



MAKANA
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MAKANA MUNICIPALITY
Draft
Annual Report
2009-2010

Prepared by the Makana Municipality

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PART 1: INTRODUCTION AND OVERVIEW

PART 1: INTRODUCTION AND OVERVIEW

A. Executive Mayor's Foreword

The 2009/10 Annual Report gives an overview of the successes attained and reflects on the challenges faced during the year under review. As a result of the political and administrative stability, the Municipality was able to achieve the milestones highlighted hereunder, notwithstanding the many challenges that were faced during this period.

The Municipality continued to conduct itself in a transparent and accountable manner. The introduction and development of the Municipal Turnaround Strategy presented an opportunity to enhance public participation and community engagement. I wish to applaud the community members, stakeholders and interests groups who participated in the process and influenced the formulation of a customized Municipal Turnaround Strategy. As a result thereof, the IDP for the ensuing year has been a seamless and integrated approach. It is worth mentioning that the vigilance and commitment displayed by the political leadership of the institution has minimized the sporadic community protests and ultimately restored people's confidence to the elected representatives.

Through concerted efforts in improving community mobilization, the Municipality succeeded in sustaining a functional and a vibrant Local Aids Council. The public campaigns hosted by this structure assisted in encouraging the community of Makana to get tested and increased public understanding about HIV/AIDS. The aforementioned has had a significant influence in encouraging healthy, positive and responsible lifestyles.

The relations we had with other spheres of government have been nurtured and I wish to single out the cordial relations we enjoyed with the Provincial Department of Housing. This has had a significant effect in the eradication of the housing back log and as a result the Municipality managed to complete the construction of four hundred (400) subsidized houses at Eluxolweni Settlement and Fingo Village respectively. The approval of the improved housing plan for Transit Camp was the cherry on the top.

The meaningful relations with other spheres of government included the schools in the previously disadvantaged areas. The Municipality made a concerted effort to heed to the call from the Provincial

EXCO Outreach Programme that municipalities must assist with the rectification of water leakages at schools.

Collaboration with about twenty (20) schools under the leadership of the Municipal Manager assisted successfully in addressing water and sanitation problems. This initiative saw the birth of the “Save our Water Campaign” being implemented in the ensuing year. Such collaborative initiatives extended to the formation of a multi-disciplinary Technical Task Team of water experts in finding solutions to the recurring water interruptions and/or outages resulting into water pressure problems affecting a number of areas in Grahamstown. The continued partnership with National Treasury in the Neighbourhood Development Partnership Programme had positive spin offs in revitalizing and beautification of our townships.

Intergovernmental relations continued to be embraced 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.

Notwithstanding the above, the Municipality has encountered a number of obstacles during the year under review and we are convinced that our collective efforts will ensure that we overcome the daunting challenges ahead of us. Let us all continue to working together to create a better life for all.

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.

CR VG LWANA
EXECUTIVE MAYOR

B. Municipal manager's statement

The 2009/10 financial year was very hectic where a number of challenges facing the Makana Municipality were dealt with head on. The process for adoption of the Integrated Development Plan (IDP) for year under review was intense and enhanced public participation and community engagement such that there was timeous adoption of the 2009/10 IDP.

As the IDP is viewed as the strategic planning tool for the Municipality, it provided a five year strategic framework to focus on developmental issues identified by the communities particularly in the year in focus. The year under review saw numerous developments taking place in our Municipality with specific reference to the following five (5) Key Performance Areas:

- KPA 1 – Organizational Transformation and Institutional Development
- KPA 2 – Basic Service Delivery
- KPA 3 – Local Economic Development
- KPA 4 – Financial Viability and Management
- KPA 5 – Good Governance and Public Participation

Of particular note is that the performance of the Municipality has been measured against the targets set out in the IDP by means of the Service Delivery Budget and Implementation Plan. The mechanism of validating performance information by the municipal Internal Audit introduced in the previous financial year had its teething problems, however, the audit performance report assisted in improving performance and the approach to service delivery.

During the year under review, 97% successful completion of infrastructural development projects earmarked under the Municipal Infrastructural Grant (MIG) was achieved. It is refreshing to attest to the fast pace at which the projects under the Neighbourhood Development Partnership Grant were implemented. The funding received from the National Treasury has made an impact in the lives of Makana residents and the projects continue to create employment opportunities for local residents. Our Municipality has also played an active role in renewable energy initiatives so as to decrease the carbon footprint emitted in our Municipality. We have signed a Memorandum of Understanding in order to produce electricity from wind. We are also looking at other avenues to make our Municipality a Green Municipality.

In 2009/10 financial year, we have been besieged by water related problems and we are making concerted efforts to address the problem. By the end of this financial year, we were in a process of acquiring a R50 million funding to improve the water infrastructure. The aim is to provide our residents with water that they will not doubt its safety and in a way that would ensure supply that is not erratic.

I take this opportunity to thank the Speaker of Council, the Executive Mayor and his Mayoral Committee and the Councillors at large for providing guidance during this period. The milestone achieved thus far would have been achieved without the dedication and support from management and the staff in general to which I'm grateful.

Ms NL Baart
MUNICIPAL MANAGER

C. 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.

i) 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.

ii) 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%).

iii) 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

D. Executive Summary

Presented herein is the 2009/10 Annual Report which has been compiled in accordance with the guidelines and format set by the Eastern Cape Department of Local Government and Traditional Affairs. The Annual Performance Report annexed hereto provides a detailed account of actual performance as set out in the 2009/10 Service Delivery and Budget Improvement Plan (SDBIP). The SDBIP has been informed by the district wide development issues which are in turn aligned to the five Key Performance Areas (KPA's) set by National and Provincial Government.

The development of a Retention and Scarce Skills Policy with the intension to attract and retain critical service delivery skills resulted in filling of critical technical posts with requisite technical expertise. The development and co-ordination of all municipal legal matters through a streamlined litigation register. This was a vigorous step in instituting internal control and minimizing unnecessary legal costs and litigations against the municipality.

The Municipality could not overcome the limitations in cascading the system throughout the institution however, strategic interventions to be realized during the ensuing financial year are made to cascade the system to middle and junior management levels.

Backlog eradication and provision of basic services remained a priority of the Municipality during the 2009/10 financial year. It is commendable that there were 155 houses at Eluxolweni Settlement and 255 houses at Fingo Village respectively constructed and completed. This was followed by tarring of a number of roads throughout Grahamstown East in areas like Phumlani, Extension 4 and Tanti under the Project fak'itar. The installation of high mast lights at Eluxolweni, Transit Camp, Vukani and Lingelihle improved street lighting and visibility at night especially in those areas where high levels of crime were detected. Electrical supply was boosted with the completion of construction of the Sugarloaf Electrical Substation. Decisive decision was taken to ensure the completion of the outstanding Extension 6 sewer reticulation where a VIP system was converted into a waterborne one despite the protracted litigation case against the Municipality. Mayfield sewer project was completed in augmenting the Belmont Valley Waste Water Treatment works. These were significant steps in reducing the backlog in eradicating the bucket system.

On community services, public accessibility to communities was enhanced by means of completion the upgrading the community hall at Extension 9 in Joza which is aimed at enhancing community participation. Upgrading of four municipal cemeteries situated at Extension 1, Kwadinga, Albany and Waainek through fencing and improving the upkeep thereof. Whilst the on the other hand, the "connect to Cacadu" project which is aimed at improving internet connectivity in municipal libraries has contributed to accessibility to up to date information through the Fingo library.

The Municipality prides itself for vigorous actions in implementing service delivery projects funded under the Neighbourhood Development Partnership Grant (NDPG) aimed at township regeneration and creating economic viability. The beautification of the township areas by means of paving the sidewalks, planting of trees, installation of street lights along the Mandela Taxi route identified as the precinct area for the development programme. This was complemented by installation of the robots at the corner of Raglan and Albert Roads which has contributed positively in regulating road safety.

The Local Economic Development Strategy approved by the Municipality directed how local economic viability would be ignited and included implementation of recommendations that promote support to SMMEs. The Kaolin Forum and Trust was established and a best practice study in terms of Small Scale Mining was completed.

Support was also given to four SMME's who were trained in order to partake meaningfully in the National Arts Festival and have benefitted financially. The competitive advantage of having Rhodes University in the municipal area was explored and identified the buy-local campaign as its first project. In terms of the Municipality the focus is on awarding more tenders to the locals and in terms of the University the focus is on procuring produce from locals.

As part of local economic development, tourism was prioritized in that the Municipality secured funding for the following projects:

- The erection of "Molo Makana "branded boards at the three main entrances to Grahamstown i.e. R67 (Upper George street), N2 (along the National Highway).and R350 (Cradock Road);
- Tourism SMME Development and Support Plan; and
- Tourism awareness, education and training programme.

With the abovementioned strides, the Municipality was rated as one of the best municipalities according to a LED Maturity Assessment that was undertaken by GTZ.

The betterment of the plight of the people in the rural areas also received priority. Improving water provision was made possible by installing water tanks in strategic communal points accessible to a number of households. On agricultural development, assistance continued to be given to small scale farmers. Workshops were arranged for co-operatives to assist with the submission of applications to register with the Department of Trade and Industry. Assistance was given by facilitating access to finance for agricultural development projects such as Pershoek which received an amount of R400 000 for infrastructural development whilst the Ostrich farm project received R1 million. A successful negotiation with the Provincial Treasury for the release of funding for the goat project was secured.

The budget allocation for the 2009/10 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 2010. The 2009/10 Annual Financial Statements are in accordance with the GRAP/GAMAP requirements. The non-payment of debts by government departments continued being a sore point as they owed R14,4m out of the total debt amounting to R162,9m constituting 9% of the total debt as at end June 2010.

In promoting good governance, the Municipality reviewed its Roles and Responsibilities and as such the By-Law Relating to the Standing Rules and Orders of the Council and its Committees was approved. Training support to Councillors for capacity building initiatives such as Leadership and Management Programmes through partnerships with SALGA, University of Fort Hare and Wits University. Continued support to Ward Committees through capacity building to enhance good governance.

The Municipality continued to improve effective and efficient administration and concerted efforts were made during the year under review to ensure that the status of the 2009/10 financial year's audit improves. As a management response, an Audit Action Plan was drawn and approved by Council. Constant reports thereon were submitted to the Audit Committee relevant Portfolio Committees and Council regarding the progress on its implementation.

Priority was given in improving the municipal computer information technology control environment with cooperation and assistance from the Rhodes University and Cacadu District Municipality. The Municipality now

boasts a high standard server room and have motivated for the creation of the position of a Systems Administrator in order to have in-house IT expertise.

Acquisition of a CaseWare System to assist in preparing National Treasury reports, Budget in the new formats and ultimately produce AFS after completing all the mapping, etc. was another step. The service of a Training Officer from Fujitsu for a support in training users of the Abakus System and also thorny bank reconciliations was sourced. Through this arrangement the issues raised in 2008/09's audit regarding billing income that couldn't be explained were resolved and also the fact that a balanced bank reconciliation could be produced was through this intervention. Staff members involved in financial management were trained especially on using Excel in order to have the same level of understanding.

Areas which have had a detrimental effect on financial and risk management and internal controls were identified and interventions aimed at improving financial controls included implementing Cashiering Guidelines segregation of signing powers for cheques, payment vouchers and journals. Bank Reconciliations were prepared on Excel and bank statements being loaded on Excel to make work SMART. For the first time, "Financial Year-end procedures" were prepared and circulated to all Directorates.

The Municipality has for the first time disclosed any areas of deemed either as fruitless / wasteful expenditure; irregular and unauthorised expenditure and non-compliance with policies (e.g. SCM).

During the revision of the Organogram; successfully motivation for the creation of the Supply Chain Management Unit; Internal Audit Unit as well as Asset Management Unit which are critical in maintaining a clean administration.

In spite of the above mentioned interventions, it is displeasing to note that the Municipality received a disclaimer audit opinion for the 2009/10 financial year.

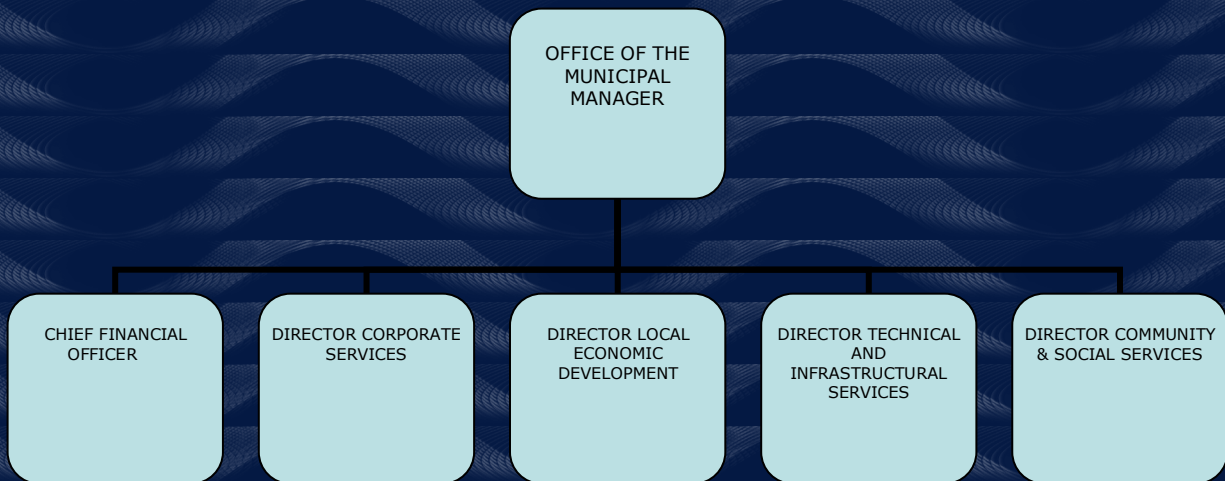
While significant achievements were made in areas such as access to basic services, backlogs are still significant and improvement in service deliver remains a priority.

PART 2: KEY PERFORMANCE AREA ACHIEVEMENT REPORTS

CHAPTER 1: ORGANIZATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (KPA 1) THE ORGANISATIONAL STRUCTURE

1.1 PRESENTATION OF THE ORGANIZATIONAL 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 587 are filled, resulting in a 29% vacancy rate and 61 vacant posts are earmarked to be filled during 2010/11 financial year. All the Senior management positions (Section 57 Posts) are filled. The Municipal Manager and the Directors have also signed Performance Agreements and Employment Contracts.



