectors and other Municipal departments with regard to the up-keeping of a safe and healthy environment.
- (vi) Making a minimum level of Environmental Health services available to Alicedale and Riebeeck East

Function **Cleansing and refuse**

<p>Function: Sub-Function: Overview:</p> <p>Description of activity:</p>	<p>Cleansing Section Refuse Removals</p> <p>The Cleansing Section is located within the Environmental Health and Cleansing Section within the Community and Social Services Directorate.</p> <p>The services provided include:</p> <ol style="list-style-type: none"> 1. Domestic Refuse removals Every household (formal or informal and business receive a refuse removal once a week in Grahamstown, Riebeeck East and Alicedale. <ul style="list-style-type: none"> • Grahamstown 2654 Loads • Riebeeck East 9102bags/year • Alicedale 46132bag/year 2. Garden refuse removals <ul style="list-style-type: none"> • Containers empty 1365/year • Clean around containers 1867/year 3. Cleaning identified dumping and illegal Dumping spots 2327 loads 4. Cleansing services Incorporates street sweeping, litter picking, cleaning of public ablution facilities and pest control 5. Waste Disposal Services Operation of general waste landfill sites <ul style="list-style-type: none"> • Domestic refuse 38033m3 • Garden refuse 42270m3 • Building rubble 17159m3 <p>Projects:</p> <ol style="list-style-type: none"> 1. Recycling (Grahamstown) <ul style="list-style-type: none"> • Council forms a PP with recyclers and Dept Social Development to do recycling on the landfill site. 2. Composting <ul style="list-style-type: none"> • Community Group has started a composting project. Council is also
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involved in this project and help where ever we can.

3. Kowie Catchment Campaign

- Council form part of the committee and assist where ever we can with cleaning the Kowie River

4. Clean-up project

- Clean-up are held from ward to ward right through the year

The main delivery challenge:

Lack of utilization of the waste collection service coupled with the need for behavioral change pertaining to illegal dumping was the main challenge during this year.

Achievement:

Finalization of the IWMP
Receive new Front End Loader
Voluntary two bag system implemented for recycling

Challenges:

- i) Inadequate and ailing plant machinery.
- ii) Better and more recycling
- iii) Implementing of two bag system

18.4.2 LIBRARY SERVICES

Sub-function: All inclusive		
Reporting Level	Detail	Total
Overview:	The provision of accessible community facilities to an acceptable standard for all people in Makana Municipality	
Description of activity:	<p>Function of provision:</p> <p>Provision of an adequate library service for all sectors of the Makana municipal community.</p> <p>Provision of access to library material for purposes of education, information, recreation and aesthetic appreciation for all the people residing within the Makana Municipal area</p> <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> • ensure that the residents have access to up to date information through libraries. • ensure that there are libraries in needy areas. • To provide acceptable standard of service to all. • To decrease illiteracy rate in Makana community 	
Challenges	A sound relationship with the surrounding schools. We would like to work together with teachers so that our libraries can be fully equipped and ready for school projects.	
Highlights	<p><u>LIBRARIES</u></p> <p>Fingo Library was officially opened on the 27th of January 2009 by the then MEC for DSRAC Mrs. Noxolo Abrahams-Ntantiso.</p> <p><u>COMPUTERS:</u></p> <p>Four of our libraries (Riebeeck East, Alicedale, Community and Main Library) were cabled preparing for Public Access to Internet.</p> <p><u>LIBRARY CONDITIONAL GRANT</u></p> <p>Alicedale and Community library were renovated by the Department of Sport, Recreation, Arts and Culture by monies from the Library Conditional Grant.</p>	
Achievements	<ul style="list-style-type: none"> • Opening of a new library at Fingo Village. • A successfully operating Library Book Fund and the purchase of new books for all libraries. • A very successful year for the Friends of the Library in terms of fundraising and presenting cultural and educational 	

Analysis of function:

programmes, as well as raising the profile of the library in the community.

- The acquisition of a significant number of new books for the libraries with money acquired through fundraising and donations.

Statistical Information:

No. of material circulated

• Main Library	72 576
• Community Library	26 776
• Duna Library	21 048
• Fingo Library	4 178
• Alicedale Library	12 394
• Riebeeck East Library	10 186
• Sidburry Library	1 163

TOTAL

148 321

No of current patrons

• Main Library	15092
• Community Library	4053
• Duna Library	6304
• Fingo Library	188
• Alicedale Library	852
• Riebeeck East Library	270
• Sidburry Library	60