Municipal Manager
Director Corporate Services
Chief Financial Officer
Director Local Economic Development
Director Community & Social Services
Director Technical & Infrastructure Services

– Ms N Baart
- Mr T Klaas
- Mr MJ Ngcelwane
- Ms R Meiring
- Mr M Planga
-Mr D Njilo

1.2 STAFF DEVELOPMENT INITIATIVES DURING THE FINANCIAL YEAR

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. The training committee has also been revived with a meeting held on the first quarter of the current financial year. A need to review the comprise 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:	<ul style="list-style-type: none"> • Supply Chain Management. • CPMD Course. • Drivers Examiners Course. • Examiner Vehicle Course. • Customer Care. • Recruitment and Selection. • First Aid course Level 1 and 3. • Fire prevention Safety Strategies. • Level 2, 3 , 4 with Abet. • Financial Management Skills. • Manual Records Management. • Microsoft Excel. • Local Government Performance Management Workshop. • Expenditure and Revenue Management Course. • Skills Audit Workshop. • Plumbing. • Elementary Breathing Apparatus Course. • Library Course. • Contract Management Course. • The Hand of Safety Workshop. • Employment Equity Workshop. • Skills Development Course.
COUNCILLORS	<ul style="list-style-type: none"> • Advanced Diploma in Local Government Law and Administration. • Disaster Management Course. • Consultation on Disability Policy Strategic Plan. • Turn around strategy workshop. • Women in Politics workshop. • IMFO Finance Conference. • LED Workshop.

1.3 KEY HR STATISTICS PER FUNCTIONAL AREA

1.3.1 Full time staff complement per functional area (examples are given below)

A. MM AND SECTION 57 MANAGERS

	Approved positions (e.g MM-S57 etc...)	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Municipal Manager	1	Yes	None
2	Director Corporate Services	1	Yes	None
3	Director Finance Services	1	Yes	None
4	Director Local Economic Development	1	Yes	None
5	Director Technical & Infrastructure	1	Yes	None
6	Director Community & Social Services	1	Yes	None
	Total	6	Yes	None

B. FULL TIME STAFF COMPLEMENT PER FUNCTION

B.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

B.2 MUNICIPAL MANAGERS OFFICE – MS NL BAART

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

B.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

B.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	0	1
Secretary to Director	1	1	0
Manager Agriculture	1	1	0
Cleaner	1	1	0

B.5 CORPORATE SERVICES DIRECTORATE – DIR T KLAAS

B.5.1 ADMINISTRATION

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Director	1	1	0
Assistant Director	1	1	0
Senior Admin Officer	1	1	0
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	0	1
Registry Clerk	1	1	0
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

B.5.2 HUMAN RESOURCES

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
Industrial Relations Officer	1	1	0
EAP Officer	1	0	1
Skills Development Officer	1	1	0
Secretary	1	1	0

B.6 FINANCIAL SERVICES DIRECTORATE – DIR J NGCELWANE

APPROVED POSITION	NUMBER OF APPROVED POSTS PER POSITION	FILLED POSTS	VACANT POSTS
Director	1	1	0
Secretary	1	1	0
FINANCIAL ACCOUNTING			
Accountant	1	1	0
Principal Clerk	1	0	1
Supply Chain Officer	1	1	0
Buyer	1	0	1
Clerk	1	1	0
Storeman	1	1	0
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	0	1

B.7 TECHNICAL AND INFRASTRUCTURAL SERVICES DIRECTORATE – DIR D NJILO

B7.1 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	1	0
Admin Officer	1	0	1
Clerk Grade 1	3	3	0
Data Capturer	1	0	1
Messenger/Driver	1	0	1

B7.2 TOWN PLANNING

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Town Planners	3	2	1
Town Planning Assistant	1	0	1
Clerk Grade 1	1	0	1
Building			
Building Control Officer	1	1	0
Building Inspector	3	2	1
Typist Clerk Grade 3	1	0	1

B7.3 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	1	2
Trade Worker Special Grade	3	2	1
Trade Worker Grade	3	1	2
Technician: Roads	1	0	1
Foreman: Roads	2	2	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

B7.4 WATER AND SANITATION

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0
Senior Technician	2	2	0
Technicians	4	4	0
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	24	12

B7.5 ELECTRICAL DEPARTMENT

B7.5.a Administration and technical

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Deputy Director	1	1	0
Senior Superintendant	1	0	1
Electrician	1	0	1
Artisan Assistant	1	0	1
Electrical Technician	1	0	1
Electrical Trade Worker	1	0	1
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

B7.5.b 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	8	3
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

B7.6 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

B8 COMMUNITY & SOCIAL SERVICES DIRECTORATE**B8.1 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	11	18
Pharmacy Assistant	8	5	3
Health Advisor	8	3	5
Cleaner	8	7	1

B8.2 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	0	4
Senior fire Fighter	4	4	0
Retain fire fighter	4	7	0
Firefighter/Junior heaver	20	12	8
Station Commander	1	1	0

B8.3 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	6	1
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	1	0
Data Clerk Grade 2	2	1	1

B8.4 ENVIRONMENTAL HEALTH AND CLEANSING

ADVERTISED POSTS	NUMBER OF APPROVED POSTS	NUMBER OF FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0
Senior Environmental Health Officer	1	1	0
Environmental Health Officer	5	2	3
Licensing clerk	1	1	0
Admin Clerk Grade 1	1	1	0
Assistant Superintendent	1	1	0
Driver Compaction	3	2	1
Senior Worker	23	14	9
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	2	2
Tractor Driver(skips)	1	0	1

Supervisor Driver	2	2	0
Bulldozer Driver	1	1	0
Gatekeeper	1	1	0
Pest Controller	2	0	2
Driver/Supervisor	1	1	0
Street Cleaner	13	13	0
Toilet Cleaner	7	3	4

B8.5 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	13	11
Tractor Driver	4	2	2
Horticultural Assistant	1	0	1
Caretaker	3	2	1
Machine operator	20	17	3
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	1	0
Artisan Assistant	1	0	1
Senior Worker	3	3	0

B8.6 LIBRARY

POSITION	APPROVED POSTS	FILLED POSTS	VACANT POSTS
Assistant Director	1	1	0
Librarian	5	5	0
Librarian Assistant	9	9	0
Library Cleaner	5	2	3
Security Guard	1	1	0
Senior Librarian	1	1	0

Junior Librarian Assistant	1	0	1
Librarian Helper	1	0	1

B 8.7 Alicedale and Riebeck East

ALICEDALE	APPROVED POSTS	FILLED POSTS	VACANT POSTS
Foreman	1	1	0
Trade Worker	1	1	0
Waterworks / sewerage Operator	2	1	1
Driver	1	1	0
General Worker	6	3	3
Clerk Grade 1	1	1	0
Caretaker	1	1	0
Office Cleaner	1	1	0
RIEBECK EAST	APPROVED POSTS	FILLED POSTS	VACANT POSTS
Administration Officer	1	0	1
Supervisor Driver	1	0	1
Commonage Ranger	1	1	0
Tractor/ Trailer Driver	1	0	1
Waterworks Sewerage Operator	2	1	1
General Worker	6	1	5
Office Cleaner	1	1	0

2 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	1	0	0
ELECTRICITY	3	2	0	1
TECHNICAL	4	2	0	2
TOWN PLANNING	2	1	0	1
PROJECT MANAGEMENT UNIT	1	0	0	1

3. 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
587	310	129	148

4. 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%
2009 - 2010				

5. LIST OF PENSION AND MEDICAL AID TO WHOM EMPLOYEES BELONG

NAMES OF PENSION FUND	NUMBER OF STAFF	NAME OF MEDICAL AID	NUMBER OF STAFF
Cape Joint Pension Fund	0	BONITAS	133
Cape Joint Retirement	176	LA HEALTH	109
SALA Pension Fund	20	SAMWUMED	86
SAMWU Provident Fund	345	KEY HEALTH	27
		HOSMED	5

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

EMPLOYEE RELATED COSTS

SALARIES	61 853 748	55 472 112
CONTRIBUTION FOR UIF, PENSION & MEDICAL AIDs	13 348 457	11 670 740
TRAVEL, MOTOR CAR, ACCOMMODATION, SUBSISTANCE & OTHER ALLOWANCES	1 807 227	1 454 345
HOUSING BENEFITS &	443 217	430 304

ALLOWANCES

POST EMPLOYMENT HEALTH	3 841 952	4 433 589
BONUSES	544 134	636 766
PROVISION OF LEAVE	275 650	3 820 853
	<u>81 563 085</u>	<u>77 918 709</u>
	275 650	-
	<u>81 838 735</u>	<u>77 918 709</u>

REMUNARATION OF COUNCILLORS

COUNCILLORS	3 740 473	3 946 884
TRAVELLING ALLOWANCE	2 287 123	1 263 432
TELEPHONE ALLOWANCE	278 790	219 652
UIF CONTRIBUTION	36 293	33 397
TOTAL COUNCILLORS' REMUNERATION	<u>6 342 680</u>	<u>5 463 365</u>

In-kind Benefits

The executive Mayor and executive Mayoral Committee Members are full-time Councillors. Each is provided with an office and share secretarial support at the cost of the Municipality. The Executive Mayor may utilise official Council transportation when engaged in official duties.

1.5 IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT SYSTEM (PMS):

1.5.1 Individual Performance Management System

The Performance Management System currently implemented at Top Management level and is not yet cascaded to other level. It is expected to be cascaded in all position in the 2010-2011 financial year. All section 57 have signed performance agreement and are signed in line with legislation provision.

1.5.2 Institutional Performance Management System

The Municipality Performance Management Policy Framework is currently under review. Monitoring of Service Delivery Budget Implementation Plan implementation is done through performance reporting on monthly, Quarterly, Mid and Annual Performance Report, See Attached Annual Performance Report. (Annexure A)

1.6 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;				
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)				
3	Percentage of Section 57 Managers;la,fx including Municipal Managers who attended at least 1 skill development training course within the FY				
4	Percentage of Managers in Technical Services with a professional qualification				
5	Percentage of municipalities within the district area that have a fully functional Performance Management System (DM only)				
8	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term				
9	Percentage of councillors who attended a skill development training within the current 5 year term				
10	Percentage of staff complement with disability				
11	Percentage of female employees				
12	Percentage of employees that are aged 35 or younger				

1.7. Major challenges and remedial actions in regard to human resource and organizational management

The Makana Municipality continues to face challenges related to inability to retain key technical skills such as town planners , water operators, electricians etc. As a response to this challenge , the Makana Municipality has developed and adopted a Scarce Skills and Retention policy. The Scarce Skills and Retention policy seeks to provide a framework for the retention of critical skill and also providing incentives for such skills. The improved conditions of services for nurses working for the provincial Dept of Health has also resulted to a huge increase in resignations by the Professional Nurses. The Dept of health in an attempt to provide uniform Conditions of Service has embarked on a process to provincialisation of primary health services.

The Municipality has also been faced with an inability to have a stable Human Resources Manager since 2008. An HR Manager was appointed during the year under review but for a very short period as he left after only been with Makana for 5 months. A lack of a person to drive human resources matters for any organisation is a serious matter.

The post was re-advertised but no suitable candidates were found. Because of organisational growth and new challenges , the municipality has embarked on a review of its Organisational Structure. This was done through a participatory process where all parties were involved. A final workshop as requested by stakeholders is underway.

An employee satisfactory survey was conducted a part of employee wellness and staff retention mechanism across all directorates of the municipality. This sought to have a pro-active approach to workplace stability than relying on re-active methods such as exit interviews. The findings of the survey revealed a lot of discontent among staff ranging from lack of career pathing , training opportunities , performance management, supervision etc. The findings of the survey are to be communicated to all employees of Makana Municipality through road shows, staff meetings etc. An action plan in this regard to address some of the challenges are to be developed by the Director: Corporate Services.

**CHAPTER 2: BASIC SERVICE DELIVERY
PERFORMANCE HIGHLIGHTS**

2.1 Water Services

Strategy and delivery strategy and main role-player	<p>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.</p> <p>The Department of 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 project and maintenance thereof.</p>
Level and standard of services	<p>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 connections. This section presents the municipality definitions 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.</p> <p>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 enforced for 2009/2010 financial year. We are currently experiencing severe drought which makes us to supply water with one source, which is from Fish River and the</p>

demand is more than the supply which results in low pressures in high areas. 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.

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATOR IN WATER SERVICES

Indicator	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Major challenges and remedial action
Percentage of households with access to potable water	2%	All rural areas.	Seven Fountains	0, busy implementing a bulk water project.	0%	Audit for farm areas.
Percentage of indigent households with access to free basic potable water	8064 have benefited.	Unknown				The number that still needs to register is still unknown.
Percentage of clinics with access to potable water	0%, all have access.	0	0	0	0	None.

Percentage of schools with access to potable water	0%, all have access.	0	0	0	0	None.
Percentage of households using buckets	165	165	165	135	82%	30 Buckets are still outstanding at KwaNdancama because shortfall on the RDP subsidy that was approved 2005.

2.2 Electricity services

Strategy and delivery strategy and main role-player	<p>Ensuring customers get good quality of supply in compliance with quality standards/criteria as the National Electricity Regulator may from time to time prescribe.</p> <p>Refurbishing of electrical infrastructure, ensuring that customers who are not on the grid are connected.</p> <p>The Municipality is also responsible for project implementation and as well as the day to day operations and maintenance</p>
Level and standard of services	<p>Some customers are given bulk 11KV supply, some are provided from solar.</p> <p>Municipality providing streetlights in accordance to the standards as provided in the guidelines from NERSA and high mast that are normally funded by MIG.</p> <p>Distributing medium and low voltage according to consumer requirements.</p>

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATOR IN ELECTRICITY SERVICES

Indicator	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Major challenges and remedial action
Percentage of households with access to electricity services	70%	30%	100	50	5%	Funding for electrification of rural area (formalised infill area)
Percentage of indigent households with access to basic electricity services	50%	46%	100%	335	4%	
Percentage of indigent households with access to free alternative energy sources	N/A	N/A	N/A			

2.3 Sanitation services

<p>Strategy and delivery strategy and main role-player</p>	<p>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 Service Provider.</p> <p>The Authority function means that the Municipality is responsible for regulation, quality, ensuring access and</p>
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	<p>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.</p> <p>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.</p>
Level and standard of services	<p>The Municipality has met the target of providing households with basic sanitation services with the exception of KwaNdancama that is still using bucket system and informal settlements. We are currently providing the basic level of services as per the RDP standards in the form of Ventilated Improved Pit latrines.</p> <p>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 main wastewater treatment plant is currently overloaded. 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.</p>

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATOR IN SANITATION SERVICES

Indicator	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Major challenges and remedial action
Percentage of households with access to sanitation services	1%	165	165	135	82%	30 Buckets are still outstanding at KwaNdancama because shortfall on the RDP subsidy that was approved 2005.

Percentage of indigent households with access to free basic sanitation services	8064 have benefited.						The number that still needs to registered is still unknown.
Percentage of clinics with access to sanitation services	0%, all have access.	0	0	0	0	0	None.
Percentage of schools with access to sanitation services	0%, all have access.	0	0	0	0	0	None.

2.4 Road maintenance

<p>Strategy and delivery strategy and main role-player</p>	<p>The maintenance of the Makana Road network involves 4 major role players: i.e.</p> <ul style="list-style-type: none"> ➤ National Road between Port Elizabeth and King William's Town consisting of ± 45km surfaced road being maintained by the National agency. The road is in a fair to good condition and no liaison between National and the Makana Council is regulated. ➤ The Provincial Construction Unit presently constructing a surfaced road between the N10 and Alicedale. Situated partially within Makana and Sundays River jurisdiction. No liaison is undertaken between them and the Makana Council.
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	<ul style="list-style-type: none"> ➤ The District Road Engineer (Provincial Maintenance Unit) responsibility for <u>155,0</u> km surfaced trunk and main roads and 663,0km of gravel roads within the rural areas of Makana. Extensive communication between the parties during 2009 was eminent and the roads were in a fair to good condition. However during 2010 with the changing of Departments within the Provincial Administration a concept is to be developed and this delay has effected the road maintenance and the condition of the rural roads has been severely effected. The condition of these roads are presently poor. ➤ The Makana Council is responsible for the maintenance of 176,0km of gravel and 163.0km of surfaced roads within the urban areas. The roads are generally in a poor to fair condition owing to lack of shield and financial resources.
<p>Level and standard of services</p>	<ul style="list-style-type: none"> ➤ The 15600 required erven within the Urban areas of Makana have an acceptable surfaced or gravel access road to each erf. The <u>2300</u> erven within the informal areas have no acceptable access. ➤ Maintenance done is of a high standard utilising cold premix, Chip and spray and acceptable decomposed shale with a CBR of 45. However lack of skilled personal and limited financial resources hinder continuous programmed maintenance and resolving crisis management is the norm.

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATOR IN ROAD MAINTENANCE

Indicator	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Major challenges and remedial action
Percentage of households without access to gravel or graded roads	94%	60%	2%	500	60	Informal Area are not surveyed. Sub strata not suitable for grading
Percentage of road infrastructure requiring upgrade	93%	95%	3	800	100%	Lack of finance Staff shortage Inexperience staff

Percentage of planned new road infrastructure actually constructed	2.5	93	6.0km	600	100%	Insufficient funding Scarce skills with foreman/supervisors and operators
Percentage of capital budget reserved for road upgrading and maintenance effectively used.	6	94%	6	600	100	Contractors not performing Scarce road surfacing skills

2.5 Waste management

<p>Strategy and delivery strategy and main role-player</p>	<p>The overall objective of the waste management is to reduce generation of waste and the environmental impact of all forms of waste and the environmental impact of all forms of waste and thereby ensure that the health of the people of Makana and the quality of its environmental resources are not adversely affected by uncontrolled and unco-ordinated waste management.</p> <p>The roles and responsibilities in terms of the National Waste Management Strategy for Local Government include.</p> <ul style="list-style-type: none"> • Waste minimisation: Local government have to implement and enforce appropriate national waste minimisation initiatives and promote the development of voluntary partnerships with industry. • Recycling: Local government are to establish recycling centres and/or facilitate community initiatives. • Waste collection and transportation: Local government are to improve services delivery. <p>Waste disposal: Local government is to take responsibility for the establishment and management of landfill sites, and to promote development of regionally based facilities. Formalising and controlling of scavenging is the responsibility of the permit holder.</p>
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Level and standard of services	It is expected for every household to have access to waste collection services. The Municipality is expected to collect refuse from every household on a regular basis
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ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATOR I WATER SERVICES

Indicator	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	Major challenges and remedial action
Percentage of households with access to refuse removal services	23 365	648	250	22 717	98%	<p>Old infrastructure that need replacement. A budget of R1 m has been set aside to alleviate the situation.</p> <p>Illegal dumping is a major challenge in Makana. The Municipality is engaged in Community Awareness Programmes.</p>

2.6 Housing and town planning

Strategy and delivery strategy and main role-player	<p>a) <u>THE ROLE OF THE MUNICIPALITY IN REGARD TO HOUSING</u></p> <ul style="list-style-type: none"> - Provision of serviced land for Housing Development as per Housing Act - To compile Housing Sector Plans for a period of five years - To compile Housing needs survey for housing delivery purposes - To ensure that houses that are built conform to the minimum building standards for residential houses.
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HOUSING PLAYER INVOLVED IN HOUSING PROVISION WITHIN THE MUNICIPALITY

- Portfolio Committee: it consider housing inputs from the Ward Councillors, ward committee and housing Officials
- Ward Councillor: provide housing needs and housing plans in respect of their Constituent
- Ward Committees: provide housing needs from their respective ward residents
- Housing Officials: The assist and guide the Council in the Housing delivery to ensure that the end user is satisfied with the product delivered. To ensure that that service delivery does take place.
- Beneficiaries: provide the Municipality with their needs and what kind of out – put to be delivered by the Municipality.
- Technical Teams: they provide technical support to the Municipality
- Council: it approves the housing delivery plans

b) TOWN PLANNING

- The role of the Municipality in regard to the provision/reservation of land for all different types of land uses as

Defined in their zoning scheme, is vested in the fact that it is their duty to ascertain that there is a Spatial Development Framework (SDF) in place. The SDF emanates from the Municipal Systems Act and its purpose is inter alia, after all related and integrated issues have been

analysed , to reserve enough land for all land uses/land needs necessary for the estimated population growth. This plan has a medium to long term shelve life, namely 20 years.

The needs identified in this plan is to be transferred to the FDP for funding and implementation.

As far as the RDP housing are concerned, it is the financial responsibility of the EC province to provide Council Act as agent for the Province and Townplanning is to ascertain enough land and the Section Housing, Land and Estates is to provide the need for houses/backlog and apply for funding for formalization of identified areas as well as the construction of infrastructure and top structure.

The complete housing component in Makana can beclassified into 3 categories:

1. Formalized area and housing projects in process.
2. Infill areas: During the late 1990 the following so called infill areas were identified: Zolani – Xolani-N Street-J Street-K Street (Rhonaskap) – Area M – Lower Mnandi – Upper Mnandi (Three areas, marked I,Q and W was later found not to be suitable for development)

There are informal areas. Council, out of own funds avail money for the formalization of these areas only.

The lay outs of Xolani, N Street, upper and lower Mnandi was approved by the Premier in the previous financial year. The layout of area M was approved in this financial year and the remaining areas will hopefully be approved in the next financial year.

3. Remaining informal settlements and the ± 7500 RDP houses on backlog (all over Makana).

	<p>Town Planning lodge a request to Council to (despite the fact that “Bisho” is to approve money for this) to avail funding to at least formalise of all the above. R4 million was approved on the budget for and work to “eradicate” all RDP bag-logs with one exercise</p> <p>Can start in the new financial year</p>
<p>Level and standard of services</p>	<p><u>HOUSING</u></p> <p>There is no low or high access to housing, every applicant has equal access to housing except for those applicants who do not qualify according to the National Housing Code. The houses that are built comply with the minimum building standards.</p> <p><u>TOWN PLANNING</u></p> <p>There is no distinction between low level and high level access and low and high level quality standards for housing and Town Planning services.</p> <p>Every house is to comply to the standards of the Building Act, which does not provide for different standards.</p> <p>Access to housing and town planning service is not categories.</p>

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN HOUSING AND TOWN PLANNING SERVICES

Indicator	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year	
Percentage of households living in informal settlements	7.1%	13 800	2 441	1000	87%	Approval of housing application by the Department of Human Settlement
Percentage of informal settlements that have been provided with basic services	2%	10%	1.2%	1,5	95%	Beneficiary administration
Percentage of households in formal housing that conforms to the minimum	99%	1%	1%	1000	96%	Approval of beneficiaries by the Department of Human Settlement

building standards for residential houses						
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2.7 Spatial planning

a. Preparation and approval process of SDF:

The current SDF is an adopted one and is open for inspection to guide future development.

b. Land use management:

Some land use applications happen to be submitted in financial year but approved in another.

During this financial year the following were attended to:

TYPE	HANDLED	APPROVED
Rezoning	40	09
Subdivision	21	08
Consent uses	02	05
Removal of restrictions	01	04

Township establishment	16	05
Various land applications	80	35

c. Major challenges in spatial planning services and remedial actions

Fast available funding to formalize enough land for specifically RDP needs and RDP backlogs, inclusive of funding for the top structures and infrastructure:

2.8 Indigent policy implementation (1 page max):

a. Preparation and approval process of the indigent policy

The municipality is expected to provide information on the process that is ongoing for the development of the indigent policy.

b. Implementation of the policy

In case the indigent policy has been developed and approved the municipality should explain the strategy in place for its dissemination and implementation. The Municipality should especially indicate if the Indigent register is in place and maintained regularly.

2.9 Overall service delivery backlogs

Basic service delivery area	30 June 2009			30 June 2010..		
	Required	Budgeted	Actual	required	budgeted	Actual
Water backlogs (6KL/month)						
Backlogs to be eliminated (no. HH not receiving the minimum standard service)	3200	R13M	R13m			
Backlogs to be eliminated (%: total HH identified as backlog/total number of HH in the municipality)	3%	N/A	3%			
Spending on new infrastructure to eliminate backlogs (R000)	R140 M	R13M	R13M			
Spending on renewal of existing infrastructure to eliminate backlog (R000)	None	None	None			
Total spending to eliminate backlogs (R000)	R13 M	R13M	R13M			
Spending on maintenance to ensure no new backlogs (R000)	R2,5 M	R1.5M	R1.5 M			
Electricity backlogs (30KWH/month)	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (no. HH not receiving the minimum standard service)	30%	5%	25%			
Backlogs to be eliminated (%: total HH identified as backlog/total number5% of HH in the municipality)	5%	2%	3%			

Spending on new infrastructure to eliminate backlogs (R000)	30%	10%	20%			
Spending on renewal of existing infrastructure to eliminate backlog (R000)	70%	70%	70%			
Total spending to eliminate backlogs (R000)	30%	30%	30%			
Spending on maintenance to ensure no new backlogs (R000)	50%	50%	50%			
Sanitation backlogs	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (no. HH not receiving the minimum standard service)	165	R2,7 mil	R2,1 mil			
Backlogs to be eliminated (%: total HH identified as backlog/total number of HH in the municipality)	1%					
Spending on new infrastructure to eliminate backlogs (R000)	R3,5M	R3,5 mil	R2,6 mil			
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0%					
Total spending to eliminate backlogs (R000)	R10M	R6,2 mil	R4,7 mil			
Spending on maintenance to ensure no new backlogs (R000)						
Road maintenance backlogs	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (no. HH not receiving the minimum standard service)	94%	60%	2%	50	10%	
Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)	98%	95%	3%	800	100	

Spending on new infrastructure to eliminate backlogs (R000)	2.5%	93%	2.5	600	100	
Spending on renewal of existing infrastructure to eliminate backlog (R000)	6%	94%	6%	600	100	
Total spending to eliminate backlogs (R000)						
Spending on maintenance to ensure no new backlogs (R000)						
Refuse removal	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (n0. HH not receiving the minimum standard service)	648					
Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)	2%					
Spending on new infrastructure to eliminate backlogs (R000)	R1m					
Spending on renewal of existing infrastructure to eliminate backlog (R000)	R500 -000					
Total spending to eliminate backlogs (R000)	R1,5m					
Spending on maintenance to ensure no new backlogs (R000)	R250-000					

Housing and town planning	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (n0. HH not receiving the minimum standard service)	R12000	N/A	4000			
Backlogs to be eliminated (%: total HH identified as backlog/total number of HH in the municipality)	5%	N/A	5%			
Spending on new infrastructure to eliminate backlogs (R000)	R16M	R16M	R16			
Spending on renewal of existing infrastructure to eliminate backlog (R000)	N/A		N/A			
Total spending to eliminate backlogs (R000)	N/A	N/A	N/A			
Spending on maintenance to ensure no new backlogs (R000)	N/A		N/A			

**CHAPTER 3: LOCAL ECONOMIC DEVELOPMENT
FRAMEWORK (KPA 3)**



3.1 Brief presentation of LED strategy/plan

The Municipality's LED Strategy was approved in February 2010.07.30

The LED goals that were identified to stimulate economic growth and development in the Municipality are the following:

- a) Increase R-GDP by 3.5% per year to match district and the provincial growth rates by 2014
- b) Maintain employment at current levels from 2010 to 2011, with the view of increasing trade and service sector employment by 4% from 2012 to 2014
- c) Grow the tourism related component of the local economy by 10% by 2014
- d) Maintain sustainable levels of capital expenditure on key LED infrastructure from 2010 to 2014
- e) Increase the role of formal and informal strategic partnerships in and between the public and private sectors of Makana as a catalyst for growth
- f) Reduce income leakage and support SMME activity through increased local procurement and labour force support measures.

These goals were translated in strategies and programmes and projects that are reflected in the 2010/11 IDP and SDBIP

A fully fledged LED Directorate, with the co-operation of all the other directorates in the Municipality are responsible for the implementation on the LED strategy and plan.

The LED Directorate is fully populated and the table below gives an indication of the positions, qualifications of staff and experience of the staff.

Position	Qualifications	Years –experience
Director Local Economic Development	Masters in Business Administration and Masters in Social Work	20 years of local government, public relations, community development and local economic development
Manager Trade, Tourism & Investment	Highest qualification – National Diploma (Tourism Management)	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	6 years experience in agricultural development
Project Manager: Kaolin	B.Tech Degree in Ceramic Design	38 years experience in ceramic design and manufacturing
Secretary	Diploma: Human Resource Management	7 years experience in secretarial and administrative functions
Administrative Assistant	Secretarial Diploma	6 years experience in secretarial and administrative functions

An attempt was made to organise the business sector. Due to the problems experienced in achieving this, the Municipality is planning to establish a Mayoral Business Forum in the next financial year.

During the year under review the Municipality solicited the following funding, the type of programme as well as the grant amounts are reflected:

- a) Investment Incentives Policy and Investor Friendly Environment Initiative – Funded by Thina Sinako to the tune of R304 500
- b) Edutourism Partnership Project – Funded by Thina Sinako to the tune of R 3,797 808
- c) Tourism SMME Development and Support Plan – Funded by Cacadu District Municipality to the tune of R150 000.
- d) Neighbourhood Development Partnership Grant – Funded by the National Treasury to the tune of R93 million. R20 million was spent on infrastructural projects in the year under review.

3.2 Progress towards achieving the LED key objectives

a. Improve public and market confidence

A spatial development framework was approved for the municipality.

- Spatial development framework (SDF)/Land use management system(LUMS);

A funding proposal was prepared to Thina Sinako for funding a Red Tape Reduction Strategy. This was unfortunately not successful and the funding proposal was re-directed to DBSA

Makana Municipality, in partnership with Rhodes University has secured funding (from Thina Sinako LED Support Programme) to develop an investment incentives policy. The key project deliverables are:

- Identification of constraints to investment in Makana (The "Pushing Factors".)
- Identification of investment opportunities in Makana.
- Guidelines to profile Makana locality for inward investment attraction(Marketing and promotion)
- Analysis of Municipal Incentives that can be offered to encourage inward investment.

The duration of implementation of this project is 12 months.