TOTAL


26 819


Amount made by the Friends of Library

R22 253.00

18.4.3 Parks and Recreation

Function: Horticulture and Auxiliary Services
Sub-Function: Aerodrome

Reporting Level	Detail	Total
Overview:	<p>Makana and the surrounding municipalities is most fortunate to have a Category 1 licensed Aerodrome with an all weather runway and navigation lights that can accommodate up to a light Jet.</p>	
	<p>The Future management of the Aerodrome is currently under re-view which involves investigating a Partnership agreement with a new anchor user who currently operates a Flying School out of Port Elizabeth.</p>	
Description of activity:	<p style="text-align: center;">1.1.1.1.1.1 1.1.1.1.1.2 <i>Inspections</i></p> <p>The section Head carries out regular inspections of the facility with respect to:</p> <ul style="list-style-type: none"> - Maintenance of the tarred and grassed runways - Maintenance of navigational aides - Maintenance of municipal buildings - Maintenance of boundary fences - Rough cutting or burning of outfields 	Twice/ monthly
	<p>The DCA also undertakes annual inspections in support of the retention of the Category 1 Licence</p>	Annually
	<p><i>Administration</i> Collection of Landing fees Annually</p>	
	<p><u>Challenges</u></p>	
	<p>The continued deterioration of the main tarred runway due to the use of heavy aircraft by SAFAIR undertaking military exercises with SANDF and their failure to respond to appeals for financial assistance regarding the maintenance of the facility.</p>	

	<p><u>Achievements</u></p> <p>Commendation from DCA for maintaining one of the best Category 1 Aerodromes in the country</p>	
<p>Function: Sub-Function</p>	<p>Horticulture and Auxiliary Services Street Islands and Verges</p>	
<p>Overview:</p>	<p>This sub-function includes a number of sections including Maintenance of grass verges and Public open Space, planted layouts, street trees and weed control</p>	
<p>Description of activity:</p>	<p>The services provided include:</p>	
	<ul style="list-style-type: none"> 6. Mowing of verges of Grahamstown, Alicedale and Riebeeck East including main entrances, CBD, Arterial roads, suburban roads and council facilities 16,000,000 m² 7. Mowing of Public Open space with tractor drawn implements 8. Maintenance of gardens and planted layouts within the city 40,000,000 m² 9. Maintenance of street trees that includes tree planting and the maintenance of trees under power lines and other services as well as the removal of trees where required. 2,000,000 m² 10. Manual tree stump removal 11. Weed Control that includes the eradication of weeds and annual grasses on roads, gutters and storm-water channels 	

Function: Horticulture and Auxiliary Services
Sub-Function Cemeteries

Overview:

This sub-function includes the maintenance of cemeteries in Grahamstown, Alicedale and Riebeeck East.

Description of activity:

The services provided include:

1. Administration of electronic burial recording System
2. Cemetery maintenance
3. Contract Management

± 800 burials annually

Challenges

Theft of artifacts and metal railings
 Funding to maintain cemeteries

Achievements

Implementation of Electronic Burial Recording System
 Upgrading of boundary fences (MIG Funded) at four municipal cemeteries including Mayfield, Kwadinga, Waainek and the historic Old Cemeteries

Function: Horticulture and Auxiliary Services
Sub-Function Nursery

Overview:

The Nursery is maintained for the production of greening material for the municipality

Description of activity:

The services provided include:

1. The production of Ground covers, shrubs and trees
2. Maintenance of ornamental Section for decorations
3. Production of annuals for street displays
4. Sales to public
5. Support to the Millennium Tree Planting Initiative that sees ± 1200 trees planted throughout Makana annually

Challenges

Maintaining a cost effective Centre

Achievements

1. Constructed New shade House
2. Erection of new boundary fence

Function:
Sub-Function

Horticulture and Auxiliary Services
Projects

Overview

Includes funded projects including that of the Caravan park and Botanical Gardens that have been or are to be outsourced

Project description

Funded projects include:

- | | |
|------------------------------|--------------|
| 1. Botanical gardens | R 19 Million |
| 2. Caravan park | R 14 Million |
| 3. Kowie Catchment Campaign | R 30, 000 |
| 4. Greening Project | R 1 Million |
| 5. Greening Project (Vukani) | R 20,000 |

Challenges

- Manpower to monitor and evaluate projects

Achievements

1. The Makana Resort was completed and a 10 lease entered into with a private company for the management thereof
2. The R 1,000,000 million Greening Project was completed and included a new welcome wall on the East London Rd. Entrance to eRhini, Tree planting along entrance roads, a memorial garden at Egazini, and a food garden at a local school.