Alternative energy projects were explored in the year under review and two projects are in the EIA, namely the Waainek Wind Farm project and a Bio-Mass project. Funding to the tune of R617 million is available by investors for both these projects. These projects have the potential of fulfilling the Municipality's electricity requirements in full. supplying the Municipality with electricity.

- Disaster management within the context of conducive environment for economic development (policy /framework adoption and implementation);

b. Exploit comparative and competitive advantage for industrial activities

i. Competitive advantage

The Municipality is in the process to explore and investigate its competitive advantage with Rhodes University and a workgroup was established for this purpose.

In addition the Municipality has commenced with a green city strategy and is aiming to become the first green city in South Africa. The alternative energy projects (see point 3.2) that are already underway are an example of moving towards a green city. A carbon farming project for emerging farmers is also in the planning stages

ii. Comparative advantage

According to the situational analysis of the the LED Strategy, Makana Municipality's comparative advantage is the agricultural, government and service and the tourism sector. The following programmes were initiated to stimulate the comparative advantage in the tourism sector:

Makana Edutourism Partnership Project

One of the competitive features of the Makana Municipality is its endowment with the world class educational institutions. Makana municipality in partnership with the Grahamstown Foundation and Makana Tourism have therefore taken advantage of this uniqueness by embarking on a project named **Makana Edutourism Partnership**. Edutourism refers to travel for the purpose of formal or informal education and lifelong learning in unique natural, historical and multicultural environments. The Makana Edutourism Partnership is designed to achieve the following:

- To promote Makana as the preferred edutourism destination. *Target Market:* People wishing to combine education with travel and tourism.
- To set up and staff an edutourism office. The Office is located at the Grahamstown Foundation (Monument). An edutourism Director and Manager have been appointed to run the office.
- To develop a recognisable edutourism brand.
- To identify pro poor edutourism products that can be developed, packaged and marketed as complimentary edutourism experiences, and
- To develop an edutourism information hub/fynbos. The project is currently on its third phase, i.e. finalising the development of a branding strategy.

Tourism SMME Development and Support Plan

The Tourism Sector Plan identified SMME Development as a vehicle through which the Previously Disadvantaged Individuals can be incorporated into the tourism economy. Makana Municipality has embarked on process of crafting its Tourism SMME Development and Support Plan.

The key deliverables of the plan are as follows:

- Compilation of a comprehensive database of existing SMMEs or entrepreneurs within the tourism Makana Municipality.

- Gathering information on Tourism SMME support services in the Eastern Cape and RSA in general.
- Analyse challenges faced by the SMME sector and propose interventions.
- Identify possible opportunities for SMMEs through partnerships with established tourism products.

The municipality is in the process of sourcing a suitable services provider to undertake the project. The service provider is expected to commence at the beginning of September 2010.

c. Intensify Enterprise support and business development

The following actions were undertaken by the Municipality to intensify enterprise support and business development:

- i. Facilitate the registration of 74 close corporations in partnership with SEDA
- ii. Facilitate registration of 8 co-operatives in partnership with SEDA
- iii. Facilitate the identification of 163 SMME's and businesses. 65 of these SMME's that include agricultural SMME's have been profiled in detail.
- iv. The following training and capacity building events for SMME's were organized:
 - SAB to equip Makana Brewery retailers with possible opportunities (**15** brewery retailers attended). Brewery retailers were informed on how to go about buying shares from SAB. At least **5** retailers have purchased shares.
 - **1** workshop facilitated between MXA company and Makana SMME's for 2010 opportunities, **15** SMME's/ co-ops attended.
 - Facilitated **1** workshop for financial and capacity building for SMME's with Khula, SEDA, SAMAF, Absa bank and **20** SMME's attended
 - Facilitated **1** workshop with uVimba Finance and Department of Agriculture for financial assistance **8** SMME's attended.
 - Facilitated **5** workshops/ capacity building on co-operative development (pre-registration support and post- registration support) in collaboration with SEDA. SMME's obtained information on how to register.
 - Facilitated post- registration support for Makana Goat co-op in collaboration with SEDA. **8** farms were capacitated on pre and post registration support
 - Facilitated **1** workshop SMME portal (Monument) in collaboration with CDM and Metropolitan Life. More than **15** SMME's obtained information on various services offered by stakeholders available
 - Facilitated **1** EPWP workshop for SMME's (with Dept. of Public works) and **11** SMME's/co-ops attended, those SMME's were capacitated on how they can participate in EPWP or leverage funds from EPWP.
 - Facilitated establishment of agricultural mentorship programme for Emerging farmers in collaboration with Cacadu District Municipality. Makana Goat Co-operative acquired a mentor through this programme- an amount of **R150 000.00** is committed.

- v. Facilitate access to finance for the following farms
 - ✓ Department of Agriculture and Rural Development
 - **CASP-** the following has been spent/ committed during the year under review:-
 - **Koodvale- R1.3 million** for fencing, tractor, implements and irrigation system
 - **Gletwn farm- R320. 000.00** for stock water and **R515 212.74** for fencing
 - **Zatshoba co-op-R160. 000.00** for tractor implements
 - **Pershoek- R337500** for fencing and animal handling facility, **R220 000** committed for dipping tank (spray)
 - **Rockhurst- R1.6 million** for ostrich structure, hutchery and **R600 000**.committed for mentorship programme.
 - **Farmerfield-R154 193.21** for animal handling facility and **R550 273.000** for fencing
 - **Salem farms- R516 800** for fencing
 - ✓ **National Development Agency**
 - Pershoek -**R400 000** disbursed for infrastructural development.
 - Ostrich farm-**R1 million** committed for ostrich development.
 - ✓ **UVimba Finance-** approximately **R2 million** spent and committed to SMME's
 - ✓ **Department of Rural Development and Land Reform**
 - **Salem farms-R5 Million** has been committed for rural development programmes.

The table below lists the partnerships established, as well as the project for which it was established and whether a MOU or service level agreement is in place

Project	Organisation	MOU/Service Level Agreement
NDPG	National Treasury National Department Tourism Izizwe Consulting and Project Engineers	Funding Agreement Funding Agreement SLA
Edu-Tourism	Thina Sinako Grahamstown Foundation	Funding Agreement Partnership Agreement
Small Scale Mining (Kaolin)	ECSECC Zenzele ECDC	MOU MOU
Wind Farm Project	Innowind Rhodes University	MOU MOU
Bio-Mass	Nollen Group	MOU being crafted
Local Tourism organisation	Makana LTO	SLA
Competitive Advantage Workgroup	Rhodes University	Informal partnership
National Arts Festival	National Arts Festival	Strategic Partnership
Carbon Farming for Emerging Farmers	Restoration Research Group Nollen Group	MOU being crafted
Alicedale Development Fund	ECDC ADF	MOU MOU

Project	Organisation	MOU/Service Level Agreement
Goat Project	Thina Sinako Goat Co-op	Funding Agreement Partnership Agreement
SEDA	Cacadu District Municipality	MOU
Freedom Park, Dakawa and Egazini	Freedom Park DESRAC	MOU being crafted

The number of job opportunities that were created through partnerships is listed below

PROJECT	NUMBER OF CURRENT JOBS	POTENTIAL NUMBER OF JOBS
Makana Edutourism Project	None	5
Makana Goats Project	None	50
Alicedale Development Fund	4	12
Rochurst Ostrich Farming Project	15	80 – when the project is extended to the 7 farms
Neighbourhood Development Partnership Grant	120	
National Arts Festival	16	
Bio-Mass		250
Carbon Farming		50
Total	155	417

d. Support Social investment program

The number of co-ops established and the number of SMME's that were supported in the year under review are detailed under point b) above

1.3 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%	R3,147,580.00	91%
2	Number of LED stakeholder forum held	n/a	n/a	n/a
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	155	155	100%
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1.4 Challenges regarding LED strategy implementation

The Municipality has embarked on numerous programmes that require interdepartmental co-operation. Maximising interdepartmental co-operation within the municipality remains a stumbling block however, strategies are being put into place to achieve maximum interdepartmental co-operation.

The legislative and policy framework regarding alternative energy poses a threat to the alternative energy projects that the Municipality is implementing, especially in terms of power purchase agreements.

Capacity building, buy-in and ownership by beneficiaries for projects that received funding remain a challenge and the Municipality is in the process to draft a SMME Development, Agricultural Development and Small Scale Mining Strategies to address this.

The organisation of the business sector proved to be very challenging and the Municipality is going to address this by establishing a Mayoral Business Forum.

Unnecessary red tape is impacting negatively on investment attraction and funding to draft a red tape reduction strategy is being sought.

**Chapter 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT
(KPA 4)**

4.1 INTRODUCTION AND THE AUDITED FINANCIAL STATEMENTS

As part of improving financial controls and also ensuring that financial reporting is undertaken promptly, effectively and efficiently, the Finance Directorate acquired a CaseWare System from CQS. This system which is linked to the accounting system utilised by the Directorate (namely Abakus) is geared to avail monthly financial statements, all reports required by National Treasury and also other management reports.

A further process of improving financial controls was undertaken by entering into an E-Kard Vendors Agreement with Syntel (company tasked with E Kard vending system) whereby Syntel will manage the vending system and ensure that the funds generated in electricity sales through various vending stations are deposited in the municipal bank account on a continuous basis, as opposed to the situation where vending stations such as Pick n Pay would be depositing the electricity takings only once a month. This method of doing business will improve the municipality's cashflow and also ensure that every cent that belongs to the municipality is properly accounted for.

In the same financial year the organogram of the Directorate was amended where a separate unit of the Supply Chain Management was established, and amongst positions created in the unit is that of an Assistant Manager: SCM, which will be playing a leading role in the unit. A lot is expected from an SCM in terms of the SCM Policy and hence the need for reviewing the unit.

The Directorate also succeeded in ensuring that the legal requirement (i.t.o. the Municipal Finance Management Act Number 56 of 2003) of Council approving the annual budget for the forthcoming financial year (2010/11) is achieved. The draft 2010/11 budget was tabled to the Special Council of the 31st March 2010 and the final budget was approved by Council on the 31st May 2010. It can also be confirmed that the budget was presented in the new budget formats introduced by National Treasury.

As part of capacitating employees of the Finance Directorate some training was undertaken by staff members, some of which were in the field of Grap/Gamap, SCM and the latest training undertaken towards the end of the financial year was Excel training for about thirty (30) staff members. The Excel training was undertaken in-house by a local service provider. The training on Excel was informed by the approach of the Auditor General during the previous financial year's audit, as it became evident that the AG requires in most of the time information to be rather in an electronic format, rather than hard copy.

It is also important to note that during the same year (2009/10) some critical vacancies were filled and mention can be made on the appointment of two additional Indigent Clerks and also two additional Rates Clerks. The Indigent Section is an important or critical area of focus within the Directorate, as in this area the Directorate deals with the most vulnerable groups of the community. The Indigent Section was further capacitated by providing a new vehicle so that whenever the unit intends conducting some door-to-door campaigns, it can be in a position to do so anytime.

It must also be mentioned that in the same financial year some control measures were either improved or initiated. Some of the improvements in financial controls include inter-alia the following (i) Cashiering procedures, (ii) Payment and Cheque Vouchering procedures, (iii) Cheque and Payment vouchering delegations, (iv) Reporting of Fruitless/Wasteful/Irregular and Unauthorised Expenditure, amongst others. Also in the same financial year there are additional policies that were developed, namely (i) Asset Disposal Policy and (ii) Virement Policy. The Virement Policy is also in compliance with the requirements by National Treasury in terms of Circular 51 of March 2010.

As it must be well known by now that in most of the times when the Auditor General (AG) issues a statement after completion of the audit exercise, time and again the issue relating to “bank reconciliations” would always come to the fore. As reported when the Audit Action Plan was tabled to Council in the third quarter of the 2009/10 financial year, one of the problems Finance Directorate was having related to lack of training by the users on the system (be it accounting system, bank reconciliation system, Payday system, etc.). In trying to address the problem of bank reconciliations the services of Fujitsu (parent company of Abakus System) Consultant were acquired to assist in attending to the situation. The aim was to make sure that a solid foundation is laid down in the 2009/10 financial year, in order to ensure that the same is not repeated with effect from 2010/11 financial year going forward. As it is understood the utilisation of any consultant is not cheap, and is not always encouraged, but I must indicate that the funding for this project was made successful through the utilisation of the Finance Management Grant (FMG), from National Treasury. As the foundation has now been set for proper bank reconciliations, the focus from 2010/11 financial year would be more on training the users on the systems ***(i.e. all the systems as mentioned above)***.

Another step to the right direction that took place in the same financial year was developing some “Financial Year-end Procedure Guidelines” indicating exactly what should be taking place and exactly when. This was also followed by an introduction of a detailed Audit File for 2009/10 financial year, which was compiled with the

assistance of the Grap/Gamap Consultant (Mubesko Africa). I must indicate that if the requirements of an Audit File are fully met the Audit Fees that sky rocketed in the 2008/09 financial year can be reduced drastically.

All the steps that are depicted (or portrayed) in the preceding paragraphs are a clear indication of attempts that are being undertaken in ensuring that the tide is turned and the municipality is able to achieve the endeavour of a clean Audit Report by 2012, as it is strongly believed that achieving a clean audit is a process and not an event. During the 2009/10 financial year a strategic session was held with senior members of staff and Councillors serving in the Budget, Treasury and IDP Portfolio Committee and during this session a presentation was made on issues raised by the AG in 2008/09 so that everyone can understand the challenges faced by the Directorate, and pave the way forward.

The Directorate also played a pivotal role in the process of raising a R50m loan from financial institutions. The loan will be funding infrastructural requirements such as water, sewerage and roads infrastructure, resulting from their ageing. This process is now in the financial stages of being approved by Council, after following the tedious legal processes.

Lastly, I must indicate that Makana Municipality does not have a municipal entity hence there will be no reference to a municipal entity in this Chapter. The municipality has a long-term relationship with Makana Tourism where a financial support is being provided on a financial year basis and budgeted for in the operating budget. This relationship has been formalised in the 2009/10 financial year by drawing a Service Level Agreement (SLA).

4.2 The audited financial statements

Attached to this Annual Report are the 2009 / 2010 Annual Financial Statements which inter-alia includes 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, and
- Employee related costs including remuneration of councillors, Section 57 Directors and other members of staff (See note 25 of the Annual Financial Statement).

I must also indicate that the municipality recorded a net surplus during the 2009 / 10 financial year amounting to **R58 098 009** (2009: R18 771 443) (see Income

Statement / Statement of Financial Performance). The reason for this recorded surplus results from the fact that Capital Grants had to be recorded as income against the Operating Income as a new requirement, without having been originally budgeted for. The other reason for recorded surplus results from the fact that depreciation figures for 2009/10, which were budgeted for, were not processed as the municipality applied for transitional arrangement from National Treasury as far as complying with GRAP17 (Property, Plant and Equipment – PPE).