Function: Environmental Services
Sub-Function: Commonages, Farms and Nature Reserves

Overview:

The municipality owns ± 7500 ha of commonage and farms maintained for various uses including a conservancy, hiking trails, stock-farming, catchment management, education and cultural purposes

Description of activity:



The services provided include:

- | | |
|---|-----------|
| 1. Member of the Oldenburgia Conservancy comprising ± 8000 ha constituted in 2008 | 8000 ha |
| 2. Maintains infra-structure on commonages and farms including fencing, stock-watering stems, kraals, branding, dipping, roads, footpaths etc. as well as stray animal control | 2500 ha |
| 3. Partner in the Albany Working for Water Project taking place on municipal commonage and farms that embraces the eradication of Alien Invasive plants and the restoration of the veld to its natural state. | 4500 ha |
| 4. Fire Protection Program that includes the preparation and burning of fire breaks and control blocks as well fire fighting services in the event of runaway fires | 345 ha |
| 5. The maintenance of the newly acquired Blaauwkrantz and Ecca Pass Nature Reserves | 34 km |
| 6. Maintenance of the Oldenburgia Hiking Trail | R 330,000 |

Challenges

Funding remains a challenge insofar as all the sub-sections are concerned as well as a lack of personnel to carry out all the functions

Achievements

1. Provision of farm infrastructure
2. Funding of various Fencing Projects and the construction of a stock handling facility at Riebeeck East

Function: Commonage, Farms and Nature Reserves
Sub-Function: Projects

Overview	Includes funded projects in relation to Commonage, farms and Nature Reserves	
Project Description	Funded projects include:	
	1. Eradication of Alien Invasive plants	R 180,000
	2. Fencing Project	R300,000
	3. Pound	R 18,000

Function: Sport and Recreation
Sub-Function: Stadia, Sport grounds and Playgrounds

Overview	This sub-function includes a number of sporting and play facilities situated in eRhini- Grahamstown, Alicedale and Riebeeck East	
Description of activity:	<ol style="list-style-type: none"> 1. Maintenance of Indoor Sport Centre as well as bookings 2. Maintenance of Sport grounds including (Dlepu Stadium, Mickey Yili Stadium, The Oval, Foley's Ground, Sunnyside, Lavender Valley, Fiddlers Green, Kwanonzwakazi, Kwanonzamo and Tweerivieren), as well as the bookings for these venues 3. Maintenance of three playgrounds <p><u>Challenges</u></p> <ul style="list-style-type: none"> • Vandalism of playgrounds • Vandalism of Oval Sport ground buildings • Unfunded projects • Aging infra-structure <p><u>Achievements</u></p> <p>Completed the first of the funded projects to construct/ reinstate sport-fields at the various rural areas at Alicedale (R 1, 000,000)</p>	

Function:
Sub-Function

Sport and Recreation
Projects; Partnerships and Agreements

Overview

Includes funded projects, functional partnerships and agreements with outside organizations

Description of activity:



- | | |
|---|------------------------------------|
| <ol style="list-style-type: none"> 1. Tripartite Partnership between Makana Municipality, DSREC and Rhodes University 2. Functionary within the Makana Sports Council 3. Representation on the Cacadu Sports Council 4. Representation on the Eastern Cape Provincial Sports Council 5. Aerobics Program 6. Sport program for prison inmates in partnership with the Department of Correctional Services 7. Mass participation Project (DISREC funded and supported project) aimed at areas of high crime and poverty 8. Develop and upgrade rural sports facilities 9. Summer "Come and play program" | <p>3,1 Million</p> <p>R 30,000</p> |
|---|------------------------------------|

18.4.4 Fire and Rescue Services

Function: Public Safety
Sub-Function: Fire & Rescue Section

REPORTING LEVEL	DETAIL
Overview:	Includes Fire Fighting, Fire Safety and Awareness Campaigns
Mission statement	<p>“It is the mission of the Makana Fire and Rescue to create, in the area protected by the Department, a safer environment for all persons in our society by providing an efficient and effective fire fighting, emergency, rescue and fire safety service within the framework of the resources available.</p> <p>”</p>
<u>CORE FUNCTIONS</u>	<p><u>CORE FUNCTIONS (As per the Fire Brigade Services Act 99 of 1987)</u></p> <ul style="list-style-type: none"> • Preventing the outbreak or spread of a fire; • Fighting or extinguishing a fire; • The protection of life or property against fire or other threatening danger; • The rescue of life or property from fire or any other threatening danger; and • The performance of any other function connected with any of the matters related to the above. <p>These functions are performed in accordance with Standard By-Laws relating to Fire Brigade Services, which was promulgated on 11 June 1982 (Provincial notice 661 / 1982</p>
Description of Activity	<p><u>ADMINISTRATION SECTION</u></p> <p>This section continues with the day to day administrative activities of the fire and rescue section which includes report writing, typing, recording and updating of information and all other related activities as required. This section is headed by the Assistant Director and includes the Station Commander, Senior Clerk and Messenger.</p> <p><u>OPERATIONAL SECTION</u></p> <p>This section consists of one (1) Platoon Commander, four (4) Senior Fire Fighters, ten (10) Fire Fighters and four (4) Retained Fire Fighters. A total of 2 x learner fire fighter posts and 3 x retainer fire fighter posts were filled during this financial year.</p>

**Special services
Training and
awareness**

Three (3) Platoon Commander, eight (8) fire fighter and four (4) control room operator posts are still vacant.

The operational section implements the practical aspects relating to fire fighting and other emergency incidents. To achieve its aim this section is responsible for the following:

- The attendance at and handling of all fires, rescues and emergency incidents.
- The acquisition of vehicles and operational equipment.
- The maintenance of vehicles and equipment.
- The checking and cleaning of fire hydrants.
- The training of public by group inspections and lectures.

REDUCTION OF VEGETATION FIRES:

The key objective is to try and minimize the amount of vegetation fires. Emphasis is put on:

- 1) Analyzing the risk areas.
- 2) Training the farmers on proper control burnings tactics.
- 3) Awareness campaigns involving the Fire Protection Associations, Albany working for Water, Parks Department, and DWAF etc.

SERVICES AT FIRES

Annually the Municipality decides on tariff charges, which the department will levy for services rendered. In this tariff layout the cost of the use of fire appliances, service vehicles, staff and equipment, specialized extinguishing media, training etc. are laid down. Due to the fact that the fire department is an emergency service where the majority of its service is of a human nature, income from this source is very low.

FIRE PREVENTION

Businesses are inspected to ensure that they comply with fire safety regulations.

BUILDING PLANS

Building Plans are scrutinized to ensure that they comply with fire safety regulations.

FLAMMABLE LIQUIDS

Flammable Liquid inspections are carried out on businesses that deal with flammable liquids. The annual tariff of charges also makes provision that all businesses dealing in the sale, manufacture, handle or storage of flammable liquids or gases must register and acquire a license from the municipality. An annual license fee for this purpose is therefore payable after safety requirements have been met.

FIRE HYDRANTS

Fire Hydrants inspections are done regularly to ensure that they are clean, clearly marked and in operation.

WATER DELIVERIES

As an additional income the department delivers water to farms situated within the protected area upon request. Normal water tariffs, the use of the fire engine plus the distance travelled is charged.

MOTOR VEHICLE ACCIDENTS

The department responds to motor vehicle accidents to assist with vehicle extrication, patient treatment, hazardous materials, etc. The department also assists in water deliveries to rural communities in the jurisdiction of the municipality.

TRAINING OF STAFF

Lectures and practical drills are presented to the staff of the Fire Department on various subjects of fire fighting, rescues, handling of hazardous incidents and legislation applicable to the fire service. This is In - Service training and only focus on preparedness of Fire Fighters to combat fires and other emergencies.

PUBLIC TRAINING

Fire Awareness Campaigns are conducted at schools and clinics to make the community aware of the dangers of fires. Elementary Fire Fighting training is presented to businesses to enable their staff to react immediately when a fire occurs at their workplace whilst still small.

18.4.5 FUNCTION: Traffic and Licensing

Reporting level	Detail	Total
Overview:	Includes Traffic, Licensing and Road worthies	
Description of activities	The key function of the department is to provide safer roads for all stakeholders within Makana area.	
Traffic Law Enforcement	<p>The Municipality has a mandate to:</p> <ul style="list-style-type: none"> * Conduct preventative traffic patrols and enforce traffic legislation * Enforce speed limits * Attend traffic accidents * Enforce parking legislation * Enforce municipal bylaws <p>The strategic objective of this function are to: Ensure safe and free flow of traffic within Municipal area.</p>	
Driving licenses	<p>These services include all driver testing functions. The Municipality has a mandate to :</p> <ul style="list-style-type: none"> * Test applicants and issue learner licenses * Test applicants and issue driving licenses * Renew credit card driving licenses * Renew and issue Professional driving licenses <p>The strategic objective of this function are to: Ensure safety on the roads by ensuring a high level of competency amongst vehicle drivers.</p>	
Road worthy testing	<p>These services include all vehicle testing functions. The Municipality has a mandate to:</p> <ul style="list-style-type: none"> * Test vehicle and issue road worthy certificates <p>The strategic objective of this function are to: Ensure safety on our roads by ensuring road worthy vehicles</p>	
Analysis of functions	Number of targeted violations	
	LICENSING OF DRIVERS	
	Unlicensed drivers	905
	Learner drivers without supervision	83
	Other offences related to driving licenses	239