4.3 Budget to actual comparison

Included in the set of Annual Financial Statements 2009 / 10 are Appendix C (1) which gives variances for the Operating Budget and also Appendix B giving variances for the Capital Budget. It must be indicated that Capital and Operating Budgets were revised once during the financial year 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.

4.4 Grants and transfers' spending

Attached to the Annual Financial Statements (2009/10) is Appendix D 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 2010. This disclosure is in terms of Section 123 of the Municipal Finance Management Act No. 56 of 2003.

4.5 Meeting of Donors' requirements in respect of conditional grants

It can be confirmed that all conditional grants received during the 2009 / 10 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 2009/10 financial year are as follows: -

GRANT NAME	AMOUNT RECEIVED	AMOUNT SPENT	BALANCE	VARIANCE EXPLANATION
Finance Management Grant	R1 000 000	R1 000 000	R0	N/A

Municipal Systems Improvement Grant	R735 000	R735 000	R0	N/A
Municipal Infrastructure Grant (MIG)	R16 131 000	R15 086 387	R1 044 613	There were projects that were awarded towards the end of the financial year, and the balance of R1m is committed accordingly.
National Electrification Grant	R6 000 000	R11 400 000	(N/A)	This project commenced in prior financial year and the reason for the overspending that is demonstrated at 30 June 2010 is the fact that an unspent allocation in 2008/09 was incurred in 2009/10 financial year.
Neighborhood Development Programme Grant (NDPG)	R21.9m	R15.3m	R6.6m	There were projects that were awarded towards the end of the financial year, and the balance of R6.6m is committed accordingly.

4.6 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.

4.7 Annual performance as per key performance indicators in financial viability

	Indicator name	Target set for the year R(000) / %ntage	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	95%	R62.4m	94%
2	Salary budget as a percentage of the total operational budget	(35% or less)	R(81.8m)	41%
3	Total trade creditors as a percentage of total actual revenue	Less than 10% of the total / actual revenue	R13.7m	5.15%
4	Total municipal own revenue as a percentage of the total actual budget	Greater than 60%	R157.7m	59.3%
5	Rate of municipal consumer debt collection	Not less than 85%	R111.3m	81%
6	Percentage of MIG budget appropriately spent	100%	R15.1m	93.8%

7	Percentage of MSIG budget appropriately spent	100% (or R735 000)	R735 000	100%
8	Percentage of FMG budget appropriately spent	100% (or R1 000 000)	R1 000 000	100%

4.8 The Audit Committee functionality

The Audit Committee operated accordingly in the 2009/10 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 Municipal Finance Management Act 56 of 2003. It must be mentioned that the life cycle of both members of the Audit Committee and the Internal Audit Unit came to an end with effect from 30 June 2010, as their term ended.

4.9 Arrears in property rates and service charges

The following table illustrates the arrear debt as at end June 2010 split into various services from current to over 120 days: -

Analysis od Debt	Current	Interest	30 Days	60 Days	90 Days	120 Days +	Total
Water	1 251 997.70	6 716 287.18	4 950 160.13	711 315.88	853 149.21	13 239 756.70	27 722 666.80
Electricity	54 578 119.93	3 237 652.88	2 873 158.51	3 048 039.11	1 792 014.90	-39 998 971.48	25 530 013.85
Sewerage	343.25	49 256.21	287.20	287.20	287.20	51 288.95	101 750.01
Refuse	339 881.22	3 582 145.02	260 293.58	199 391.82	181 428.35	4 901 796.18	9 464 936.17
Rates	6 199 350.85	21 287 165.70	3 770 346.66	2 641 042.88	4 875 769.37	55 249 639.58	94 023 315.04
Other	121 936.34	1 100.54	10 056.84	144 536.28	107 878.09	5 766 277.45	6 151 785.54
Total	62 491 629.29	34 873 607.53	11 864 302.92	6 744 613.17	7 810 527.12	39 209 787.38	162 994 467.41

Figure 4.9(a) Arrear Debt as at end June 2010 (per different services)

What hampers the municipality in collecting the abovementioned debt also results from high rate of unemployment in the Makana Municipal area of jurisdiction. What is more sad to note is the fact that out of the abovementioned debt amounting to R162.9m an amount of R17.8m is owed by state institutions as at end June 2010. The biggest contributor to the government department's arrear debt is Provincial Public Works, resulting from the arrear property rates coming from the devolution process of 2007/08. The arrear debt of R162.9m is after an amount of about R22m has been written off which includes arrear debt of Indigent Households (R20.6m), other arrear debt (R2.1m) belonging to either prescribed accounts or uncollectable debtors, and about R55 000 written off for Riebeeck East Stock Farmers. The amounts written off were processed during the last quarter of the 2009/10 financial year.

The municipality also provides for Bad Debts Provision (Debtors Impairment Loss) and this budget is beefed up on a financial year basis, by budgeting for an item known as Working Capital. At the end of the financial year this provision will be evaluated by the Chief Financial Officer based on many assumptions prevailing at the time, and it be adjusted whether up or down from or to "Accumulated Surpluses" available at the end of the financial year.

4.10 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.

4.11 Tenders awarded during the Financial Year i.t.o. the SCM Policy

The municipality procures goods and services in terms of the Supply Chain Management Policy (SCM) which is guided by the Supply Chain Management Regulations and other prescripts of the law governing procurement processes. Tenders awarded i.t.o. the SCM Policy are also reported to Council on a quarterly basis in complying with the requirements of paragraph 1.5 (dealing with the Oversight role to be played by Council in procurement processes) of the SCM Policy. Based on the consolidated report of the tenders awarded during the 2009/10 financial year the total amount of about R26m worth of tenders were awarded in the 2009/10 financial year.

Attached as a separate Annexure is the consolidated report on tenders awarded during the financial year.

Chapter 4: Good Governance and Public Participation

5.1 Overview of the Executive and Council functions and achievements;

The Council with the Speaker as its Chairperson is the highest decision making structure and consists of twenty four (24) Councillors. It has an Executive Mayoral System with a full time Mayoral Committee comprising of the Executive Mayor and the five (5) Chairpersons of Portfolio Committees. The Mayoral Committee reports to Council.

COMMITTEES OF COUNCIL

For the year under review, Council had five (5) Portfolio Committees. The names of the Portfolio Committees are as follows:

1. The Land, Housing, Infrastructural Development and Disaster Management Portfolio Committee oversee the following Sections:

- Technical Services Section (Electricity)
- Infrastructural Services Section (Housing and Estates, Town Planning, Roads and works, Water and Sewer)
- Disaster Management

2. The Economic Development, Tourism and Heritage Portfolio Committee.

3. The Social Services, Community Empowerment and Protection Services Portfolio Committee oversee the following Sections:

- Parks and Recreation
- Library Services
- Environmental Health and Cleansing Services
- Primary Health Care Services
- Fire and Rescue Services
- Traffic Services

4. The Corporate Services Portfolio Committee.

5. The Budget, Treasury and IDP Portfolio Committee.

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

1. Advisory Committees:

- Library Advisory Committee
- Aesthetics Committee

2. Other Committees:

- Local Labour Forum
- Tender Committee

Functions of Council

1. The council annually review-

- a) The needs of the community;
- b) Its priorities to meet those needs;
- c) Its processes for involving the community;
- d) Its organisational and delivery mechanisms for meeting the need of the community;
- e) Its overall performance in achieving the objectives: and

2. Develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers.

Functions of Portfolio Committees

- a) Receiving and discussing report from relevant directorates;
- b) Disposing of these reports by making a recommendation to the Executive Mayoral Committee.
- c) Developing policy within the functional area of the respective committee and recommending such policy to the Executive Mayoral Committee;
- d) Developing draft by-law within the functional area of the respective committee and recommending such draft by-law to the Executive Mayoral Committee;
- e) Developing draft business plan within the functional area of their respective committee and recommending such draft to the Executive Mayoral Committee;
- f) Reviewing within the functional area of the respective committee, financial performances against approved budget relating to prior and current years including dealing with reports from the Auditor-General;
- g) Commenting on, and making recommendation to the Executive Mayoral Committee in regard to the draft IDP (review);
- h) Making recommendation to the Executive Mayoral Committee with regard to the formulation of the budget in respect of the portfolio committee's functional area;
- i) Making recommendations in regard to the setting or revision of tariffs, levies, taxes and duties to the Executive Mayoral Committee within the functional area of the respective committees;
- j) Ensuring community participation in the development of the policy, by-law, IDPs and the budget within the functional area of the respective committee;
- k) Monitoring the implementation of the municipality's IDP, budget, business plan, strategic objectives, policies and programmes within the functional area of the respective committee and report herein to the Executive Mayoral Committees;
- l) Assessing the performance of service delivery generally within the functional area of the respective committee and report herein to the Executive Mayoral Committee,
- m) Evaluating and recommending to the Executive Mayoral Committee on prioritizing project falling within the functional area of the portfolio for the allocation of discretionary funds;
- n) Receiving and considering reports on international, national and provincial policy relevant to the operations of the functional area of the portfolio and making recommendations to the Executive Mayoral Committee;
- o) Determining the best way to deliver on the municipality's strategies, programmes and service to the maximum benefits of the municipality within the functional area of the respective committee and to recommend same to the Executive Mayoral Committee;
- p) Identifying the need of the municipality as far as it relates to the functional area of the committee and to recommend same to the Executive Mayoral Committee;
- q) Reviewing and evaluating those needs in order or priority and recommend same to the Executive Mayoral Committee; and
- r) Considering report from the Auditor-General and making recommendations herein to the Executive Mayoral Committee.
- s) Representing the portfolio committee, Council or the Executive Mayoral in outside bodies, events, functions and programmes as per delegation of powers

5.3 Ward committees' establishment and functionality

The ward committee members hold regular meetings and attendance register is kept for each meeting held. Minutes/report for meetings held are submitted to the office of the Speaker. The activities of ward committees are reported to the Corporate Services Portfolio Committee and Council meetings. The minutes are further discussed by ward committees and included in their

monthly reports. A new reporting format is being developed to enhance accountability and responsiveness to matters raised in ward committees.

5.4 Community Development workers performance monitoring

The Municipality is expected to report on the mechanism put in place to monitor CDW performance.

Beside indicators developed by the Municipality, some of elements consider may include:

- Availability of CDW monthly reports;
The monthly reports of the CDWs are submitted to the Provincial Dept of Local Govt..
- Number of cases identified and reported by CDWs ;
Unknown
- Number of homes visited by CDW during the FY;
Unknown
- Participation of CDW in the Municipality activities e.g IDP
The CDWs are part and parcel of the municipal officials responsible for the confirmation for proof of address. They have also held meetings with the IDP manager to establish their role in the ward community based planning.

5.2 Public participation and consultation;

Council has use Mayoral Imbizo as form of its public participation consultation during IDP Review processes for year unders review . Mayoral Imbizo sessions where organize for all 12 wards. Issued raised where categorized according to the Municipal Key Performance Area and and action plan was developed an action plan was developed.

Other form of public participation where use public hearing consultation meeting for the purposed of by review. News paper radio, notices, loud hailing are used as form of consultation.

5.3 Ward committees' establishment and functionality

- The ward committee members hold regular meetings and attendance register is kept for each meeting held. Minutes/report for meetings held are submitted to the office of the Speaker. The activities of ward committees are reported to the Corporate Services Portfolio Committee and Council meetings. The minutes are further discussed by ward committees and included in their monthly reports.
- A new reporting format is being developed to enhance accountability and responsiveness to matters raised in ward committees.

5.4 Community Development workers performance monitoring

Activities	Feedback
<ul style="list-style-type: none">• Availability of CDW monthly reports;	The monthly reports of the CDWs are submitted to the Provincial Dept of Local Govt.
<ul style="list-style-type: none">• Number of cases identified and reported by CDWs	Unknown
<ul style="list-style-type: none">• Number of homes visited by CDW during the FY;	Unknown
<ul style="list-style-type: none">• Participation of CDW in the Municipality activities e.g IDP	CDW where not participating in the Council activities

5.5 Communication strategy

The Municipality is expected to report on the implementation of its communication strategy during the year under review. The municipality didn't have communication in period under review, there are plans in place for 2010-2011.

- Human resource available to lead the communication activities; Only have Media Communication officer
- Infrastructural resource available for communication activities, All the necessary resources e. computers are available.

5.7 Intergovernmental Relations

Municipality in year under review was participating in the District Intergovernmental relation structures. There are plans for the 2010-2011 financial year to establish its local IGR.

5.8 Legal matters

5.8.1 Setting up of Legal Units

The Municipality has as part of its organisational review , strengthened its Legal Segal Services unit. An internal candidate has been appointed to undertake legal administration and legal referrals. A tender was also sent out and external lawyers were appointed to handle various and diverse legal matters.

5.8.2 Management of litigation

1. Case Load Management with specific reference to:

a. Favourable cases

Case name	Recovery (yes/No)	Reasons for non recovery
N/A	N/A	N/A

b. Unfavourable cases

Case name	Compliance with judgement (yes/No)	Reasons for non compliance with judgment
LB Titi	Yes	Payment in an amount of R3 332.50 made to LBTiti

2. Default judgements

Case name	Reasons for default judgment
White Attorneys	Non Payment of legal fees
SALA Pension Fund	Summons not received by the office

3. CASE AGE ANALYSIS

Case Name	Nature of the case	Date of commencement	Cases of 2 years or below	Cases beyond 2 years	Reasons for extensive duration
J Bateson & EF Konstant (Erf 1465 Alicedale)	Land/ Estate	20 Jan 09 – no history of action taken. 11 Feb 09 (notice of action received by registry - no history of action taken during first and second referral). 20 Feb 02 – DCS referred matter for attention of DTIS sighting urgency 6 May 09 (combined summons received by registry and referred to Manager Support Services)	2	Nil	
W Ralo v/s Sandi v/s Makana (Erf 1433 Rhini)		16 Feb 09 – date of notice of motion as stated by Magistrate’s Court documents; 19 Feb 09 – notice of motion received at Registry; 20 Feb 09 - Matter referred by DCS to Whitesides Attorneys for legal advice.			
Telkom SA Limited	Damages to Telkom cables	20 May 2009 – date of referral stated by attorneys; 23 June – Matter received by	1	Nil	

		Registry and referred to Mr J Siteto for action; 25 Jun 09 – MM's office requests progress report from Mr J Siteto on action taken in dealing with claim;			
Jateen Hansjee	(Wrongful Arrest)	26 Jan 09 – dates of initial referral to Municipality as stated in correspondence; 13 May 09 – Registry received warrant of execution against the Municipality as initiated by Mr J Hansjee 27 Jan 09 - DCS requested that the matter be referred to Whitesides Attorneys for defence of Municipality	1	Nil	
Dave Hughes Property Development (request for municipal intervention- eviction of Ms NB Moshoeshoe)	Eviction	20 Jan 09 – Matter referred by DCS for consideration by DTIS); 12 May 09 – order of court issued; 14 May 09 – Matter referred to assistant director Housing and Estates for action; Matter referred to SmithTabata Attorneys for	2	Nil	

HC Comley and HJ Comley (eviction of GB Bico from property)		mediation as is legally required by legislation. 6 March 2009 – notice received by Registry; Matter referred to DTIS by DCS – no date stated			
M Elliot vs Makana	Accident caused by un-cordoned storm water drain	Matter originates from June 2008 when Mr M Elliot accidentally fell into a storm water drain left un-cordoned by the Municipality;	1	Nil	
Mrs LB Titi	Negligent workmanship		1	Nil	
L Mantla // Makana Municipality (Post level)	Post level grievance	March 2010	1	Nil	

4. 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.