	REGISTRATION/LICENSING OF MOTOR VEHICLES	
	Unlicensed/Unregistered motor vehicles	596
	Other	76
	MOVING VIOLATIONS	
	Driving under the influence	21
	Reckless/Negligent	5
	Speeding	3494
	Robots	32
	Stop sign	923
	Other road signs	103
	Illegal overtaking	32
	Lane changes	26
	Other moving violations	381
	STOPPING AND PARKING	
	Stopping	157
	Danger obstruction	93
	Parking vehicle entrance	18
	Exclusive parking bays	353
	Other	211
	LOADS PROJECTIONS	
	Overload passengers	127
	Exceed projection limits	0
	Spillage	24
	VEHICLE DEFECTS	
	Service/parking brake	37
	Tyres	386
	Silencer	7
	Other	335
	SUNDRY	
	Public motor vehicle offences	59
	Municipal bylaws	32
	Safety belt	2484
	Cell phone	383
	Other	322
	NOTICES	
	Discontinue	16
Funded projects	* Long distance bus terminus	R1.5 mil
	* Upgrade taxi facilities	R800 000
	*Speed humps schools	R100 000
	*Pavement improvements	R1.2 mil
	*Junior Traffic training Centre	R800 000

18.4.6 PRIMARY HEALTH CARE

Function: Primary Health Care Services

Reporting Level	Detail
Overview:	<p>Makana Primary Health Care provides Comprehensive health care to all people residing in Makana Municipality. It collaborates with other health sectors rendering health services within the area for such provision, promoting healthy living for all through community empowerment and Integrated Development Plan Project.</p>
Description of activity	<p>The health service delivery in Makana municipality is administered within the legislative framework by a total of 36 health personnel. Of these 15 are Professional Nurses while the rest is ancillary staff.</p>
Functions	<ul style="list-style-type: none"> • Comprehensive health care service package • Preventive, promotive and rehabilitative services • Curative services for acute minor illnesses and chronic diseases. • Communicable disease control • Reproductive Health Services • Maternal, Child and Women's Health Services • Integrated Nutrition services <p>The Department of Health's policies are implemented in the execution of all programmes.</p> <p><u>Skills development</u></p> <p>The focus has been on Integrating Sexually transmitted Diseases, TB with HIV and AIDS. Workshops were presented by both the Dept of Health and Regional Training Centre. All Professional attended the seminars at different occasions. Other health workers also had an opportunity of attending training on TB, HIV, AIDS, Anti-Retro viral treatment, Palliative Care. In-service education played a major role in the service.</p> <p><u>Health Promotion</u></p> <p><u>Achievements:</u></p> <ul style="list-style-type: none"> • Successful implementation of the circumcision policy resulting to 0% rate of deaths and other related complications in initiates. • Awareness campaigns were extended to rural communities : Seven Fountains, Alicedale

- Incidence of diarrhea decreased due to health education
- A Health post (Satellite Clinic) was established and officially opened in November 2008.
- Immunization coverage reached the target of 95%
- TB surveillance target of 2-10% was reached
- New vaccines introduced: **Rotavirus** to reduce diarrhea incidence and related deaths as well as **PCV** to curb pneumonia related deaths in infants.
- PMTCT and **Dual Therapy** Anti-retroviral treatment for HIV positive pregnant women introduced in November 2008

Challenges

- Staff turnover
- Vandalism to buildings
- Lack of security in clinics
- Ageing infrastructure

Improvements to infrastructure

Extension of N.G.Dlukulu Clinic:

Project completed.

Medical equipment:

All clinics have acquired the basic medical and emergency equipment.

Statistical information:

Number of Municipal Clinics servicing the population	7
Number of Provincial Clinics	1
Head count : under 5 years (clinic visits)	28066
Head count : 5years and older	234497
Subsidy received from the Dept of Health	5,588,882
Total operating costs	6,098,145

18.4.7 ENVIRONMENTAL MANAGEMENT

FUNCTION

To ensure and co-ordinate full integration of environmental considerations, protocols and practice into all municipal activities

OVERVIEW

The environmental management section of the municipality started to operate on the 1st November 2008. With an environmental manager, the department is currently situated at the Environmental Health and Cleansing department. Environmental management is a strategic function providing environmental leadership to the municipality and the community at large.

The function of the section is to foster partnerships within the municipal departments and all other stakeholders within Makana through guiding processes and projects of environmental interest to the municipality.

Through the Makana Environmental Forum, a municipality led forum of individuals and organizations whose focus is on environmental matters in the municipality a number of stakeholders within the municipality have been consulted in an attempt to institutionalize the section. The municipal environmental programmes and plans are communicated to the public through the quarterly meetings of the Makana Environmental Forum. The Makana LEAP advisory committee has been set up mainly to provide support and guidance for environmental manager/municipality, advise on accessing funding for environmental projects through the Makana municipality and advise on prioritisation of environmental projects. The committee is constituted by senior personnel of the municipality, Rhodes university representatives, and residents.