5. 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.

6. 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. A litigation register has been developed and is continually maintained..

PART 3: FUNCTIONAL AREA REPORTING AND APPENDIXS

1. General information (population statistics)

GENERAL INFORMATION			
Reporting Level	Detail	Total	
Overview:	Provide a general overview of municipality: this may include a short narrative of issues peculiar to the municipality and issues specific to the financial year being reported		
Information:	<i><Provide statistical information on (as a minimum):></i>		
1	Geography: Geographical area in square kilometres Note: Indicate source of information	<total>	
2	Demography: Total population Note: Indicate source of information	<total>	
3	Indigent Population Note: Indicate source of information and define basis of indigent policy including definition of indigent	<total>	
4	Total number of voters	<total>	
5	Aged breakdown: - 65 years and over - between 40 and 64 years - between 15 and 39 years - 14 years and under Note: Indicate source of information	<total> <total> <total> <total>	
6	Household income: - over R3,499 per month - between R2,500 and R3,499 per month - between R1,100 and R2,499 per month - under R1,100 per month Note: Indicate source of information	<total> <total> <total> <total>	

2. Planning and Development function's performance

Function:	Planning and Development		
Sub Function:	Economic Development		
Reporting Level	Detail	Total	
Overview:	Includes all activities associated with economic development initiatives		
Description of the Activity:	<p>The function of economic planning / development within the municipality is administered as follows and includes: <i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <p>These services extend to include <i><function/area></i>, but do not take account of <i><function/area></i> which resides within the jurisdiction of <i><national/provincial/other private sector></i> government. The municipality has a mandate to: <i><List here></i></p> <p>The strategic objectives of this function are to: <i><List here></i></p> <p>The key issues for 200X/0Y are: <i><List here></i></p>		
Analysis of the Function:	<i><Provide statistical information on (as a minimum):></i>		
	1 Number and cost to employer of all economic development personnel:		R (000s)
	- Professional (Directors / Managers)	<i><total></i>	<i><cost></i>
	- Non-professional (Clerical / Administrative)	<i><total></i>	<i><cost></i>
	- Temporary	<i><total></i>	<i><cost></i>
	- Contract	<i><total></i>	<i><cost></i>
	2 Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
	3 Detail and cost of incentives for business investment: <i><list details></i>		R (000s) <i><cost></i>
	4 Note: list incentives by project, with total actual cost to municipality for year Detail and cost of other urban renewal strategies: <i><list details></i>		R (000s) <i><cost></i>
	5 Note: list strategies by project, with total actual cost to municipality for year Detail and cost of other rural development strategies:		R (000s)

	<list details>		<cost>
6	Note: list strategies by project, with total actual cost to municipality for year		
	Number of people employed through job creation schemes:		
	- Short-term employment	<number>	
6	- Long-term employment	<number>	
	Note: total number to be calculated on full-time equivalent (FTE) basis, and should only be based on direct employment as a result of municipal initiatives		
	Number and cost to employer of all Building Inspectors employed:		R (000s)
	- Number of Building Inspectors	<number>	<value>
	- Temporary		
	- Contract		
	Note: total number to be calculated on a full-time equivalent (FTE) basis, total cost to include total salary package		
	Details of building plans:		
	- Number of building plans approved	<number>	
	- Value of building plans approved	<value>	
Reporting Level	Detail		Total
	Note: Figures should be aggregated over year to include building plan approvals only		
7	Type and number of grants and subsidies received: <list each grant or subsidy separately>	<total>	R (000s) <value>
	Note: total value of specific planning and development grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		

FINANCE AND CORPORATE SERVICES PERFORMANCE

3.1 Financial Services

1. Finance and Administration function's performance

Function:	Finance and Administration		
Sub Function:	Finance		
Reporting Level	Detail	Total	
Overview:	<p>The Finance Directorate is responsible for all financial related activities such as, creditors payments (including 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, Special Projects and Supply Chain Management Unit.</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 was supposed to be filled, (6) Expenditure Management – under this section</i></p>		

	<p>functions such as budget preparation / management, financial statements preparation, vat control, insurance management, etc. are attended to, (7) Special Projects – under this section the responsibility of reporting to National or Provincial spheres of government, bank reconciliations, and asset management amongst others is undertaken.</p>		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
	1 Debtor billings: The Directorate bills more than 22 000 account holders on a monthly basis. Ratepayers who fall within the category of indigent receive a subsidy for municipal services in terms of Assistant to the Poor / Indigent Policy. During the 2009/10 financial year an amount of about R20.4m was written off against the “provision for bad debts” for indigent households.		
	2 Debtor collections: The collection rate for the municipality in the 2009/10 financial year amounted to about 84%.		
	3 Debtor analysis: Attached as a separate Annexure to this Annual Report is the Consolidated Billing analysis as at end June 2010, indicating the age of the debt and type, per different categories.		R163m
	4 Write off of debts: An amount of about R22m was written off during the 2009/10 financial year and about 94% (R20.6m) of the amount was relating to the accounts of Indigent or poor account holders, who are registered as Indigent in our Billing System. The other amount belonged to account holders whose debt is uncollectable or even prescribed in terms of the lawyers dealing with debt collection for the Department.		R22m (written – off in 2009/10 financial year)
	5 Property rates: Note 23 of the Annual Financial Statements give more details on the property rates, including the values of rateable properties (per different categories).		

Reporting Level	Detail	Total	
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: <The Finance Directorate ensures that all creditors are paid timeously or within the required number of days (which is most of the time within 30 days of receipt of an invoice). In cases where there are delays in making payments it could be that the Department that received the service was verifying the accuracy of an invoice, or was not happy with the services or goods received, or the creditor was late in submitting the original invoice, amongst others.></p>		
8	<p>Credit Rating: <List credit rating details here> The rating of Makana Municipality is performed by Moody's International Rating Agent, and the last time the rating was conducted was 2008/09 financial year, where the municipality attained a Baa2.za rating, indicating a stable performance.</p>		
9	<p>External Loans: Note number 3 of the Annual Financial Statements 2009/10 indicates the details of external loan. The only loan that the municipality raised is with INCA and currently amounts to about R1.6m.</p> <p>There was no new loan taken in the 2009/10 financial year, however, in February/March 2010 the municipality took a decision of raising a loan of about R50m in order to finance the dilapidating infrastructure in the area of water and sewerage. Such resolution will come into fruition in the 2010/11 financial year, due to legal processes that must be followed in this endeavor in terms of the Municipal Finance Management Act Number 56 of 2003. The</p>		

10	<p>loan contract will have to be signed by the Municipal Manager and be brought to Council.</p> <p>Delayed and Default Payments:</p>		
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Function: Corporate Services

	<p>There were no delayed payments that occurred during the 2009/10 financial year, as the municipality was in a position to meet all its liabilities timeously.</p>		
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Sub Function: Human Resources			
Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the Human Resources Management function including recruitment and selection, induction of new staff, training and development, benefits administration, labour relations.		
Description of the Activity:	Developing HR Policies and Procedures		
	Recruitment and Selection – The recruitment, including overseeing the preparation of job descriptions, advertising, interviewing and appointment of personnel.		
	Induction of new officials		
	Skills Development Facilitation		
	Employer/ Employee Relations		
	Employment Equity		
	The strategic objectives of this function are to:		
	<ul style="list-style-type: none"> • Maintenance and review of HR policies • Effective functioning of the Local Labour Forum and maintenance of labor peace • Employment equity and skills development • Human Resources Planning • Organizational Development 		
	The key issues for 2009/2010 are:		
	<ul style="list-style-type: none"> • Adoption and implementation of Workplace Skills Plan for 2009/2010 • Operationalization retention strategy and succession planning • Develop scarce skills strategy • Develop an Integrated employee wellness programme(under Staffing Costs • Develop and implement an satisfaction survey • Develop a complaints system • Set up an information desk to give excellent service to communities • Promote anti corruption behaviour • Investigate Installation of Air-conditions and other major facilities upgrade needed in Municipal Hall. • To develop a clear guidelines on SDF programmes • Develop and implement individual performance system/cascading (Under Staffing Costs) • Improve recruitment and selection by improving turn around time for appointment 		

Sub Function: Administration			
Reporting Level	Detail	Total	
Overview:	Includes all activities relating to Council support including providing committee and secretarial services to Council and its committees, Registry and Archives.		
Description of the Activity:	The Administration services provides support to Council and its committees.		
Analysis of the Function:	<u>Committee Services:</u> The Committee Services provides secretarial and administrative support to Council, Mayoral Committee, Portfolio Committees and other ad-		

3.2 Corporate Services

	hoc committees. These services include meeting arrangements, printing and distribution of agendas, keeping of minutes of all meetings		
Function:	Corporate Services		
Sub Function:	Legal Services		
Reporting Level	Central Registry: The Central Registry is responsible for receiving, tracking, maint and retrieving all		Total
Overview:			
Description of the Activity:	of Makana Municipality.		
	The strategic objectives of this function are to:		
	• •		
	The key issues for 2009/2010 are:		
	<ul style="list-style-type: none"> • • Internal Audit on Registry Functionality • • Committee Administration • Litigations • Contract Administration • Dealing with legal proceedings instituted by/against the Municipality 		
Analysis of the Function:			

	The strategic objectives of this function are to:		
	-		
	The key issues for 2009/2010 are:		
	Developing of a litigations register Streamlining of legal services Appointment of Council external lawyers		
Analysis of the Function:			

Function:		Corporate Services	
Sub Function:		Information Technology	
Reporting Level	Detail	Total	
Overview:			
Description of the Activity:	The services is outsourced		
	The strategic objectives of this function are to:		
	•		
	The key issues for 2009/2010 are:		
	Centralization of Information Technology		
Analysis of the Function:			

4.2 Environmental Management

FUNION

FUNCTION :

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

OVERVIEW

Environmental management function is a strategic one, providing environmental leadership to the municipality and the community at large. The municipality function with its partners through the Makana Environmental Forum, a forum of local individuals and organizations with a focus on environmental matters in the municipality. 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 is another structure set to provide support and guidance to the municipality.

PROGRAMMES

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

1. Implementation of the environmental education and training strategy

This project forms part of, and emanates from the environmental education and training strategy for Makana municipality identified during the Makana Local Environmental Action Plan process (LEAP). The environmental education and training strategy addresses specific education and training needs of a number of stakeholders within the precinct of municipality such as:

- The general public
- Business and industry
- Municipality employees
- Learners in formal education institutions such as schools
- Livestock owners; and
- The agriculture and eco-tourism sector

a) The general public

Fifteen Community Environmental facilitators from 7 wards of the municipality were appointed in the public environmental education pilot project during the 2010/11 financial year. These individuals were ward based and served to assist their ward counsellors, ward committees and the municipality with community environmental education on waste management at a household level. Training of the candidates was provided by Rhodes University Environmental Sustainability Unit and Mr Lawrence Sitsika of the Umsenge Conservation, Environment and Development Consulting. The initial phase of the community mobilization programme largely focus on waste management issues and is constituted by a series of mini projects.

b) Learners in formal education institutions such as schools

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 is continuing with the support of eight local disadvantaged schools to be part of the eco-schools projects. The eco-schools programme is designed to encourage curriculum-based action for a healthy environment. The municipality observes and participate in several important national and international environmental events such as the Arbor day and used these as vehicle for environmental education and awareness campaign.

c) Municipal employees

The Environmental Education and Training strategy proposes specific education and training interventions, focus areas and programmes notably Municipal employees. For municipal employees, the strategy suggests building capacity for environmental management and sustainable development amongst all employee categories including councilors and ward committees. The municipal environmental manager undertook a 3-week training programme on local government environmental management in urban areas held in Sweden. Through this programme, a project proposal is being developed for implementation in Makana municipality.

2. Local community engagement and public participation processes

The Makana Environmental Forum held various public gatherings in different venues within the municipality this year for the first time. Meetings have been held at the multi-purpose centre in Joza, Recreational hall in the northern townships and at the municipal library. Each of these gatherings revolves around a particular theme. Themes covered so far include, informal waste pickers in waste management, greening of Makana, green economic development, water issues etc. The public is also engaged through electronic and print media. Presentations are regularly carried out at Radio Grahamstown on Thursdays. The local newspaper, the Grocott's Mail also provides a free column on its print on Tuesdays called 'Enviro News' wholly dedicated to specific local environmental issues and sometimes global topical matters. One of the recommendations of the pilot project on waste management recently undertaken was the formation of the Environmental Task Team in each ward. This task team will ensure that environmental issues are discussed and practical measures are taken to resolve community concerns in each ward committee meeting.

3. Green City Strategy Development

The Makana Municipality has embarked on a Green City initiative that would support the President's commitment to reduce the levels of carbon omissions in South Africa. The green city concept aims to actualize potential opportunities for the development and co-ordination of the green economy of Makana. The green city economy will be developed through the sustainable use of environmental

resources with the aim of creating local green jobs or green entrepreneurship. The environmental management undertook strategic conversation workshops with internal and external stakeholders and is strategically facilitating a co-ordinated approach towards the development of the green city strategy by the municipality. The process entails bringing together all our partners and other interested parties.

4. Identification of funding sources for environmental projects

Over the last financial year two environmental project proposals have been submitted to funders. These proposal covers a total of 15 potential projects that could generate short to medium green job opportunities to local communities.

MAIN CHALLENGES

There is a general lack of responsiveness from other spheres of government or institutions. This is particularly in cases of institutional support and funding sources at the disposal of these organizations. Environmental issues are not regarded as a priority by some communities and to a certain extent, political and economic leaders as they are perceived as having no immediate economic benefits. Urban communities have a general apathy towards environment, i.e., they tend to separate their physical selves from the bigger environment in which they found themselves. This creates a tendency in which the municipality is seen as the sole custodian of all environmental matters in its jurisdiction. The general lack of funding to initiate community environmental projects remains a threat towards the implementation of IDP projects.