PROGRAMMES

The implementation of Makana LEAP is a strategic project of the environmental management section through the following activities:

- ☞ Implementation of the environmental education and training strategy. In this regard several presentations addressing the broader Makana community on the Grahamstown radio have been carried out. The public environmental education and training programme of the municipality is also being implemented at school level in partnership with various local schools. In this regard the municipality has agreed to support eight local disadvantaged schools to register for the eco-schools projects. The eco-schools programme is designed to encourage curriculum-based action for a healthy environment. The environmental management section has observed and participated in several important national and international environmental events such as the Arbour day and used these as vehicle for environmental education and awareness campaign.
- ☞ Identification of funding sources for environmental projects
A funding proposal was drawn up for the Community of Practice Environmental training for environmental managers and submitted to DBSA and SALGA. The environmental management section is working with other partners such as the Centre for Social Development to assist and guide community self-help groups to initiate environmental projects which could attract funding.
- ☞ Local community engagement and public participation processes
Quarterly meeting are held with various stakeholders through the Makana Environmental Forum. Three published meetings have been held to date in various venues in the municipality. Municipal environmental programmes and projects were explained by various departments of the municipality.

MAIN CHALLENGES

There were projects identified for implementation by the LEAP process. Lack of funding could pose as a threat towards implementation of these projects.

The understanding of the processes and systems of the functioning of the environmental management division in a municipality by all stakeholders will be a process not an event as the section matures in the municipality. Environmental management in the context of the developmental municipality is challenged by the tendency by the leadership, officials and members of the community to disregard environmental concerns which are perceived as having no immediate economic benefits.

18.4.8 HOUSING FUNCTION'S PERFORMANCE

Function:	Housing	
Sub Function:	N/A	
Reporting Level	Detail	
Overview:	Includes all activities associated with provision of housing Submission of the application for funding to the Department of Housing. Signing up of beneficiary list and submission for approval and construction of the approved houses. Signing off happy letters after completion of construction	
Description of the Activity:	The function of provision of housing within the municipality is administered as follows and includes: <i>Establishment of the housing unit. Signing of the beneficiary list. Submission of applications to Province</i> <i>To ensure that beneficiary list is submitted to the Province and assist during the construction period issues around quality of works</i> The strategic objectives of this function are to: <i>Provide quality houses to the poorest of the poor</i>	
Analysis of the Function:		
1	Number and cost of all personnel associated with provision of municipal housing:	<i>R (000s)</i>
	- Professional (Architects/Consultants)	7
	- Building inspectors	3
	- Office (Clerical/Administration)	4
	- Non-professional (blue collar, outside workforce)	0
	- Temporary	0
	- Contract	0
2	Number and total value of housing projects planned and current:	<i>R (000s)</i>
	- Current (financial year after year reported on)	373 2014200
	- Planned (future years)	3336 18 014 400
3	Total type, number and value of housing provided:	<i>R (000s)</i>
	<i>RDP Houses and they were 373</i>	373 2014200
4	Total number and value of rent received from municipal owned rental units	<i>R (000s)</i>
		0
		373
5	Estimated backlog in number of (and costs to build) housing:	<i>R (000s)</i>
		12 000 64800000

Reporting Level	6	Type of habitat breakdown:		
		- number of people living in a house or brick structure	373	
		- number of people living in a traditional dwelling	None	
		- number of people living in a flat in a block of flats	None	
		- number of people living in a town/cluster/semi-detached group dwelling	None	
		- number of people living in an informal dwelling or shack	353	
		- number of people living in a room/flatlet	None	
		Detail	Total	
7	Type and number of grants and subsidies received:		R (000s)	
		None	0	
8	Total operating cost of housing function		R (000s)	
Key Performance Area		Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
		<p>373 Houses were constructed and 577 houses were planned but the reason for variance is that there problems with the approval of beneficiaries and a Consultant has been appointed to rectify this.</p>		

18.4.9 WASTE WATER MANAGEMENT

Function:	Waste Water Management
Sub Function:	Sewerage etc
Reporting Level	Detail Total Cost
Overview:	Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities
Description of the Activity:	<p>Application for funding from Government Departments e.g. MIG and as well perform operation and maintenance</p> <p><i>Our PMU Unit fill in registration forms and upon approval by MIG Service Providers are appointed to do Construction and upon construction being completed the project is handed over to the communities. Our internal sewer unit is doing daily operation and maintenance on the existing infrastructure</i></p> <ul style="list-style-type: none"> <i>To provide basic sanitation services to the community</i> <p>The strategic objectives of this function are to:</p> <p><i>To ensure that all communities have access to basic sanitation by 2012</i></p> <p>The key issues for 2008/09 are:</p> <p><List here>Construction of Mafled Treatment Works Upgrading of Belmont Valley Waste Water Treatment Works</p>

Analysis of the Function:

1	Number of households with sewerage services, and type and cost of service:		<i>R (000s)</i>
	- Flush toilet (connected to sewerage system)	135	R2 562 321
	- Flush toilet (with septic tank)	None	
	- Chemical toilet	None	
	- Pit latrine with ventilation	None	
	- Pit latrine without ventilation	None	
	- Bucket latrine	115	
	- No toilet provision	None	
3	Anticipated expansion of sewerage:		<i>R (000s)</i>
	- Flush/chemical toilet	545	R6 236 589
	- Pit latrine	None	
	- Bucket latrine	None	
	- No toilet provision	None	
4	Free Basic Service Provision:		
	- Quantity (number of households affected)	<total>	
	- Quantum (value to each household)	<value>	

18.4.10 ROAD MAINTENANCE'S FUNCTION'S PERFORMANCE

Function: Road Transport

Sub Function:	Roads		
Reporting Level	Detail	Total	Cost
Overview:	Construction and maintenance of roads within the municipality's jurisdiction		
Description of the Activity:	<p>Our internal roads unit is responsible for the daily operations and maintenance and application are made to external funders for the capital programme</p> <p><i>For the capital programme Consultants and Contractors are appointed to undertake implementation on approved projects and on completion they are handed over to community. Operation and maintenance are both done internally</i></p> <p>The municipality has a mandate to:</p> <ul style="list-style-type: none"> To ensure that all households are having access to basic gravel roads <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> To ensure that all of our gravel roads are surfaced by 2014 		

Analysis of the Function:			
1	Total number, kilometres and total value of road projects planned and current:		<i>R (000s)</i>
	- New bitumenised (number)	5.6	<i>R8.4m</i>
	- Existing re-tarred (number)	<i>None</i>	<i><cost></i>
	- New gravel (number)	85	<i>R1.2m</i>
	- Existing re-sheeted (number)	<i>None</i>	<i><cost></i>
3	Total kilometres and maintenance cost associated with existing roads provided		<i>R (000s)</i>
	- Tar	<i>1.5 and Potholes</i>	<i>R780 000</i>
	- Gravel	145	<i>R550 000</i>
4	Average frequency and cost of re-tarring, re-sheeting roads		<i>R (000s)</i>
	- Tar	<i>None</i>	<i><cost></i>
	- Gravel	<i>None</i>	
5	Estimated backlog in number of roads, showing kilometres and capital cost		<i>R (000s)</i>
	- Tar	185km	<i>R8.4m</i>
	- Gravel		
6	Type and number of grants and subsidies received:		<i>R (000s)</i>
	<i>Municipal Infrastructure Grant</i>	3.2km	<i>R6.0m</i>
7	Total operating cost of road construction and maintenance function		<i>R 980 000</i>

181.4.11 WATER DISTRIBUTION FUNCTION'S PERFORMANCE

Function:	Water		
Sub Function:	Water Distribution		
Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of water		
Description of the Activity:	<p>Application for funding from Government Departments e.g. MIG and as well perform operation and maintenance on existing water infrastructure</p> <p><i>Our PMU Unit fill in registration forms and upon approval by MIG Service Providers are appointed to do Construction and upon construction being completed the project is handed over to the communities. Our internal sewer unit is doing daily operation and maintenance on the existing infrastructure></i></p> <p>The municipality has a mandate to:</p> <ul style="list-style-type: none"> <i>To provide water services to the community</i> <p>The strategic objectives of this function are to:</p>		

- To ensure that all our communities are having access to basic water services by 2010

1	Number and cost to employer of all personnel associated with the water distribution function:		R (000s)
	- Professional (Engineers/Consultants)	<total>	<cost>
	- Field (Supervisors/Foremen)	<total>	<cost>
	- Office (Clerical/Administration)	<total>	<cost>
	- Non-professional (blue collar, outside workforce)	<total>	<cost>
	- Temporary	<total>	<cost>
	- Contract	<total>	<cost>
2	Percentage of total water usage per month	65%	<volume>
3	Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer		R (000s)
	- Category 1 <insert here>		
	- Category 2 <insert here>	None	
	- Category 3 <insert here>	None	
	- Category 4 <insert here>	None	
4	Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:		R (000s)
	- Category 1 <insert here> (total number of households)	4520	
	- Category 2 <insert here> (total number of households)	None	
	- Category 3 <insert here> (total number of households)	None	
	- Category 4 <insert here> (total number of households)	None	
5	Total year-to-date water losses in kilolitres and rand		R (000s)
	<detail total>	22%	R1 325 586m
6	Number of households with water service, and type and cost of service:		R (000s)
	- Piped water inside dwelling	None	
	- Piped water inside yard	3.4km	R 4 586 235
	- Piped water on community stand: distance < 200m from dwelling	None	
	- Piped water on community stand: distance > 200m from dwelling	None	
	- Borehole	None	
	- Spring	None	
	- Rain-water tank	None	
7	Number and cost of new connections:		R (000s)
	<detail total>	35	R125 000
8	Number and cost of disconnections and reconnections:		R (000s)
	<detail total>	28	R60 000