4.3 Waste Management, Environmental health Services

Function: Sub-Function:	Cleansing Section Refuse Removals		
Overview:	The Cleansing Section is located within the		

	Environmental Health and Cleansing Section within the Community and Social Services Directorate.		
Description of activity:	<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 • Riebeeck East • Alicedale 2. Garden refuse removals <ul style="list-style-type: none"> • Containers empty 3. Cleaning identified dumping and illegal Dumping spots 4. Cleansing services Incorporates street sweeping, litter picking, cleaning of public ablution facilities 5. Waste Disposal Services Operation of general waste landfill sites <ul style="list-style-type: none"> • Domestic refuse • Garden refuse • Building rubble 	<p>2479 Loads 8572bags/year 44808bag/year</p> <p>1477/year</p> <p>2293 loads</p> <p>38014m3 38455m3 11370m3</p>	

	<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 involved in this project and help where ever we can. 3. Kowie Catchment Campaign <ul style="list-style-type: none"> • Council form part of the committee and assist where ever we can with cleaning the Kowie River 4. Clean-up project <ul style="list-style-type: none"> • Clean-up are help from ward to ward right through the year 	<p>Wards 4,10,11,7,4,9,10 and4</p>	
	<p>The main delivery challenge:</p> <p>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.</p>		

	Achievement: Implementation of the IWMP		
	Challenges: i) Inadequate and ailing plant machinery. ii) Better and more recycling iii) Implementing of two bag system		

4.3 Traffic and licensing services

Function: Traffic and Licensing			
Sub Function: All inclusive			
Reporting level	Detail	Total	
Overview:	Includes Traffic Law Enforcement, Vehicle Licensing, Driving Licensing and Road worthies		
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 * Perform eye testing * Booking of learner and driver appointments <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> <p>This Department has a staffing component of 2 Clerical personnel</p>		
Analysis of functions: Driving Licensing	<p>Learner License Appointments PRDP Applications Driving License card renewals Driving license appointments Amount collected for Learner and Driving licenses</p>	<p>2146 773 2751 2925 R1998499.00</p>	
Road worthy testing	These services include all vehicle testing		

	<p>functions. The Municipality has a mandate to:</p> <ul style="list-style-type: none"> *Test vehicle and issue road worthy certificates * The erecting, maintenance, painting of road signs and road markings <p>The strategic objective of this function are to: Ensure safety on our roads by ensuring road worthy vehicles</p> <p>This Department has a staffing component of 1 Senior, 1 Examiner, 3 Painters</p>		
Analysis of functions: Roadworthy	Roadworthy tests performed	1474	
	Money collected	R275793.00	
Vehicle licensing	<p>These services include all vehicle testing functions. The Municipality has a mandate to:</p> <ul style="list-style-type: none"> * Renew Vehicle licenses * Register vehicles * Scrap vehicles * Introduce vehicles * <p>The strategic objective of this function are to: Ensure safety on the roads by ensuring a vehicle are licensed, roadworthy and safe to be used on a public road</p> <p>This Department has a staffing component of 1 Senior Clerk and 2 Clerks.</p>		
Analysis of functions: Vehicle licensing	Amount collected for vehicle licensing	R2587113.53	
	Amount retained	R891305.75	
Description of activities	<p>The key function of the department is to provide safer roads for all stakeholders within Makana area.</p> <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>		
Traffic Law Enforcement			

	This Department has a staffing component of 7 Traffic Officers, 2 Senior Traffic Officers and 2 clerical personnel		
Analysis of functions	Number of targeted violations		
	LICENSING OF DRIVERS		
	Unlicensed drivers	597	
	Learner driver without supervision	41	
	Other offences related to driving licenses	112	
	REGISTRATION/LICENSING OF MOTOR VEHICLES		
	Unlicensed/Unregistered motor vehicles	502	
	Other	62	
	MOVING VIOLATIONS		
	Driving under the influence	5	
	Reckless/Negligent	10	
	Speeding	1759	
	Robots	77	
	Stop signs	1947	
	Other road signs	81	
	Illegal overtaking	23	
	Lane changes	22	
	Other moving violations	277	
	STOPPING/PARKING		
	Stopping	308	
	Danger obstruction	88	
	Parking vehicle entrance	18	
	Exclusive parking bays	213	
	Other	188	
	LOAD PROJECTIONS		
	Overload passengers	20	
	Exceed projection limits	2	
	Spillage	24	
	VEHICLE DEFECTS		
	Service/parking brake	51	
	Tyres	324	
	Silencer	2	
	Other	438	
	SUNDRY		
	Public motor vehicle offences	98	
	Municipal by-laws	27	
	Safety belts	1427	
	Cell phone	241	
	Other	111	

	NOTICES		
	Discontinue	5	
	Money collected	R1018920.00	
Funded projects	* Long distance bus terminus	R2.5 mil	60% complete
	* Upgrade taxi facilities	R800 000	Complete
	*Speed humps schools	R100 000	Complete
	*Pavement improvements	R1.2 mil	Complete
	*Junior Traffic training Centre	R800 000	Complete
	* Robot system Hill and High street	R800 000	Complete
	* Traffic circle St Andrews	R1.2 milj	Complete

4.4 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>Council is far advanced with negotiation as to the Compilation of a Service Level Agreement that will see a Private Aviation Company responsible for the day to day management of the Aerodrome as well as the development of a flying school at the same facility</p>		
Description of activity:	<p style="text-align: center;"><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 	Twice/ monthly	

	<p>- Rough cutting or burning of outfields</p> <p>The DCA also undertakes annual inspections in support of the retention of the Category 1 Licence</p> <p style="text-align: center;"><i>Administration</i></p> <p>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>Further Commendation from DCA for maintaining one of the best Category 1 Aerodromes in the country</p>	Annually	
Function: Sub-Function	Horticulture and Auxiliary Services Street Islands and Verges		
Overview:	This sub-function includes a number of sections including Maintenance of grass verges and Public open Space, planted layouts, street trees and weed control		
Description of activity:	<p>The services provided include:</p> <p>6. Mowing of verges of Grahamstown, Alicedale and Riebeeck East including main entrances,CBD, Arterial roads, suburban roads and council facilities</p> <p>7. Mowing of Public Open space with tractor drawn implements</p> <p>8. Maintenance of gardens and planted layouts within the city</p> <p>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</p>	<p>16,000,000 m²</p> <p>40,000,000 m²</p>	

	trees where required.		
	10. Manual tree stump removal	2,000,000 m ²	
	11. Weed Control that includes the eradication of weeds and annual grasses on roads, gutters and storm-water channels		
Function: Sub-Function	Horticulture and Auxiliary Services Cemeteries		
Overview:	This sub-function includes the maintenance of cemeteries in Grahamstown, Alicedale and Riebeeck East.		
Description of activity:	The services provided include: <ul style="list-style-type: none"> 1. Administration of electronic burial recording System 2. Cemetery maintenance 3. Contract Management <p><u>Challenges</u></p> <p>Theft of artifacts and metal railings Funding to maintain cemeteries</p>	± 850 burials annually	

	<p><u>Achievements</u></p> <p>Upgrading of boundary fences (MIG Funded) at four municipal cemeteries</p> <p>including Mayfield, Kwadinga, Waainek and the historic Old Cemeteries</p> <p>Extensions to Mayfield, Waainek , Kwanonzamo and Kwanonzwakazi cemeteries</p>		
Function: Sub-Function	<p>Horticulture and Auxiliary Services</p> <p>Nursery</p>		
Overview:	The Nursery is maintained for the production of greening material for the municipality		
Description of activity:	<p>The services provided include:</p> <ol style="list-style-type: none"> 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 <p><u>Challenges</u></p> <p>Maintaining a cost effective Centre</p> <p><u>Achievements</u></p>		

	<ol style="list-style-type: none"> 1. Renovation of two Shade Houses 2. Retention Centre for ± 2000 trees for funded projects 3. Growing on of 3500 trees and a further 1865 indigenous shrubs 		
Function: Sub-Function	Horticulture and Auxiliary Services Projects		
Overview	Includes funded projects including that of the Botanical Gardens that have been or are to be outsourced		
Project description	<p>Funded projects include:</p> <ol style="list-style-type: none"> 1. Botanical gardens 2. Kowie Catchment Campaign 3. Greening Project 4. World Cup Greening Legacy Project <p><u>Challenges</u></p> <ul style="list-style-type: none"> • Manpower to monitor and evaluate projects <p><u>Achievements</u></p> <ol style="list-style-type: none"> 1. Commencement with 10 Million Greening Project (Afri-coast Engineering the Service Provider). Completed Sani Park and currently 50% complete with 2nd Project namely Zion Dam. 2. Completed the World Cup Greening Legacy Project that included the Planting of 1100 trees on entrance roads to Grahamstown and other prominent Public Open Space. 3. The Environment / Education Centre is 70% 	<p>R 19 Million</p> <p>R 30, 000</p> <p>R 20,000</p> <p>R 1 Million</p>	

	Complete		
Function: Sub-Function	Environmental Services 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:	<p>The services provided include:</p> <ol style="list-style-type: none"> 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 4500 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. 4. Fire Protection Program that includes the preparation and burning of fire breaks and control blocks as well fire fighting 5. services in the event of runaway fires R 315,000 6. The maintenance of the newly acquired Blaauwkrantz and Ecca Pass Nature Reserves 7. Maintenance of the Oldenburgia Hiking Trail <p><u>Challenges</u></p> <p>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</p>		

	<p><u>Achievements</u></p> <ol style="list-style-type: none"> 1. Provision of farm infrastructure 2. Funding of various Fencing Projects 3. Construct New dam on conservancy 		
Function: Sub-Function	Commonage, Farms and Nature Reserves Projects		
Overview	Includes funded projects in relation to Commonage, farms and Nature Reserves		
Project Description	<p>Funded projects include:</p> <ol style="list-style-type: none"> 1. Eradication of Alien Invasive plants 2. Fencing Project 3. Pound 	<p>R 315,000</p> <p>R 79,000</p> <p>R 18,000</p>	
Function: Sub-Function	Sport and Recreation 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 (Diepu Stadium, Mickey Yili Stadium, The Oval, Foley,s Ground, Sunnyside, Lavender Valley, Fiddlers Green, Kwanonzwakazi, Kwanonzamo and Tweerievieren), as well as the bookings for these venues 3. Maintenance of three playgrounds 		

	<p><u>Challenges</u></p> <p>Vandalism of playgrounds</p> <p>Vandalism of Oval Sport ground buildings.</p> <p>Filling of vacant posts</p> <p>Unfunded projects</p> <p>Aging infra-structure</p> <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). Awaiting 2nd drawdown</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. Tri-partheid 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	R 3,1 Million	
	9. Summer "Come and play program"	R 30,000	

4.5 Primary Health

Function: Primary Health Care Services			
Reporting Level	Detail	Total	
Overview:	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.		
Description of activity	The health service delivery in Makana municipality is administered within the legislative framework by a total of 39 health personnel. Of these 19 are Professional Nurses while the rest is ancillary staff.		
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 • Non communicable diseases and circumcision <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 VCT, PMTCT, (Dual Therapy) PEP, RPR,</p>		

	<p>Acute chronic and Palliative HIV, IPT, NIM ART, BANC, TB with HIV and AIDS.</p> <p>Workshops were presented by both the Dept of Health, Regional Training Centre, Africare and THAT'S IT (for smart care system)</p> <p>All Professionals attended the seminars at different occasions.</p> <p>Other health workers also had an opportunity of attending training on TB, HIV, AIDS, Anti-Retro viral treatment, Palliative Care, as part of in-house training</p> <p>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 monitoring 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, Collingham, Fort Brown and Riebeeck East. • Diarrheal incidence due to water purification system was not fatal due to awareness programs and education given in clinics. • HCT Roll- out in clinics and Primary Health Care office as part of employee wellness from 21 May to 30 June 2010 • 205 employees screened for life style diseases and 93 referrals made. • Immunization coverage reached the target of 95% • TB surveillance target of 2-10% was reached • Massive Measles, Polio (Vitamin A, and D-worming) eradication campaign form 0 – 15 years done, period April – June 2010 • Nurse initiated ART Expansion Program introduced. • HCT Roll-out Program introduced to clinics as well as workplace and is still ongoing. 		
”	<p><u>Challenges</u></p>		

	<ul style="list-style-type: none"> • High Staff turnover • Vandalism to buildings • Lack of security in clinics • Ageing infrastructure • Uncertainty / instability due to Provincialisation process 		
	<p><u>Improvements to infrastructure</u></p> <ul style="list-style-type: none"> • Raglan Road Clinic – Boundary wall • Extension of N.G.Dlukulu Clinic: (Project completed.) <p><u>Medical equipment:-</u></p> <ul style="list-style-type: none"> • Africare Hand-over All clinics have acquired the basic Medical and emergency equipment 		
	<p><u>Statistical information:</u></p> <p>Number of Municipal Clinics servicing the population</p> <p>Number of Provincial Clinics</p> <p>Head count : under 5 years (clinic visits)</p> <p>Head count : 5 years and older</p> <p>Subsidy received from the Dept of Health</p> <p>Total operating costs</p>	<p>7</p> <p>1</p> <p>27383</p> <p>208850</p> <p>7422748</p> <p>6325698</p> <p>(Expenditure for NHLS plus DRUGS not included)</p>	

4.6 Fire and Rescue Services

Function: Public Safety			
Sub-Function: Fire & Rescue Section			
Reporting Level	Detail	Total	
Overview:	Includes Fire Fighting, Fire Safety and Awareness Campaigns	2008/2009	2009/2010
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>		
<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> <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>Description of Activity</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. Three (3) Platoon Commander, eight (8) fire fighter and four (4) control room operator posts are still vacant.</p> <p>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:</p> <ul style="list-style-type: none"> <input type="checkbox"/> The attendance at and handling of all fires, rescues and emergency incidents. <input type="checkbox"/> The acquisition of vehicles and operational equipment. <input type="checkbox"/> The maintenance of vehicles and equipment. <input type="checkbox"/> The checking and cleaning of fire hydrants. <input type="checkbox"/> The training of public by group inspections and lectures. <p><u>REDUCTION OF VEGETATION FIRES:</u></p> <p>The key objective is to try and minimize the amount of vegetation fires. Emphasis is put on:</p> <ol style="list-style-type: none"> 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. 		
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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 traveled is charged. Water is also delivered to Rural Communities for the Department of

SPECIAL SERVICES	<p>Technical and Infrastructural Services, who is then responsible for the charges.</p>		
	<p><u>MOTOR VEHICLE ACCIDENTS</u></p> <p>The department responds to motor vehicle accidents to assist with vehicle extrication, patient treatment, hazardous materials, etc.</p> <p>The department also assists in water deliveries to rural communities in the jurisdiction of the municipality.</p> <p><u>TRAINING OF STAFF</u></p> <p>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. A total of eight (8) Fire Fighters were professionally trained in Fire Fighting at Rural Metro Training Centre in Greytown, KZN through Cacadu District Municipality.</p> <p><u>PUBLIC TRAINING</u></p> <p>Fire Awareness Campaigns are conducted at rural communities, schools and clinics within Makana to make the community aware of the dangers of fires.</p> <p>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.</p>		
TRAINING AND AWARENESS			

Function:	Public Safety			
Sub-Function:	Fire			
Reporting Level	Detail	Total		
Overview:	Includes Fire Fighting, Fire Safety and Awareness Campaigns	2008/2009	2009/2010	
Description of Activity				
Incidents: Fires	BUILDING	3	4	
	DWELLINGS	20	33	
	INFORMAL DWELLINGS	26	17	
	ELECTRICAL	10	11	
	REFUSE	61	49	
	VEGETATION	100	74	
	TRANSPORT	13	7	
	MISCELLANEOUS:	2	0	
		Total	236	195
	SPECIAL SERVICES	SPECIAL SERVICES		
ACCIDENTS		172	225	
RESCUE		2	0	
WATER DELIVERIES		337	875	
SPILLAGES		6	3	
MISCELLANEOUS		206	298	
		Total	723	1401
NO SERVICES RENDERED	NO SERVICES RENDERED			
	Extinguish before arrival	27	33	
	False Alarm Good Intent	68	72	
	False Alarm Malicious	0	0	
	FATALITIES:			

TRAINING AND AWARENESS	Fires	2	3
	Accidents	17	21
	Other (Drowning)	1	0
	INJURIES:		
	Fires	4	1
	Accidents	258	352
	TOTAL KILOMETERS TRAVELLED		
		61999.3	102374.1
	LECTURES, DEMONSTRATIONS		
	To fire staff	1776	820
	AWARENESS AND TRAINING		
	To Public (86 civilians)	271	21
Schools(67 teachers + 1571 children)	90	34	

5. TECHNICAL AND INFRASTRUCTURE SERVICES

5.1 Waste management function's performance

Function:	Waste Management
Sub Function:	Solid Waste

Reporting Level	Detail	Total
Overview:	Includes refuse removal, solid waste disposal and landfill, street cleaning and recycling	
Description of the Activity:	<p>The refuse collection functions of the municipality are administered as follows and include:</p> <p><List administration of each function here: this should detail what is offered, and how it is offered to the community></p> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><List here></p> <p>The strategic objectives of this function are to:</p> <p><List here></p> <p>The key issues for 200X/0Y are:</p> <p><List here></p>	
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <p>1 Number and cost to employer of all personnel associated with refuse removal:</p>	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>
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
2	Number of households receiving regular refuse removal services, and frequency and cost of service:		R (000s)
	- Removed by municipality at least once a week	<total>	<cost>
	- Removed by municipality less often	<total>	<cost>
	- Communal refuse dump used	<total>	<cost>
	- Own refuse dump	<total>	
	- No rubbish disposal	<total>	
	Note: if other intervals of services are available, please provide details		
3	Total and projected tonnage of all refuse disposed:		
	- Domestic/Commercial	<current>	<future>
	- Garden	<current>	<future>
	Note: provide total tonnage for current and future years activity		
4	Total number, capacity and life expectancy of refuse disposal sites:		
	- Domestic/Commercial (number)	<capacity>	<lifespan>
	- Garden (number)	<capacity>	<lifespan>
	Note: provide the number of tip sites, their total current capacity and the expected lifespan as at end of reporting period		
	Reporting Level	Detail	Total
5	Anticipated expansion of refuse removal service:		R (000s)
	- Domestic/Commercial	<total>	<cost>
	- Garden	<total>	<cost>
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
6	Free Basic Service Provision:		
	- Quantity (number of households affected)	<total>	
	- Quantum (value to each household)	<value>	
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
7	Total operating cost of solid waste management function		R (000s)

5.2 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>The sewerage functions of the municipality are administered as follows and include:</p> <p>Application for funding from Government Departments e.g. MIG and as well perform operation and maintenance</p> <p>Our PMU Unit registers projects and upon approval by MIG, Service Providers are appointed for construction and when construction is completed the project is handed over to Communities. Our internal sewer unit is doing daily operation and maintenance on the existing infrastructure:</p> <ul style="list-style-type: none"> ✚ To provide basic sanitation services to the community <p>The strategic objectives of this function are to:</p> <p>To ensure that all communities have access to basic sanitation by 2012</p> <p>The key issues for 2009/10Y are:</p> <ul style="list-style-type: none"> ✚ Mayfield bulk outfall sewer phase 2 ✚ Construction of Extension 6 sewer reticulation 	<p>1</p> <p>1</p>	<p>R3,5 mil</p> <p>R2,7 mil</p>
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <p>1 Number and cost to employer of all personnel associated with sewerage functions:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis; total cost to include total salary package</p> <p>2 Number of households with sewerage services, and type and cost of service:</p> <ul style="list-style-type: none"> - Flush toilet (connected to sewerage system) - Flush toilet (with septic tank) - Chemical toilet - Pit latrine with ventilation - Pit latrine without ventilation 	<p>2</p> <p>2</p> <p><total></p> <p><total></p> <p><total></p> <p><total></p> <p>135</p> <p><total></p> <p><total></p> <p><total></p> <p><total></p>	<p>R (000s)</p> <p>R1,422 mil</p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> <p>R (000s)</p> <p>R2,7 mil</p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p>

	- Bucket latrine	<total>	<cost>
	- No toilet provision	<total>	<cost>
	Note: if other types of services are available, please provide details		
3	Anticipated expansion of sewerage:		R (000s)
	- Flush/chemical toilet	<total>	<cost>
	- Pit latrine	545	R6,911 mil
	- Bucket latrine	30	R600 000
	- No toilet provision	<total>	<cost>
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
4	Free Basic Service Provision:		
	- Quantity (number of households affected)	<total>	
	- Quantum (value to each household)	<value>	
Reporting Level	Detail	Total	Cost
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
5	Total operating cost of sewerage function		R (000s)

5.3 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	340,0km	R15.4m
Description of the Activity:	The road maintenance and construction responsibilities of the municipality are administered as follows and include:	340,0km	R6.6m
	<ul style="list-style-type: none"> The operating budget of R6.6 million is specifically for surfacing road patching and pothole repairs and the grading/gravelling of roads. Grant funding received for the permanent surfacing of roads is performed by Consultants and Contractors on a lump sum basis 		
	The municipality has a mandate to:	160.0km	R4.3m
	maintain urban roads and stormwater to an acceptable standard		
	The strategic objectives of this function are to:		
Ensure free flow of stormwater and repair all potholes and excavated trenches	173.0km	R6,6m	
The key issues for 2010/11 are:			
Upgrade gravel roads and minimise by surfacing with allowable expenditure	4,5km	R9,8m	

Analysis of the Function:	<Provide statistical information on (as a minimum):>		
	1	Number and cost to employer of all personnel associated with road maintenance and construction:	R (000s)
		- Professional (Engineers/Consultants)	2 1,022
		- Field (Supervisors/Foremen)	3 0,730
		- Office (Clerical/Administration)	2 0,292
		- Non-professional (blue collar, outside workforce)	6 3,485
		- Temporary	- -
		- Contract	96 3,628
		Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	
	2	Total number, kilometres and total value of road projects planned and current:	R (000s)
		- New bitumenised (number)	5.6km R8.4m
		- Existing re-tarred (number)	
	- New gravel (number)	1,78km 0.45	
	- Existing re-sheeted (number)	1.89km 0.6m	
	Note: if other types of road projects, please provide details		
3	Total kilometres and maintenance cost associated with existing roads provided:	R (000s)	
	- Tar	163.0 R12.0m	
	- Gravel	176.0 R3.570	
	Note: if other types of road provided, please provide details		
4	Average frequency and cost of re-tarring, re-sheeting roads:	R (000s)	
	- Tar	2.0km 0.600	
	- Gravel	6.0 3.570	
	Note: based on maintenance records		
5	Estimated backlog in number of roads, showing kilometres and capital cost:	R (000s)	
	- Tar	185km R29.34B	
	- Gravel	176 R792.0B	
Reporting Level	Detail	Total	Cost
	Note: total number should appear in IDP, and cost in future budgeted road construction programme		
6	Type and number of grants and subsidies received:		R (000s)
	<list each grant or subsidy separately>	3.2km	R8.3m
	Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
7	Total operating cost of road construction and maintenance function		R2.4m

5.4 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>The water purchase and distribution functions of the municipality are administered as follows and include:</p> <p>Application for funding from Government Departments e.g. MIG and as well perform operation and maintenance</p> <p>Our PMU Unit registers projects and upon approval by MIG, Service Providers are appointed for construction and when construction is completed the project is handed over to Communities. Our internal sewer unit is doing daily operation and maintenance on the existing infrastructure.</p> <p>The Municipality has a mandate to:</p> <p><i>Provide water services to the Community</i></p> <p>The strategic objectives of this function are to:</p> <p><i>To ensure that all our communities have access to basic water services by 2010</i></p> <p>The key issues for 2009/10Y are:</p> <p><i>Construction of bulk water supply at Seven Fountains</i></p>	1	R5,786 mil
	<Provide statistical information on (as a minimum):>		
1	<p>Number and cost to employer of all personnel associated with the water distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p>	<p>1</p> <p>2</p> <p><total></p> <p><total></p> <p>14</p> <p>0</p>	<p>R (000s)</p> <p>R1,544 mil</p> <p><cost></p> <p><cost></p> <p><cost></p> <p>R80 per day</p> <p>0</p>
2	<p>Percentage of total water usage per month</p> <p><Insert table showing monthly water usage ></p> <p>Note: this will therefore highlight percentage of total water stock used per month</p>	<volume>	<volume>
3	<p>Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer</p> <ul style="list-style-type: none"> - Category 1 <insert here> - Category 2 <insert here> - Category 3 <insert here> 	<p>R1 477 269</p> <p><volume></p> <p><volume></p>	<p>R (000s)</p> <p><cost></p> <p><cost></p> <p><cost></p>

		- Category 4 <insert here>	<volume>	<cost>
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)	<volume>	<cost>
		- Category 2 <insert here> (total number of households)	<volume>	<cost>
		- Category 3 <insert here> (total number of households)	<volume>	<cost>
		- Category 4 <insert here> (total number of households)	<volume>	<cost>
5		Total year-to-date water losses in kilolitres and rand		R (000s)
		<detail total>	<volume>	<cost>
	Reporting Level	Detail	Total	Cost
6		Number of households with water service, and type and cost of service:		R (000s)
		- Piped water inside dwelling	<total>	<cost>
		- Piped water inside yard	<total>	<cost>
		- Piped water on community stand: distance < 200m from dwelling	<total>	<cost>
		- Piped water on community stand: distance > 200m from dwelling	<total>	<cost>
		- Borehole	<total>	<cost>
		- Spring	<total>	<cost>
		- Rain-water tank	<total>	<cost>
		Note: if other types of services are available, please provide details		
7		Number and cost of new connections:		R (000s)
		<detail total>	<number>	<cost>
8		Number and cost of disconnections and reconnections:		R (000s)
		<detail total>	<number>	<cost>
9		Number and total value of water projects planned and current:		R (000s)
		- Current (financial year after year reported on)	1	R5,786 mil
		- Planned (future years)	5	R50 mil
		Note: provide total project and project value as per initial or revised budget		
10		Anticipated expansion of water service:		R (000s)
		- Piped water inside dwelling	<total>	<cost>
		- Piped water inside yard	<total>	<cost>
		- Piped water on community stand: distance < 200m from dwelling	<total>	<cost>
		- Piped water on community stand: distance > 200m from dwelling	<total>	<cost>
		- Borehole	<total>	<cost>
		- Spring	<total>	<cost>
		- Rain-water tank	<total>	<cost>
		Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
11		Estimated backlog in number (and cost to provide) water connection:		R (000s)
		- Piped water inside dwelling	<total>	<cost>
		- Piped water inside yard	<total>	<cost>
		- Piped water on community stand: distance < 200m from dwelling	<total>	<cost>
		- Piped water on community stand: distance > 200m from dwelling	<total>	<cost>
		- Borehole	<total>	<cost>
		- Spring	<total>	<cost>
		- Rain-water tank	<total>	<cost>
		Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
12		Free Basic Service Provision:		
		- Quantity (number of households affected)	<total>	
		- Quantum (value to each household)	<value>	

	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
13	Type and number of grants and subsidies received:		
	MIG	1	R5,786 mil
	Note: total value of specific water grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
14	Total operating cost of water distribution function		R (000s)

5.5 Electricity distribution function's performance

Function:	Electricity
Sub Function:	Electricity Distribution

Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of electricity		
Description of the Activity:	<p>The electricity purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i>On electricity services providers are appointed to implement project to the stage of construction and afterward handed to the community.</i></p> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><i>To provide basic electricity to the community</i></p> <p>The strategic objectives of this function are to:</p> <p><i>To ensure that all communities of the municipality do have access to the basic electricity by 2014</i></p> <p>The key issues for 200X/OY are:</p> <p><List here></p>		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	<p>Number and cost to employer of all personnel associated with the electricity distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p>	<p>47</p> <p>1</p> <p>6</p> <p>2</p> <p>35</p> <p>2</p> <p>2</p>	<p>R1 596 260</p> <p>R400 000</p> <p>R1 014 650</p> <p><cost></p> <p>R181 610</p>

2	Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer		R102 766 732
	- Residential	<volume>	<cost>
	- Commercial	<volume>	<cost>
	- Industrial	<volume>	<cost>
	- Mining	<volume>	<cost>
	- Agriculture	<volume>	<cost>
	- Other	<volume>	<cost>
3	Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:		R 75 362 759
	- Household	<volume>	<cost>
	- Commercial	<volume>	<cost>
	- Industrial	<volume>	<cost>
	- Mining	<volume>	<cost>
	- Agriculture	<volume>	<cost>
	- Other	<volume>	<cost>
4	Total year-to-date electricity losses in kilowatt hours and rand		R 27 403 973
	<detail total>	<volume>	<cost>
5	Number of households with electricity access, and type and cost of service:		R (000s)
	Reporting Level	Detail	Total Cost
		- Electrified areas	
		- Municipal	11 863 <cost>
		- Eskom	11 102 <cost>
		- Alternate energy source	
		- Gas	<total> <cost>
		- Paraffin	<total> <cost>
		- Solar	<total> <cost>
		- Wood	<total> <cost>
		- Non electrified	<total> <cost>
		Note: if other types of services are available, please provide details	
6	Number and cost of new connections:	50	R (000s)
	<detail total>	<volume>	<cost>
7	Number and cost of disconnections and reconnections		R (000s)
	<detail total>	<volume>	<cost>
8	Number and total value of electrification projects planned and current:		R (000s)
	- Current (financial year after year reported on)	6	R1427814.60
	- Planned (future years)	5	R16 015 890
	Note: provide total project and project value as per initial or revised budget		
9	Anticipated expansion of electricity service:		R (000s)
	<detail total>	<total>	<cost>
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
10	Estimated backlog in number (and cost to provide) water connection:		R (000s)
	<detail total>	<total>	<cost>
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
11	Free Basic Service Provision:		
	- Quantity (number of households affected)	495	
	- Quantum (value to each household)	R50	

	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
12	Type and number of grants and subsidies received: <list each grant or subsidy separately>	3 MIG,DME& NDGP	R 29M R3m,R22m &R4m.
	Note: total value of specific electricity grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
13	Total operating cost of electricity distribution function		R (000s)

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