9	Number and total value of water projects planned and current:		<i>R (000s)</i>
	- Current (financial year after year reported on)	<i>None</i>	
	- Planned (future years)	<i>12</i>	<i>R26 000 000`</i>
10	Anticipated expansion of water service:		<i>R (000s)</i>
	- Piped water inside dwelling	<i>None</i>	<i><cost></i>
	- Piped water inside yard	<i>8km</i>	<i>R8m</i>
	- Piped water on community stand: distance < 200m from dwelling	<i>15km</i>	<i>R22m</i>
	- Piped water on community stand: distance > 200m from dwelling	<i>None</i>	<i><cost></i>
	- Borehole	<i>03</i>	<i>R2.8m</i>
	- Spring	<i>None</i>	
	- Rain-water tank	<i>None</i>	
11	Estimated backlog in number (and cost to provide) water connection:		<i>R (000s)</i>
	- Piped water inside dwelling	<i>None</i>	
	- Piped water inside yard	<i>None</i>	
	- Piped water on community stand: distance < 200m from dwelling	<i>None</i>	
	- Piped water on community stand: distance > 200m from dwelling	<i>None</i>	
	- Borehole	<i>None</i>	
	- Spring	<i>None</i>	
	- Rain-water tank	<i>None</i>	
12	Free Basic Service Provision:		
	- Quantity (number of households affected)	<i><total></i>	
	- Quantum (value to each household)	<i><value></i>	
13	Type and number of grants and subsidies received:		<i>R (000s)</i>
	<i><list each grant or subsidy separately></i>	<i>MIG</i>	<i>R9m</i>
14	Total operating cost of water distribution function		<i>R850 000</i>

18.4.12 ELECTRICITY DISTRIBUTION FUNCTION'S PERFORMANCE

Function: Electricity

Sub Function: Electricity Distribution

Reporting Level	Detail	Total	Cost
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Overview:	Includes the bulk purchase and distribution of electricity		
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Description of the Activity:	Funding application under the capital programmes are funded by external Departments like MIG and DME and we are purchasing electricity from Eskom		
	<i>On Electricity Service Providers are appointed to implement projects to the stage of construction and afterwards handed over to the community</i>		
	The municipality has a mandate to:		
	<ul style="list-style-type: none"> To provide basic electricity to the community 		
	The strategic objectives of this function are to:		
	<ul style="list-style-type: none"> To ensure that all the communities of the Municipality do have access to basic electricity by 2014 		
Analysis of the Function:	The key issues for 2008/09 are: <List here>		
	1	Number and cost to employer of all personnel associated with the electricity distribution function:	<i>R (000s)</i>
		- Professional (Engineers/Consultants)	
		- Field (Supervisors/Foremen)	
		- Office (Clerical/Administration)	
		- Non-professional (blue collar, outside workforce)	
		- Temporary	
		- Contract	
	2	Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer	<i>R (000s)</i>
		- Residential	<i>R1 .8m</i>
		- Commercial	<i>None</i>
		- Industrial	<i>None</i>
	- Mining	<i>None</i>	
	- Agriculture	<i>None</i>	
	- Other	<i>None</i>	
3	Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:		
	- Household	<i>None</i>	
	- Commercial	<i>None</i>	
	- Industrial	<i>None</i>	
	- Mining	<i>None</i>	
	- Agriculture	<i>None</i>	
	- Other	<i>None</i>	
4	Total year-to-date electricity losses in kilowatt hours and rand		
	<detail total>	<i><volume></i>	

5	Number of households with electricity access, and type and cost of service:		
	- Electrified areas		
	- Municipal	1340	
	- Eskom	3520	
	- Alternate energy source		
	- Gas	None	
	- Paraffin	None	
	- Solar	None	
	- Wood	None	
	- Non electrified	2350	R17m
6	Number and cost of new connections:		R (000s)
	<detail total>	None	<cost>
7	Number and cost of disconnections and reconnections		R (000s)
	<detail total>	08	R35 000
8	Number and total value of electrification projects planned and current:		R (000s)
	- Current (financial year after year reported on)	None	<cost>
	- Planned (future years)	08	R1m
9	Anticipated expansion of electricity service:		R (000s)
	<detail total>	85km	R45m
10	Estimated backlog in number (and cost to provide) water connection:		R (000s)
	<detail total>	2352	R25m
11	Free Basic Service Provision:		
	- Quantity (number of households affected)	<total>	
	- Quantum (value to each household)	<value>	
12	Type and number of grants and subsidies received:		R (000s)
	<list each grant or subsidy separately>	MIG and DME	R21m
13	Total operating cost of electricity distribution function		R 1.2m

B: ANNEXURE

The annexure is made up of the following documents arranged in the sequence below:

1. Full AG reports;
2. Plan of action of the municipality to address findings of the AG report;
3. Audit committee report
4. Approved Municipal Structure (Staff establishment);
5. Council resolutions adopting the Annual Report